



## CSP REVISION FOR CD APPROVAL

### REVISION

#### Nepal country strategic plan, revision 2

	<b>Current</b>	<b>Change</b>	<b>Revised</b>
<b>Duration</b>	<b>1 Jan 2019 to 31 Dec 2023</b>	<b>1 Jan 2019 to 31 Dec 2023</b>	<b>1 Jan 2019 to 31 Dec 2023</b>
<b>Beneficiaries</b>	<b>1,675,993</b>	<b>51,898</b>	<b>1,727,891</b>
<b>Total Cost (USD)</b>	125,818,773	822,050	126,640,823
Transfer	82,859,790	771,878	83,631,668
Implementation	17,394,679	0	17,394,679
Direct Support Costs	17,885,224	0	17,885,224
<b>Sub-total</b>	<b>118,139,693</b>	<b>771,878</b>	<b>118,911,571</b>
Indirect Support Costs	7,679,080	50,172	7,729,252

### RATIONALE

1. The Nepal Country Strategic Plan (CSP) was approved in November 2018 by the WFP Executive Board for a period of five years, starting January 2019.
2. Strategic Outcome 1 will be activated in times of disaster in order to support the Government's emergency response efforts, both to meet the immediate needs of affected people and to help affected people to repair critical community assets. In an emergency, the Ministry of Home Affairs will undertake rescue efforts, arrange temporary shelter and address immediate humanitarian needs, supported by the Nepalese army and others. WFP and its local partners will provide unconditional and conditional food and cash-based transfers for affected people depending on their needs and the functioning of local markets and other services. WFP's emergency nutrition interventions to help to prevent malnutrition in key vulnerable groups will be implemented in a way that complements the MSNP II and will be coordinated with the United Nations Children's Fund (UNICEF).
3. The original CSP document envisages an activation of an emergency response in three of the five years of the CSP period. This budget revision considers an emergency response in all five years and realigns the Needs Based Plan to better reflect the anticipated level of any potential response during the remaining CSP period.
4. In addition, the existing food basket did not include ready-to-eat food. Ready-to-eat food has been identified as a key need from the after-action reviews of previous emergency operations. BP-5 will help WFP and the Food Security Cluster to fill a response gap during the initial stage of emergencies. BP-5 Compact Food (also known as a BP-5 biscuit), which is a high-calorie, vitamin fortified,

compact, compressed and dry food, will be distributed to the disaster affected people who lack access to food, immediately after the onset of an emergency. This budget revision seeks to add 24.093 MT of BP-5 for 30,000 beneficiaries.

5. Strategic Outcome 4 aims at strengthened government capabilities to provide essential food security and nutrition services and respond to crises by 2023.
6. Contributing to this outcome under Activity 6, the humanitarian staging area constructed in 2015 by WFP and the Ministry of Home Affairs will continue to facilitate storage and logistics services. A cost-recovery mechanism will continue to support humanitarian agencies, which have become members of the staging area steering committee, to pre-position relief items. During the CSP period, WFP will hand over management of the staging area to national authorities.
7. This budget revision proposes the addition of a Service Delivery modality under SO4 (Activity 6). The financial management of this facility through a Service Delivery modality will provide improved transparency and financial reporting.
8. Also, contributing to Outcome 4, under Activity 7, WFP runs a Forecast-based Financing (FbF) pilot project as an innovative mechanism to intervene in emergency preparedness at community level before a climate shock. Based on weather forecasts, WFP plans to transfer pre-positioned relief items and cash to the communities most at risk to enable the most vulnerable populations to access needed resources before a disaster strikes. WFP plans to generate evidence on the effects of forecast-based emergency preparedness and promulgate innovations in early warning in close collaboration with national and local governments.
9. This budget revision considers the expansion of the FbF project under Activity 7. The Need-Based Plan for the Cash Based Transfer modality has been scaled up under this budget revision. The CO plans to implement this initiative at a similar scale each year for the remaining period of the CSP.

## **CHANGES**

### ***Strategic orientation***

10. There are no strategic changes to the CSP in this revision. The revision aims to realign the budget for SO1, add Service Delivery modality in SO4 (Activity 6) and increase CBT transfer value in SO4 (Activity 7).

### ***Strategic outcomes***

11. Under SO1 (Activity 1), targeting and beneficiary analysis will be done in close coordination with the Government at all levels as well as Food Security Cluster partners ensuring the most vulnerable geographical areas and beneficiaries are targeted for distribution. While the food basket has been diversified, the transfer modality has not changed. The country office does not anticipate the need for any supplementary capacity to manage the additional BP-5 commodity. The SO will be managed through existing staffing levels and structures. The budget revision also, does not foresee additional supply chain challenges as the estimated tonnage is small (24.093MT).

