

## Crisis response revision of Zambia country strategic plan (2019–2024) and corresponding budget increase

	Current	Change	Revised
<b>Duration</b>	<b>July 2019–June 2024</b>	<b>No change</b>	<b>July 2019–June 2024</b>
<b>Beneficiaries</b>	<b>1 275 036</b>	<b>760 329</b>	<b>2 035 365</b>
<i>(USD)</i>			
<b>Total cost</b>	<b>112 422 336</b>	<b>29 607 962</b>	<b>142 030 298</b>
Transfer	80 609 975	24 562 735	105 172 710
Implementation	14 509 090	2 912 476	17 421 566
Adjusted direct support costs	10 441 814	375 460	10 817 274
<b>Subtotal</b>	<b>105 560 879</b>	<b>27 850 671</b>	<b>133 411 550</b>
Indirect support costs <i>(6.5 percent)</i>	6 861 457	1 757 291	8 618 748

Gender and age marker code\*: 3<sup>1</sup>

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

### Rationale

1. With the impact of the novel coronavirus (COVID-19), the pandemic continues to present a grave scenario globally, with particular impact on export and tourism-dependent economies that also possess significant amount of macroeconomic risk, including high levels of public debt. Within sub-Saharan Africa, Zambia was assessed by the Overseas Development Institute as one of the countries most exposed to the impact of COVID-19.<sup>2</sup> The national COVID-19 contingency and response plan has indicated that up to 7.6 million people may be at risk in the country.
2. With its high dependency on external markets for revenues, in particular for mineral resources and agricultural products for export, the global economic impact is expected to affect both demand and supply channels in the short to medium term in Zambia. It is anticipated that quarantine and movement restriction measures will reduce purchasing power and suppress demand, while disruption of supply chains could negatively impact supply. As a result of COVID-19 Zambia's real gross domestic product was recently revised downwards, from a 0.6 percent growth to a contraction of 3.4 percent.<sup>3</sup>
3. It is also anticipated that the public healthcare system will be placed under significant strain, with Government and partners struggling to meet demand for medical supplies and other essential items, further compounded by trade and border movement restrictions.

<sup>1</sup> The gender and age marker should be reviewed in case of a new strategic outcome or additional activity.

<sup>2</sup> COVID-19 Economic and Health Impacts on Regional Food and Nutrition Security, WFP Regional Bureau for Southern Africa, March 2020.

<sup>3</sup> "Zambia: Major downgrades to growth forecasts". *The Economist* Intelligence Unit, 3 April 2020.



4. Food availability in Zambia is looking positive for most food crops, with overall maize production at 3.4 million mt against domestic consumption requirements of 2.3 million mt. This represents a 69 percent increase from the previous crop season. Rice and sorghum production also increased by 17.1 percent and 199 percent respectively.<sup>4</sup> Observing the global impact of the pandemic, however, people's ability to access nutritious food may be severely hampered by the pandemic.
5. Access to nutritious food is of particular concern in Zambia's context, where up to a third of children under 5 are stunted, coupled with high micronutrient deficiency rates.<sup>5</sup> Only 10 percent of children aged 6–23 months in Zambia consume a minimum acceptable diet.<sup>6</sup>
6. Findings from the WFP Rapid Food Security and Vulnerability Impact Assessment conducted in June 2020 in targeted urban poor concentrations of Lusaka province have generally indicated that 70 percent of the surveyed households work in the informal sector, which was the most affected by the COVID-19 pandemic. The rapid assessment has also shown that households with pre-existing vulnerabilities were most affected by the pandemic, including households headed by elderly, people with disabilities, and in some cases women-headed households. Most households in these locations were spending on average more than 75 percent of their expenditure on food, indicating a high risk of vulnerability among relatively poor urban households living in low cost residential areas.

