

COUNTRY STRATEGIC PLAN REVISION

REVISION

[Kyrgyz Republic] Country Strategic Plan, Revision [04]

Gender and age marker code: [2A]

	Current	Change	Revised
Duration	<i>01/01/2018 – 31/12/2022</i>	<i>N/A</i>	<i>01/01/2018 – 31/12/2022</i>
Beneficiaries	634 710	100 195	734 905
Total cost (USD)	59 099 963	2 765 422	61 865 386
Transfer	42 026 110	2 242 835	44 268 945
Implementation	9 332 978	288 099	9 621 077
Direct Support Costs	4 133 836	65 707	4 199 543
Sub-total	55 492 923	2 596 641	58 089 564
Indirect Support Costs	3 607 040	168 782	3 775 822

1. RATIONALE

1. The COVID-19 pandemic has caused serious socioeconomic impacts across the Kyrgyz Republic. The Kyrgyz Government estimates that about one million people will lose their jobs and become part of the ‘new poor’, due to COVID-19-related unemployment or through the loss of other incomes. With already high numbers of poor people in the country, this new category of vulnerable people will lead to a total of 1.8 million people, approximately one-third of the population, falling into poverty, greatly intensifying their food insecurity. This includes people living in extreme poverty, recipients of monthly benefits, people living with disabilities, pensioners whose income are not sufficient to ensure the minimum food basket established by the government, youth, female-headed households, returning labour migrants and the ‘new poor’ (e.g. daily wage labourers living on less than USD 1.20 a day – below national poverty level).
2. COVID-19 has adversely impacted livelihoods of urban populations as they have limited land, productive assets and livestock possession. A recent UNDP and ADB analysis conducted in May-June 2020 identified trade, consumer services, construction, hotels, restaurants and transport as the most affected sectors. Vulnerable urban populations that often depend on employment in informal sectors as their only source of income have hugely suffered from the lockdown.
3. WFP’s Rapid Household Food Security Assessment conducted in April-May 2020 revealed that the poorest households spend up to 70 percent of their budget on food. Top food security shocks include high food prices and decreases in incomes that are drastically affecting food security of the most vulnerable populations. Additionally, over 80 percent of poor smallholders have reported employing negative coping strategies (borrowing money to buy food, drastically reducing food consumption volume, diversity and nutrition, etc.). The COVID-19 crisis in Kyrgyzstan has the potential to further exacerbate already high poverty rates (20.1 percent poverty rate in

2019) and trigger a disproportionate increase of vulnerable populations. According to the World Bank, should the COVID-19 outbreak continue expanding into the regions and across Kyrgyzstan, by the end of this year, it is estimated that 30.7 percent of the population will fall into poverty¹.

4. The lockdown of state borders has inflated food prices for imported goods and aggravated the countrywide food insecurity of vulnerable populations. Furthermore, the harsh 2020 spring with frosts, floods and an outbreak of Moroccan locusts in the agriculture-oriented southern region of the country has broken the backbone of domestic food security and drastically reduced livelihood capacity of vulnerable populations in the country.
5. In response to a dramatically increasing caseload of affected poor families and the socioeconomic deterioration of many sectors, the Government has specifically requested WFP to lead the food security and nutrition response and provide emergency food and cash assistance to the most vulnerable and poorest populations, including the “new poor”, who have been impacted by the socioeconomic impacts of COVID-19.
6. This budget revision (BR) aims to provide emergency response and early recovery support to 100,195 beneficiaries (50 percent female, 50 percent male). This emergency assistance will be conditional, in the form of cash or food-for-asset (FFA) and cash or food-for-training (FFT) projects, identified jointly with local community and partners. Types of projects will include the rehabilitation of irrigational infrastructure, construction of drinking water pipelines, and training on various livelihood skills and practices. A unified ration of assistance (cash and food) will be applied to both asset creation and training projects to expand coverage to the maximum number of beneficiaries. The geographical selection of project areas will be based on an analysis of the urban vs rural locations most affected by the impacts of COVID-19 in areas of the health, food security and nutrition. The emergency assistance proposed under the current BR will also support and strengthen the socioeconomic assessments and food security management capacities of the Kyrgyz Government.

