

REVISION

Nepal country strategic plan (CSP), revision 3

	Current	Change	Revised
Duration	<i>1 January 2019 – 31 December 2023</i>	<i>No change</i>	<i>1 January 2019 – 31 December 2023</i>
Beneficiaries	1,352,534	280,793	1,633,327
Total cost (USD)	126,640,823	15,011,401	141,652,225
Transfer	83,631,668	13,285,221	96,916,889
Implementation	17,394,679	887,478	18,282,156
Direct Support Costs	17,885,224	-	17,885,224
Sub-total	118,911,571	14,172,699	133,084,270
Indirect Support Costs	7,729,252	838,703	8,567,955

1. RATIONALE

1. The purpose of this budget revision is to reflect changes required in response to COVID-19, including adding a new strategic outcome to accommodate on-demand services to the Government and humanitarian partners.
2. WFP is incorporating the guidance from the Medium-Term Programmatic Framework (MTPF) into the implementation of activities including those covered by this revision, most notably under pillar II, basic service delivery – school-based programmes and nutrition.
3. WFP’s latest mobile vulnerability analysis and mapping (mVAM) from September 2020 confirmed the expected substantial impact of the pandemic on people’s lives and livelihoods. Eleven percent of surveyed households reported job loss, while 31 percent suffered reductions in income, most prevalent among wage labourers and migrant workers. Given Nepal’s high dependency on remittances (which account for 28 percent of the gross domestic product), the return of migrant workers has put additional strain on vulnerable households. Against this background, it is not surprising that the survey showed food insecurity levels higher than four years ago, at the time of CSP formulation. A fifth of all surveyed households had inadequate food consumption, and 43 percent of children aged 6-23 months had insufficient dietary diversity.
4. Based on these findings, WFP has increased its food- and cash-based relief assistance, as well as technical support and coordination (under strategic outcome 1) and is scaling up its technical support to the Government’s mother and child health and nutrition (MCHN) programme and the national school meals programme (NSMP) (under strategic outcome 2).
5. Strong technical assistance to national and provincial government entities has demonstrated WFP’s added value in a more enabling role. This has generated increased demand for capacity strengthening initiatives under strategic outcomes 2 and 4, for example to support the decentralization of the national social protection framework, support the implementation of a multisectoral nutrition programme to advance the local

production and distribution of fortified rice, engagement of the private sector in nutrition, as well as emergency preparedness and logistics cluster coordination.

6. In addition, the pandemic has demonstrated WFP's capacities to efficiently provide services to government and humanitarian partners to enable their responses. In line with the United Nations reform process and based on existing and anticipated requests from partners, WFP plans to add a strategic outcome to allow for on-demand service provision, which will enable WFP and partners to benefit from greater synergies and improved transparency in financial reporting.

2. CHANGES

Strategic orientation

7. This budget revision adds a strategic outcome to accommodate on-demand service provision, but does not change the strategic orientation of the CSP. Previous revisions reflected adjustments to needs under strategic outcome 1 and an increase in the cash-based transfer (CBT) value under Activity 7.¹ This revision aims to realign the activities, adjust the budget to address changes triggered by COVID-19 and enable WFP to better support partners through on-demand service provision.

Strategic outcomes

8. The budget of strategic outcome 1, activity 1 increases under this revision to reflect the increased number of people in need of assistance due to the socio-economic impact of COVID-19. These include pregnant and lactating women (PLW) and children aged 6-23 months who will be targeted for blanket supplementary feeding and cash transfers for the prevention of wasting from November 2020 to June 2021, in line with the consensus and guidance of the nutrition cluster. mVAM will be used to monitor the situation periodically. The COVID-19 socio-economic impact vulnerability index will inform the geographical targeting. Household targeting criteria will be set in cooperation with the local governments.
9. Under strategic outcome 2, WFP will support the expansion of the MCHN and NSMP programmes and increase the budget for both. Under Activity 2, the Government plans to increase its in-kind contribution to WFP of 'Wheat Soya Blend (WSB+)', an in-country produced specialized nutritious food developed with support from WFP, in order to raise the number of feeding days for MCHN beneficiaries from 207 days to cover for the entire year (365 days), to be applied every year until the end of the CSP. The number of planned beneficiaries for activity 2 has been reduced by 2,109 in line with the Country Office's operational plan. At the same time, WFP plans to support the Government's expansion plan of the MCHN programme which is designed to enhance dietary diversity for vulnerable groups through locally available food in additional locations. WFP will use social and behaviour change and capacity strengthening to promote the consumption of locally available foods. The budget for these activities has increased accordingly. In addition, in coordination with nutrition cluster partners, WFP will support the

