

Crisis response revision of Caribbean interim multi-country strategic plan (2020–2021) and corresponding budget increase

	Current	Change	Revised
Duration	January 2020– December 2021	No change	January 2020– December 2021
Beneficiaries (Direct)	25 000	55 000	80 000
Beneficiaries (Indirect)	1 090 500	-	1 090 500
(USD)			
Total cost	9 025 444	17 001 284	26 026 728
Transfer	7 202 031	13 557 951	20 759 982
Implementation	953 847	1 919 401	2 873 247
Adjusted direct support costs	318 718	486 295	805 013
Subtotal	8 474 596	15 963 647	24 438 242
Indirect support costs (6.5 percent)	550 849	1 037 637	1 588 486

Gender and age marker code: 4

* <http://gender.manuals.wfp.org/en/gender-toolkit/gender-in-programming/gender-and-age-marker/>.

Rationale

1. The COVID-19 global outbreak and its wide-ranging social and economic impacts in the Caribbean are anticipated to erode development gains and threaten the food security, livelihoods and well-being of hundreds of thousands of people, with disproportionate impacts foreseen on vulnerable individuals, people living in poverty and those without access to social protection. WFP conducted a COVID19 Food Security and Livelihoods Impacts Regional Survey on behalf of the Caribbean Community (CARICOM) with support from the Caribbean Disaster Emergency Management Agency (CDEMA) and FAO.¹
2. Based on the survey, it is estimated that over 1.7 million people in the countries and territories covered by the WFP Caribbean office are food insecure of which 403,500 people are severely food insecure. COVID-19 has caused widespread disruption to livelihoods, driven primarily by movement restrictions and concerns about leaving the house. Half of the respondents have faced a change in income, owing mainly to job loss or reduced revenue/salary.
3. Several governments in the region are introducing, adapting or expanding social protection programmes in response to COVID-19 and others are planning similar measures. However, more must be done, particularly in the immediate term in anticipation of what is to become a sustained crisis and several countries have asked for support. Dominica, Saint Lucia and Belize are of particular concern based on the results of the assessment, pre-existing population below the poverty line and the existing level of responses; however, several other countries have notable concerns. Limited and focused direct WFP assistance will allow to fill critical gaps until more

¹ The regional summary and country analyses can be found at <https://www.wfp.org/publications/caribbean-covid-19-food-security-livelihoods-impact-survey>



sustained expansions of social protection can be put in place by governments. WFP technical assistance will complement direct assistance to help achieve this in coordination with other partners.

4. The small economy of scale and complex supply chain systems of Caribbean small island developing states (SIDS) is creating challenges to meeting the needs of countries for COVID-19 related health supplies and equipment. With procurement processes being coordinated by CARICOM and its specialized entities, related logistics requirements need to be addressed to ensure equitable last-mile delivery. WFP's expertise in logistics among the Caribbean SIDS and building on lessons learned from the 2017 and 2019 hurricane season, can help to augment existing plans of national governments, regional institutions, UN and other partners.
5. The impacts of the pandemic are likely to continue through the upcoming hurricane season, which is forecast to be above normal. The first named storm has already developed with Arthur having reached tropical storm strength on 16 May, two weeks before the official start of the Atlantic hurricane season. Should the region be impacted by a significant storm as was the case in 2017 and 2019, national and regional capacities to respond would be weakened significantly due to the level of financial and human resources allocated to the COVID-19 response.

Changes

Strategic orientation

6. There is no change in the strategic orientation of the multi-country strategy, but rather, this revision reflects the agile nature of the interim multi-country strategic plan (IMCSP) design by expanding crisis response strategic outcomes to address emergency needs, as well as an increase in resilience building. The revision increases the requirements for capacity strengthening through strategic outcome 1, direct assistance to populations impacted by COVID-19 through strategic outcome 2 as well as service provision for logistics and aviation support in strategic outcome 3.
7. This revision reinforces efforts of national governments within the Caribbean to combat the socioeconomic impacts of COVID-19 and builds on the partnership approach of the IMCSP. It also embraces the strategic orientation of the IMCSP by taking a "cash-first" approach and by using crisis response approaches that meet immediate needs while also strengthening government systems for future responses allowing to transition to resilience building.

Strategic outcomes

8. This revision expands the coverage of strategic outcomes 1, 2 and 3 and corresponding activities 1, 2 and 3 in response to COVID-19. No new activities, outputs or implementation arrangements are required as this revision essentially activates the contingency nature of these strategic outcomes.
9. Through ongoing activities under strategic outcome 1, WFP has scaled up support to CARICOM, CDEMA and national governments. Increases in staffing capacity will facilitate a transition to direct assistance and service provision under this revision. WFP has also scaled up its capacity to provide remote support to a number of countries and as travel restrictions reduce, further capacities will be deployed. WFP focus countries for social protection technical assistance include Belize, British Virgin Islands, Dominica, Guyana, Jamaica, Saint Lucia, Barbados and Trinidad and Tobago, as well as part of the Dutch Caribbean² on a demand driven, tailored approach. WFP focus countries for work on end-to-end supply chain management includes Antigua & Barbuda, Barbados, Jamaica and Trinidad and Tobago which are the four sub-regional focal points within the regional response mechanism of CDEMA. WFP coordinates these efforts with other UN agencies and humanitarian actors.