2. CHANGES

Strategic orientation

7. This Budget Revision introduces a new Strategic Outcome for crisis response and early recovery to support the vulnerable populations affected by crisis, including COVID-19, as well as technical support for assessments.
8. The new Strategic Outcome, activities and outputs of the current Country Strategic Plan are as follows:

[New] Strategic Outcome 5: Vulnerable populations in Kyrgyzstan are supported to meet their food security and nutrition needs to enable their early recovery during and in the aftermath of the COVID-19 crisis.

¹ Kyrgyz Republic Covid-19 Poverty and Vulnerability Impacts, Macro-Micro Simulations of Covid-19 Shock”, WB, 2020

[New] Activity 9: Provide emergency food assistance to shock-affected vulnerable populations.

[New] Output 9.1: Vulnerable food insecure populations receive food assistance in order to meet their basic food needs.

9. Previous BRs:

- BR01 and BR02 were technical revisions; and
- BR03 (approved by CD in June 2020) to incorporate WFP assistance to government-funded social institutions as part of the COVID-19 response.

Strategic outcomes

Targeting approach and beneficiary analysis:

10. Under activity 9, WFP will focus on reaching the most vulnerable people living in extreme poverty, through its gender-responsive emergency assistance. WFP will preliminarily assist 100,195 beneficiaries in urban and semi-urban locations, mostly impacted by COVID-19 so as to avoid further deterioration of their food security status. WFP will partner with the Ministry of Labour and Social Development (MLSD) and local authorities to target beneficiaries and to coordinate the distribution of assistance.

Transfer modalities:

11. The food assistance under Activity 9 will be delivered through in-kind and cash-based transfers (CBT). Capacity strengthening components under the activity will focus on early recovery and include training to learn income-generation skills as well as to facilitate the restoration of productive assets and mitigate and/or alleviate the adverse effects on food and nutrition security, including support in the re-launching of livelihood activities and re-integration of affected populations in order to ensure a proper food system response and an improved supply chain.

Partnerships:

12. WFP Kyrgyz Republic will be partnering with the Kyrgyz Government through the Ministry of Labour and Social Development (central management and local branches) and the Ministry of Emergency Situations (MES), together with local authorities to coordinate the targeting, delivery and monitoring of assistance. Additionally, in an effort to promote field-level partnership, WFP is seeking to engage local NGOs and community-based organizations to coordinate the local distributions and monitoring.

13. WFP has already secured USD 2 million from the Immediate Response Request (IRR) and the Swiss Embassy in the Kyrgyz Republic for the operationalization of emergency assistance in response to COVID-19 in the country. A joint project proposal under the COVID-19 Response and Recovery Multi-Partner Trust Fund (MPTF) was prepared by WFP in partnership with UNDP, UN Women and UNIDO. WFP will further liaise with donors and embassies to ensure additional resource mobilization and fundraising in response to the COVID-19-related crisis.

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14. WFP will continue coordinating the response to the COVID-19 crisis by leading the Food Security group on behalf of the Development Partners Coordination Council (DPCC) and Food Security and Logistics Sectors of the national Disaster Risk Coordination Unit (DRCU). The emergency assistance is also aligned with the [Socioeconomic Response Framework](#) (SERF), which outlines the phased emergency and recovery activities until the end of 2021.

Country Office capacity:

15. To ensure smooth and appropriate implementation of all activities in the field and any possible project expansion, three new field monitors will be hired full-time on a short-term basis. On a periodic basis, WFP will re-assess its capacity to ensure that it maintains the ability to effectively implement its current CSP while providing the required emergency response.

Supply chain challenges:

16. All procurement will be done locally and regionally. The only foreseen challenge includes the inflation in food prices considering the regional economic downturn. WFP will continue to monitor the price and market fluctuations and adapt as needed.

