

COUNTRY STRATEGIC PLAN REVISION

REVISION

| State of Palestine | country strategic plan (2023–2028) | revision 01 |

Gender and age marker code: |3|

	Current	Change	Revised
Duration	March 2023–February 2028	N/A	March 2023–February 2028
Beneficiaries	440 500	0	440 500
Total cost (USD)	533 653 104	74 834 487	608 487 590
Transfer	456 350 090	74 069 246	530 419 336
Implementation	27 188 021	700 000	27 888 021
Direct Support Costs	21 415 664	0	21 415 664
Sub-total	504 953 776	74 769 246	579 723 022
Indirect Support Costs	28 699 328	65 240	28 764 568

1. RATIONALE

1. This budget revision (BR01) will:
 - i. add locally sourced olive oil as a commodity to the in-kind food basket provided through Activity 01 (unconditional resource transfers for food insecure people), under WFP Strategic Outcome 01;
 - ii. extend the contract with the United Nations Special Coordinator for the Middle East Peace Process (UNSCO) through Activity 04 (on demand service provision), WFP Strategic Outcome 05, for the provision of cash assistance through WFP's CBT platform until December 2023; and
 - iii. increase the overall budget by USD 74.8 million.¹
2. WFP continues to implement its CSP in a protracted and complex protection and humanitarian crisis context that has undermined the food security of millions of Palestinians. Sustained restrictions on trade, movement and access to resources, coupled with escalating conflict and a stalled peace process, have led to economic stagnation and a protracted fiscal crisis that hinders recovery from the shocks of the past decade and prevents sustainable development.
3. Following an abundant harvest for Palestinian olive oil production in 2022, and at the request of the Ministry of Agriculture, in order to support the national olive oil value chain, WFP will source olive oil from local producers to include in in-kind distributions (under Activity 01 resource transfers to vulnerable and food insecure people) across the Gaza Strip and in Area C of the West Bank. Through this initiative, WFP will ensure the distribution of a locally produced nutritious and good quality edible olive oil to some of the poorest and most food and nutrition insecure households. The local procurement of olive oil will further benefit the local economy and the agricultural sector – contributing to the stability of the olive oil industry – while helping to protect the livelihoods of olive farmers, many of whom are at risk of reduced household incomes due to price shocks linked to the global food crisis.² By creating local links with the

¹ USD 72 million for ODS under Activity 04 is for cash assistance from Qatar which is provided through WFP's platform and which WFP does not need to fundraise for.

² In 2022, food prices in Palestine reached their highest in six years. World Bank, Ad Hoc Liaison Committee Report, September 2022 [World Bank Document](#)

olive value chains, including cooperatives and small-scale farmers, WFP will forge horizontal linkages across Strategic Outcomes 01 and 02 of the CSP. The olive oil will be provided to WFP beneficiaries of in-kind food assistance and will partially replace the fortified vegetable oil (each beneficiary will receive 6 grams of olive oil per day and 9 grams of fortified vegetable oil per day, compared with 15 grams of fortified oil in the current in-kind basket).

4. Since September 2021, under Activity 04 (CBT platform services to humanitarian and development partners), WFP facilitates the delivery of humanitarian cash assistance on behalf of UNSCO. This cash assistance is an important humanitarian initiative between UNSCO and the Government of Qatar. Through BR01, UNSCO will extend the provision of this vital cash assistance through WFP's CBT platform until December 2023.

2. CHANGES

Strategic orientation

5. BR01 does not introduce any changes to the strategic direction of the State of Palestine's CSP (2023–2028). The introduction of olive oil within the in-kind food basket will not change the strategic nature of the activity nor the modality. With regards to the UNSCO service provision, this assistance falls outside of WFP's own targeted assistance for vulnerable households in the Gaza Strip, which falls under Activities 01 and 02 of the CSP.

