

Crisis response revision of Cuba country strategic plan (2021–2024) and corresponding budget increase

	Current	Change	Revised
Duration	1 July 2021– 31 December 2024	No change	1 July 2021– 31 December 2024
Beneficiaries	2 116 106	563 901	2 680 007
<i>(USD)</i>			
Total cost	55 958 956	19 105 569	75 064 525
Transfers	48 465 312	17 823 841	66 289 153
Implementation	1 712 707	82 774	1 795 480
Adjusted direct support costs	2 365 601	32 887	2 398 488
Subtotal	52 543 620	17 939 501	70 483 122
Indirect support costs (6.5 percent)	3 415 335	1 166 068	4 581 403

Gender and age marker code*: 4

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

Rationale

1. Cuba is experiencing its worst economic recession in the last three decades. After a sharp 11 percent drop in Gross Domestic Product in 2020 and a modest 0.5 percent increase in 2021, the economy recovered slightly in 2022 with an increase in gross domestic product of 2 percent.¹ The impact of Hurricane Ian in September 2022, the remanent effects of the coronavirus disease 2019 (COVID-19), mainly on tourism, and high international prices caused a spike in inflation for the second consecutive year (77 percent in 2021 and close to 40 percent in 2022), directly affecting the population's purchasing power.
2. The monetary reform² initiated in 2021 reduced food subsidies, impacting further household vulnerability to food insecurity, especially of vulnerable groups such as children, older people and pregnant and breastfeeding women and girls, and deepening the inequality gap in the country.
3. This socioeconomic scenario has been further worsened by limited foreign exchange, fuel shortages partly due to the August 2022 fire in Matanza's oil terminal leading to power cuts, and difficulties in accessing agricultural inputs, negatively impacting economic activities, including agricultural production, and aggravating the scarcity of goods and services.

¹ Cubadebate. 2022. *Cuba en Datos: La economía cubana en 2022 y las perspectivas para el próximo año* (Cuba in data: Cuba's economy in 2022 and the prospects for next year).

² Cubadebate. 2021. *Tarea Ordenamiento: La inflación minorista ha sido la principal desviación, afirma Marino Murillo* (Tarea Ordenamiento: retail inflation has been the main deviation, says Marino Murillo).



4. In addition, Cuba is one of the Caribbean countries most exposed to the impact of extreme hydro-meteorological events, which are more frequent and severe due to climate change.³ In the last hurricane season (June–November 2022), the country was hit by Hurricane Ian ranked category 3, causing severe damage to housing, agriculture, and electrical and telephone services. The hurricane brought a highly destructive storm, with severe flash-flood damages along the coast of Cuba.
5. More than 3 million people were affected by this natural disaster, including 500,000 children and adolescents and 700,000 older people. Pinar del Río province was the most impacted territory, severely damaging local food systems in 7 of the 11 municipalities, where 451,442 people reside.
6. WFP, in line with its mandate and national priorities, gave support to protect the most vulnerable people at risk of food insecurity. WFP food assistance allowed access to food and contributed to maintaining an acceptable nutrition status for targeted beneficiaries. In parallel, WFP supported government institutions with temporary storage and distribution solutions (mobile storage units and tents) where permanent structures had been damaged or destroyed.
7. The budget adjustments in the four country strategic plan (CSP) activities respond to the increased needs of vulnerable groups in Cuba due to the impact of Hurricane Ian and the country's economic situation. The revision covers the period 1 March 2023–31 December 2024.

