

COUNTRY STRATEGIC PLAN REVISION

REVISION

|State of Palestine| country strategic plan, revision |05|

Gender and age marker code: |3|

	Current	Change	Revised
Duration	January 2018-December 2022	No change	January 2018-December 2022
Beneficiaries	404,000	22,000	426,000
Total cost (USD)	268 437 161	22 454 770	290 891 931
Transfer	220 822 776	21 084 291	241 907 067
Implementation	16 856 280	0	16 856 280
Direct support costs	14 374 616	0	14 374 616
Subtotal	252 053 672	21 084 291	273 137 963
Indirect support costs (6.5 percent)	16 383 489	1 370 479	17 753 968

1. RATIONALE

1. The State of Palestine continues to face protracted conflict, economic stagnation, high unemployment, gender inequalities and high rates of poverty. Restricted trade and access to resources, especially in the Gaza Strip, combined with the impact of civil unrest and conflict present challenges to sustainable recovery and economic growth. With the COVID-19 outbreak, the situation is expected to worsen in the West Bank and Gaza Strip, as many sectors have been affected by the lockdown restrictions.
2. The unemployment rate has reached over 45 percent on average in the 1st quarter of 2020 (up from 26 percent in 2016). About one in every three persons (30 percent) are living below the poverty line of NIS¹ 2,470 per family per month, with 53 percent of people in the Gaza Strip found to be poor, compared to 14 percent in the West Bank.² The Ministry of the National Economy is predicting an increase in unemployment of from 45 to up to 70 percent in the Gaza Strip.
3. Economic progress faltered in 2019 and the situation is expected to worsen in 2020, as a result of COVID-19. The pandemic is disrupting economic livelihood activity, which will negatively affect GDP growth.³ The Palestine Central Bureau of Statistics (PCBS) projects that a shutdown of up to six months would lead to an economic contraction of 5 to 7 per cent. A decline of 7 percent of GDP would represent one of the largest annual economic contractions recorded since reliable statistics began in 1994. The Palestinian Government does not have access to conventional monetary and fiscal tools necessary to remedy the crisis.

¹ New Israeli Shekels

² Palestine Central Bureau of Statistics (PCBS), Household expenditure and consumption survey report, May 2018.

³ World Bank, Economic Monitoring Report to the Ad Hoc Liaison Committee, 2 June 2020

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4. According to the Ministry of Social Development (MOSD), COVID-19 has increased the vulnerability of the Palestinian people. The current number of detected COVID-19 cases remains relatively low (4,341 detected cases as of 6th July 2020), however, the Palestinian health system is severely impaired by longstanding challenges and critical shortages to cope with an expected increase in COVID-19 cases. As a preventive and protective measure for the most vulnerable, in accordance with the response plan of the Ministry of Social Development, WFP will support an additional 22,000 beneficiaries with unconditional food assistance. Of this number, 21,000 will receive cash/voucher support and 1,000 will receive food support in-kind, due to limited market access.
 5. In addition, WFP will further strengthen its livelihood portfolio in Palestine. A WFP Climate Smart Agriculture Initiative, which aims to strengthen the resilience of vulnerable families, was piloted between July 2019 and March 2020, in collaboration with the Ministry of Social Development and the Ministry of Agriculture. Climate-appropriate agricultural assets and technical training were provided to enhance the food security and livelihoods of 200 households. The initiative showed a positive rate of return on the first round of investments, resulting in preservation of water, energy and soil and improved household food consumption from vegetables cultivated or livestock raised. Based on the positive results of the first phase, this budget revision will enable WFP to further scale up the intervention by targeting an additional 200 households and to include some institutions and agricultural cooperatives in the West Bank and the Gaza Strip. Support will be provided to undertake hydroponics and manage crops, to enhance livelihoods and food security. Continued support and monitoring will be provided to the first-round beneficiaries to scale up the interventions.
 6. This budget revision relates only to year three (2020) of the CSP. Specifically, this budget revision will:
 - Increase the overall planned number of beneficiaries under Activity 1 for 2020 by 22,000 to a total of 426,000 beneficiaries and adjust the food and cash-based transfer (CBT) requirements under Activity 1.
 - Expand capacity strengthening inputs (technical assistance and agricultural supplies) under Activity 2 through the Climate Smart Agriculture Initiative, to strengthen the resilience of vulnerable families.

