

COUNTRY STRATEGIC PLAN REVISION FOR RD APPROVAL

REVISION

Honduras Country Strategic Plan, Revision 02

Gender marker code: 2A

	Current	Change	Revised
Duration	<i>01 January 2018– 31 December 2021</i>	<i>NA</i>	<i>01 January 2018– 31 December 2021</i>
Beneficiaries			
Total Cost (USD)	174,642,970.49	13,628,228.51	188,271,199.00
Transfer	148,446,930.32	12,595,466.68	161,042,397.00
Implementation	7,255,352.36	449,737.64	7,705,090.00
Adjusted direct support costs	8,281,727.16	(248,745.16)	8,032,982.00
Subtotal	163,984,009.84	12,796,459.16	176,780,469.00
Indirect support costs (6.5 percent)	10,658,960.65	831,769.35	11,490,730.00

Honduras Country Strategic Plan, Revision 2

1. RATIONALE

1. During the past five years, drought and plagues have led to a decrease in agricultural production in the south and west. The year 2019 saw the fourth below average consecutive harvest, and as a result, household food reserves have reduced: 61 percent of families had run out of household-level food stocks. Low levels of rainfall are forecasted for the first cropping season, increasing the risk of crop failure in the Dry Corridor. Macroeconomic indicators show a slowing economic growth for 2020 with fewer job opportunities and forecasted lower income for the most vulnerable people.
2. The IPC released in December 2019 showed an increased number of people affected by the recurring drought in the area of intervention of Honduras CSP.
3. Implementation of the Organizational Alignment that will adequately support CSP activities and expected results.

2. CHANGES

4. Staffing: with the finalization of the Organizational Alignment, a substantial increase in FFA beneficiaries (47 percent of current caseload) is envisaged. The number of personnel increased by 7 positions in relation to the previous budget (SSA contract holders excluded). The current budget reflects more accurately and strategically the participation of personnel in each of the activities. The cost of the personnel in each of the activities have not been weighted to have the real cost per activity. Only the NOA positions are weighted in two different activities corresponding to 50% of the cost of the position for each activity.
5. Activity 3 (mother and child health and nutrition): the activity will introduce the modality of cash-based transfer (CBT) for about 1,300 beneficiaries, in three different communities in which WFP is already intervening via Activity 4 and Activity 5, for better integration of operations and complementarity at different levels (household and community). The transfer value aim to cover a percentage of essential nutrient needs for the adequate growth and development during the 1,000-day window, such as protein (93 percent for children under two; 41 percent for PLW), iron (43 percent for children under two; 41 percent for PLW), folic acid (20 percent for children under two; 30 percent for PLW) and vitamin A (51 percent for children under two; 61 percent for PLW). Participants will have local fresh food available, as

well as fortified food for consumption. The transfer values were calculated through the creation of a "food basket", which was differentiated for each age group (PLW and children under two years). The basket for children between 6-23 months includes one fruit, two vegetables, animal-sourced protein (eggs or dairy products), and a fortified cereal; it covers 59 percent of daily energy requirements and 94 percent of daily protein requirements. The basket for PLWs includes one fruit, two vegetables, animal-sourced protein (eggs or dairy products) and vegetable oil, covering 28 percent of daily energy requirements and 42 percent of daily protein requirements, as well as more the 30 percent for various micronutrients requirements. The transfer value also considers transport of participants to food markets.

