

Crisis response revision of Myanmar country strategic plan (2018–2022) and corresponding budget increase

	Current	Change	Revised
Duration	1 January 2018– December 2022	No change	No change
Beneficiaries	2 806 400	2 199 150	5 005 550
	<i>(USD)</i>		
Total cost	437 543 967	121 299 585	558 843 552
Transfers	351 214 863	107 380 222	458 595 085
Implementation	40 393 102	4 676 936	45 070 038
Adjusted direct support costs	19 859 444	1 975 017	21 834 462
Subtotal	411 467 410	114 032 176	525 499 585
Indirect support costs <i>(6.5 percent)</i>	26 076 557	7 267 409	33 343 967

Gender and age marker code:* 2A

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

Rationale

1. This is the seventh budget revision to the Myanmar country strategic plan (CSP) (2018–2022).
2. The purpose of this revision is to increase the number of beneficiaries receiving emergency relief assistance under strategic outcome 1. The reasons for the increase are: i) to address emerging food security needs in urban and peri-urban areas for households impacted by the compounding shocks of poverty, COVID-19, and the current political crisis; and ii) to align with the existing operational requirements for conflict-affected areas where protracted and new displacement is higher than originally envisioned in the CSP.
3. After months of increasing political tension following disputed elections in November 2020, on 1 February 2021 the Myanmar military (Tatmadaw) took over, detaining key political leaders. Since then, protests and a Civil Disobedience Movement have emerged nationwide. Civil Disobedience Movement activities coupled with restrictions by the de facto authorities have paralyzed large parts of the economy and public administration leading to severe disruptions to essential services. From early March, martial law has been declared in several Yangon townships with large-scale protest movements.
4. The food and nutrition security situation in Yangon and other major cities such as Mandalay is of increasing concern. Rising food and fuel prices have been observed, as the current political unrest starts to impact supply chains and markets. This, coupled with job losses, cessation of social assistance programmes, and reduced remittance income, has undermined the ability of the most vulnerable to meet their food security and nutrition needs. People in situations of heightened vulnerability due to gender and protection factors are particularly affected.



5. WFP continues to maintain life-saving assistance to internally displaced persons (IDPs) and other vulnerable populations in conflict-affected areas, as armed clashes between the Tatmadaw and various ethnic armed organizations, as well as between ethnic armed organizations, have displaced tens of thousands of people across Bago, Kachin, Kayin, Rakhine and northern Shan States.
6. The current revision will cover the period May 2021–December 2022.

Changes

Strategic orientation

7. The overall strategic orientation of the CSP remains unchanged.
8. There have been six previous budget revisions:
 - Revision 1 adjusted the indirect support cost rate (from 7 percent to 6.5 percent).
 - Revision 2 was a technical revision.
 - Revision 3 (USD 27,509,378, approved in November 2018 by the Regional Director) and revision 4 (USD 88,476,717, approved in November 2019 by the Executive Director as well as the Director-General of the Food and Agriculture Organization of the United Nations) made budget increases and decreases to existing strategic outcomes and activities to shift to cash-based transfers (CBTs). Moreover, revision 3 facilitated the shift from snacks to hot school meals and revision 4 transitioned HIV/tuberculosis patients from activity 5 (strategic outcome 2) to the new activity 9 (strategic outcome 3).
 - Revision 5 (USD 2,267,454, approved in July 2020 by the Country Director) introduced strategic outcome 4 and activity 10 to provide on-demand services to humanitarian and development partners in response to COVID-19.
 - Revision 6 (USD 9,939,795, approved in April 2021 by the Country Director) introduced a new activity 11 to strategic outcome 4 to provide on-demand cash transfer services for humanitarian and development partners.

Strategic outcomes

9. Urban poor are reeling under the triple impact of poverty, COVID-19, and the current political crisis. Income-based poverty had risen sharply in 2020 as a result of the COVID-19 (from 16 percent to 63 percent) and WFP estimates that an additional 1.5 million to 3.4 million people are at immediate risk of food insecurity due to the economic slowdown provoked by the political crisis.¹ WFP initial assessments in Yangon in late-April showed a doubling of households with insufficient food consumption and that one-third of households were using crisis-level coping strategies to meet daily food needs.
10. Under the emergency urban response, WFP will provide six months' support targeting up to 2 million people (approximately 400,000 households) in Yangon, Mandalay and other cities. WFP will prioritize townships affected by imposition of martial law and those with high rates of informal settlements and pre-existing vulnerability. In consultation with township administrators WFP will target vulnerable households including households headed by women, persons with disabilities, informal and migrant workers and households with high dependency ratios including children under-5 years, elderly, pregnant and breastfeeding women, and caretaking for persons with disabilities.