Country Strategic Plan outcomes

Targeting approach and beneficiary analysis:

6. There will be no changes to the overall planned number of beneficiaries targeted under the CSP; all current beneficiaries of in-kind food assistance will receive the olive oil for the remaining cycles of 2023.
7. Under Activity 04, UNSCO will determine beneficiary eligibility and identification; WFP is not responsible for the targeting of beneficiaries, but rather provides the platform to enable the cash transfers to the UNSCO-determined beneficiaries. Through WFP's CBT platform, the cash assistance reaches 100,000 families each month (580,000 individual beneficiaries) which, alongside complementary assistance provided by sister United Nations agencies, enables vulnerable and food insecure Palestinian households to meet their basic needs, withstand shocks, and build their resilience. These food-insecure households may not to be included in WFP targeting for direct assistance due to their refugee status (and are assisted therefore by the United Nations Relief and Works Agency for Palestine Refugees in the Near East, rather than by WFP), as is the case for 69 percent of the people interviewed in the framework of monitoring. Recipients of this cash assistance are not considered to be WFP's unique direct beneficiaries.

Transfer modalities:

8. Under Activity 01, beneficiaries will continue to receive food assistance through cash-based transfers (CBT) or in-kind food assistance, as appropriate. In-kind food assistance distributed through quarterly in-kind food baskets to beneficiaries across the Gaza Strip and the West Bank will, through BR01, include locally produced olive oil (up to 6 grams of olive oil per person per day) for the remaining distribution cycles in 2023.
9. Under Activity 04, WFP will transfer cash to beneficiaries on behalf of UNSCO as a service delivery through WFP's cash transfer platform.

Partnerships:

10. The service provided to UNSCO under Activity 04 is in addition to the Palestinian National Cash Transfer Programme (NCTP), which is the main pillar of the national social assistance system and a critical source of aid provided by the Palestinian Authority to the local population. Since the second quarter of 2021, due to fiscal constraints, the NCTP distributions to Palestine's poorest households have been suspended. One hundred and five thousand families in the West Bank and Gaza Strip received a NCTP distribution in the first quarter of 2023.

Service provision:

11. Under the service provision agreement with UNSCO, and as outlined in BR07 of Palestine's CSP 2018-2022, UNSCO is responsible for the identification of beneficiaries as per the memorandum of understanding (MoU) between WFP and UNSCO, determination of the transfer value, transfer frequency, duration, and ensuring the beneficiaries selected do not include any individuals on the Consolidated United Nations Security Council Sanctions List nor meet any other exclusionary criteria. WFP will continue to be responsible for transferring UNSCO funds through WFP's CBT platform, providing electronic vouchers to beneficiaries to redeem their entitlement through selected retail providers. WFP will continue to monitor the cash flow and will provide fund statements to UNSCO as part of the MoU.

M&E:

12. No change.

Risk Management:

13. WFP maintains a risk register, which is regularly updated to capture the dynamic strategic and operational context in which the CSP is implemented. To mitigate risks related to procurement of local olive oil for inclusion in the food basket, all reasonable and necessary procurement controls have been taken during the procurement process, including registering olive oil cooperatives recommended by the Ministry of Agriculture as vendors and conducting a competitive procurement tender among the registered vendors. To mitigate risks associated with the quality of the edible olive oil, stringent testing of the olive oil is carried out by official laboratories, following quality specifications set by the Palestinian Standard Institute and the Ministry of Agriculture. Testing is conducted both prior to packaging of the olive oil as well as on random samples following the production and packaging.

Accountability to affected populations, protection risks, restrictions of gender and disabilities:

14. WFP will continue to manage the dedicated beneficiary community feedback mechanism hotline – an integral part of WFP operations in Palestine – of which the UNSCO intervention also benefits. The CFM platform ensures enhanced accountability to affected populations (AAP) allowing for community engagement and two-way communication. Through the platform, affected populations from different age, gender and diversity groups can obtain information on humanitarian assistance programmes, submit their feedback and access services and assistance from partners and other service providers through agreed upon feedback handling pathways, including referrals, escalation and workflows, which include guidance on response time to feedback to ensure feedback loop closure, document programme adjustment and to build trust with affected communities.