¹ Revision 1, approved by the Country Director in October 2019, increased the budget by USD 11,763. Revision 2, approved by the Country Director in March 2020, increased the budget by USD 822,050.

Government's plan to initiate targeted supplementary feeding to treat moderate acute malnutrition among children in two districts (Saptari and Siraha) with high wasting rates. The Government will procure Super Cereal Plus for this purpose.

10. Similarly, the needs-based plan for school feeding under strategic outcome 2, activity 3, is being increased considering greater food commodity requirements to feed around 98,600 children in Province 5 and Province 6. The tonnage and number of beneficiaries have been adjusted based on the current resource allocation plan and agreed transitional plan with the Ministry of Education, Science and Technology and newly confirmed contributions. No changes in partnership and implementation modalities are foreseen. Going forward, WFP aims to provide more training to the provincial and local governments on school feeding implementation and management. This will strengthen their capacity and foster ownership in preparation of a transfer of responsibilities from the central government to the provincial and local levels in line with the transitional plan of the NSMP programme.
11. Under strategic outcome 2, activity 4, WFP aims to support the Government to initiate and scale up rice fortification. The needs-based plan is being adjusted to reflect this. WFP has committed to support the commencement of rice fortification first in two government-owned rice mills and distribute the fortified rice through existing government social safety net programmes. In a second phase, WFP will support up to 15 private rice mills to commercialize and scale up rice fortification in Nepal. This entails assistance with the procurement and installation of rice fortification/blending equipment, procurement of fortified rice kernel, secondment of technical staff to relevant government offices, as well as support to the Food Management and Trading Company (FMTC) in establishing and rolling out Fair Price Shops that will serve as depot points for the distribution of fortified rice. The recipients of the fortified rice will be vulnerable households in 12 priority districts. The Government will be the main provider of rice for this initiative.
12. Under strategic outcome 3, activity 5, WFP develops and improves risk-resilient infrastructure and strengthens local capacity to identify climate risks and implement adaptive strategies. In-kind food transfers were initially planned to assist vulnerable communities in remote and food-insecure areas. However, in line with feasibility assessment results and preference of the communities as well as local governments and donors, the plan has shifted from food to cash transfers. Hence, food commodities are removed from activity 5.
13. Strategic outcome 4 aims at strengthened government capacities to provide essential food security and nutrition services and respond to crises. Under activity 6, an increase in the capacity strengthening budget is required to further develop preparedness capacity and establish emergency logistics and institutional platforms to enable rapid crisis response. The logistics cluster is supporting the health cluster and all humanitarian and government agencies in the national COVID-19 response. In-kind storage and transport services are provided through the national logistics cluster using the three Humanitarian Staging Areas (HSAs) as logistics platforms. Increased staffing at the HSAs, a national logistics cluster coordinator and additional logistics consultants to coordinate logistics, storage and transport services in five provincial capitals, are envisaged.

14. Similarly, under strategic outcome 4, activity 7, an increased capacity strengthening budget will allow WFP to strengthen national food security monitoring by conducting surveys to assess the impact of COVID-19 at the household level.
15. Finally, in line with United Nations reform and in view of the evolution of COVID-19 outbreaks in Nepal, WFP has been called upon to provide on-demand services to Government and humanitarian partners. This budget revision accommodates these services through a new strategic outcome:

Strategic outcome 6: Humanitarian and development partners have access to reliable common services by the end of 2023.