² Aruba, Curacao and Sint Maarten



10. Targeting of direct assistance will be done in coordination with government counterparts through existing or expanded social protection mechanisms, initially planned for Saint Lucia and Dominica. Targeting tools and methodologies will build on existing government protocols and systems, such as the SLNET 3.0 in Saint Lucia or the Public Assistance Programme Operations Manual in Dominica, coupled with additional COVID-19 vulnerability analysis by WFP and others. In the Caribbean, vulnerability is generally linked to poverty; however, given persistent levels of inequality, women (particularly pregnant and lactating women), children, the elderly, disabled, smallholder farmers, fisher folk and indigenous populations tend to constitute the core of vulnerable populations. WFP works closely with the World Bank, UNICEF and other partners on both direct assistance through social protection as well technical assistance efforts to further link social protection with disaster risk management and disaster risk financing.
11. Building on the "cash-first" approach of the IMCSP, direct beneficiaries will receive cash-based transfer (CBT), provided through government social protection systems. This has proven to be an efficient and effective way of reaching the most vulnerable populations and allows WFP to leverage limited resources to influence additional government budgetary reallocations and loans and grants from the international financial institutions. Cash also provides a more rapid and cost-effective response than food in-kind given the small economy of scale of the IMCSP countries and territories. In the context of functioning markets, in the Caribbean this approach represents a much greater degree of value for money.
12. Direct assistance is intended to bridge gaps in funding to address the urgent food and other basic needs of the affected population in prioritized countries. It will be used to leverage additional resources and help governments establish scaled-up and/or temporary social assistance mechanisms.
13. The assessment reflects that movement restrictions have impacted the way people shop, however markets are continuing to function. Should global markets and supply chains result in a reduced availability of commodities in Caribbean markets, WFP will review transfer modalities with government counterparts.
14. In order to activate WFP's service provision in logistics and aviation, WFP will recruit an experienced Aviation Officer. An Integrated Regional Logistics Hub (IRLH) established in Barbados by CDEMA and the WFP Caribbean office will be activated through equipment (mobile storage units, generators, prefabricated offices, etc.) already provided to CDEMA by WFP under prior capacity strengthening efforts. In coordination with WFP Aviation and Shipping in headquarters, WFP Caribbean has been working to increase the number of providers of suitable aircraft and vessels in the region. WFP's service provision will include a suite of support options designed to address regional gaps including air and maritime assets as needed and link into global COVID-19 response mechanisms to the degree possible. This will include the chartering of aircraft and vessels as well as the development of the IRLH. Lessons learned in the response to Hurricane Dorian in The Bahamas and the provision of common services have informed this response. WFP Caribbean retains a flexible approach to providing tailored solutions to flexibly fill gaps in coverage.
15. Depending on the level of demand and funding, WFP will establish secondary IRLH in other locations (potentially Jamaica and the British Virgin Islands) to ensure coverage of these services throughout the Caribbean and to enable linkages between the WFP global service provision being rolled out. The IRLH will also engage other UN Agencies and humanitarian actors engaged in the region.
16. These initial logistics services will be set up to facilitate the transport of the most urgent medical equipment and supplies, as well as personnel, but will be available for the broader humanitarian community. This will allow Caribbean countries and their partners engaged in the health response to mobilize resources in a combined manner to increase the Caribbean's economy of scale with



suppliers in the current environment of significant global demand. WFP will work through the COVID-19 logistics cell, co-chaired by WFP and CDEMA, and with relevant partners to prioritize allocations and cargo movements. These assets and resources will also allow for rapid response during the 2020 hurricane season should the need arise.

17. Recognizing the growing concerns regarding critical global food supply chains as well as the Caribbean's significant reliance on imported goods, WFP is also developing a concept of operations to support sea transport of food and other essential goods, should this be required to ensure timely and more equitable delivery of regional resources among the various countries.
18. The logistics services will be rolled out in a flexible manner to be able to meet shifting demands and resource availability on a free to user basis, with the possibility to provide specific services on a full-cost recovery basis to be considered. These services are designed to support not only the movement of medical supplies, equipment or professionals but will also enable broader humanitarian response. Where feasible, these services will link into WFP's global response to COVID-19. Services will be made available in support of CDEMA's role within the Caribbean to assist national governments, United Nations agencies and other humanitarian actors. In addition to working with CDEMA, these efforts will be coordinated with other actors, including OCHA and the Red Cross Movement.
19. Expanded support through SO2 and SO3 are strategically linked to WFP's work in strengthening national and regional systems. These efforts are ultimately designed to increasingly position regional organizations and national governments to take on these roles, however in a context such as a catastrophic climatic event or a region-wide economic crisis, external support is often required.
20. In order to implement monitoring of the interventions in the current context of restricted movements between countries and within countries, WFP will work with governments, the private sector and other partners to develop mobile monitoring approaches and introduce or reinforce beneficiary feedback mechanisms.
21. Risks outlined in the IMCSP remain relevant, however given the constraints related to movement restrictions, additional operational risks related to reduced interaction with beneficiary communities could arise, however these will be mitigated through innovative mobile data collection approaches. WFP will work with each country where assistance is provided to adapt cash distributions and service provision to account for national restrictions and social distancing measures.

