

**COUNTRY STRATEGIC PLAN REVISION**

**REVISION**

**Nepal country strategic plan, revision 05**

Gender and age marker code: 3

<b>Transmittal Slip Table - BUDGET OVERVIEW</b>			
	<b>Current</b>	<b>Change</b>	<b>Revised</b>
<b>Duration</b>	<b>1 Jan 2019 – 31 Dec 2023</b>	<b>No change</b>	<b>1 Jan 2019 – 31 Dec 2023</b>
<b>Beneficiaries</b>	<b>3,081,099</b>	<b>166,020</b>	<b>3,247,119</b>
<b>Total cost (USD)</b>	<b>165,234,160</b>	<b>4,688,813</b>	<b>169,922,974</b>
Transfer	118,335,969	2,538,773	120,874,742
Implementation	19,168,048	776,086	19,944,134
Direct Support Costs	17,885,224	1,090,397	18,975,621
<b>Sub-total</b>	<b>155,389,241</b>	<b>4,405,256</b>	<b>159,794,497</b>
Indirect Support Costs	9,844,919	283,558	10,128,477

**1. RATIONALE**

1. The purpose of this revision is to align crisis response, root cause and resilience building activities under Strategic Outcomes 1, 2, 3 and 4 with the evolving context of job losses, increasing displacement, economic disruption and rising food and fuel prices due to the impacts of the COVID-19 pandemic and high likelihood of extreme weather events leading to increased disaster losses and damage linked to forecasted higher levels of precipitation.
2. This budget revision aims to: (a) scale up the cash-based transfer (CBT) modality under Activity 1, (b) revise the supply chain rates for Activities 1 and 2, (c) reduce the CBT modality and increase the capacity strengthening modality under Activity 5 and (d) increase the overall budget under Activities 6 and 7.
3. The current budget revision covers the period April 2022 to December 2023.

**2. CHANGES**

*Strategic orientation*

4. The overall strategic orientation of the CSP remains unchanged. It builds on four previous revisions:
  - 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.
  - Revision 3, approved by the Executive Director in January 2021, increased the budget by USD 15,011,401.
  - Revision 4, approved by Regional Director in December 2021, increased the budget by USD 23,581,936.

*Strategic outcomes*

5. Under Activity 1, the number of beneficiaries under the CBT modality have been increased, as additional needs were identified for unconditional cash assistance for the families of school children affected by the socioeconomic impacts of the COVID-19 pandemic. The number of assistance days per month has also been increased from 15 to 30 for 2022 and 2023, to ensure alignment with WFP's monsoon disaster CONOPS and the Multi-purpose Cash Guidelines of the Cash Coordination Group. The targeted areas are identified on the basis of the COVID-19 Economic Vulnerability Index. All households of children

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attending schools located in these areas are assisted. The targeting approach was agreed by WFP, key donors and local governments. The budget increase under Activity 1 will include operational support for cooperating partners' cost, financial service providers and other running cost.

6. Under Activity 2, the supply chain rate is revised due to the increase in the field-level agreement budget caused by the expansion of the scope of social and behaviour change communication for the promotion of dietary diversity, optimal maternal, infant and young child feeding practices, and consumption of locally available food. The supply chain rate is also revised due to increases in field-level agreements' fixed and transportation costs, resulting from rising food and fuel prices.
7. Under Activity 5, the number of beneficiaries and budget under the CBT modality for 2022 and 2023 are reduced as funding could not be mobilized for direct transfers in a timely manner, whereas the budget for capacity strengthening modality has increased as a higher number of events, workshops and trainings have been envisioned.
8. Under Activity 6, the budget revision increases the budget for logistics cluster operations, mainly in the areas of storage and transportation capacity strengthening at the federal and provincial levels. This increase will allow to construct a Humanitarian Staging Areas<sup>1</sup> (HSA) in Pokhara (Gandaki province) and to develop and launch the HSA transition plan, which intends to facilitate the smooth handover of all eleven WFP-established HSAs to the Government over the next five years. WFP will prepare and implement the strategy for the long-term sustainability of the HSAs in consultation with the Government.
9. In line with the latest adjustments to the Nepal Anticipatory Action CERF framework, this revision aims to increase the number of assistance days under Activity 7 from 20 to 30 days per household. Moreover, WFP will target new geographic areas within relevant districts which were identified as being highly vulnerable to flood risk and socio-economic impact of floods, and cease interventions in others. This will lead to a reduction in the overall number of beneficiaries. This project is intended to test the concept of anticipatory cash transfers on a large scale, with a view to initiate the transfer before the disaster occurs. WFP will ensure multi-level stakeholder engagement and generate evidence towards the adoption of risk-based, anticipatory approaches by the Government and other stakeholders.
10. *Partnership.* WFP does not envisage entering into new partnerships at this stage. Regular monitoring will be ensured during the CSP implementation to assess partner performance and potential need to expand the partnership base should operations scale up.
11. *Risk management.* In addition to the existing risk analysis, major risks include:
  - Strategic risks. Following the change and revision of the CERF anticipatory action framework, a substantial number of households will be excluded from WFP's cash-based transfer assistance. This may cause dissatisfaction among the households and pose reputational risk to WFP. To mitigate this risk, WFP will ensure continuous engagement, communication and advocacy with the local governments, cooperating partners and the affected households, to ensure a sound understanding of the programme objective and targeting criteria. WFP's community feedback mechanism will be put in place in all project sites to ensure community members have an opportunity to raise concerns or seek information.
  - Operational risks. The upcoming national level election, scheduled for November 2022, may lead to delays in programme implementation. WFP will coordinate with technical and municipal teams, ensure regular monitoring to identify potential risks and define mitigation measures accordingly. WFP will also work alongside other partners to reinforce adherence with humanitarian principles.