Beneficiary analysis

15. There will be no changes to the planned beneficiaries under the CSP.

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME, ACTIVITY & MODALITY								
Strategic Outcome	Output	Activity	Period	Women	Men	Girls	Boys	Total
				(18+ years)	(18+ years)	(0-18 years)	(0-18 years)	
1	1	1	Current	137 823	133 919	80 227	86 031	438 000
			Increase/ decrease	0	0	0	0	0
			Revised	137 823	133 919	80 227	86 031	438 000
	2	1	Current	1 200	0	700	300	2 200
			Increase/ decrease	0	0	0	0	0
			Revised	1 200	0	700	300	2 200
2	3	2	Current	1 250	1 250	0	0	2 500
			Increase/ decrease	0	0	0	0	0
			Revised	1 250	1 250	0	0	2 500
TOTAL <i>(without overlap)</i>			Current	139 073	135 169	80 227	86 031	440 500
			Increase/ decrease	0	0	0	0	0
			Revised	139 073	135 169	80 227	86 031	440 500

TABLE 2: FOOD RATION (g/person/day)³ or CASH-BASED TRANSFER VALUE (USD/person/day) BY STRATEGIC OUTCOME AND ACTIVITY	
Strategic outcome	1
Activity	1
Beneficiary type	Vulnerable and food insecure Palestinians
Modality (indicate food or CBT)	Food
Cereals	300
Pulses	25
Fortified oil	9
Olive oil	6
Iodised salt	5
Tuna*	19
total kcal/day	1,268
% kcal from protein	13.1
Number of feeding days per year	360

* Tuna is not included in the total kcal/protein calculation as it is part of WFP's contingency stock in the Gaza Strip and not distributed every month to all beneficiaries.

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	39 420	25 432 314	0	0	39 420	25 432 314
Pulses	3 285	4 360 989	0	0	3 285	4 360 989
Oil and Fats	1 971	6 113 538	118	1 182 600	2 089	7 296 138
Mixed and blended foods	0	0	0	0	0	0
Other	3 154	25 994 747	0	0	3 154	25 994 747
TOTAL (food)	47 830	61 901 587	118	1 182 600	47 948	63 084 187
Cash-Based Transfers (USD)		288 894 060		0		288 894 060
TOTAL (food and CBT value - USD)	47 830	350 795 647	118	1 182 600	47 948	351 978 247

³ Verify that the ration is in line with WFP guidelines in terms of energy, protein, fat and micronutrient content, using the NUTVAL food basket calculator on the PGM, along with specific WFP programmatic guidance. For commodity vouchers and CBT values see the relevant manual.

COST BREAKDOWN

TABLE 4: COST BREAKDOWN OF THE REVISION ONLY (USD)					
SDG targets/ WFP Strategic outcomes	SDG Target 2.1 - WFP Strategic Outcome 1	SDG Target 2.1 - WFP Strategic Outcome 3	SDG Target 17.9 - WFP Strategic Outcome 4	SDG Target 17.16 - WFP Strategic Outcome 5	TOTAL
CSP Outcomes	01	02	03	04	
Focus Area	Crisis Response	Resilience Building	Resilience Building	Crisis Response	
Transfer	1 969 246	0	0	72 100 000	
Implementation	0	0	0	700 000	700 000
Direct support costs					0
Subtotal					74 769 246
Indirect support costs					65 240
TOTAL					74 834 487

TABLE 5: OVERALL CSP COST BREAKDOWN, FOLLOWING THE REVISION (USD)					
SDG targets/ WFP Strategic outcomes	SDG Target 2.1 - WFP Strategic Outcome 1	SDG Target 2.1 - WFP Strategic Outcome 3	SDG Target 17.9 - WFP Strategic Outcome 4	SDG Target 17.16 - WFP Strategic Outcome 5	TOTAL
CSP Outcomes	01	02	03	04	
Focus Area	Crisis Response	Resilience Building	Resilience Building	Crisis Response	
Transfer	378 706 892	12 599 095	2 533 940	136 579 409	
Implementation	23 801 917	1 966 756	380 813	1 738 535	27 888 021
Direct support costs	17 108 906	614 485	122 983	3 569 290	21 415 664
Subtotal	419 617 715	15 180 337	3 037 736	141 887 234	579 723 022
Indirect support costs	27 275 151	986 722	197 453	305 242	28 764 568
TOTAL	446 892 866	16 167 059	3 235 189	142 192 476	608 487 590