

COUNTRY STRATEGIC PLAN REVISION

REVISION

Laos country strategic plan, revision 04

Gender and age marker code: 2A

	Current	Change	Revised
Duration	<i>01 Mar 2017 – 31 Dec 2021</i>	<i>No change</i>	<i>01 Mar 2017 – 31 Dec 2021</i>
Beneficiaries	241,625	96,351	337,976
Total cost (USD)	78,717,956	9,814,252	88,532,208
Transfer	60,292,874	8,238,242	68,531,116
Implementation	6,460,898	392,500	6,853,398
Direct support costs	7,086,456	584,518	7,670,974
Subtotal	73,840,227	9,215,260	83,055,487
Indirect support costs (6.5 percent)	4,877,728	598,992	5,476,720

1. RATIONALE

1. This budget revision aims to make adjustments to the Country Strategic Plan (CSP) for COVID-19-related responses, increased food assistance under strategic outcome 3 as well as changes in programme delivery modes under other strategic outcomes.
2. In Lao PDR, one in three children under the age of 5 are stunted and one in ten is wasted according to 2016 data. Furthermore, 40 percent of women are anaemic.¹ The food insecurity situation in the country is fuelled by poverty, lack of access to resources, poor livelihood diversification, and lack of resilience to persistent shocks. A Crop and Food Security Assessment Mission (CFSAM) undertaken jointly by WFP and the Food and Agriculture Organization (FAO) in November-December 2019 found that prolonged drought conditions from May to December 2019 in northern Lao PDR and severe floods in August and September 2019 in the southern and central parts of the country had severely affected the 2019 main (wet) paddy crop, the country's primary staple food. The impacts of drought and flooding in 2019, combined with the already low baseline levels of household resilience among vulnerable communities, indicated that an estimated 67,800 people would be food-insecure from March 2020.
3. Due to its socio-economic impacts, COVID-19 not only presents an additional risk to livelihoods, but exacerbates existing risk factors. WFP carried out a survey in April 2020 to measure the impact of the COVID-19 crisis on food security and agriculture in order to identify bottlenecks and affected populations/provinces, and ultimately guide the response. The assessment raised concerns that existing food insecurity was being exacerbated by the socio-economic impacts of COVID-19.² Key recommendations from this survey included support to the agricultural sector, particularly at the household level through home gardens, small livestock raising,

¹ Lao Statistics Bureau. 2018. *Lao Social Indicator Survey (LSIS) II 2017, Survey Findings Report* and Lao Ministry of Education's Education Management Information System (EMIS) data.

² WFP. 2020. *Rapid Assessment of Food Security and Agriculture in Lao PDR*. A later survey conducted by FAO came to similar conclusions and noted that the COVID-19 pandemic amplified the prevailing rice and water crisis, primarily stemming from the droughts of recent years.

aquaculture, nutrition awareness raising and promoting/supporting the availability of nutritious food including specialized nutritious food.

2. CHANGES

Strategic orientation

4. This budget revision does not change the strategic orientation of the Lao CSP. Its four strategic outcomes are still relevant and contribute to the achievement of national food and nutrition security targets.
5. There were two technical budget revisions in the past, as well as one substantive budget revision in 2018 (budget revision 2) that
 - adjusted and captured the overall food transfers from the previous Country Programme;
 - reduced the scope of cash transfers, primarily in school feeding, commensurate with the hand-over plans to the Government and, also, to align plans with resource forecasts;
 - increased food assistance to accommodate new contributions. Budget revision 2 approved on 26 October 2018 decreased the overall CSP budget from USD 84,821,703 to USD 78,717,956.