### ***Beneficiary analysis***

12. Under Activity 1, 200,390 beneficiaries (consisting of 40,078 households with school-age children up to grade 3 affected by the socio-economic impact of COVID-19) will receive unconditional cash transfers. Under Activity 7 (forecast-based anticipatory action), as a result of the reprioritization of the target areas of the CERF Framework, the overall number of beneficiaries will be reduced by 34,370.

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<sup>1</sup> HSA are staging areas designated to store emergency logistics and telecommunication equipment and to stockpile relief goods for the humanitarian community, whilst facilitating coordination of humanitarian organizations and the Government.

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY & MODALITY (In-kind, CBT and CS)							
Activity	Assistance Modality	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	1 (CBT)	Current	88,864	78,235	59,123	60,958	287,000
		Increase/decrease	61,920	54,627	41,280	42,563	200,390
		Revised	150,604	132,862	100,403	103,521	487,390
	1 (In-kind)	Current	218,697	78,933	179,712	186,480	663,812
		Increase/decrease	-	-	-	-	-
		Revised	218,697	78,933	179,712	186,470	663,812
2	2 (In-kind)	Current	57,607	-	42,861	41,165	141,633
		Increase/decrease	-	-	-	-	-
		Revised	57,607	-	42,861	41,165	141,633
	2 (CS)	Current	130,839	87,002	-	-	217,841
		Increase/decrease	-	-	-	-	-
		Revised	130,839	87,002	-	-	217,841
3	3 (In-kind)	Current	-	-	243,711	211,920	455,631
		Increase/decrease	-	-	-	-	-
		Revised	-	-	243,711	211,920	455,631
	3 (CS)	Current	3,840	960	510,350	363,998	879,149
		Increase/decrease	-	-	-	-	-
		Revised total	3,840	960	510,350	363,998	879,149
4	4 (CS)	Current	-	-	-	-	-
		Increase/decrease	-	-	-	-	-
		Revised total	-	-	-	-	-
5	5 (In-kind)	Current	3,604	3,180	2,403	2,478	11,665
		Increase/decrease	-	-	-	-	-
		Revised	3,604	3,180	2,403	2,478	11,665
	5 (CBT)	Current	27,012	23,830	18,007	18,566	87,415
		Increase/decrease	-	-	-	-	-
		Revised	27,012	23,830	18,007	18,566	87,415
	5 (CS)	Current	115,430	110,902	-	-	226,332
		Increase/decrease	-	-	-	-	-
		Revised	115,429	110,903	-	-	226,332
6	6 (CS)	Current	-	-	-	-	-
		Increase/decrease	-	-	-	-	-
		Revised	-	-	-	-	-
7	7 (CS)	Current	14,607	14,034	-	-	28,641
		Increase/decrease	-	-	-	-	-
		Revised	14,607	14,034	-	-	28,641
	7 (CBT)	Current	54,872	48,407	36,579	37,717	177,575
		Increase/decrease	(10,622)	(9,369)	(7,080)	(7,299)	(34,370)
		Revised	42,250	39,038	29,499	30,418	143,205
TOTAL (without overlap)		Current	747,048	366,504	1,005,087	962,460	3,081,099
		Increase/decrease	51,298	45,258	34,200	35,264	166,020
		Revised	798,346	411,762	1,039,287	997,724	3,247,119