Changes

Strategic orientation

8. There is no change in strategic orientation.

Strategic outcomes

Strategic outcome 1, activity 1

9. Between March and October 2023, the budget revision includes four monthly rations of rice, beans, and vegetable oil to 142,115 beneficiaries (vulnerable groups – children under 5, pregnant women and older people) in Pinar del Río province and selected municipalities in Artemisa and Mayabeque provinces.
10. From March to October 2023, the budget revision includes a monthly ration of rice, beans, and vegetable oil through prioritized social protection programmes (children in day-care centres and primary schools, pregnant women in maternity homes and older people) in all municipalities of Pinar del Río. Beneficiaries are 25,539 children in day-care centres and primary schools (boarding and half boarding); 2,306 beneficiaries in health institutions (family support systems, maternity homes and older people's homes).
11. From August to December 2023, the budget revision includes a monthly ration of milk powder to children aged 12–24 months in Pinar del Río province, in line with the Government's request. WFP will deliver 3 kilograms of whole milk powder monthly for five months to 6,213 children, supporting nutrition and preventing anemia, in line with the national public policy.

³ The Third National Communication of Cuba to the United Nations Framework Convention on Climate Change shows the increasing trend of hurricanes over Cuba since 1791, with strong activity of intense hurricanes since 2001. Such variation is similar to projections on future climate patterns regarding the fact that hurricanes could be more intense, following the increase in sea temperature (Ministry of Science, Technology and Environment, Cuba, 2020).



12. Increase planning in 2024 to continue assisting older people in the five eastern provinces (extend to assist 150,000 beneficiaries until December 2024 and consider 50,000 new beneficiaries).
13. WFP will pre-position a stock of non-food items for the next hurricane season (mobile storage units, family tents, electric generators for warehouses with lamps, kitchen, tyres and batteries) to replace the stock used during the response to the emergency caused by Hurricane Ian.

Strategic outcome 2, activity 2

14. From July 2023 to December 2024, the budget revision includes a micronutrient powder ration for 50,078 children aged 6–23 months in Pinar del Río and La Havana provinces, as requested by the Ministry of Public Health. Under the Capacity Strengthening modality, WFP will also include printing material to support the micronutrient powder and corn-soya blend distribution.

Strategic outcome 3, activity 3

15. WFP will increase capacity strengthening to include activities related to cash and voucher distribution and innovative digital solutions as a result of the current support that WFP gives to the Ministry of Labour and Social Security.

Strategic outcome 4, activity 4

16. WFP will strengthen the Government's capacity and expand technical and financial support on vulnerability analysis, targeting, beneficiary registration, digitization processes and transfer modalities. WFP also works with the Government to adapt and digitize the existing assistance database (OREGI platform) and its interoperability with the Characterization of Families. The planned intervention will support the National Economic and Social Development Plan 2030.

In general

17. Increase in implementation of non-staff costs under activities 1 and 3 due to leasing the vehicles for monitoring activities in the area affected by Hurricane Ian and field monitoring visits due to the micronutrient powder distribution. Increase staff costs with a new position under activities 2 and 3.
18. Increase the direct support cost non-staff costs for the new country portfolio budget design, and staff participation in international events. Increase the direct support cost staff costs with two new positions.



Beneficiary analysis

TABLE 1: DIRECT BENEFICIARIES BY STRATEGIC OUTCOME AND ACTIVITY							
Strategic outcome	Activity	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
1	1	Current	651 730	790 586	202 730	67 247	1 712 293
		Increase/ (decrease)	81 805	74 262	26 048	27 469	209 584
		Revised	733 535	864 848	228 778	94 716	1 921 877
2	2	Current	26 246	13 911	156 687	163 484	360 328
		Increase/ (decrease)	124 218	124 218	49 076	51 080	348 592
		Revised	150 464	138 129	205 763	214 564	708 920
3	3	Current	4 240	8 618	58 427	61 183	132 468
		Increase/ (decrease)	6 525	6 782	2 141	2 135	17 583
		Revised	10 765	15 400	60 568	63 318	150 051
Total (without overlap)		Current	682 217	665 205	374 361	394 323	2 116 106
		Increase/ (decrease)	212 548	205 262	71 455	74 636	563 901
		Revised	894 765	870 467	445 816	468 959	2 680 007

Note: Part of the beneficiaries' increase is due to the inclusion of individual capacity strengthening in COMET.



