

Crisis response revision of Ecuador country strategic plan (2017–2021) and corresponding budget increase

	Current	Change	Revised
Duration	1 April 2017– 31 December 2021	One-year extension	1 April 2017– 31 December 2022
Beneficiaries	1 537 661	253 608	1 791 269
	<i>(USD)</i>		
Total cost	148 265 281	48 982 664	197 247 946
Transfers	126 137 749	43 100 886	169 238 635
Implementation	7 190 578	1 520 916	8 711 494
Adjusted direct support costs	5 848 678	1 371 310	7 219 988
Subtotal	139 177 004	45 993 112	185 170 116
Indirect support costs (6.5 percent)	9 088 277	2 989 552	12 077 829

Gender and age marker code:* 2A

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

Rationale

- Over a year after the onset of the COVID-19 pandemic, Ecuador faces a difficult outlook for recovery. Having registered among the highest per capita infection rates and seen health services collapse over several waves of infections, and coupled with an economic crisis before the onset of the pandemic, the newly elected Government faces the prospect of continued socioeconomic turmoil and insufficient fiscal capacity to support those most affected by the pandemic, including over 430,000 Venezuelan migrants. Based on the latest emergency food security assessment, about 61 percent of migrants are in moderate and extreme food insecurity.
- The economic situation in Ecuador has since further deteriorated following a 7.8 percent contraction of the economy in 2020, with as many as 34.4 percent of the population living in poverty (30 percent increase over a year) and 14.9 percent in extreme poverty (67 percent increase over a year). Consequently, those hardest hit are migrants (65 percent of which are living in poverty, including 28 percent in extreme poverty), host communities, rural areas, and vulnerable Ecuadorians dependent on informal sector jobs curtailed by COVID-19 restrictions. Within the framework of the migrant and refugee response, People with Special Needs are considered a priority group in the identification of needs and targeted response.
- With 4 million people estimated to have their food security threatened, WFP will extend and expand its existing portfolio of assistance until the end of 2022 to help meet the needs of those most affected and align its planning cycle with the United Nations sustainable development cooperation framework (UNSDCF). The UNSDCF is currently in preparation and set to launch in January 2023.



Changes

Strategic orientation

4. The proposed revision does not contemplate new strategic outcomes but rather focuses on the extension and expansion of the existing programme of work. The proposed revision does, however, introduce one new activity under strategic outcome 4.
 - Activity 10: Provide technical assistance to strengthen disaster risk management capacities, logistics coordination and supply chain management of national institutions.
 - Output: National institutions benefit from embedded or seconded expertise of WFP capacity strengthening support in logistics coordination.
5. Previous revisions to the Ecuador country strategic plan have included:
 - an augmentation of strategic outcome 1 in line with a higher influx of migrants, merging activities 1 and 2 (USD 9.8 million, December 2018);
 - an augmentation of strategic outcome 1 and budget-neutral technical revisions to strategic outcomes 2 and 3 (USD 20 million, December 2019); and
 - an increase to the beneficiaries under strategic outcome 1 and the introduction of strategic outcome 5 on service provision (USD 77 million, July 2020).

Strategic outcomes

6. Under strategic outcome 1, WFP will continue to focus on the most vulnerable migrant and host populations, including People with Special Needs, whose food security has been jeopardized, broadening assistance to include migrants who have established residency up to 18 months earlier. This is in line with findings outlining their increased vulnerability and aligning interventions with sister agencies. Moreover, WFP will also maintain the expanded targeting of food-insecure host communities and other nationals identified by the social registry system as highly affected by COVID-19. Additionally, depending on the province of intervention, WFP will prioritize afro-Ecuadorian and indigenous communities identified as most vulnerable and where government assistance outreach is limited. With both populations, WFP already has a well-defined engagement strategy under strategic result 1 of the CSP. Well-established working relations are expected to facilitate the implementation of the emergency response to these communities.
7. Among these populations, WFP will prioritize households with children under the age of 5, pregnant and lactating women and girls, as well as people living with HIV, integrating special assistance to cover the first 1,000 days. The cash-based transfer (CBT) (value voucher) distributions will be accompanied by nutritional education and communication activities in line with the needs of different members of the household, as well as sexual and reproductive health and human rights information targeted to households with adolescents. This proposed revision will maintain CBT delivery mechanisms in place and, following the lifting of COVID-19-induced suspensions, resume assistance for migrants in transit with appropriate prevention measures and protocols. WFP is working with the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children's Fund (UNICEF) and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) to establish a shared platform through a joint procurement process to transfer cash. The shared platform will improve information sharing on beneficiaries and system integration across agencies and ensure complementarity of assistance.