Beneficiary analysis

TABLE 1: BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY AND MODALITY							
Strategic outcome	Activity and modality	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	1 (indirect beneficiaries)	Current	187 600	189 700	356 600	356 600	1 090 500
		Increase/decrease	0	0	0	0	0
		Revised	187 600	189 700	356 600	356 600	1 090 500
2	2 (in-kind)	Current	4 300	4 350	8 200	8 150	25 000
		Increase/decrease	0	0	0	0	0
		Revised	4 300	4 350	8 200	8 150	25 000
2	2 (CBT)	Current	4 300	4 350	8 200	8 150	25 000



		Increase/ decrease	9 450	9 600	18 000	17 950	55 000
		Revised	13 750	13 950	26 200	26 100	80 000
Total* (without overlap)	Current		187 600	189 700	356 600	356 600	1 090 500
	Increase/ decrease		0	0	0	0	0
	Revised		187 600	189 700	356 600	356 600	1 090 500

* Direct beneficiaries increase by 55,000 through Activity 2 (CBT), however these populations indirectly benefit from Activity 1, thus there are no changes to the overall beneficiaries (indirect and direct).

Transfers

22. This budget revision adjusts all three SOs to respond to increased needs related to COVID-19. Food rations provided in-kind do not change through this revision as this remains a contingency for responses to sudden-onset emergencies where markets are impacted. This revision reflects a change in the value of cash transfers as well as the duration of assistance. Due to the high cost of living, the CBT has been increased to USD 1.00 per person per day which reflects just under 50 percent of food needs based on an analysis of minimum expenditure baskets around the Caribbean. WFP will use these transfers to leverage further resources and wherever possible, will coordinate with the United Nations Children's Fund (UNICEF) to provide complementary resources.

TABLE 2: FOOD RATION (g/person/day) or CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY		
	Strategic outcome 2	
	Activity 2	
Beneficiary type	Shock-affected persons	Shock-affected persons
Modality	Food	Cash-based transfers
Cereals (rice)	467	
Pulses (beans, dried)	67	
Vegetable oil	27	
Canned fish (sardines)	67	
Total kcal/day	2 287	
% kcal from protein	10.9	
Cash-based transfers (USD/person/day)		1.00
Number of feeding days per year	30	90

TABLE 3: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS AND VALUE						
	Current budget		Increase		Revised budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Rice, white, medium grain	350	154 110	0	0	350	154 110
Beans, dried	50	38 160	0	0	50	38 160



Vegetable oil	20	15 957	0	0	20	15 957
Sardines, canned in tomato sauce, drained	50	127 133	0	0	50	127 133
Total (food)	471	335 359	0	0	471	335 359
Cash-based transfers		375 000		4 950 000		5 325 000
Total (food and CBT value)		710 359		4 950 000		5 660 359

Cost breakdown

	Strategic Result 5/ SDG Target 17.9	Strategic Result 1/ SDG Target 2.1	Strategic Result 8/ SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	
Focus area	Resilience building	Crisis response	Crisis response	
Transfer	967 570	5 098 500	7 491 881	13 557 951
Implementation	311 368	839 073	768 960	1 919 401
Adjusted direct support costs				486 295
Subtotal				15 963 647
Indirect support costs (6.5 percent)				1 037 637
Total				17 001 284

	Strategic Result 5/ SDG Target 17.9	Strategic Result 1/ SDG Target 2.1	Strategic Result 8/ SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	
Focus area	Resilience building	Crisis response	Crisis response	
Transfer	5 551 363	6 490 150	8 718 469	20 759 982
Implementation	909 962	1 068 203	895 082	2 873 247
Adjusted direct support costs	257 344	252 652	295 017	805 013
Subtotal	6 718 669	7 811 005	9 908 569	24 438 242
Indirect support costs (6.5 percent)	436 713	507 715	644 057	1 588 486
Total	7 155 382	8 318 720	10 552 626	26 026 728



Acronyms

CARICOM	Caribbean Community
CBT	cash-based transfer
CDEMA	Caribbean Disaster Emergency Management Agency
IMCSP	interim multi-country strategic plan
SO	Strategic Outcome