6. For Activity 4 (food assistance for assets), WFP will enhance resilience through additional capacity strengthening activities in integrated watershed management and protection, climate change adaptation, disaster risk reduction, food production, and food security and nutrition. Regarding the needs, EFSA, mVAM, IPC have estimated a significant increase in the number of families whose food security will be endangered to some extent in the short and medium-term (205,000 families, according to the most recent IPC). Also, in 2019, the Government of Honduras declared an agricultural emergency as a result of a significant decrease in rainfall, which has left considerable crop losses and a shortfall of water distribution for consumption and production. The government called for international cooperation to support the national efforts against the drought crisis.
7. Activity 5 (crisis response): in response to the drought in the dry corridor area this budget revision plans for an increase in the assistance through CBT transfers for 2020. The Integrated Phase Classification (IPC) analysis for chronic food insecurity estimates that from November 2019 to February 2020, about 962,000 people will be in Phase 3 or 4 of the IPC and therefore require urgent action. This figure will increase to 1.22 million between March and June 2020. The analysis shows that in large part of households in Phases 3 and 4, there are gaps in food consumption. In terms of the Household Hunger Scale Indicator (HHS), households with moderate HHS or a more severe category ranged between 9 and 30 percent. The departments with the worse food consumption according to this indicator are Choluteca, El Paraíso, Francisco Morazán, La Paz and Valle. A FFA component will be included under ACT5 to support the fragile livelihood. WFP also includes the Service Delivery modality as budget foresees the financing of coordination activities for the Humanitarian Network, municipal emergency committees (CODEM) as well as regional and local offices of the Permanent Contingency Committee (COPECO). An increase in the CS activities is part of the new budget including costs for training and equipment CS Contracted services: FLAs with local NGOs will focus on (i) capacity building at the municipal level (ii) technical assistance and capacity development in accordance to the municipal/community action plans. That will be developed in collaboration with COPECO's National Center for Research training and management of disasters (CENICAC).
8. The Supply Chain Matrix has been revised for all the activities that use Food Modality, updating its supply chain costs based on current market prices, and considering the closure and opening of new warehouses.

Strategic Outcomes

1. The revision does not include changes to strategic outcomes (SO) nor activities. The geographical area covered by the CSP remains the same with a focus on the Dry Corridor.

Beneficiary analysis

2. Under SO2 Nutrition, the inclusion of 950 Children 6-23 months, for 365 days with a daily transfer rate of USD 0.71 and 375 PLW, for 180 days, with a daily transfer rate of USD 0.63 have been included as part of the CBT pilot. A percentage of the current population of Children 6-23months and PLW will be moved from Food assistance over to CBT assistance. WFP is aware of the need for differentiated approaches between girls and women. For this, the Country Office is considering partnerships among different sectors and UN agencies, to deliver nutrition-specific and nutrition-sensitive messages that are gender, age and context appropriated, not only target improving nutrition status for PLW and girls but also prevention messages for sexual education for both men and women.
3. Considering the needs in the affected population in the dry corridor area of Honduras, the number of beneficiaries under SO3 (food assistance for assets) will be increased for the

years 2020 and 2021, also the beneficiaries under SO4 (crisis response) will be increased only for 2020. ACT 5 will be targeting people under phase 4 according to IPC classification, means those households under emergency situation compromising their food consumption, food expenditure is more than 65 percent of their income and currently applying negative coping strategies.

TABLE: FOOD & CASH TRANSFER BENEFICIARIES BY STRATEGIC OUTCOME & ACTIVITY											
Strategic Outcome	Activity	Modality	Current			Increase			Revised		
			Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total	Boys / Men	Girls / Women	Total
Strategic Outcome 2	3. Malnutrition prevention	CBT - Assistance Children Under 2 Years	-	-	-	466	485	950	466	485	950
		CBT - Assistance (PLW)	-	-	-	-	375	375	-	375	375
Strategic Outcome 3	4. Resilience	CBT Assistance	245,000	255,000	500,000	115,067	119,763	234,830	360,067	374,763	734,830
Strategic Outcome 4	5. Emergency Response	CBT Assistance	882,000	918,000	1,800,000	147,000	153,000	300,000	1,029,000	1,071,000	2,100,000
TOTAL			1,127,000	1,173,000	2,300,000	262,532	273,623	536,155	1,389,532	1,446,623	2,836,155

* Figures only show the activities that have been modified within this Budget Revision