8. Under strategic outcome 2, WFP supports access of smallholder farmer organizations to commercial and institutional markets. Smallholder farmer organizations will oversee the logistics and distribution of food baskets of fresh products to final beneficiaries. Targeted beneficiaries are vulnerable children (attending initial education or preschool and under the age of 5) and their families in rural areas most affected by COVID-19. These children and families face ongoing food insecurity, according to indicators of chronic malnutrition and poverty. WFP will sign agreements with local governments working in partnership with the Ministry of Education to select the schools and the Ministry of Agriculture and Livestock to select local smallholder farmer organizations. WFP will provide CBTs to local governments who will then provide payment to smallholder farmer organizations for providing baskets of fresh products to the targeted beneficiaries. Monitoring will be a joint effort, with the support of monitoring assistants at the sub-offices of the country office as well as by nutritional professionals in local governments, to review the quantity and the quality of the basket of fresh products.
9. Under strategic outcome 3, WFP will expand its technical assistance to the Government's emergency preparedness and response, focusing on municipal capacities in information management, early warning, risk analysis and needs assessments focusing on the most relevant threats affecting the predominant livelihoods in the area and their impact on food security and nutrition. In the gender-sensitive assessments and gender-responsive planning to mitigate food security and nutrition deterioration following recurring shocks, WFP will assist partners in using the seasonal livelihood programming and community-based participatory planning methodologies to ensure equitable and inclusive participation. Technical assistance will also focus on the review and use by local authorities of the Unique Registry of Affected Populations and the incorporation of automatic alert systems within the National Risk Management and Emergency Service.
10. Under strategic outcome 4, this revision will introduce a new activity 10 to strengthen the logistics coordination capacity of national humanitarian partners and public entities. WFP will build capacities, based on its experience providing logistics services free to the user (mainly transport and storage) during the COVID-19 response, by strengthening logistics preparedness actions in order to establish coordination mechanisms that will facilitate the humanitarian response in emergency operations. As part of the logistics cluster preparedness, WFP will help map, review, update and improve humanitarian logistics management tools to enhance local actors' engagement in preparedness and ensure more coordinated responses with timely and appropriate support services. Additionally, based on the needs of national partners, targeted supply chain capacity strengthening activities will be carried out.
11. In seeking complementary interventions with non-governmental organizations and other agencies, WFP will continue its efforts to enhance collaboration with OCHA, UNHCR and UNICEF regarding common assistance for migrants, among others. WFP will closely collaborate with the National Risk Management and Emergencies Service Secretariat, the Ministry of Economic and Social Inclusion and the Technical Secretariat "*Toda una Vida*" to effectively deliver on the needs of vulnerable populations.
12. This revision does not contemplate additional modifications to monitoring and evaluation arrangements as they were previously adapted for the COVID-19 crisis response in an earlier budget revision. WFP has adapted its monitoring and reporting systems to limit the risk of exposure for personnel, partners and beneficiaries, and employing remote monitoring solutions where appropriate. WFP will continue to ensure that all beneficiaries are adequately informed of their rights and have access to a complaints and feedback mechanism capable of addressing potential risks to protection.



13. This revision does not present new risks beyond what has been considered, including the potential for civil unrest, contagion, and movement restrictions. WFP will continue to conduct periodic risk assessments and take necessary precautions and mitigation measures following established policies. Measures already taken to mitigate these risks include using remote modalities as well as using the large network of distribution points to avoid congestion, guaranteeing hygiene and security criteria in shelters. WFP will ensure its interventions are designed with a protection and gender focus to avoid unintentional consequences, which may jeopardize the safety and dignity of beneficiaries. WFP will take every precaution to prevent sexual exploitation and abuse through training and awareness campaigns for all partners, as well as fraud and corruption, and other wrongdoings following established policies. WFP will continue to mitigate potential funding challenges with diversified and targeted donor outreach.