Transfers

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 2						Activity 3								
Beneficiary type	Shock-affected population	Older people in SAF	Older people in FDP	Pregnant women in FDP	Children under 2	Beneficiaries in Hospitals (COVID-19)	Children in primary schools	Older people *	Children 6-11 months	Children 12-23 months	Adolescents	Pregnant women in maternity homes	Older people		Children in day-care centres	Children (half boarding)	Children (full boarding)	Children in external primary schools	Pregnant women in maternity homes	Older people in community canteens			
													Community canteens and OH institutions	Full boarding day-care									
Modality	food	food	food	food	food	food	food	food	food	food	food	food	food	food	CBTs	food	CBTs	CBTs	food	CBTs	CBTs	CBTs	
Cereals	50		50	33.33	33.33		15	15															
Pulses	30		30	16.66	16.66		60	30	30														
Oil	30.66		30.66	15.33	15.33		61.32	15.33	15.33														
Canned fish		250																					
Milk powder					100	25				25		25	50		50			25					
Fresh vegetables																							
Salt																							
Sugar																							
Super Cereal												50	50	50		50							
Micronutrient powder									1	1													
Total kcal/day	556	520	556	309	309	362	759	556	556	n/a	n/a	91	188	278	369	19	369	19	19	91	477	19	19
% kcal from protein	7.0	47.3	7.0	7.7	7.7	40.0	7.2	7.0	7.0	n/a	n/a	40.0	16.3	24.0	27.9	66.3	27.9	66.3	66.3	40.0	16.8	66.3	66.3
Cash-based transfers (average USD/person/day)															0.049		0.049	0.049		0.133	0.049	0.049	
Number of feeding days per year	60	2	180	360	360	180	180	105	180	60	120	220	360	360	360	231	231	220	220	220	220	360	360

* Older people in older people's homes and grandparents' homes.

Abbreviations: FDP: final distribution point (Government's warehouses); OH: Office of the Historian of Havana City (*Oficina del Historiador*); SAF: family support system (*Sistema de Atención a la Familia*);



	Current budget		Increase		Revised budget	
	Total (mt)	Total (USD)	Total (mt)	Total (USD)	Total (mt)	Total (USD)
Cereals	6 292	4 034 352	3 634	2 734 768	9 927	6 769 120
Pulses	3 580	3 642 501	1 832	2 545 477	5 412	6 187 978
Oil and fats	3 545	11 663 086	1 648	6 769 838	5 193	18 432 925
Mixed and blended foods	544	255 904	0	78	544	255 982
Other	1 998	10 625 480	101	531 674	2 098	11 157 154
Total (food)	15 958	30 221 324	7 215	12 581 835	23 173	42 803 159
Cash-based transfers		1 173 841		0		1 173 841
Total (food and cash-based transfer value)	15 958	31 395 165	7 215	12 581 835	23 173	43 977 000

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	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	
Focus area	Crisis response	Root causes	Resilience building	Resilience building	
Transfers	14 423 689	108 117	3 177 035	115 000	17 823 841
Implementation	20 232	24 395	24 395	13 752	82 774
Adjusted direct support costs					32 887
Subtotal					17 939 501
Indirect support costs (6.5 percent)					1 166 068
Total					19 105 569



TABLE 5: OVERALL CSP COST BREAKDOWN, AFTER 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	Total
	Strategic outcome 1	Strategic outcome 2	Strategic outcome 3	Strategic outcome 4	
Focus area	Crisis Response	Root Causes	Resilience Building	Resilience Building	
Transfers	49 708 076	1 505 196	13 572 937	1 502 944	66 289 153
Implementation	609 224	176 870	733 370	276 016	1 795 480
Adjusted direct support costs	1 780 619	55 835	505 135	56 899	2 398 488
Subtotal	52 097 919	1 737 901	14 811 441	1 835 860	70 483 122
Indirect support costs <i>(6.5 percent)</i>	3 386 365	112 964	962 744	119 331	4 581 403
Total	55 484 284	1 850 865	15 774 185	1 955 191	75 064 525