M&E:

17. The current M&E arrangements as outlined in the CSP will continue to collect age- and sex-disaggregated data and the improved measurement and analysis of outputs and outcomes for the diverse women, men, girls and boys who benefit from WFP's interventions. A gender responsive monitoring will be expanded to cover the newly introduced activity. Monitoring will be conducted through mobile data collection and where possible will inform the implementation process.
18. As recent travel restrictions and lockdowns have affected the CO's M&E modes of operation, remote monitoring, hotlines and phone interviews were operationalized. These arrangements will continue to be in place.

Proposed transition/handover strategy:

19. As a part of the UNCT in Kyrgyzstan, WFP is participating in the [Socioeconomic Response Framework](#) (SERF), which outlines the phased emergency and recovery activities until the end of 2021. The emergency assistance as defined in this BR is aligned with the SERF and is expected to be gradually phased out as livelihood opportunities resume. While substituting this emergency assistance with early recovery activities, WFP will handover the cash/food-for-training/asset scheme of supporting urban households to Kyrgyz Ministry of Labour and Social Development to be introduced as a tool of emergency social protection.

Risk management:

20. The tight implementation period of the IRR fund (three months) is a risk as it may be challenging to identify and implement all conditional interventions under the emergency assistance by 2020. The budget capacities of many local partners/municipalities in country will have been nearly exhausted in the light of COVID-19 response. To mitigate this, WFP will expand the geographic coverage across the 7 provinces in the country to include 23 urban and semi-urban locations. It

will give WFP Kyrgyzstan country operations some flexibility to mobilize target communities and implement projects in a timely manner.

21. Another contextual risk is any drastic deterioration of COVID-19 situation in country leading to restriction of movements. To mitigate this, WFP will closely monitor the situation and if required, adjust the response accordingly in consultation with RBC/HQ.
22. With the expansion of CBT within a limited time period, WFP will further scrutinize CBT procedures to mitigate any possible fraud and loss risks. It will include regular monitoring of the activity, regular CBT Working Group sessions under DCD chairpersonship to review the overall implementation and the quality of FFA/FFT projects, targeting and disbursement/reconciliation, etc.
23. WFP will continue to ensure strong compliance with internal controls and testing those of its partners. WFP will regularly update its risk register to capture changes in the country's context and adjust to any relevant corresponding risk mitigation measures.

Beneficiary analysis

Strategic Outcome	Activity ²	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	1	Current	-	-	65 000	65 000	130 000
		Increase/decrease	-	-	-	-	-
		Revised	-	-	65 000	65 000	130 000
	8	Current	418	435	1 155	1 199	3 207
		Increase/decrease	-	-	-	-	-
Revised		418	436	1 154	1 199	3 207	
2	2	Current	118 320	122 136	68 702	72 518	381 676
		Increase/decrease	-	-	-	-	-
		Revised	118 320	122 136	68 702	72 518	381 676
	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
3	4	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
	5	Current	37 146	38 345	21 569	22 767	119 827
		Increase/decrease	-	-	-	-	-
		Revised	37 146	38 345	21 569	22 767	119 827
4	6	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
	7	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
5	9	Current	-	-	-	-	-
		Increase/decrease	13 035	13 566	36 060	37 533	100 195

² Indicate whether transfer is in the form of in-kind, CBT or capacity strengthening. If more than one modality per activity, duplicate the rows.

		Revised	-	-	-	-	-
TOTAL (without overlap)		Current	82 576	85 940	228 432	237 762	634 710
		Increase/decrease	13 035	13 566	36 060	37 533	100 195
		Revised	95 611	99 506	264 492	275 295	734 905

Transfers

Strategic Outcome	1		2	3	5
Activity	1	8	2	5	9
Beneficiary type	School children of 1-4 grades	Vulnerable population	Smallholders	Households	Households
Modality (indicate food or CBT)	Food	Food	Food/CBT	Food	Food/CBT
Cereals	60	837	837	837	500
Oil	-	87	87	87	46
Total kcal/day (to be completed for food and cash modalities)	198	727	727	727	410
% kcal from protein	7.4	21.2	21.2	21.2	~10
Cash-based transfers (USD/person/day; use average as needed)	-	-	0.53	-	0.33
Number of feeding days per year	180	90	75	75	60