Strategic outcomes

6. This budget revision proposes changes to activities under three of the four existing strategic outcomes.
7. The following changes are proposed to strategic outcome 1: “School children in remote rural areas have sustainable access to food by 2021”: In view of the ongoing school feeding handover process, started in 2019 and to be finalized by June 2021, and low level of resourcing, the budget for cash-based transfers (CBT) under Activity 3 has been adjusted to a more realistic plan. Originally, WFP had also planned to provide food to farmer families in the communities covered under the school feeding programme, in compensation for building community assets that would strengthen local food production to enable local, sustainable school feeding. However, given the current circumstances in COVID-19 affected communities, there is agreement with the counterpart ministry to continue school feeding under Activity 2 through direct implementation of mid-day meals until the official hand-over in June 2021.
8. Under strategic outcome 2, “Stunting levels among children under 2 in provinces with high levels of malnutrition meet national targets by 2025”, Activity 5, this budget revision adjusts the plans to include additional pregnant and lactating women (PLW) who have been receiving specialized nutritious food (SNF) support since June 2019 for a period of one year in response to flooding in Khammouane and Attapeu provinces in 2018 and 2019. There is a reduction in the number of children 6-59 months, reflecting the planned discontinuation in the provision of specialized nutritious food (SNF) due to resource limitation, and in line with the intended strategic shift to focus efforts in support locally available solutions. In response to the findings of the COVID-19 survey, WFP also plans to expand its agriculture for nutrition support under Activity 6 to set up

additional farmer nutrition schools, scaling up the provision of garden grants and support rural advisory services through village nutrition facilitators.

9. To pursue strategic outcome 3 “Vulnerable households in climate sensitive districts are more resilient to seasonal and long-term shocks and stresses”, as part of the COVID-19 response under Activity 7, WFP plans additional CBT beneficiaries requiring food assistance at quarantine centres in four target provinces. In addition, 7,000 households (38,500 individuals) will benefit from food assistance for assets for a period of three months, receiving an estimated USD 75 in total to cover their food needs. Moreover, 14,000 children aged 6-59 months will receive targeted nutrition support over a period of one year.

Beneficiary analysis

10. The number of targeted beneficiaries changes as follows:
11. Strategic outcome 1: WFP plans to increase the number of targeted students to be supported through direct implementation of mid-day meals until the official hand-over in June 2021 under Activity 2, while the number of targeted beneficiaries under Activity 3 is planned to be reduced according to the current level of resources to align with the current caseload after the partial hand-over in 2019 and in line with the current funding situation.
12. Strategic outcome 2: PLW are receiving SNF in response to floods in Southern Laos during 2018 and 2019. The planned coverage of stunting prevention through the provision of SNF to children has been reduced due to limited resources.
13. Strategic outcome 3: The number of estimated beneficiaries increases to cover (i) COVID-19 affected households through CBT and nutrition support for children and (ii) vulnerable communities participating in asset creation activities.

TABLE 1A: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY & MODALITY for the Remaining Period of the CSP (2020-2021)							
Strategic outcome	Activity	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	2	Current	3,998	4,045	47,998	49,947	97,945
		Revised	3,168	1,871	76,121	79,216	160,377
		Increase/decrease	-830	-2,174	28,123	29,269	62,432
	3	Current	0	0	32,340	33,660	66,000
		Revised	0	0	9,693	10,088	19,781
		Increase/decrease	0	0	-23,572	-22,647	-46,219
2	5	Current	0	0	10,217	10,258	20,475
		Revised total	1,500	0	2,595	2,605	6,700
		Increase/decrease	1,500	0	-7,622	-7,653	-13,775
3	7	Current	647	640	403	410	2100
		Revised	17,388	17,825	20034	20,605	76,500
		Increase/decrease	17,388	17,185	19,632	20,195	74.400
		Current	4,645	468	58618	60,615	120,520

TOTAL (without overlap)	Revised	23,275	20,277	98,750	100,884	236,995
	Increase/decrease	18,630	15,592	40,132	40,26	116,475

Transfers

14. Under strategic outcome 1, there is a change in the modality from food for community assets to using the food to continue the provision of mid-day meals for the upcoming academic year (2020-2021) before the final official handover to the Government in June 2021. Planned cash transfers to support school meals through the procurement of additional food items are also reduced given the limited resources and the short remaining implementation period until the hand-over.