2. CHANGES

Strategic orientation

7. There are no changes to the strategic orientation of the CSP.

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8. Previous BRs:
 - a. BR01: Technical revision to amend indirect support costs (ISC).
 - b. BR02: Technical revision for the budget simplification exercise.
 - c. BR03: Increase in the overall budget by USD 12,869,109; increase in the overall planned number of beneficiaries for the year 2018 by 54,700 people (314,000 to 368,000);
 - d. BR04: Increase in the overall planned number of beneficiaries for 2019 by 90,000 people (from 314,000 to 404,000 people); increase in the total CBT transfer value as more beneficiaries receive CBT assistance in lieu of in-kind food.

Strategic outcomes

9. This budget revision aims to increase the number of beneficiaries assisted through unconditional food assistance, adjust the food and CBT requirements under Activity 1 and expand capacity strengthening under Activity 2 of the country strategic plan (CSP) for 2020.

Targeting approach and beneficiary analysis:

10. WFP will continue targeting severely food insecure people below the deep poverty line of NIS 1974 per family per month⁴ with a poor to borderline food consumption score. Priority for unconditional food assistance will be given to disabled and elderly people who are most vulnerable to COVID-19, considering the specific needs of women and girls. In coordination with relevant ministries, poor families with agricultural assets and some experience in agriculture will be targeted under the Smart Agriculture Initiative.

Transfer modalities:

11. Out of the additional 22,000 beneficiaries under Activity 1, 21,000 will receive unconditional food assistance through CBT, whilst 1000 will be receiving in-kind transfers.

M&E:

12. WFP has taken necessary measures to reduce transmission risks from COVID-19 related to programme activity. In order to ensure continued data collection on key programme indicators, WFP has shifted its monitoring from household visits and face-to-face interviews to remote phone-based interviews. To support key VAM data collection, market price monitoring has also been initiated via remote phone-based interviews. Since the remote data collection will be done using existing staffing capacity, no additional costs are being incurred.

Risk Management:

13. WFP Palestine will regularly update its risk register to capture changes in the environment and adjust corresponding risk mitigation measures, including risks related to the COVID-19. The main strategic risk of COVID 19 is further deterioration of the

⁴ Ibid. 2

economy in Palestine, leading to deterioration in food security and increased needs. WFP is increasing the number of beneficiaries to support the Government's response plan and mitigate the risk. On an operational level, risks related to beneficiaries' safety have been identified and mitigated through several measures including the use of personal protective equipment (PPE) by all WFP partners, at shops and during food distributions and changing the CBT voucher redemption modality from four to two times per month to avoid crowds at shops.

Beneficiary analysis

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY & MODALITY							
Strategic Outcome	Activity	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	1	Current	121,604	122,816	77,972	81,608	404,000
		Increase/decrease	6,622	6,688	4,246	4,444	22,000
		Revised	128,226	129,504	82,218	86,052	426,000
2	2	Current	n/a	n/a	n/a	n/a	n/a
		Increase/decrease	n/a	n/a	n/a	n/a	n/a
		Revised	n/a	n/a	n/a	n/a	n/a
	3	Current	n/a	n/a	n/a	n/a	n/a
		Increase/decrease	n/a	n/a	n/a	n/a	n/a
		Revised total	n/a	n/a	n/a	n/a	n/a
TOTAL (without overlap)		Current	121,280	122,345	78,296	82,079	404,000
		Increase/decrease	6,946	7,159	3,922	3,973	22,000
		Revised	128,226	129,504	82,218	86,052	426,000

Transfers

TABLE 2: FOOD RATION (g/person/day)⁵ or CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY					
Strategic outcome	1				
Activity	1				
Beneficiary type	Poor and food-insecure non-refugee Palestinians	Poor and food-insecure non-refugee Palestinians	Poor and food-insecure non-refugee Palestinians		
Modality (indicate food or CBT)	CBTs – cash	CBTs – e-vouchers	Food		
Cereals			300		
Pulses			25		
Oil			15		
Salt			5		
Canned – fish			19		
Canned – Pulses					
micronutrient powder					
total kcal/day (to be completed for food and cash modalities)					
% kcal from protein					
Cash-based transfers (USD/person/day; use average as needed)	0.666	0.343			
Number of feeding days per year	360	360	360		

