

COUNTRY STRATEGIC PLAN REVISION

REVISION

GUATEMALA country strategic plan, revision 8

Gender and age marker code: 3

Transmittal Slip Table - BUDGET OVERVIEW			
	Current	Change	Revised
Duration			
Beneficiaries			
Total cost (USD)	164,469,334	16 049 732	180 519 066
Transfer	141,042,819	15 000 000	156 042 819
Implementation	8,917,185	412 500	9 329 685
Direct Support Costs	10,501,849	637 500	11 139 348
Sub-total	160,461,853	16 050 000	176 511 852
Indirect Support Costs	4,007,481	- 267	4 007 213

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1. RATIONALE

A. Plan Overview

The current 4-year budget totals USD 164.5 million. In 2019, CSP year 2, the Government of Guatemala (GoG) signed an agreement with the Country Office to provide procurement services of food items for the food assistance programs run by the Ministry of Agriculture. Guatemala Country Office thus expanded WFP's support under SDG 17 by including Strategic Outcome 6 and Activity 7 to procure food for the GoG (through BR4). Based on the successful experience of the service provision activities, early in 2020 (year 3), the GoG presented a new request to provide on-demand procurement services. Budget for year three has increased as follows: a) by USD 9.0 million, through BR5 in March 2020, to provide procurement services for regular government programs, b) by USD 77.7 through BR 6 in early May 2020 with BR6 to offer procurement services for the Government's COVID-19 response, c) by USD 7.5 million in late May through BR 7 to procure specialized nutrition food for the Ministry of Health in response to the COVID-19 emergency.

GT01 after BR 7 comprises 79 percent of the budget for crisis response; 16 percent for resilience and 6 percent for Root Causes.

B. Budget Revision No. 8

In response to the COVID-19 pandemic, the Government of Guatemala, through the Ministries of Agriculture and Social Development, allocated a total of USD 90 million (equally divided between the two entities) for an in-kind food distribution programme, which will assist over 1 million households across the country. Both Ministries requested WFP services for procurement of a substantial part of the budget; the Ministry of Agriculture requested WFP's services for an approximate total of USD 39 million, and the Ministry of Social Development requested WFP's services for an estimated total of USD 38 million. Both requests prompted BR6 for a total amount of USD 77.7 million. Following the signature of service provision agreements for these initial amounts, WFP received a petition to provide food procurement services for the additional amounts for each ministry, for which a further increase of the budget under SO 6, activity 7, is needed.

As such, WFP Guatemala has prepared BR 8 for a total of USD 16 million, which corresponds to an increase under SO 6 for service delivery calculated on a full cost recovery basis. The amount includes a 7 percent rate to cover implementation costs, adjusted direct support cost, and an eventual management recovery cost, all of which are required to fulfill the increased workload related to the service delivery activity, including its implementation, risk management, monitoring, and reporting.

This Budget Revision foresees no impact on existing beneficiary numbers and focuses on increasing on-demand service provision. Also, this BR anticipates no changes in existing transfer modalities.

2. CHANGES

Strategic orientation:

Under this budget review, there are no changes in strategic orientation. Changes in activities are explained in the following paragraphs.

Strategic outcomes

Strategic Outcome 6: Humanitarian and development partners are reliably supported by efficient and effective supply chain and other services and expertise (SDG 17.16).

Activity 7: Provide on-demand supply chain, targeting, beneficiary management, CBT delivery and other services to partners to promote effective field operations.

The outcome is being achieved through two outputs:

- Output 1: People affected by emergencies in Guatemala receive timely and effective assistance as a result of supply chain, information and communications technology (ICT), facilities and information management services provided by WFP to its partners.
- Output 2: Government capacity is strengthened through service delivery and warehouse management.

Activity Input: Funds transferred by the partner allocated under CSP Activity 7

Revision No. 8: This BR increases the transfer value under SD modality by USD 16.0 million, including full cost recovery, to provide services to the Government of Guatemala in 2020.

Beneficiary analysis

No impact on existing beneficiary numbers.

Transfers

No changes in in-kind and cash-based transfers.

Food type / cash-based transfer	Current Budget		Increase		Revised Budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	3 699	1 694 033	0	0	3 699	1 694 033
Pulses	615	742 526	0	0	615	742 526
Oil and Fats	246	346 966	0	0	246	346 966
Mixed and blended foods	2 673	4 226 405	0	0	2 673	4 226 405
Other	0	0	0	0	0	0

TOTAL (food)	7 233	7 009 930	0	0	7 233	7 009 930
Cash-Based Transfers (USD)		29 583 303		0		29 583 303
TOTAL (food and CBT value – USD)	7 233	36 593 233	0	0	7 233	36 593 233

3. COST BREAKDOWN

COST BREAKDOWN OF THE REVISION ONLY (USD)		
	Strategic Result 8 / SDG Target 17.16	TOTAL
Strategic outcome	06	
Focus Area	Crisis Response	
Transfer	15,000,000	15 000 000
Implementation	412,500	412 500
Direct support costs		637 500
Subtotal		16 050 000
Indirect support costs		- 267
TOTAL		16 049 732

OVERALL CSP COST BREAKDOWN, FOLLOWING THE REVISION (USD)							
	Strategic Result 2 / SDG Target 2.2	Strategic Result 5 / SDG Target 17.9	Strategic Result 3 / SDG Target 2.3	Strategic Result 4 / SDG Target 2.4	Strategic Result 1 / SDG Target 2.1	Strategic Result 8 / SDG Target 17.16	TOTAL
Strategic outcome	01	02	03	04	05	06	
Focus Area	Root Causes	Resilience Building	Resilience Building	Resilience Building	Crisis Response	Crisis Response	
Transfer	7 329 903	2 747 478	14 117 695	2 472 721	23 077 096	106 297 926	156 042 819
Implementation	812 558	514 145	2 166 868	804 222	1 431 895	3 599 999	9 329 685
Direct support costs	910 966	366 987	1 811 584	338 610	2 746 712	4 964 489	11 139 348
Subtotal	9 053 426	3 628 610	18 096 147	3 615 553	27 255 703	114 862 414	176 511 852
Indirect support costs	588 473	235 860	1 176 250	235 011	1 771 621	0	4 007 213
TOTAL	9 641 899	3 864 469	19 272 396	3 850 564	29 027 324	114 862 414	180 519 066