12. Under SO4 (Activity 6), no additional beneficiaries are targeted. However, a gender analysis was done to improve gender disaggregation in M&E data, and GESI and PSEA considerations have been included in all project activities. The Service Delivery modality is being added to facilitate on-demand Service Provision for storage and handling services at HSA. No changes to existing partnerships with current stakeholders are foreseen. No increase in country office capacity is needed as a result of adding the Service Delivery modality. Any financial risk to the project due to the cost-sharing nature of the service provision will be mitigated by implementing cost reductions and by sourcing additional participating agencies.
  
13. Under SO4 (Activity 7), beneficiary targeting is done based on a household flood risk analysis which captures head-of-household gender data. The intervention is planned as an early action in advance of flooding, which normally occurs during Nepal's monsoon season (June-Sept). The revision expands the Cash Based Transfer modality of FbF. WFP and government studies from past years recommend cash as a priority transfer modality in the Terai region, which has integrated and accessible markets. No additional capacity at the country office is required as the scope of the project remains unchanged, except for an increase in the value of the cash transfer component. This project is meant to test the concept of anticipatory cash transfers, made before the occurrence of a shock. WFP is working to develop a broader understanding of the mechanism through national and subnational engagement, evidence pieces, reports and consultations, which will support local government to adopt this new system into its existing toolbox for flood emergency preparedness and response. Early engagement with local municipalities will be sought through regular consultation and advocacy on the FbF approach to foster political consensus. Additionally, involvement of local government will be encouraged to minimize community targeting inclusion and exclusion errors.

### ***Beneficiary analysis***

The beneficiary changes are reflected in Activity 1, SO1 as new commodity BP-5 is added to be better prepared for emergency. About 24.093 MT of BP-5 is added along with the 30,000 beneficiaries as reflected in table below. Similarly, CBT modality for activity 7, SO4 has been scaled up to meet the demand of the programme which has resulted in addition of 21,898 beneficiaries as depicted in the table below.

<b>TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY &amp; MODALITY</b>								
Strategic Outcome	Activity	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total	
1	1	Current	209,925	148,567	185,770	192,258	736,520	
		Increase/decrease	9,270	8,178	6,180	6,372	30,000	
		Revised	219,195	156,745	191,950	198,630	766,520	
2	2	Current	129,739	69,089	43,824	42,088	284,740	
		Increase/decrease	0	0	0	0	0	
		Revised	129,739	69,089	43,824	42,088	284,740	
	3	3	Current	857	893	176,581	158,731	337,062
			Increase/decrease	0	0	0	0	0
			Revised	857	893	176,581	158,731	337,062
		4	Current	69	66	0	0	135
			Increase/decrease	0	0	0	0	0
			Revised total	69	66	0	0	135
	3	5	Current	141,308	133,617	19,143	19,679	313,747
			Increase/decrease	0	0	0	0	0
			Revised	141,308	133,617	19,143	19,679	313,747
4	6	Current	582	560	0	0	1,142	
		Increase/decrease	0	0	0	0	0	
		Revised	582	560	0	0	1,142	
	7	Current	2,040	1,920	340	350	4,650	
		Increase/decrease	6,766	5,969	4,511	4,652	21,898	
		Revised	8,806	7,889	4,851	5,002	26,548	

5	8	Current	1,020	980	0	0	2,000
		Increase/decrease	0	0	0	0	0
		Revised	1,020	980	0	0	2,000
<b>TOTAL (without overlap)</b>		<b>Current</b>	<b>485,540</b>	<b>355,692</b>	<b>425,658</b>	<b>413,106</b>	<b>1,679,996</b>
		<b>Increase/decrease</b>	<b>16,036</b>	<b>14,147</b>	<b>10,691</b>	<b>11,024</b>	<b>51,898</b>
		<b>Revised</b>	<b>501,576</b>	<b>369,839</b>	<b>436,349</b>	<b>424,130</b>	<b>1,731,894</b>

*Note: Overlap between CAFs and MCHN as the coverage is on same district so deducted 4,003 beneficiaries*

## Transfers

Addition of BP-5 to the existing food commodity basket for SO1, addition of Service Delivery modality for SO4 (Activity 6) and scale up of CBT modality for SO4 (Activity 7) has resulted in the changes in the CSP Budget revision 1.

\*the BP5 ration size for Children (6-59 months) is 167/person/day (3 bars of BP5) and for 5 years and above 278/person/day (5 bars of BP5) however the average ration is presented in the table above.