Transfers

4. The implementation strategy will mostly remain the same and WFP will continue with the following transfers adapted to the characteristic of the beneficiary group:
 - **Strategic Outcome 2:** The inclusion of the CBT assistance modality for a specific area for children under two years USD 0.71 per child, and pregnant and lactating women (PLW) USD 0.63 per woman.
 - **Strategic Outcome 3:** An increase in beneficiaries for the last two years of the CSP has been considered to assist through resilience-building activities the population in the dry corridor area. WFP will continue to assist with cash transfer, USD 0.55 per person per day.
 - **Strategic Outcome 4:** Considering the increase of the affected population in the dry corridor area, an increase in assistance is been consider for 2020, maintaining USD 0.50 per person.

TABLE: CASH TRANSFER BY STRATEGIC OUTCOME & ACTIVITY					
Strategic Outcome	Modality	cash (US\$/person/day; use average as needed)	Current	Increase	Revised
			USD \$	USD \$	USD \$
Strategic Outcome 2	CBT - Assistance Children Under 2 Years	\$ 0.71	-	492,385	492,385
	CBT - Assistance Pregnant and Lactating Woman	\$ 0.63	-	85,050	85,050
Strategic Outcome 3	CBT - Assistance	\$ 0.55	8,250,000	3,874,750	12,124,750
Strategic Outcome 4	CBT - Assistance	\$ 0.50	16,200,000	2,700,000	18,900,000
TOTAL			24,450,000	7,152,185	31,602,185

1. COST BREAKDOWN

The revised budget corresponds to the increase in the following activities:

- SO2/Activity 3: inclusion of CBT modality for Children under 2 years, and Pregnant and Lactating Woman.
- SO3/Activity 4: increase in the CBT and CS activities in response to the ongoing resilience-building activities for 2020 and 2021.
- SO4/Activity 5: increase in the CBT and CS activities in response to the ongoing drought in the dry corridor area, for 2020 and the inclusion of SD Modality.
- Alignment of the staff structure based on the latest institutional alignment, in response to the implementation of the CSP.

TABLE: COST BREAKDOWN OF THE REVISION ONLY (USD)						
WFP Strategic Results/ SDG Targets		SR 01	SR 01	SR 02	SR 03	SR 05
WFP Strategic Outcomes		Strategic Outcome 01	Strategic Outcome 04	Strategic Outcome 02	Strategic Outcome 03	Strategic Outcome 05
Focus Area	Total	Root Causes	Crisis response	Root Causes	Resilience building	Resilience building
Transfer	12,595,467	(586,442)	3,605,837	582,272	8,394,935	598,864
Implementation	449,738	334,479	(94,043)	148,508	128,894	(68,101)
Direct Support Costs	(248,745)					
Sub-total	12,796,459					
Indirect Support Costs	831,769					
TOTAL	13,628,229					

TABLE: OVERALL CSP/ICSP/LEO COST BREAKDOWN, AFTER REVISION (USD)						
WFP Strategic Results	Total	SR 01	SR 01	SR 02	SR 03	SR 05
WFP Strategic Outcomes		Strategic Outcome 01	Strategic Outcome 04	Strategic Outcome 02	Strategic Outcome 03	Strategic Outcome 05
Focus Area		Root Causes	Crisis response	Root Causes	Resilience building	Resilience building
TOTAL	188,271,199	115,325,599	31,778,206	12,209,773	26,931,554	2,026,068
Transfer	161,042,397	100,042,765	27,413,623	9,779,093	22,189,002	1,617,913
Implementation	7,705,090	3,341,199	1,071,629	1,159,881	1,935,318	197,063
Direct Support Cost	8,032,982	4,902,984	1,353,438	525,601	1,163,524	87,435
Sub-total	176,780,469	108,286,948	29,838,691	11,464,575	25,287,844	1,902,411
Indirect Support Costs	11,490,730	7,038,652	1,939,515	745,197	1,643,710	123,657