¹ WFP. April 2021. *Myanmar: Analysis of the Economic Fallout & Food Insecurity In Wake of the Takeover.*



11. WFP will initially provide in-kind rice for a three-month period before transitioning to CBT. The transition is contingent on feasibility, market functionality and sufficient cash liquidity along with conducive protection dynamics. As a malnutrition preventative measure, WFP will provide a lipid-based nutrient supplement (LNS) for 70,000 children age 6-59 months.
12. WFP has partnered with the Myanmar Red Cross Society and local civil society organizations which have a strong presence in Yangon's townships. A number of non-governmental organizations have been identified as potential partners in the scaled-up response. To support the urban intervention, WFP has redeployed country office staff and brought onboard additional temporary capacity, while maintaining capacity for existing life-saving operations in conflict-affected areas.
13. The volatility and lack of resolution to the current political situation hinders a clear post-emergency transition strategy although discussions have started with development partners. The United Nations country team is adapting the United Nations COVID-19 socio-economic response framework to respond to the current crisis. This includes expansion of social protection programmes such as the maternal and child cash transfer programme and other interventions into urban areas in the absence of functioning public services.
14. WFP continues to prioritize relief activities which provide life-saving assistance to conflict-affected populations in Rakhine, Kachin, Chin and Shan States. Protracted displacements and the impact of intensified conflict between the Tatmadaw and ethnic armed organizations such as the Arakan Army have led to the expansion of WFP's relief activities. This revision reflects the actual number of IDPs and vulnerable host communities currently assisted.
15. The revision anticipates new displacements requiring WFP to support an additional 100,000 persons annually. WFP and other stakeholders are developing a localized rapid response mechanism model to enhance the capacity to provide multi-sectoral emergency support to new displacements in areas outside of the Myanmar humanitarian response plan. The Myanmar rapid response mechanism structure includes the United Nations Population Fund, the United Nations Children's Fund and WFP as primary partners. Protection, gender and disability inclusion, 'do no harm' and accountability to affected populations will be mainstreamed into all rapid response mechanism operations.

Beneficiary analysis

16. This revision reflects a significant increase in the number of planned beneficiaries under activity 1, due to the inclusion of a new urban/peri-urban emergency response and alignment of existing relief beneficiaries.



TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY AND MODALITY

Strategic outcome	Activity and modality	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	1 unconditional resource transfers 1:01	Current	133 200	119 200	159 100	164 100	575 600
		Increase/(decrease)	508 900	455 400	607 800	627 000	2 199 150
		Revised	642 100	574 600	766 900	791 100	2 774 750
2	3 school meals 1	Current			494 700	507 900	1 002 600
		Increase/(decrease)					
		Revised			494 700	507 900	1 002 600
	4 asset creation and livelihood support 1	Current	290 900	193 800	154 500	141 400	699 600
		Increase/(decrease)					
		Revised	290 900	193 800	154 500	141 400	699 600
	5 unconditional resource transfers 1	Current	22 500	19 900	300	470	43 170
		Increase/(decrease)					
		Revised total	22 500	19 900	300	470	43 170
3	7 malnutrition prevention 1	Current	40 500		25 000	26 600	92 100
		Increase/(decrease)					
		Revised	40 500		25 000	26 600	92 100
	8 nutrition treatment	Current	92 500		184 500	171 100	448 100
		Increase/(decrease)					
		Revised	92 500		184 500	171 100	448 100
	9 unconditional resource transfers 1:09	Current	33 350	31 500	450	780	68 080
		Increase/(decrease)					
		Revised	33 350	31 500	450	780	68 080
Total (without overlap)		Current	472 800	353 500	961 000	1 019 100	2 806 400
		Increase/(decrease)	370 500	277 000	753 000	798 600	2 199 150
		Revised	843 300	630 500	1 714 000	1 817 700	5 005 550

Transfers

17. This revision reflects a significant increase in food and cash transfers under activity 1, and the inclusion of LNS-large quantity under activity 1 ration basket for the urban/peri-urban response.