Food type / cash-based transfer	Current Budget		Increase		Revised Budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	30 530	15 077 890	569	252 418	31 098	15 330 308
Pulses	-	-	-	-	-	-
Oil and Fats	2 785	4 503 691	52	69 691	2 838	4 573 382
Mixed and blended foods	-	-	-	-	-	-
Other	-	-	-	-	-	-
TOTAL (food)	33 315	19 581 581	621	322 109	33 936	19 903 690
Cash-based transfers (USD)		3 054 509		1 625 200		4 679 709
TOTAL (food and CBT value – USD)	33 315	22 636 090	621	1 947 309	33 936	24 583 399

3. COST BREAKDOWN

COST BREAKDOWN OF THE REVISION ONLY (USD)						
	Strategic Result 1 / SDG Target 2.1	Strategic Result 3 / SDG Target 2.3	Strategic Result 4 / SDG Target 2.4	Strategic Result 5 / SDG Target 17.9	Strategic Result 1 / SDG Target 2.1	TOTAL
Strategic outcome	01	02	03	04	05	
Focus Area	Root Causes	Root Causes	Resilience Building	Root Causes	Crisis Response	
Transfer	0	0	0	0	2 242 835	2 242 835
Implementation	0	0	0	0	288 099	288 099
Direct support costs						65 707
Subtotal						2 596 641
Indirect support costs						168 782
TOTAL						2 765 422

TABLE 5: OVERALL CSP COST BREAKDOWN, FOLLOWING THE REVISION (USD)						
	Strategic Result 1 / SDG Target 2.1	Strategic Result 3 / SDG Target 2.3	Strategic Result 4 / SDG Target 2.4	Strategic Result 5 / SDG Target 17.9	Strategic Result 1 / SDG Target 2.1	TOTAL
Strategic outcome	01	02	03	04	05	
Focus area	Root causes	Root causes	Resilience building	Root causes	Crisis response	
Transfer	6 912 419	22 745 395	7 211 216	5 157 080	2 242 835	44 268 945
Implementation	2 205 978	2 963 867	2 846 442	1 316 691	288 099	9 621 077
Direct support costs	718 051	2 019 420	752 972	503 904	205 196	4 199 543
Subtotal	9 836 448	27 728 682	10 810 630	6 977 674	2 736 129	58 089 564
Indirect support costs	639 369	1 802 364	702 691	453 549	177 848	3 775 822
TOTAL	10 475 817	29 531 046	11 513 321	7 431 223	2 913 978	61 865 386