Focus Area: Crisis Response

Output 6.1: Government and all humanitarian partners benefit from the design and construction of the common services. (Output categories: H and K)

Output 6.2: Humanitarian and development partners have access to rental facility enabling them to respond to emergency. (Output categories: H and K)

Activity 9: Provide on-demand service provision to all stakeholders in the country in order to support effective humanitarian response (Activity category: Service provision and platforms activities (CPA)).

16. This strategic outcome links to Strategic Result 8, Sustainable Development Goal Target 17.16. Under activity 9, WFP will provide engineering services, storage and logistics services, procurement of non-food items, as well as common administrative services to other United Nations agencies, humanitarian sector partners and the Government. These common administrative services may include shared office premises, information technology, vehicle pooling and other services. The activity will be implemented through a service delivery modality and on a full cost recovery basis.
17. WFP aims to increase synergies and efficiencies in inter-agency collaboration under the Humanitarian Response Plan. The addition of the new strategic outcome will also provide a framework for longer-term partnerships under the Socio-Economic Response Plan.
18. The activities will be carried out by existing WFP staff. Government, other United Nations organizations and humanitarian partners will benefit from these activities.

Beneficiary analysis

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY & MODALITY							
Strategic Outcome	Activity	Period	Women	Men	Girls	Boys	Total
			(18+ years)	(18+ years)	(0-18 years)	(0-18 years)	
1	1	Current	219,195	156,745	191,950	198,630	766,520
		Increase/ decrease	88,186	423	46,885	48,798	184,292
		Revised	307,381	157,168	238,835	247,428	950,812
2	2	Current	57,830	-	43,824	42,088	143,742
		Increase/ decrease	(223)	-	(963)	(923)	(2,109)

		Revised	57,607	-	42,861	41,165	141,633
	3	Current	-	-	176,581	158,731	335,312
		Increase/ decrease	-	-	53,469	45,141	98,610
		Revised	-	-	230,050	203,872	433,922
	4	Current	-	-	-	-	-
		Increase/ decrease	-	-	-	-	-
		Revised total	-	-	-	-	-
3	5	Current	27,011	23,829	18,007	18,567	87,415
		Increase/ decrease	-	-	-	-	-
		Revised	27,011	23,829	18,007	18,567	87,415
4	6	Current	-	-	-	-	-
		Increase/ decrease	-	-	-	-	-
		Revised	-	-	-	-	-
	7	Current	7,276	6,419	4,851	5,002	23,548
		Increase/ decrease	-	-	-	-	-
		Revised	7,276	6,419	4,851	5,002	23,548
5	8	Current	-	-	-	-	-
		Increase/ decrease	-	-	-	-	-
		Revised	-	-	-	-	-
6	9	Current	-	-	-	-	-
		Increase/ decrease	-	-	-	-	-
		Revised	-	-	-	-	-
TOTAL		Current	311,312	186,993	435,213	423,018	1,356,537
		Increase/ decrease	87,963	423	99,391	93,016	280,793
		Revised	399,275	187,416	534,605	516,034	1,637,330
Deducted overlap between Act 2 (Nutrition) & Act 5 (CAFS)							4,003
Total (without overlap)							1,633,327

Strategic Outcome	Activity	Period	Women	Men	Girls	Boys	Total
			(18+ years)	(18+ years)	(0-18 years)	(0-18 years)	
1	1	Current	219,195	156,745	191,950	198,630	766,520
		Increase/decrease	88,186	423	46,885	48,798	184,292
		Revised	307,381	157,168	238,835	247,428	950,812
2	2	Current	129,739	69,089	43,824	42,088	284,740
		Increase/decrease	61,251	15,369	(963)	(923)	74,734
		Revised	190,990	84,458	42,861	41,165	359,474
	3	Current	857	893	176,581	158,731	337,062
		Increase/decrease	4,519	11,650	53,469	45,141	114,779
		Revised	5,376	12,543	230,050	203,872	451,841
	4	Current	69	66	-	-	135
		Increase/decrease	-	-	-	-	-
		Revised total	69	66	-	-	135
3	5	Current	142,441	134,731	18,007	18,567	313,747
		Increase/decrease	-	-	-	-	-
		Revised	142,441	134,731	18,007	18,567	313,747
4	6	Current	582	560	-	-	1,142
		Increase/decrease	122	117	-	-	239
		Revised	704	677	-	-	1,381
	7	Current	8,806	7,889	4,851	5,002	26,548
		Increase/decrease	-	-	-	-	-
		Revised	8,806	7,889	4,851	5,002	26,548
		Current	1,020	980	-	-	2,000

