

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

	Current	Change	Revised
<b>Duration</b>	<b>January 2020– December 2021</b>	<b>No change</b>	<b>No change</b>
<b>Beneficiaries (direct)</b>	<b>80 000</b>	–	<b>80 000</b>
<b>Beneficiaries (indirect)</b>	<b>1 090 500</b>	–	<b>1 090 500</b>
<b>(USD)</b>			
<b>Total cost</b>	26 026 728	2 047 172	28 073 900
Transfers	20 759 982	1 198 727	21 958 709
Implementation	2 873 247	144 100	3 017 347
Adjusted direct support costs	805 013	579 400	1 384 413
<b>Subtotal</b>	24 438 242	1 922 227	26 360 469
Indirect support costs (6.5 percent)	1 588 486	124 945	1 713 431

Gender and age marker code\*: 4

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

### Rationale

1. The small economy of scale and tight fiscal space faced by Caribbean small island developing states (SIDS) continue to create challenges to meeting the needs of the most vulnerable populations as the pandemic endures. Despite the relatively limited health impacts of COVID-19 in the English and Dutch speaking Caribbean due to swift actions by national governments and the Caribbean Community (CARICOM) and its institutions, the social-economic impacts of the crisis are deepening.
2. WFP has conducted two rounds of a COVID-19 food security and livelihoods impact survey<sup>1</sup> in partnership with the CARICOM Secretariat. The second round, conducted in July 2020, found that 69 percent of respondents have experienced job loss or reduced income in their household since the COVID-19 outbreak, compared to 48 percent in April 2020. At the same time, food prices continued to increase between the two survey rounds. The survey results showed limited differentiated gender results overall, however there were important impacts on the amount of time people dedicate to unpaid care and work, particularly women and single parent households. Impacts are hitting low-income households the hardest and women make up over 90 percent of the single parent, low-income households who completed the survey. Job loss or reduced income was reported by 83 percent of those classifying their income as below average and 88 percent of those with well-below average income. More than half of respondents with well-below average income indicated that they were eating less or skipping meals, and 16 percent have gone at least a day without eating in the previous week.

<sup>1</sup> Round 1 regional summary and country analyses can be found at <https://www.wfp.org/publications/caribbean-covid-19-food-security-livelihoods-impact-survey-round-1> whereas the round 2 reports can be found at <https://www.wfp.org/publications/caribbean-covid-19-food-security-and-livelihoods-impact-survey-round-2-july-2020>.



3. Trends based on comparisons between the April and July surveys reveal a deepening of the situation over time despite greater access to markets. While the numbers of severely food-insecure people remained consistent between the April and July 2020 rounds of surveys, there was a significant increase in the moderately food-insecure population from 1.7 million people in April to 2.9 million in July 2020.
4. All the governments of countries covered by the interim multi-country strategic plan (IMCSP) have introduced, adapted or expanded social protection programmes in response to COVID-19, such as reducing conditionality, changing delivery mechanisms or launching new programmes. Despite this, critical gaps remain, particularly for persons engaged in the informal economy and/or who have not been captured under any programme. Furthermore, as largely service-oriented and singular economies contract due to the global impact of COVID-19 national government revenues have reduced. At the same time, this expansion of social protection has resulted in increased government expenditures, plunging countries further into unsustainable debt. Despite positive developments in terms of vaccines for COVID-19, it is anticipated that the economic hardships faced throughout the Caribbean will continue throughout the duration of the IMCSP. Governments were largely able to meet initial increased needs forecasted in revision 1 of the IMCSP, however, as the crisis deepens, greater support from WFP and other external actors is required.
5. WFP increased its response capacities during the peak of the 2020 hurricane season based on the forecasts for an extremely active season. As part of these efforts, WFP prepositioned staff, food kits and logistics assets, as a contingency for WFP direct assistance across the region. Despite breaking numerous records, including the most named storms in recorded history, there was limited impact in the countries and territories covered by the IMCSP.