<b>TABLE 2: FOOD RATION (g/person/day) or CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY</b>									
Strategic outcome	1					2	3	4	
Activity	Activity 1					Activity 2	Activity 3	Activity 5	Activity 7
	GFD	CBT	Nutrition BSFP	Nutrition TSFP	Conditional Assistance	MCHN	SMP	CAR	AAA
Beneficiary type	Tier 1	Tier 1	Tier 1	Tier 1	Tier 1 and Tier 2	Tier 1	Tier 1	Tier 1 and Tier 2	Tier 1
Modality (indicate food or CBT)	Food	CBT	Food	Food	CBT	Food	Food	Food and CBT	CBT
Cereals	500						80	500	
Pulses	100						20		
BP 5*	267.7								
Oil							10		
Salt							2		
Super cereal PLW			200			100			
Super cereal CH			100			100			
Ready to use supplementary food PLW				200					
Ready to use supplementary food CH				100					
total kcal/day (to be completed for food and cash modalities)	2,143		1,136	1605		758	445	1800	
% kcal from protein	11		18.4	10.5		18.4	9.4	7.3	
Cash-based transfers (USD/person/day; use average as needed)		0.68			0.28			0.2432	0.636
Number of feeding days per year	10	20	60	90	20	207	200	36	5

#### 14. COST BREAKDOWN

The main changes in food commodity and CBT is reflected in the table below:

Food type / cash-based transfer	Current Budget		Increase		Revised Budget	
	Total (mt)	Total (US\$)	Total (mt)	Total (US\$)	Total (mt)	Total (US\$)
Cereals	14,118.08	6,209,328	-	-	14,118.08	6,209,328
Pulses	3,286.25	2,268,042	-	-	3,286.25	2,268,042
Oil and Fats	1,498.00	1,716,708	-	-	1,498.00	1,716,708
Mixed and Blended Foods	4,981.02	4,765,867	24.09	77,098	5,005.11	4,842,965
Other	299.60	63,515	-	-	299.60	63,515
<b>TOTAL (food)</b>	<b>24,182.95</b>	<b>15,023,460</b>	<b>24.09</b>	<b>77,098</b>	<b>24,207.04</b>	<b>15,100,558</b>
Cash-Based Transfers (US\$)		20,583,050		245,865		20,828,915
<b>TOTAL (food and CBT value – US\$)</b>	<b>24,182.95</b>	<b>35,606,510</b>	<b>24.09</b>	<b>322,963</b>	<b>24,207.04</b>	<b>35,929,473</b>

WFP Strategic Results / SDG Targets	SR - 01	SR - 05	TOTAL
WFP Strategic Outcomes	Strategic Outcome 1	Strategic Outcome 4	
Focus Area	Crisis Response	Resilience Building	
Transfer	(16,644)	788,522	771,878
Implementation	-	-	-
DSC			-
Sub-total			<b>771,878</b>
ISC			50,172
<b>TOTAL</b>			<b>822,050</b>

## Country Portfolio Budget

The overall budget has been increased by US\$ 822,050 and now the total budget has been established at USD 126,640,823 from previous approved version of US\$ 125,818,773.

<b>OVERALL CSP COST BREAKDOWN, FOLLOWING THE REVISION (US\$)</b>						
<b>WFP Strategic Results / SDG Targets</b>	<b>SR - 01</b>	<b>SR - 02</b>	<b>SR - 04</b>	<b>SR - 05</b>	<b>SR - 06</b>	<b>TOTAL</b>
<b>WFP Strategic Outcomes</b>	<b>Strategic Outcome 1</b>	<b>Strategic Outcome 2</b>	<b>Strategic Outcome 3</b>	<b>Strategic Outcome 4</b>	<b>Strategic Outcome 5</b>	
<b>Focus Area</b>	<b>Crisis Response</b>	<b>Root Causes</b>	<b>Resilience Building</b>	<b>Resilience Building</b>	<b>Root Causes</b>	
<b>Transfer</b>	9,746,053	33,129,171	29,888,731	7,664,893	3,202,821	83,631,668
<b>Implementation</b>	768,656	8,980,363	6,123,837	705,783	816,040	17,394,679
<b>DSC (%)</b>	1,906,696	7,452,128	6,323,607	1,486,928	715,866	17,885,224
<b>Sub-total</b>	12,421,404	49,561,661	42,336,175	9,857,604	4,734,726	118,911,571
<b>ISC</b>	807,391	3,221,508	2,751,851	640,744	307,757	7,729,252
<b>TOTAL</b>	<b>13,228,796</b>	<b>52,783,169</b>	<b>45,088,026</b>	<b>10,498,349</b>	<b>5,042,484</b>	<b>126,640,823</b>