**Transfers**

<b>TABLE 2: FOOD RATION (g/person/day) or CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY</b>									
<b>Strategic outcome</b>	<b>1</b>					<b>2</b>		<b>3</b>	<b>4</b>
<b>Activity</b>	<i>Activity 1</i>					<i>Activity 2</i>	<i>Activity 3</i>	<i>Activity 5</i>	<i>Activity 7</i>
	<i>GFD</i>	<i>CBT</i>	<i>Nutrition BSFP</i>	<i>Nutrition TSFP</i>	<i>Conditional Assistance</i>	<i>MCHN</i>	<i>SMP</i>	<i>CAR</i>	<i>AAA</i>
<b>Beneficiary type</b>	<b>Tier 1</b>	<b>Tier 1</b>	<b>Tier 1</b>	<b>Tier 1</b>	<b>Tier 1&amp;2</b>	<b>Tier 1</b>	<b>Tier 1</b>	<b>Tier 1&amp;2</b>	<b>Tier 1</b>
<b>Modality</b> (indicate food or CBT)	<b>Food</b>	<b>CBT</b>	<b>Food</b>	<b>Food</b>	<b>CBT</b>	<b>Food</b>	<b>Food</b>	<b>Food/ CBT</b>	<b>CBT</b>
Cereals	500						80	500	
Pulses	100						20		
BP 5*	267.7								
Oil							10		
Salt							2		
Super cereal PLW			200			100			
Super cereal CH			100			100			
Super Cereal 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	0.758
Number of feeding days per year	10	15 - 30	60	90	20	207	200	36	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	15,787	7,442,928	-	-	15,787	7,442,928
Pulses	3,841	3,161,056	-	-	3,841	3,161,056
Oil and Fats	1,786	2,618,593	-	-	1,786	2,618,593
Mixed and blended foods	7,573	6,925,247	-	-	7,573	6,925,247
Other	356	76,806	-	-	356	76,806
<b>TOTAL (food)</b>	<b>29,344</b>	<b>20,224,630</b>	<b>-</b>	<b>-</b>	<b>29,344</b>	<b>20,224,630</b>
Cash-Based Transfers (USD)		26,956,383		65,873		27,022,255
<b>TOTAL (food and CBT value – USD)</b>	<b>29,344</b>	<b>47,181,013</b>	<b>-</b>	<b>65,873</b>	<b>29,344</b>	<b>47,246,886</b>

**3. COST BREAKDOWN**
**COST BREAKDOWN OF THE REVISION ONLY (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	
<b>Transfer</b>	3,304,527	110,738	2,214,986	1,338,494	0	0	<b>2,538,773</b>
<b>Implementation</b>	33,121	339,056	382,202	786,110	0	0	<b>776,086</b>
<b>Direct support costs</b>							<b>1,090,397</b>
<b>Subtotal</b>							<b>4,405,256</b>
<b>Indirect support costs</b>							<b>283,558</b>
<b>TOTAL</b>							<b>4,688,813</b>

**OVERALL CSP COST BREAKDOWN, FOLLOWING THE 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	
<b>Transfer</b>	14,983,127	54,050,438	27,102,210	18,753,101	3,202,821	2,783,045	<b>120,874,742</b>
<b>Implementation</b>	801,777	9,736,889	5,741,635	2,102,302	816,040	745,491	<b>19,944,134</b>

<b>Direct support costs</b>	2,210,510	8,594,951	4,573,582	2,602,693	550,643	443,242	<b>18,975,621</b>
<b>Subtotal</b>	17,995,414	72,382,278	37,417 427	23,458,096	4,569,504	3,971,778	<b>159,794,497</b>
<b>Indirect support costs</b>	1,169,702	4,704,848	2,432,133	1,524,776	297,018	0	<b>10,128,477</b>
<b>TOTAL</b>	<b>19,165,116</b>	<b>77,087,126</b>	<b>39,849,560</b>	<b>24,982,872</b>	<b>4,866,522</b>	<b>3,971,778</b>	<b>169,922,974</b>