

**COUNTRY STRATEGIC PLAN REVISION**

**REVISION**

**Guatemala country strategic plan, revision 03**

Gender and age marker code: 3

	<b>Current</b>	<b>Change</b>	<b>Revised</b>
<b>Duration</b>	<b>01/01/2021 - 31/12/2024</b>	<b>-</b>	<b>01/01/2021 - 31/12/2024</b>
<b>Beneficiaries</b>	<b>1 117 084</b>	<b>38 420</b>	<b>1 155 504</b>
<b>Total cost (USD)</b>	<b>206 832 020</b>	<b>33 967 192</b>	<b>240 799 212</b>
Transfer	167 893 748	30 170 425	198 064 173
Implementation	13 365 071	818 492	14 183 563
Direct Support Costs	16 992 854	2 686 249	19 679 103
<b>Sub-total</b>	<b>198 251 673</b>	<b>33 675 166</b>	<b>231 926 839</b>
	8 580 347	292 026	8 872 373

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## Guatemala country strategic plan, revision 03

### 1. RATIONALE

1. Guatemala's current budget for the 2021-2024 country strategic plan (CSP) totals USD 206.8 million. Activity seven, "*Provide food procurement services to national institutions and other partners,*" in strategic outcome (SO) 5 represents thirty percent of the direct operational costs (DOC) of the country portfolio budget (CPB). The Government of Guatemala is scaling up the level of support required from WFP to procure food and face the food crisis in the country; thus, a budget revision (BR) is necessary to allocate new non-donor grant (NDG) contributions to allow the increase of the on-demand food service provision.
2. Activity four, "*Provide training, equipment, cash-based transfers, and technical assistance to vulnerable smallholder farmers, communities, cooperatives, and local institutions,*" in SO 3 stands as the second largest activity for the CPB, currently representing 27 percent of the DOC of the CPB. The BR is necessary to increase the number of beneficiaries to receive a parametric climate microinsurance product (via CBT voucher modality with no transfer fees associated), as a result of a fast scale-up of the resilience-building programmes in the country.
3. Activity five, "*Provide technical assistance at policy and operational level to social protection institutions*" under SO 4, with less than one percent of the CPB, is also expanding operations and new programmes are to be implemented, where this activity will incorporate cash-based transfer (CBT) modality to support rural Indigenous communities and urban youth as part of the social protection efforts.
4. This budget revision increases the budget by USD 34 million, specifically to three activities under the resilience focus area and does not imply any changes to the crisis response focus area. Direct operational costs are being increased by USD 30.9 million, slightly below 15 percent of the CPB.
5. The start date of the revision is estimated to be 14 October 2022 and is expected to last until 31 of December 2024.

### 2. CHANGES

#### *Strategic orientation*

6. There are no changes in the strategic orientation.

#### *Strategic outcomes*

##### **Strategic outcome 5, activity 7 – Service provision**

7. The service delivery transfer modality is being increased by USD 26.7 million distributed between the years 2022 and 2023 to receive NDG contributions confirmed by the Government of Guatemala to purchase food, which aims to support government's national efforts to respond to food insecurity levels and increase of prices through the setting up of grain reserves linking also country office's efforts to implement the local and Regional Food Procurement Policy. Implementation costs have been revised and allocated, including resources to strengthen the supply chain structure to respond to new demands and additional costs for travelling, equipment and supplies, among others. The full cost recovery (FCR) principle has been observed and changes to this activity total USD 29.1 million, representing 86 percent of the BR.

##### **Strategic outcome 3, activity 4 – Resilience building**

8. The budget revision is required to increase the CBT number of beneficiaries and budget to receive a parametric climate microinsurance product as part of the country office's integrated

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resilience-building programmes contributing, when possible and necessary, to the strengthening of social cohesion. The number of beneficiaries will increase by 46,867 (total: 146,452) and the budget amount (value voucher) by a total of USD 2.4 million, with a budget increase in the years 2022, 2023, and 2024 with a tendency to rise every year. Implementation costs have been reviewed to ensure support for the scaleup of this operation. The total budget increase for this activity including FCR totals USD 3.1 million, representing nine percent of the BR. This is to reflect the current operational requirements in the country.

#### **Strategic outcome 4, activity 5 – Social Protection**

9. Activity 5 was expanded to include the CBT transfer modality for 2023 and 2024 requiring a new output (output 2) reading "*Provide food and nutrition assistance to populations in conditions of greater vulnerability, including through the strengthening of the social protection system.*" Activity 5 was also updated to reflect this new output; now this activity reads "*Provide technical assistance at policy and operational levels to social protection institutions as well as food and nutrition assistance to vulnerable populations*" (cat.9 CSI) (CS) (cat.1 UTR) (Food, CBT, CS).
10. The budget revision is required to include the CBT modality for year 2023 and 2024 of the current CSP to implement new programmes that will support rural populations living in vulnerable situation and urban youth projects with municipalities as part of the social protection systems contributing to the strengthening of vertical social cohesion and trust of these groups in state institutions. The new CBT modality increases the budget by USD 355,000. Capacity strengthening (CS) is also being increased by USD 674,000, equally distributed between year 2023 and 2024 to allow the implementation. The budget increase for this activity totals USD 1.3 million and includes FCR.
11. There are two new approaches in this activity: a) the Triple Nexus Approach which is being implemented in Indigenous populations and b) the urban population focused on youth; both considered in the United Nations Development and Cooperation Framework. The gender analysis is in process for both components. No scale-ups nor service provision activities are expected.
12. The joint programme in rural Indigenous areas includes the participation of two additional United Nations agencies and non-governmental organizations as cooperating partners as well as the Government. In the urban youth population programme, it is expected to have youth organizations as partners, and municipal youth programmes will participate in the activities related to job training and opportunities, scholarships, among others.
13. In this intervention, WFP will work to promote community leaders' empowerment. This includes different methods such as positive core activities (active learning), a supportive relational environment, opportunity role structure (many roles at multiple levels), leadership (inspirational vision), and setting maintenance and change (e.g., mechanisms to address diversity or conflict), which will be transferred to other community members and their families. To ensure sustainability, the urban youth programme will partner with local authorities to ensure ownership and continuation of the action.
14. Both programmes, under activity 5, include the support for conflict sensitivity awareness on land tenure and food security in specific areas of the country with a focus on triple nexus. Community CS and food security governance activities are being implemented for vulnerable Indigenous populations.