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)
Cereals	55 210	19 000 104	- 3 985	- 1 446 628	51 224	17 553 476
Pulses	4 689	5 070 024	- 332	- 169 335	4 357	4 900 689
Oil and Fats	2 760	3 174 552	- 199	- 189 297	2 561	2 985 255
Mixed and blended foods	0	0	0	0	0	0
Other	2 007	6 238 688	433	3 229 241	2 440	9 467 929
TOTAL (food)	64 666	33 483 368	- 4 084	1 423 981	60 582	34 907 349
Cash-based transfers (USD)		156 513 365		18 386 172		174 899 537
TOTAL (food and CBT value – USD)	64 666	189 996 733	- 4 084	19 810 153	60 582	209 806 886

⁵ Verify that the ration is in line with WFP guidelines in terms of energy, protein, fat and micronutrient content, using the NUTVAL food basket calculator on the PGM, along with specific WFP programmatic guidance. For commodity vouchers and cash-based transfer values see the relevant manual.

3. COST BREAKDOWN

14. Although the food requirement has decreased by over 4000 MT, there is an increase of transfer value under S01 resulting in an overall increase of the CSP budget. This is due to the introduction of canned tuna as a nutritious commodity in the food basket, specified by a particular donor, which has a significantly higher cost. Therefore, the transfer value has increased significantly, despite the reduced MT. The transfer cost category under S02 includes costs related to the cooperating partner in terms of staff, office, travel, equipment, training and other costs.

COST BREAKDOWN OF THE REVISION ONLY (USD)			
	Strategic Result 1 / SDG Target 2.1	Strategic Result 5 / SDG Target 17.9	TOTAL
Strategic outcome	01	02	
Focus Area	Crisis Response	Resilience Building	
Transfer	19 810 153	1 274 138	21 084 291
Implementation	0	0	0
Direct support costs			0
Subtotal			21 084 291
Indirect support costs			1 370 479
TOTAL			22 454 770

OVERALL CSP COST BREAKDOWN, FOLLOWING THE REVISION (USD)			
	Strategic Result 1 / SDG Target 2.1	Strategic Result 5 / SDG Target 17.9	TOTAL
Strategic outcome	01	02	
Focus Area	Crisis Response	Resilience Building	
Transfer	238 107 471	3 799 596	241 907 067
Implementation	16 017 144	839 136	16 856 280
Direct support costs	14 128 091	246 525	14 374 616
Subtotal	268 252 706	4 885 257	273 137 963
Indirect support costs	17 436 426	317 542	17 753 968
TOTAL	285 689 132	5 202 799	290 891 931

Annex 1: Revised Line of Sight

State of Palestine CSP 2018-2022

SR 1 – Access to food
(SDG Target 2.1)

Crisis Response

STRATEGIC OUTCOME 1: Non-Refugees, poor and severely food insecure people in Palestine (primarily in Gaza and Area C in the West Bank) have improved dietary diversity by 2022

BUDGET SO 1: USD 285 689 132

OUTPUTS:

- Poor and severely food insecure non refugees receive diverse and nutritional food in order to improve their dietary diversity.
- Targeted population (women, men, boys and girls) receive information to raise nutritional awareness.

ACTIVITY 1: Provision of unconditional food assistance (including through CBT and in-kind modalities) and nutrition information to poor and food - insecure households.
Modality: Food, CBT, CS

TOTAL BUDGET: USD 290 891 931

SR 5 – Developing countries have strengthened capacity to implement the SDGs
(SDG Target 17.9)

Resilience Building

STRATEGIC OUTCOME 2: Enhanced capacities of national institutions and systems to identify, target and assist food insecure vulnerable populations in Palestine by 2022

BUDGET SO 2: USD 5 202 799

OUTPUTS:

- Poor and severely food insecure people benefit from improved institutional capacity to implement a reformed National Social Safety Net that protects income and assets of the poor and vulnerable.
- Poor and severely food insecure people benefit from improved capacity of national monitoring system to monitor, analyze and build evidence on food insecurity and poverty.
- Poor and severely food insecure people benefit from an improved CBT and social protection delivery platform provided for partners in order to reduce poverty and food insecurity.

ACTIVITY 2: Provision of technical support to national ministries and institutions for food security strategy implementation and National Social Safety Net reform.
Modality: CS

ACTIVITY 3: Provision of a CBT platform to multi-sectoral partners and Government.
Modality: CBT