## Changes

### Strategic orientation

7. This second revision to the Zambia country strategic plan (CSP) 2019–2024 makes changes to three existing strategic outcomes. Under strategic outcome 1, cash-based transfers (CBTs) for urban food insecure populations will be scaled up. Under strategic outcomes 3 and 4, additional early recovery elements to mitigate climatic and other shocks and build resilience, and market monitoring activities will be included. A new fifth strategic outcome will be added to provide on-demand service provision to the Government, private sector, development partners and United Nations agencies. This strategic outcome will also accommodate common premises support to the International Fund for Agricultural Development (IFAD).
8. Under strategic outcome 1, CBTs will be provided to urban populations experiencing income-induced food insecurity due to the impact of COVID-19. This assistance seeks to address the socioeconomic impacts of the pandemic, including severe disruption of economic activity in at risk sectors. Cash-based transfers will seek to provide a minimum level of liquidity in communities most affected by the crisis by securing their purchasing power to buy essential food commodities.
9. WFP will continue to monitor food prices and functionality of markets, including analysis and sharing of relevant data trends through established government fora to support government oversight on food security particularly during the pandemic.
10. 2,300,000 people were affected by the drought in the 2018/19 agricultural season and are starting to rebuild their livelihoods. Continuing efforts from the drought response in 2019/20, WFP will enhance its early recovery assistance in targeted districts to support interventions that have potential to contribute to smallholder recovery under strategic outcome 3. This will simultaneously strengthen local food procurement and production

<sup>4</sup> WFP-World Vision Rapid Food Security Assessment, March 2020.

<sup>5</sup> 2018 Zambia Demographic Health Survey.

<sup>6</sup> UNICEF. State of the World's Children, 2019. <https://www.unicef.org/reports/state-of-worlds-children-2019>.



under strategic outcome 4 which has the ability to support access to diversified foods as part of the national school feeding programme.

11. Under strategic outcome 4, WFP will conduct a series of market monitoring activities using mobile vulnerability analysis and mapping (mVAM) technology in selected urban locations to determine the appropriateness and effectiveness of cash-based modalities for the emergency response. These activities will also contribute to a holistic understanding of broader food systems issues required to inform potential future interventions during the crisis and build sustainability in the long-term.
12. Under strategic outcome 5, WFP will provide logistics services to the Government and partners to transport health equipment, food supplies, and agricultural inputs as part of the COVID-19 response and other national priorities. This will include logistics support to the Ministry of Health for the malaria elimination programme led by the National Malaria Elimination Centre.
13. In addition to the provision of logistics services, WFP will also offer technical advisory support to the Ministry of Health newly created logistics cell at the Zambia National Public Health Institute. The addition of strategic outcome 5 will allow for the provision of administrative services to IFAD, which shares common premises with the WFP country office.

## **Strategic outcomes**

### ***Targeting approach and beneficiary analysis***

14. Under strategic outcome 1, geographical targeting will be done for low-income high-density urban areas where the risk of transmission is high, and residents are dependent on markets. Prioritization will be based on lowest income areas, rate of manifestation of COVID-19 and gaps in support from government and other partners.
15. It is anticipated that CBTs will enable vulnerable urban households to access a diverse, nutritious range of food during a time of economic constraint, dependent on market availability and functioning.
16. Complementarities will be sought with the Government social cash transfer (SCT) programme and the emergency cash transfers that are being delivered by in the same areas by the United Nations Children's Fund (UNICEF). Targeting for this programme uses a poverty test, and other vulnerability criteria (older persons, chronically ill, female-headed households, child-headed households, households with pregnant and lactating women and informal sector worker households).
17. WFP will utilize mVAM technology using a globally contracted company (GeoPoll) to collect food security data, corroborated with marketing monitoring data across the ten provinces in the country. The data will be cross-checked with available secondary data sources, including from the Zambia Central Statistics Office.
18. The data will provide price volatility alerts on staples and markets, as well as a weekly summary price table for each market showing prices for key commodities. The technology has the potential to support cost-effective and safe data collection, while reducing the need for face-to-face contact.
19. For the early recovery activities under strategic outcomes 3 and 4, the interventions will scale-up existing efforts in targeted districts assessed as highly food insecure. This will include increasing support to smallholder farmers to adopt conservation agriculture, emergency input support through linkages with agro-dealers to provide seeds, and



post-harvest losses management, and promote orange maize, sorghum, cassava and cowpeas as alternate value chains.