#### ***Beneficiary analysis***

15. Strategic outcome 5 does not include WFP's direct beneficiaries.
16. The number of beneficiaries for CBT voucher in SO 3, activity 4, increases from 99,585 to 146,452 (an increase of 46,867).

17. The number of beneficiaries for CBT in SO 4, activity 5, increases from 0 to 5,700. This is explained due to: a) social protection and humanitarian assistance to 5,700 in rural Indigenous areas, living in ten communities affected by food insecurity and malnutrition; and b) social protection and productive integration of 300 youth (18-25 years) as a result of the Urban Poverty Study focused on the youth population affected by COVID-19 impact.

Strategic outcome	Activity	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
3	4	Current	21 017	20 817	35 613	22 138	99 585
		Increase	38 896	7 971	0	0	46 867
		Revised	59 913	28 788	35 613	22 138	146 452
4	5	Current	0	0	0	0	0
		Increase	1 596	1 385	1 351	1 368	5 700
		Revised	1 596	1 385	1 351	1 368	5 700
<b>TOTAL</b> <i>(without overlap)</i>		Current	235 693	216 442	344 611	320 338	1 117 084
		Increase	28 332	7 368	1 352	1 368	38 420
		Revised	264 025	223 810	345 963	321 706	1 155 504

### **Transfers**

18. The CBT rations for SO 3 and SO 4, activities 4 and 5 respectively, are rated to USD 1 per person per day, based on the analysis conducted between January and March 2022 using national data on food basket prices, household agricultural production and average food consumption of WFP beneficiaries from surveys 2020-2021, and the actual gap to reach an acceptable food consumption for households in crisis situations<sup>1</sup>.
19. The number of assistance days for activity 5 was calculated to be 60 days to reflect the assistance response proposed for 2023 and which is deemed to respond to difficult situations in rural areas related to the effects of poverty and climate change, as a complement to the existing social protection programmes, while working on creating links between the targeted communities and the relevant government institutions.

Strategic outcome	3	4
Activity	4	5
Beneficiary type	Small farmers impacted by climate shocks	People in agrarian conflict
Modality (indicate food or CBT)	CBT (Premium paid with Value Voucher for Services)	CBT
Cash-based transfers (USD/person/day; use average as needed)	1 USD/person/day	1 USD/person/day
Number of feeding days per year	60	60

	Current budget		Increase		Revised budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	1 200	531 432	0	0	1 200	531 432
Pulses	180	207 000	0	0	180	207 000
Oil and Fats	75	102 577	0	0	75	102 577
Mixed and blended foods	5 988	6 252 785	0	0	5 988	6 252 785
Other	0	0	0	0	0	0
<b>TOTAL (food)</b>	<b>7 443</b>	<b>7 093 794</b>	<b>0</b>	<b>0</b>	<b>7 443</b>	<b>7 093 794</b>
Cash-based transfers (USD)		55 887 950		2 685 350		58 573 300
<b>TOTAL (food and CBT value – USD)</b>	<b>7 443</b>	<b>62 981 744</b>	<b>0</b>	<b>2 685 350</b>	<b>7 443</b>	<b>65 667 094</b>

### 3. COST BREAKDOWN

	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 8 /SDG Target 17.16	TOTAL
Strategic outcome	1	2	3	4	5	
<b>Focus Area</b>	<b>Crisis Response</b>	<b>Resilience Building</b>	<b>Resilience Building</b>	<b>Resilience Building</b>	<b>Resilience Building</b>	
<b>Transfer</b>	0	0	2 424 955	1 029 338	26 716 132	<b>30 170 425</b>
<b>Implementation</b>	0	0	378 363	201 923	238 206	<b>818 492</b>
<b>Direct support costs</b>						<b>2 686 249</b>
<b>Subtotal</b>						<b>33 675 166</b>
<b>Indirect support costs</b>						<b>292 026</b>
<b>TOTAL</b>						<b>33 967 192</b>

	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 8 / SDG Target 17.16	TOTAL
Strategic outcome	1	2	3	4	5	
<b>Focus Area</b>	<b>Crisis Response</b>	<b>Resilience Building</b>	<b>Resilience Building</b>	<b>Resilience Building</b>	<b>Resilience Building</b>	
<b>Transfer</b>	49 914 578	9 520 646	51 661 886	3 254 932	83 712 132	<b>198 064 173</b>
<b>Implementation</b>	5 446 151	340 351	3 736 617	645 969	4 014 475	<b>14 183 563</b>
<b>Direct support costs</b>	5 350 297	918 356	5 330 776	377 492	7 702 183	<b>19 679 103</b>
<b>Subtotal</b>	60 711 027	10 779 352	60 729 278	4 278 392	95 428 790	<b>231 926 839</b>
<b>Indirect support costs</b>	3 946 217	700 658	3 947 403	278 095	0	<b>8 872 373</b>
<b>TOTAL</b>	<b>64 657 243</b>	<b>11 480 010</b>	<b>64 676 681</b>	<b>4 556 487</b>	<b>95 428 790</b>	<b>240 799 212</b>