Annex 1: Revised Line of Sight

Kyrgyz Republic CSP (2018 - 2022)				
SR 1 – Everyone has access to food (SDG Target 2.1)	SR 3 – Smallholder productivity and incomes (SDG Target 2.4)	SR 4 – Food systems are sustainable (SDG target 2.4)	SR 5 – Capacity strengthening (SDG Target 17.9)	SR 1 – Everyone has access to food (SDG Target 2.1)
ROOT CAUSES		RESILIENCE BUILDING	ROOT CAUSES	CRISIS RESPONSE
OUTCOME 1: Vulnerable populations in the Kyrgyz Republic, including schoolchildren and residents of social institutions, have access to safe, adequate and nutritious food all year round.	OUTCOME 2: Vulnerable and food insecure smallholders, in particular women, in the most vulnerable geographic areas of the Kyrgyz Republic have enhanced livelihoods and increased resilience to shocks to better support food security and nutrition needs all year round.	OUTCOME 3: Food-insecure communities in areas that are highly vulnerable to climate change have strengthened food systems and are more resilient to shocks all year round.	OUTCOME 4: Government institutions at central and decentralized levels have strengthened capacities for comprehensive food.	OUTCOME 5: Vulnerable populations in Kyrgyzstan are supported to meet their food security and nutrition needs to enable their early recovery during and in the aftermath of crisis.
BUDGET SO 1: \$10,475,817	BUDGET SO 2: \$29,531,046	BUDGET SO 3: \$11,513,321	BUDGET SO 4: \$7,431,223	BUDGET SO 5: \$2,913,978
OUTPUTS: 1. Primary school-aged girls and boys in WFP-supported schools receive a hot, diversified and nutritious meal every day they attend school to meet their basic food and nutrition needs and take full advantage of learning opportunities (Tier 1, Output Category A, K, SR 1, SR 2, SDG 4). 2. Primary school-aged girls and boys in schools with independent replication receive a hot, diversified and nutritious meal every day they attend school to meet their basic food and nutrition needs and take full advantage of learning opportunities (Tier 2, output category C, SR 1, SR 2, and SDG 4). 3. Primary school-aged girls and boys and their families benefit from improved knowledge and skills of school staff and caregivers in sanitation, hygiene and nutrition to improve their micronutrient intake within a healthy and safe environment. (Tier 2, output category C, SR 1, SDG 3). 4. Vulnerable populations, including schoolchildren and people in social institutions, benefit from food or cash assistance to meet their basic food needs (Tier 1, Output Category 1, C, SR 1)	OUTPUTS: 1. Participating households benefit from conditional transfers (food or cash) in order to meet their basic food and nutrition needs (Tier 1, output category A, SR 1, SR 2). 2. Food insecure individuals and communities in targeted areas benefit from rehabilitated and newly constructed productive assets in order to increase their incomes, production and productivity (Tier 2, output category D, K, SR 3). 3. Targeted smallholders benefit from improved awareness on nutrition, knowledge and skills in agricultural production and productivity, sustainable management and use of natural resources, reduction of post-harvest losses, processing and marketing in order to improve their livelihoods, diversify their income base and improve their nutrition (Tier 1, output category C, A, K, SR 3).	OUTPUTS: 1. Participating targeted households benefit from conditional transfers (food or cash) in order to meet their basic food and nutrition needs (Tier 1, Output category A, SR1, SR2). 2. Community members in the most risk prone areas benefit from strengthened local capacity in risk profiling and risk informed planning in order to protect their livelihoods and become more resilient to climate change (Tier 3, Output category C, K, SR4, SDG 13). 3. Community members in the most risk prone areas benefit from rehabilitated and newly constructed climate resilient assets in order to protect their livelihoods from shocks and to ensure stable access to adequate food and nutrition (Tier 2, Output category D, K, SR1, SR2, SR4, and SDG13).	OUTPUTS: 1. Food insecure households benefit from the strengthened capacity of government institutions to monitor and analyse food security and manage national programmes in order to adequately target and reach those in need of assistance (Tier 3, Output category C, SR 1, SR 3, SR 4, SR 5, SDG 1, and SDG 13). 2. Food insecure communities benefit from the access of national decision-making bodies to evidence in order to increase the coherence of national policies and strategies on food security, nutrition, social protection, disaster risk management and climate change (Tier 3, Output category C, M, I, SR 1, SR 3, SR 4, SR 5, SR 6, SDG 1, and SDG 13).	OUTPUTS: 1. Vulnerable food insecure populations receive food assistance in order to meet their basic food needs (Tier 1, output category A, D, SR 1, SR 2).
ACTIVITY 1: Provide school meals to primary school-aged children and strengthen the capacity of government institutions and schools to implement school meals. (Modality: Food, CS)	ACTIVITY 2: Provide support in productive assets creation to vulnerable communities and food insecure smallholders. (Modality: Food, CBT)	ACTIVITY 4: Provide capacity strengthening to local community members and authorities. (Modality: CS) ACTIVITY 5: Provide support for protective and risk reduction assets creation and rehabilitation to communities vulnerable to climate-change and natural disasters. (Modality: Food)	ACTIVITY 6: Provide capacity strengthening to national institutions. (Modality: CS) ACTIVITY 7: Provide evidence-based analysis to relevant national institutions. (Modality: CS)	ACTIVITY 9: Provide emergency food assistance to shock-affected vulnerable populations (Modality: Food, CBT, CS)
ACTIVITY 8: Provide short-term food assistance to vulnerable populations, including schoolchildren and people in social institutions, to meet their basic food needs during and in the aftermath of emergencies. (Modality: Food, CBT, CS)	ACTIVITY 3: Provide capacity strengthening to food insecure smallholders. (Modality: CS)			

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TOTAL BUDGET: \$61,865,386