## **Changes**

### **Strategic orientation**

6. This revision will not result in any change to the strategic orientation or strategic outcomes. It builds on the budget revision 1 which was a crisis response revision designed to urgently scale up the two crisis response strategic outcomes of the IMCSP to meet anticipated needs related to supporting government responses to the impacts of COVID-19. As the health impacts of the pandemic have been less than initially anticipated and governments have managed to launch significant expansions and adaptations to social protection programmes, this budget revision seeks to adapt the initial response planning outlined in the first revision. This revision continues to reinforce efforts of national governments to combat the socio-economic impacts of COVID-19 with an emphasis on partnerships and leveraging WFP resources for longer systemic changes. It continues to embrace the strategic orientation of the IMCSP through a “cash-first” approach and weaving longer term capacity strengthening objectives throughout all strategic outcomes.

### **Strategic outcomes**

7. The WFP Caribbean office’s technical assistance and capacity strengthening demands through strategic outcome 1 will continue to support government efforts to combat the impacts of COVID-19 and to strengthen preparedness and response mechanisms for climatic and other shocks. WFP continues to scale up its support to the CARICOM Secretariat, the Caribbean Disaster Emergency Management Agency and national social protection ministries and disaster management authorities. The WFP Caribbean office has expanded its presence in the Caribbean based on growing demand, including the establishment of satellite offices in Dominica, Jamaica and Saint Lucia with a planned expansion to Guyana and potentially others. This expanded physical presence allows for strengthened engagement with government counterparts, other United Nations agencies, and international financial institutions.



8. COVID-19 has also re-emphasized the fragility of food systems in the Caribbean SIDS where, on average, countries import over 80 percent of their food. In light of the 2021 food systems summit, WFP will also increase its support as needed to the CARICOM Secretariat and national governments for the necessary consultations and planning for the summit.
9. Based on needs and government requests, this revision seeks to shift planned direct assistance to populations impacted by COVID-19 through strategic outcome 2 from 2020 to 2021 and increase the overall requirements owing to the deepening of the crisis and challenges with sustaining the initial robust government responses in several countries.
10. Direct beneficiaries will be selected using established targeting methodologies within government social protection mechanisms or through a combination of existing systems and WFP technical assistance in vulnerability analysis and targeting approaches. WFP will support these short-term measures with complementary technical assistance designed to strengthen ongoing social protection programmes through enhanced data collection tools and methodologies. Wherever possible, direct assistance will be designed to bridge shorter-term gaps in government programming and resourcing and will seek to leverage additional resources. For example, WFP direct assistance in Saint Lucia will trigger the activation of a permanent expansion of the government's flagship cash transfer programme with financing from an international financial institution.
11. While direct assistance through strategic outcome 2 is largely planned for through cash transfers and the use of the food kits purchased in anticipation of a climatic shock, support to school feeding programmes may also be incorporated, particularly where they are revised in light of school closures or restrictions.
12. As the needs initially envisioned for supporting the Caribbean efforts at transporting and storing medical supplies and equipment through strategic outcome 3 shifted towards the provision of technical assistance to the Caribbean Disaster Emergency Management Agency, there is an overall reduction of requirements with a partial shift of needs to 2021. WFP will continue to support the development of a regional logistics hub and provide other technical assistance and support through augmenting the capacity strengthening within strategic outcome 3.
13. Despite the current forecasted needs through each strategic outcome, the IMCSP will also maintain the contingency budget in 2021 from the initially approved IMCSP in order to be able to launch an immediate response to any eventualities in the 2021 hurricane season between 1 June and 30 November, or other unforeseen crises.

### ***Beneficiary analysis***

14. This revision does not anticipate an overall change in beneficiaries, with the overall Caribbean focus on strengthening national and local preparedness and response capacities continuing to target around 1.1 million people in priority countries. At the same time, under strategic outcome 2, as requirements have largely been shifted from 2020 to 2021, with assistance planned for longer durations, no changes in total direct beneficiaries are envisioned.
15. WFP will target priority countries and respond to government requests to address unmet needs (i.e. people who are not benefitting from other COVID-19 response efforts and programmes). While the IMCSP covers 22 countries and territories and is able to adapt to changing needs and priorities, the provision of assistance (food and cash-based transfers) to direct beneficiaries is planned for the British Virgin Islands, the Commonwealth of Dominica, Guyana and Jamaica at present. These countries have all requested support from WFP to assist households and address the socio-economic impacts of the pandemic.