5	8	Increase/decrease	-	-	-	-	-
		Revised	1,020	980	-	-	2,000
6	9	Current	-	-	-	-	-
		Increase/decrease	-	-	-	-	-
TOTAL		Revised	-	-	-	-	-
		Current	502,709	370,953	435,213	423,018	1,731,894
		Increase/decrease	154,078	27,559	99,391	93,016	374,044
		Revised	656,788	398,512	534,605	516,034	2,105,938
Deducted overlap between Act 2 (Nutrition) & Act 5 (CAFS)							4,003
Total (without overlap)							2,101,935

Transfers

TABLE 3: FOOD RATION (g/person/day) or CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY										
Strategic outcome	1					2		3	4	
Activity	Activity 1					Activity 2	Activity 3	Activity 5	Activity 7	
	GFD	CBT	Nutrition BSFP	Nutrition TSFP	Conditional Assistance	MCHN	SMP	CAR	AAA	
Beneficiary type	Tier 1	Tier 1	Tier 1	Tier 1	Tier 1 and 2	Tier 1	Tier 1	Tier 1 and 2	Tier 1	
Modality (indicate food or CBT)	Food	CBT	Food	Food	CBT	Food	Food	Food / CBT	CBT	
Cereals	500						80	500		
Pulses	100						20			
BP 5*	267.7									
Oil							10			
Salt							2			
Super cereal PLW ²			200			100				
Super cereal CH			100			100				
Super Cereal Plus ³ -PLW				200						
Super Cereal Plus CH				100						
total kcal/day (to be completed for food and cash modalities)	2,143		1,136	1605		758	445	1800		
% kcal from protein	11		18.4	10.5		18.4	9.4	7.3		
Cash-based transfers (USD/person/day; use average as needed)		0.68			0.28			0.2432	0.636	
Number of feeding days per year	10	20	60	90	20	207	200	36	5	

*the BP5 ration size for children (6-59 months) is 167/person/day (3 bars of BP5) and for 5 years and above 278/person/day (5 bars of BP5) however the average ration is presented in the table above.

² In Nepal, the 'Super cereal' consists of a Wheat Soya Blend with Sugar (WSB+), which is a product for adults and children over 6 months, prepared from heat-treated wheat and soya beans, vitamins and minerals. 100 g of WSB+ contains minimum 380 kcal energy, 17.0% protein, 6.0% fat, 3.8% crude fibre, and 4.5% ash, as well as micronutrients including vitamins (A, B1, B2, B6, B12, C), and minerals (iron, iodine and zinc). https://documents.wfp.org/stellent/groups/public/documents/manual_guide_proced/wfp251114.pdf

³ Super Cereal Plus will be an in-kind contribution from the Government to initiate MAM treatment in two districts (Saptari and Siraha).

3. COST BREAKDOWN

19. The main changes in food commodities and CBT are reflected in Table 4.

Food type / cash-based transfer	Current Budget		Increase		Revised Budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	14,118	6,209,328	(1,385)	(631,483)	12,733	5,577,845
Pulses	3,286	2,268,042	(209)	516,884	3,078	2,784,926
Oil and Fats	1,498	1,716,708	(94)	(117,028)	1,404	1,599,680
Mixed and blended foods	5,005	4,842,965	2,568	2,082,282	7,573	6,925,247
Other	300	63,515	(20)	(3,293)	280	60,222
TOTAL (food)	24,207	15,100,558	861	1,847,362	25,068	16,947,920
Cash-Based Transfers (USD)		20,828,915		0		20,828,915
TOTAL (food and CBT value – USD)	24,207	35,929,473	861	1,847,362	25,068	37,776,835