15. Strategic outcome 3 sees an increase in CBT and nutrition support as part of WFP's COVID-19 response

Strategic outcome	Activity	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	2	Current	5,337	2,287	71,692	74,618	153,934
		Revised	20,210	8,661	103,394	107,615	239,880
		Increase/decrease	14,873	6,374	31,702	32,997	85,946
	3	Current			26,950	28,050	55,000
		Revised			32,790	34,129	66,919
		Increase/decrease			5,840	6,079	11,919
2	5	Current			9,666	9,834	19,500
		Revised total	14,200		10,831	11,019	36,050
		Increase/decrease	14,200		1,165	1,185	16,550
3	7	Current	21,055	20,063	13,408	13,649	68,175
		Revised	46,330	42,195	34,669	35,215	158,409
		Increase/decrease	25,275	22,132	21,261	21,566	90,234
TOTAL (without overlap)		Current	19,475	19,258	100,951	101,942	241,625
		Revised	27,241	26,937	141,206	142,592	337,976
		Increase/decrease	7,766	7,679	40,255	40,650	96,351

Strategic outcome	1						2	3	
Activity	2				3	5	7		
Beneficiary type	On site school meals	School-Community Asset Creation-	School-Community Asset Creation-Rice bank (THR)	Activity supporters (Cooks & Storekeepers) THR	Additional support to hardcovered areas (THR)	On-site school meals (Cash)	Specialized Nutritious Food children 6-23 months (THR)	Assets creation (THR)	General Distribution

³ 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 CBT values see the relevant manual.

		Fish pond (THR)				based Transfer			
Modality (indicate food or CBT)	Food	Food	Food	Food	Food	CBT	Food	CBT	Food/CBT
Cereals	100	300	600	571					
Pulses	40								
Oil	10								50
Fish canned	30								
Mixed & Blend							20		
Supercereal									
Plumpydoz									
micronutrient powder									
total kcal/day (to be completed for food and cash modalities)									
% kcal from protein									
CBT (USD/person/day; use average as needed)						0.09		5	5.5
Number of feeding days per year	175	180	180	175	1	175	365	15	180

TABLE 3: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS AND VALUE

Food type / cash-based transfer	Current Budget		Increase		Revised Budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	12 761	6 898 957	1 564	823 591	14 325	7 722 549
Pulses	3 091	3 558 227	520	280 306	3 611	3 838 533
Oil and Fats	1 263	1 465 847	591	718 114	1 855	2 183 961
Mixed and blended foods	1 164	2 884 503	- 14	- 39 600	1 150	2 844 903
Other	639	2 713 166	176	846 456	816	3 559 621
TOTAL (food)	18 919	17 520 700	2 837	2 628 867	21 756	20 149 567
Cash-Based Transfers (USD)		5 979 042		164 009		6 143 051
TOTAL (food and CBT value – USD)	18 919	23 499 741	2 837	2 792 876	21 756	26 292 618

16. COST BREAKDOWN

TABLE 4: COST BREAKDOWN OF THE REVISION ONLY (USD)				
	Strategic Result 1/ SDG Target 2.1	Strategic Result 2/ SDG Target 2.2	Strategic Result 4/ SDG Target 2.4	Total
Strategic outcome	1	2	3	
Focus area	Root Causes	Root Causes	Resilience Building	
Transfer	3,982,041	1,173,666	3,082,535	8,238,242
Implementation	48,000	123,000	221,500	392,500
Direct support costs				584,518
Subtotal				9,215,260
Indirect support costs (6.5%)				598,992
TOTAL				9,814,252

TABLE 5: OVERALL CSP/ICSP/LEO COST BREAKDOWN, AFTER REVISION (USD)					
	Strategic Result 1	Strategic Result 2	Strategic Result 4	Strategic Result 5	Total
Strategic outcome	Strategic Outcome 1	Strategic Outcome 2	Strategic Outcome 3	Strategic Outcome 4	
Focus area	Root Causes	Root Causes	Resilience Building	Root Causes	
Transfer	42,978,697	12,363,807	8,725,758	4,462,854	68,531,116
Implementation	3,837,390	1,720,400	826,760	468,848	6,853,398
Direct support costs	4,702,208	1,461,975	997,467	509,324	7,670,974
Subtotal	51,518,295	15,546,182	10,549,985	5,441,026	83,055,487
Indirect support costs (6.5%)	3,393,135	1,028,964	694,052	360,569	5,476,720
TOTAL	54,911,430	16,575,146	11,244,037	5,801,595	88,532,208