20. Linked to smallholder farmer support, capacity strengthening activities for the national home-grown school meals will continue. This technical support aims to benefit school children in the targeted districts through facilitating access to food procured directly from smallholder farmers residing in the school catchment areas.

### ***Transfer modalities***

21. The use of the CBT modality under strategic outcome 1 is primarily to meet food security needs of vulnerable urban populations affected by COVID-19. The monthly transfer value equates to a half ration of the general food distribution in-kind food basket. This value seeks to complement contributions provided by UNICEF, the World Bank and other social protection entities.
22. WFP considered using a minimum expenditure basket approach to calculate the transfer value during the design, however given that this transfer will complement the Government SCT and emergency cash transfer programme, the cost has been pegged to the in-kind food basket and agreed to with government and partners. Under the Government SCT programme the value of the emergency cash transfers is equivalent to USD 22 per household per month, for up to six months.
23. Given the high urban mobile network penetration rates, and Zambia's policy where all subscriber identification module (SIM) card registrations are linked to national registration cards, CBT using mobile money for the monthly transfers will be utilized. WFP will leverage the existing contract with a mobile service provider for this response. For those targeted beneficiaries who do not have SIM cards, the service provider will provide these to the recipient at no cost.
24. The government, in collaboration with partners, has several interventions that aim to provide information to the public on the COVID-19 pandemic. These channels will be leveraged to provide nutrition messages to beneficiaries receiving CBT.

### ***Partnerships***

25. For the CBT that will be provided under strategic outcome 1, WFP will work closely with the Government, UNICEF, the World Bank and other social protection actors to ensure that food security and social protection needs are delivered simultaneously to the extent possible. WFP will continue to work closely with the United Nations Office for the Coordination of Humanitarian Affairs on the humanitarian response, under the overall umbrella of the United Nations country team.
26. WFP will continue to work with government and other United Nations agencies to deliver joint messaging around COVID-19 and nutrition, including key considerations for infant and young child feeding in the context of COVID-19.
27. Market monitoring conducted by WFP will be disseminated through the food security sectoral working group co-led by WFP and Zambia's Disaster Management and Mitigation Unit.
28. Under the new strategic outcome 5 WFP will work closely with Zambia National Public Health Institute to assess logistical needs and deliver according to the plan. WFP will also liaise with the World Health Organization and UNICEF who are leading the procurement of medical and hygiene supplies in the country.



### ***Country office capacity***

29. WFP has sufficient existing capacity to support the increased marketing monitoring activities for the COVID-19 response. Staff capacity will be augmented to support the coordination of the overall food security response. WFP will draw on regional and global capacities as needed to enhance its capacity to support the response, for food security response, market monitoring and supply chain service provision.

### ***Supply chain***

30. Supply chain will provide technical support in retail mapping and will assume responsibility for financial service provider identification and contracting for the CBT-related activities.

### ***Storage***

31. WFP has contracted warehousing facilities for storage and handling of relief food and non-food items in Lusaka, and this will be used as a humanitarian staging area for both COVID-19 response and other WFP interventions.
32. The current storage capacity is around 6,000 mt, with possibility to increase to about 12,000 mt. The warehousing facilities can be used to store relief items from partner organizations on a cost-sharing basis. A market survey to secure specialized storage facilities for medical-related products are underway.

### ***Monitoring and evaluation***

33. To minimize the risk of COVID-19 transmission, in-person data collection will only be used for activities that are categorized as lifesaving. WFP will leverage mVAM technology to establish an SMS-based complaints and feedback mechanism for the urban cash transfers that will be provided under strategic outcome 1 to enable timely feedback from beneficiaries and facilitate programme adjustments where required.
34. WFP will continue remote outcome monitoring using mobile phones for resilience and nutrition programmes.