## Transfers

16. This budget revision adjusts all three strategic outcomes to respond to evolving and/or increased needs related to COVID-19. The development and prepositioning of food kits for the hurricane season allowed for a more comprehensive food basket than originally intended. The transfer value of the cash grants continues at USD 1.00 per person per day for the response to COVID-19, which reflects just under 50 percent of food needs based on an analysis of the minimum expenditure basket around the Caribbean.

<b>TABLE 1: FOOD RATION (g/person/day) or CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME, ACTIVITY AND MODALITY</b>		
	<b>Strategic outcome 2</b>	
	<b>Activity 2</b>	
<b>Beneficiary type</b>	<b>Shock-affected persons</b>	<b>Shock-affected persons</b>
<b>Modality</b>	<b>Food</b>	<b>Cash-based transfers</b>
Cereals (rice)	302	
Pulses (beans, dried)	107	
Vegetable oil	45	
Pasta	40	
Oats	28	
Salt	7.6	
Total kcal/day	2 110	
% kcal from protein	10.0	
Cash-based transfers (USD/person/day)		1.00
Number of feeding days per year	30	180

<b>TABLE 2: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS AND VALUE</b>						
<b>Food type/ cash-based transfer</b>	<b>Current Budget</b>		<b>Increase</b>		<b>Revised Budget</b>	
	<b>Total (mt)</b>	<b>Total (USD)</b>	<b>Total (mt)</b>	<b>Total (USD)</b>	<b>Total (mt)</b>	<b>Total (USD)</b>
Cereals	350	154 110	245	328 881	596	482 991
Pulses	50	38 160	121	331 137	171	369 297
Oil and fats	20	15 957	53	122 883	74	138 840
Mixed and blended foods	0	0	0	0	0	0
Other	50	127 133	(38)	(105 075)	12	22 058
<b>Total (food)</b>	<b>471</b>	<b>335 359</b>	<b>381</b>	<b>677 826</b>	<b>852</b>	<b>1 013 185</b>
Cash-based transfers		5 325 000		4 500 000		9 825 000
<b>Total (food and cash-based transfer value)</b>	<b>471</b>	<b>5 660 359</b>	<b>381</b>	<b>5 177 826</b>	<b>852</b>	<b>10 838 185</b>

<b>TABLE 3: COST BREAKDOWN OF THE REVISION ONLY (USD)</b>			
	<b>Strategic Result 1/ SDG Target 2.1</b>	<b>Strategic Result 8/ SDG Target 17.16</b>	<b>Total</b>
	<b>Strategic outcome 2</b>	<b>Strategic outcome 3</b>	
<b>Focus area</b>	<b>Crisis response</b>	<b>Crisis response</b>	
Transfers	6 514 026	(5 315 299)	<b>1 198 727</b>
Implementation	319 100	(175 000)	<b>144 100</b>
Adjusted direct support costs			<b>579 400</b>
<b>Subtotal</b>			<b>1 922 227</b>
Indirect support costs (6.5 percent)			<b>124 945</b>
<b>Total</b>			<b>2 047 172</b>



<b>TABLE 4: OVERALL IMCSP COST BREAKDOWN, AFTER REVISION (USD)</b>				
	<b>Strategic Result 5/ SDG Target 17.9</b>	<b>Strategic Result 1/ SDG Target 2.1</b>	<b>Strategic Result 8/ SDG Target 17.16</b>	<b>Total</b>
	<b>Strategic outcome 1</b>	<b>Strategic outcome 2</b>	<b>Strategic outcome 3</b>	
<b>Focus area</b>	<b>Resilience building</b>	<b>Crisis response</b>	<b>Crisis response</b>	
Transfers	5 551 363	13 004 176	3 403 170	<b>21 958 709</b>
Implementation	909 962	1 387 303	720 082	<b>3 017 347</b>
Adjusted direct support costs	342 154	815 064	227 195	<b>1 384 413</b>
<b>Subtotal</b>	<b>6 803 478</b>	<b>15 206 543</b>	<b>4 350 448</b>	<b>26 360 469</b>
Indirect support costs (6.5 percent)	442 226	988 425	282 779	<b>1 713 431</b>
<b>Total</b>	<b>7 245 704</b>	<b>16 194 969</b>	<b>4 633 227</b>	<b>28 073 900</b>