	Strategic Result 1 / SDG Target 2.1	Strategic Result 2 / SDG Target 2.2	Strategic Result 4 / SDG Target 2.4	Strategic Result 5 / SDG Target 17.9	Strategic Result 6 / SDG Target 17.14	Strategic Result 8 / SDG Target 17.16	TOTAL
Strategic outcome	01	02	03	04	05	06	
Focus Area	Crisis Response	Root Causes	Resilience Building	Resilience Building	Root Causes	Crisis Response	
Transfer	1,932,547	8,782,791	-571,534	2,242,667	0	898,750	13,285, 221
Implementation	0	417,469	0	267,669	0	202,340	887,478
Direct support costs							0
Subtotal							14,172,699
Indirect support costs							838,703
TOTAL							15,011,401

TABLE 6: OVERALL CSP COST BREAKDOWN, AFTER REVISION (USD)

	Strategic Result 1 / SDG Target 2.1	Strategic Result 2 / SDG Target 2.2	Strategic Result 4 / SDG Target 2.4	Strategic Result 5 / SDG Target 17.9	Strategic Result 6 / SDG Target 17.14	Strategic Result 8 / SDG Target 17.16	TOTAL
Strategic outcome	01	02	03	04	05	06	
Focus Area	Crisis Response	Root Causes	Resilience Building	Resilience Building	Root Causes	Crisis Response	
Transfer	11,678,600	41,911,962	29,317,196	9,907,560	3,202,821	898,750	96,916,889
Implementation	768,656	9,397,832	6,123,837	973,451	816,040	202,340	18,282,156
Direct support costs	1,999,691	7,874,566	5,542,133	1,662,232	638,115	168,488	17,885,224
Subtotal	14,446,947	59,184,360	40,983,167	12,543,243	4,656,976	1,269,578	133,084,270
Indirect support costs	939,052	3,846,983	2,663,906	815,311	302,703	-	8,567,955
TOTAL	15,385,998	63,031,343	43,647,072	13,358,554	4,959,679	1,269,578	141,652,225