### ***Proposed exit strategy***

35. The CBT response under strategic outcome 1 is a time-bound response of six months that seeks to meet the immediate food security needs of vulnerable urban populations as a result of COVID-19. In the medium to long term, the majority of people supported with this short-term cash transfer will continue to be assisted under the national SCT programme.
36. The work done on market monitoring will be leveraged to support the establishment of a nationally led food and nutrition security monitoring system (FNSMS), a key activity planned under the CSP. The FNSMS is anticipated to collect comprehensive and timely data on food security and nutrition indicators, to generate early warning information that can be used by policy makers to inform decisions related to the scaling up or down of social assistance programmes including but not limited to SCT and emergency food assistance programmes.

### ***Risk management***

37. WFP will use weekly mVAM market monitoring data to assess temporary price increases due to disrupted supply chain and adverse consumer behaviour and to ascertain whether the value provided under strategic outcome 1 is sufficient and adjust accordingly.



38. Noting possible liquidity issues for vendors that deal only with cash, WFP will request MTN (a mobile service provider) to increase mobile money withdrawal centres and agent cash stocks.
39. Leveraging the potential SMS-based complaints and feedback mechanism, WFP will assess protection issues including sexual exploitation and abuse in relation to the cash payment process.
40. The security context in Zambia remains stable; however, the country office will monitor perceived or actual security threats from its CBT disbursements through its dedicated call centre and monthly monitoring. WFP complies with United Nations operational security standards.
41. Continued consultations will be held with the relevant stakeholders, including the Government, to ensure alignment with external partners on the service provision component under strategic outcome 5 and minimize potential supply chain disruptions.

### **Beneficiary analysis**

<b>TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME AND ACTIVITY</b>							
<b>Strategic outcome</b>	<b>Activity</b>	<b>Period</b>	<b>Women (18+ years)</b>	<b>Men (18+ years)</b>	<b>Girls (0-18 years)</b>	<b>Boys (0-18 years)</b>	<b>Total</b>
1	1	Current	415 224	602 345	54 462	53 005	<b>1 125 036</b>
		Increase/decrease	209 610	322 170	62 958	61 051	<b>655 789</b>
		Revised	624 834	924 515	117 420	114 056	<b>1 780 825</b>
	1	Current	4 681	-	2 625	2 625	<b>9 931</b>
		Increase/decrease	-	-	-	-	-
		Revised	4 681	-	2 625	2 625	<b>9 931</b>
	1	Current	1 765	-	3 465	3 465	<b>8 695</b>
		Increase/decrease	-	-	-	-	-
		Revised	1 765	-	3 465	3 465	<b>8 695</b>
3	3	Current	60 000	90 000	-	-	<b>150 000*</b>
		Increase/decrease	41 816	62 724	-	-	<b>104 540</b>
	4	Revised	101 816	152 724	-	-	<b>254 540</b>
<b>Total (without overlap)</b>	<b>Current</b>		<b>475 224</b>	<b>692 345</b>	<b>54 462</b>	<b>53 005</b>	<b>1 275 036</b>
	<b>Increase/decrease</b>		<b>251 426</b>	<b>384 894</b>	<b>62 958</b>	<b>61 051</b>	<b>760 329</b>
	<b>Revised</b>		<b>726 650</b>	<b>1 077 239</b>	<b>117 420</b>	<b>114 056</b>	<b>2 035 365</b>

\* Beneficiaries targeted under strategic outcome 3 activities 3 and 4 are the same.