Beneficiary analysis

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME AND ACTIVITY							
Strategic outcome	Activity	Period	Women	Men	Girls	Boys	Total
			(18+ years)	(18+ years)	(0-18 years)	(0-18 years)	
1	1	Current	484 634	280 577	342 094	393 106	1 500 411
		Increase/(decrease)	49 639	94 973	64 315	28 681	237 608
		Revised	534 273	375 550	406 409	421 787	1 738 019
2	3	Current			18 624	18 626	37 250
		Increase/(decrease)	5 280	4 320	3 200	3 200	16 000
		Revised	5 280	4 320	21 824	21 826	53 250
Total (without overlap)		Current	484 634	280 577	360 718	411 732	1 537 661
		Increase/(decrease)	54 919	99 293	67 515	31 881	253 608
		Revised	539 553	379 870	428 233	443 613	1 791 269

Notes:

Under strategic outcome 1: 688,389 people in human mobility residing in the country; 569,528 vulnerable migrants in transit; 160,395 people in shelters and canteens; 300,506 vulnerable people from the host community; and 19,200 vulnerable people assisted through vouchers for work.

Under strategic outcome 2: 37,250 children benefitted from school meals and were assisted until 2019 on the north border of the country. An increase of 16,000 vulnerable people in rural areas, to be located in the most affected areas by COVID-19, are new beneficiaries to be assisted. The 16,000 beneficiaries in total are calculated as 4,000 children with an average of four members per family.

Transfers

14. Assistance is differentiated in line with the needs and complementary assistance of beneficiaries, noting the following increases to reflect the latest gap between households' food expenditure and the cost of the basic basket:

- Under strategic outcome 1:
 - Persons in human mobility with a vocation for permanence: monthly value voucher of USD 30 per person for six months.



- Persons in human mobility in transit: one-off value voucher of USD 25 per person for five days.
 - Vulnerable people in shelters¹ and canteens: value voucher based on USD 2 per person per day at partner shelters and canteens.²
 - Ecuadorians affected by COVID-19: monthly assistance up to USD 40 per person, for three months, through cash transfers.
- Under strategic outcome 2, vulnerable children and their families affected by COVID-19 in rural areas will receive food baskets from local smallholder farmers, equivalent to USD 40 per person per month, for three months. The cash transfer will be received by local governments who will pay the smallholder farmer organizations to provide fresh food to beneficiaries.

TABLE 2: CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY					
	Strategic outcome 1				Strategic outcome 2
	Activity 1				Activity 3
Beneficiary type	Persons in human mobility with a vocation for permanence	Persons in human mobility in transit	Ecuadorians affected by COVID-19 in urban areas	Vulnerable people in shelters and canteens	Vulnerable Ecuadorians in rural areas affected by COVID-19
Modality	CBTs	CBTs	CBTs	CBTs	CBTs
Total kcal/day	1 100	2 100	1400	2 087	1400
Cash-based transfers (USD/person/day)	1.00	5.00*	1.33	2.00**	1.33
Number of feeding days per year	180	5	90	7	90

* Considering the recommendation to buy ready-to-eat food during transit.

** For the preparation of hot meals.

¹ Includes safe shelters for gender-based violence survivors and unaccompanied minors.

² Partner organizations receive value vouchers that can be redeemed for nutritious and healthy products to prepare hot meals for the people they assist.



Food type/ cash-based transfer	Current budget		Increase		Revised budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	-	-	-	-	-	-
Pulses	-	-	-	-	-	-
Oil and fats	-	-	-	-	-	-
Mixed and blended foods	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total (food)	-	-	-	-	-	-
Cash-based transfers	-	106 815 647	-	33 480 661	-	140 296 308
Total (food and cash-based transfer value)	-	106 815 647	-	33 480 661	-	140 296 308

Cost breakdown

	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 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 causes	Resilience building	Root causes	Crisis response	
Transfers	35 604 930	1 628 882	4 970 000	540 337	356 737	43 100 886
Implementation	669 933	97 629	506 747	83 721	162 886	1 520 916
Adjusted direct support costs						1 371 310
Subtotal	-					45 993 112
Indirect support costs (6.5 percent)	-					2 989 552
Total	-					48 982 664



TABLE 5: OVERALL CSP COST BREAKDOWN, AFTER 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 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 causes	Resilience building	Root causes	Crisis response	
Transfers	148 959 469	4 720 123	11 371 181	2 809 967	1 377 895	169 238 635
Implementation	5 060 317	504 109	1 690 511	768 081	688 476	8 711 494
Adjusted direct support costs	6 088 053	293 008	578 181	191 333	69 412	7 219 988
Subtotal	160 107 840	5 517 239	13 639 873	3 769 381	2 135 783	185 170 116
Indirect support costs (6.5 percent)	10 431 469	365 084	894 432	248 018	138 826	12 077 829
Total	170 539 309	5 882 323	14 534 305	4 017 399	2 274 609	197 247 946