Annex 1: Revise Line of Sight

NEPAL CSP 2019-2023					
SR 1 – Access to food (SDG 2.1)	SR 4 – End Malnutrition (SDG 2.2)	SR 4 – Sustainable Food Systems (SDG 2.4)	SR 5 - Capacity Strengthening (SDG 17.9)	SR 6 – Enhanced Policies (SDG 17.14)	SR 8 – Enhance Global Partnership (SDG 17.16)
CRISIS RESPONSE	ROOT CAUSES	RESILIENCE BUILDING	RESILIENCE BUILDING	ROOT CAUSES	CRISIS RESPONSE
STRATEGIC OUTCOME 1: Affected populations in Nepal have timely access to adequate food and nutrition during and in the aftermath of natural disasters and/or other shocks.	STRATEGIC OUTCOME 2: Food-insecure people in targeted areas have improved nutrition throughout the key stages of the life cycle by 2025	STRATEGIC OUTCOME 3: Vulnerable communities in remote, food-insecure areas of Nepal have improved food security and resilience to climate and other shocks by 2030.	STRATEGIC OUTCOME 4: The Government of Nepal has strengthened capabilities to provide essential food security and nutrition services and respond to crises by 2023.	STRATEGIC OUTCOME 5: Government efforts towards achieving Zero Hunger by 2030 are supported by inclusive and coherent policy frameworks across all spheres of government by 2023.	STRATEGIC OUTCOME 6: Humanitarian and development partners have access to reliable common services by the end of 2023.
BUDGET SO 1: \$ 15,385,998	BUDGET SO 2: \$ 63,031,343	BUDGET SO 3: \$ 43,647,072	BUDGET SO 4: \$ 13,358,554	BUDGET SO 5: 4,959,679	BUDGET SO 6: \$ 1,269,578
UNIQUE DIRECT BENEF. SO 1: 950,812	UNIQUE DIRECT BENEF. SO 2: 575,555	UNIQUE DIRECT BENEF. SO 3: 87,415	UNIQUE DIRECT BENEF. SO 4: 23,548	UNIQUE DIRECT BENEF. SO 5: 0	UNIQUE DIRECT BENEF. SO 6: 0
OUTPUT 1: 1.1 Disaster affected people have access to food, enabling them to meet their basic food and nutrition needs. 1.2 Disaster-affected people have access to specialized nutritious foods and services, enabling them to meet their nutrition needs and prevent malnutrition 1.3 Disaster affected people receive support to repair assets and restore livelihoods.	OUTPUT 2: 2.1 Targeted populations, including children aged 6-59 months, PLWG and school children, receive an integrated package of assistance to prevent malnutrition and achieve improved diets. 2.2 Targeted populations in food-insecure areas receive nutritionally sensitive, shock-responsive and gender-transformative social services delivered through a strengthened National Social Protection Framework.	OUTPUT 3: 3.1 Remote, food-insecure communities benefit from roads, trails and other critical infrastructure to improve their access to food markets and basic services. 3.2 Climate-vulnerable communities benefit from improved livelihood assets and natural resource management to increase their adaptive capacity and improve food security	OUTPUT 4: 4.1 National and sub-national capacities in emergency logistics and preparedness are strengthened to deliver efficient, equitable and empowering assistance during crises.	OUTPUT 5: 5.1 Food Security and nutrition is integrated into multi sector policies and institutions across all three spheres of government to improve policy, planning and SDG progress.	OUTPUT 6: 6.1 Government and all humanitarian partners benefit from the design and construction of the common services. 6.2 Humanitarian and development partners have access to rental facility enabling them to respond to emergency
ACTIVITY 1: Provide food assistance for targeted, shock affected people, including food and cash based transfers, and specialized nutritious foods and related services to treat and prevent malnutrition in children aged 6-59 months, pregnant and lactating women and girls. (modality: CBT, Food)	ACTIVITY 2: Support the strengthening of national nutrition-sensitive social safety nets for vulnerable populations and provide specialized nutritious foods, technical assistance, logistics, as well as social behaviour change communication for the prevention of malnutrition. (modality: Food, CS)	ACTIVITY 5: Develop and improve risk-resilient infrastructure and strengthen local capacity to identify climate risks and implement adaptive strategies. (modality: CBT, CS)	ACTIVITY 6: Strengthen preparedness capacity, establish emergency logistics and institutional platforms and improve access to food reserves to enable government and humanitarian partners to respond rapidly to crises. (modality: CS)	ACTIVITY 8: Provide technical assistance and support evidence generation for government and multi-sector partners to enhance rights-based food security and nutrition plans, policies, regulatory frameworks and service delivery. (modality: CS)	ACTIVITY 9: Provide on-demand service provision to all stakeholders in the country in order to support effective humanitarian response. (modality: Service Delivery)
	ACTIVITY 3: Provide a gender-transformative and nutrition-sensitive school meals and health package in chronically food-insecure areas and strengthen the Government's capacity to integrate the national school meals programme into the National Social Protection Framework. (modality: Food, CS)		OUTPUT 4 (Cont): 4.2 Government capacity in early warning systems and food security monitoring are strengthened to provide evidence-based essential services.		
	OUTPUT 2 (Cont): 2.3 People benefiting from the national social safety net programme receive post-harvest fortified rice.		ACTIVITY 7: Provide technical assistance to the Government to strengthen the food security monitoring, analysis and early-warning system and align it with the federal governance structure. (modality: CBT, CS)		
	ACTIVITY 4: Provide technical support to the Government in order to develop a rice fortification policy framework and supply chain system for use in social safety nets. (modality:CS)				
				TOTAL BUDGET: \$ 141,652,225	
				TOTAL UNIQUE DIRECT BENEFICIARIES: 1,633,327	