## Transfers

TABLE 2: FOOD RATION ( <i>g/person/day</i> ) or CASH-BASED TRANSFER VALUE ( <i>USD/person/day</i> ) BY STRATEGIC OUTCOME AND ACTIVITY									
	Strategic outcome 1								Strategic outcome 3
	Activity 1				Activity 1				Activity 3
	Refugees		Drought response	COVID-19 response	Children 6-23 months	PLW/G	Children 6-59 months	PLW/G	Residents
Modality	Food	Cash	Food	Cash	Food	Food	Food	Food	Cash
Cereals	400*								
Pulses	60		120						
Oil	25								
Salt	5								
Sugar	-								
Super Cereal	60					200		250	
Super Cereal Plus					200		200		
Micronutrient powder									
Total kcal/day	2 114		408		787	763	787	954	
% kcal from protein	10.7		25.9		16.6	16	16.6	16.3	
CBTs ( <i>USD/person/day</i> )		0.49		0.142					0.22
Number of feeding days per year	365	365	180	180	180	180	90	90	90 (insurance premium)

\* Government will provide 400 grams of maize meal per person/per day x 30 days gives a total of 12 kg per person/per month which translates to 72 kg per household per month (household size 6). This will provide 1,464 (70 percent) of the 2,100 kcal recommended.



**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	6 570	3 170 552	0	0	6 570	3 170 552
Pulses	24 746	16 311 526	0	0	24 746	16 311 526
Oil and fats	411	409 242	0	0	411	409 242
Mixed and blended foods	2 039	1 502 018	0	0	2 039	1 502 018
Other	82	29 293	0	0	82	29 293
<b>Total (food)</b>	<b>33 848</b>	<b>21 422 631</b>	<b>0</b>	<b>0</b>	<b>33 848</b>	<b>21 422 631</b>
Cash-based transfers		15 823 300	0	16 761 967		32 585 267
<b>Total (food and CBT value)</b>	<b>33 848</b>	<b>37 245 931</b>	<b>0</b>	<b>16 761 967</b>	<b>33 848</b>	<b>54 007 898</b>

### 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 3/ SDG Target 2.3	Strategic Result 5/ SDG Target 17.9	Strategic Result 8/ SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	Strategic outcome 5	
Focus area	Crisis response	Root cause	Resilience building	Root cause	Crisis response	
Transfer	20 755 396		3 053 236		754 103	<b>24 562 735</b>
Implementation	300 000		2 464 476	148 000		<b>2 912 476</b>
Adjusted direct support costs						<b>375 460</b>
<b>Subtotal</b>						<b>27 850 671</b>
Indirect support costs (6.5 percent)						<b>1 757 291</b>
<b>Total</b>						<b>29 607 962</b>



**TABLE 5: OVERALL CSP COST BREAKDOWN, AFTER REVISION (USD)**

	Strategic Result 1/ SDG Target 2.1	Strategic Result 2/ SDG Target 2.2	Strategic Result 3/ SDG Target 2.3	Strategic Result 5/ SDG Target 17.9	Strategic Result 8/ SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	Strategic outcome 5	
Focus area	Crisis response	Root cause	Resilience building	Root cause	Crisis response	
Transfer	72 818 735	8 999 098	16 038 020	6 562 754	754 103	<b>105 172 710</b>
Implementation	7 466 595	1 800 320	6 009 459	2 145 192	0	<b>17 421 566</b>
Adjusted direct support costs	6 387 867	1 193 748	2 213 865	960 465	61 329	<b>10 817 274</b>
<b>Subtotal</b>	<b>86 673 197</b>	<b>11 993 167</b>	<b>24 261 344</b>	<b>9 668 411</b>	<b>815 432</b>	<b>133 411 550</b>
Indirect support costs (6.5 percent)	5 633 758	779 556	1 576 987	628 447	0	<b>8 618 748</b>
<b>Total</b>	<b>92 306 954</b>	<b>12 772 722</b>	<b>25 838 331</b>	<b>10 296 858</b>	<b>815 432</b>	<b>142 030 298</b>

## Acronyms

CBT	cash-based transfers
CSP	country strategic plan
FNSMS	food and nutrition security monitoring system
IFAD	International Fund for Agricultural Development
mVAM	mobile vulnerability analysis and mapping
SCT	social cash transfer
UNICEF	United Nations Children's Fund