**TABLE 2: FOOD RATION (g/person/day) AND CASH-BASED TRANSFER VALUE (USD/person/day)
BY STRATEGIC OUTCOME AND ACTIVITY**

	Strategic outcome 1			Strategic outcome 2				Strategic outcome 3								
	Activity 1			Activity 3		Activity 4		Activity 7			Activity 8			Activity 9		
Beneficiary type	Crisis-affected Populations			Primary school children		Asset creation – men and women age 18-59 and their households		Children under 2	Pregnant and lactating women and girls		Children under 5		Pregnant and lactating women and girls		PLHIV/TB patients	
Modality	Food	CBT	Food + CBT	Food	CBT	Food	CBT	Food	Food	CBT	Food		Food		Food	CBT
Cereals	450		450	150		520									400	
Pulses	60			50		90									60	
Oil	15/30					40									30	
Salt	5					5									5	
Sugar																
Super Cereal with sugar									100				100	200	50	
Super Cereal Plus								100			100	200			100 (U5)	
High energy biscuits	225				75											
LNS-large quantity	50											100				
LNS-medium quantity								50								
Micronutrient powder																



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Total kcal/day	1 956/ 2 089	1 956/ 2 089	1 620	708	338	708	2 533	2 015	401	381	1 956/ 2 089	401	802	381	763	2 126	2 126	
% kcal from protein	8.8/ 8.2	8.8/ 8.2	7.3	11.8	11.1	11.8	8.9	8.6	18.1	17.2	8.8/ 8.2	18.1	18.1	17.2	17.2	9	9	
Cash-based transfers (USD/person/day)		0.25– 0.37	0.12			0.11– 0.26		3.5									0.77	
Number of feeding days	30	30	30	22 days/month for 9 months			60 days/year		30	30	30	30	30	30	30	30	30	30



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	151 420	49 211 370	67 939	24 797 808	219 359	74 009 178
Pulses	17 986	10 791 878	1 719	1 203 552	19 706	11 995 430
Oil and fats	8 804	8 011 196	860	1 135 637	9 663	9 146 833
Mixed and blended foods	53 339	51 819 652	105	228 165	53 444	52 047 817
Other	1 444	216 576	143	25 361	1 587	241 936
Total (food)	232 993	120 050 672	70 767	27 390 523	303 759	147 441 195
Cash-based transfers		128 156 325		65 756 458		193 912 783
Total (food and CBT value)	232 993	248 206 997	70 767	93 146 980	303 759	341 353 977

Cost breakdown

18. The additional costs covered in this revision are for strategic outcome 1

TABLE 4: COST BREAKDOWN OF THE REVISION ONLY (USD)

	Strategic Result 1/ SDG Target 2.1	Strategic Result 1/ SDG Target 2.1	Strategic Result 2/ SDG Target 2.2	Strategic Result 8/ SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	
Focus area	Crisis Response	Resilience Building	Resilience Building	Crisis Response	
Transfers	107 380 222				107 380 222
Implementation	4 676 936				4 676 936
Adjusted direct support costs					1 975 017
Subtotal					114 032 176
Indirect support costs (6.5 percent)					7 267 409
Total					121 299 585

Abbreviations: SDG = Sustainable Development Goal.



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

	Strategic Result 1/ SDG Target 2.1	Strategic Result 1/ SDG Target 2.1	Strategic Result 2/ SDG Target 2.2	Strategic Result 8/ SDG Target 17.16	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	
Focus Area	Crisis Response	Resilience Building	Resilience Building	Crisis Response	
Transfers	284 358 821	111 124 414	52 150 496	10 961 355	458 595 085
Implementation	24 130 868	12 500 985	7 309 331	1 128 854	45 070 038
Adjusted direct support costs	13 079 027	5 633 198	2 696 961	425 275	21 834 462
Subtotal	321 568 716	129 258 597	62 156 788	12 515 484	525 499 585
Indirect support costs (6.5 percent)	20 901 967	8 401 809	4 040 191	0	33 343 967
Total	342 470 682	137 660 406	66 196 980	12 515 484	558 843 552