



World Food Programme
Programme Alimentaire Mondial
Programa Mundial de Alimentos
برنامج الأغذية العالمي

Issuance date: 10 September 2024

Country strategic plan revision

Iran interim country strategic plan, Budget Revision 01

Gender and age marker code: |3|

	Current	Change	Revised
Duration	<i>April 2023 – December 2025</i>	<i>24-month extension in time</i>	<i>April 2023 – December 2027</i>
Beneficiaries	70 300	- 8 286	62 014
(USD)			
Total cost	37 020 797	5 800 765	42 821 562
Transfers	31 087 454	3 237 353	34 324 807
Implementation	1 456 294	971 989	2 428 283
Direct support costs	2 316 576	1 184 851	3 501 427
Subtotal	34 860 324	5 394 193	40 254 517
Indirect support costs	2 160 473	406 572	2 567 045

DELEGATION OF AUTHORITY FOR APPROVAL: CD Approval

1. RATIONALE

1. To align with the United Nations Sustainable Development Cooperation Framework (UNSDCF 2023 – 2027), this budget revision (BR01) will extend the ICSP by 24 months until the end of December 2027 with a corresponding budget increase of USD 5.8 million. Responding to the changing context, BR01 will also make several operational adjustments to Iran's interim country strategic plan.
2. In August 2021, in anticipation of an influx of displaced people arriving from Afghanistan, the Government of Iran planned to establish two new refugee settlements in the provinces of Sistan and Balouchestan, and Khorasan Razavi. At the time, the Government had requested WFP support to meet the food and nutrition needs of 15,000 people in these new settlements as well as any additional influx into existing settlements. However, due to security concerns, the development of the new settlements was suspended, and accordingly WFP will no longer need to support this planned caseload under the general food assistance and school feeding activities. The budget allocated to support these planned caseloads will thus be reduced from the ICSP budget.
3. In the past years since the ICSP was developed, Iran has witnessed a significant fluctuation in the exchange rate of the Iranian Rial, with a devaluation resulting in cost savings for WFP's operation in Iran. Through BR01, WFP will adjust the USD-budgeted amount for cash transfer entitlements to align with actual operational needs.

2. CHANGES

Strategic orientation

- BR01 incurs no changes to the strategic orientation of Iran's ICSP, however in addition to the extension in time, this BR will make operational adjustments under activities 01, 02, and 03.

ICSP outcomes

Targeting approach and beneficiary analysis:

- Under Activity 01 (general food assistance), as the Government have suspended plans for new settlements to support displaced people arriving from Afghanistan, from January 2024 onward, WFP will reduce the number of targeted beneficiaries from 52,000 to 35,000. This reduction includes the planned population of the two cancelled settlements (15,000), and an additional 2,000 from the initially planned support to 6,000 newly arrived refugees that were intended to be sheltered in the current settlements, though the actual increase of refugees in the settlements has been more modest to date.
- Under Activity 02 (school feeding), owing in large part to the suspended establishment of the two planned settlements, but also to the reduced numbers of new arrivals being sheltered in existing settlements, from January 2024 onward, the number of schoolchildren targeted to receive nutritious snacks on annual basis will be reduced from 14,800 to 10,186. Of those reduced, 3,000 will also be reduced from the students targeted to receive the girls education incentive. Correspondingly, the number of teachers targeted to receive assistance will be reduced from 1,200 to 814.
- Under Activities 01 and 02, following a 2022 audit recommendation to automate the CBT process, in collaboration with WFP's Global Data Assurance Team, the Iran Country Office has developed and rolled out the 'Datahub' – a specific tool which, since 2023, is being utilised to manage the deduplication of beneficiaries and process CBT transfers. This database will continue to be enhanced over 2024.
- Under Activity 03 (emergency response), the number of beneficiaries targeted will increase by 10,000 to provide an additional contingency allocation of 5,000 beneficiaries for each additional year of the extended timeframe.

Transfer modalities:

- Under Activity 01, WFP will reduce the USD value of cash transfer entitlements provided to beneficiaries to bring the transfer value in line with the revised USD value of the transfer, which is provided in Iranian Rial. The value of the transfer in Iranian Rial will remain unchanged.
- Under Activity 02, in consultation with the Government, WFP will slightly increase the USD value of the cash transfer entitlements from USD 0.10 to USD 0.12 per day for girls receiving the education incentive to attend school. The increase in the value of the incentive will allow for it to continue to encourage families to send their girls to school.
- In response to beneficiary feedback received through process monitoring, post-distribution monitoring, and through the community feedback hotline for activities 01 and 02, WFP will revise the in-kind basket as follows:
 - reduce the wheat flour ration from 15 kg to 12 kg per person per month and
 - reinstate the distribution of 810gr of vegetable oil per person per month.

Service provision:

12. BR01 will facilitate the reduction of the planned budget allocated for on-demand services considering that no requests for on-demand services were received during 2022 or 2023. Therefore, the planned amount of USD 500,000 has been reduced to USD 50,000, as a placeholder for contingency should any need arise in future.

Risk Management:

13. The fluctuation of the exchange rate, alongside persistent inflation and economic downturn in Iran may pose a risk to the maintenance of adequate food consumption for beneficiaries. To mitigate this, WFP plans to conduct an assessment to determine the specific Minimum Expenditure Basket (MEB) for residents of the settlements. The objective is to ascertain the gap between the MEB and households' own resources, and to determine if the present cash transfer value requires adjustment to ensure that beneficiaries can meet their essential needs.

Beneficiary analysis

ICSP Outcome	Activity	Period	Women (18+ years)	Men (18+ years)	Girls (0-18 years)	Boys (0-18 years)	Total
01	01	Current	14 560	14 560	10 920	11 960	52 000
		Decrease	(4 760)	(4 760)	(3 570)	(3 910)	(17 000)
		Revised	9 800	9 800	7 350	8 050	35 000
	02	Current	360	840	7 052	7 748	16 000
		Decrease	(116)	(270)	(2 198)	(2 416)	(5 000)
		Revised	244	570	4 854	5 332	11 000
	03	Current	5 220	5 340	2 130	2 310	15 000
		Increase	3 480	3 560	1 420	1 540	10 000
		Revised	8 700	8 900	3 550	3 850	25 000
TOTAL (without overlap)	Current	19 854	20 073	14 505	15 868	70 300	
	Decrease	(2 320)	(2 320)	(1 740)	(1 906)	(8 286)	
	Revised	17 534	17 753	12 765	13 962	62 014	

Transfers

		Interim Country Strategic Plan Outcome 01								
		Activity 01				Activity 02			Activity 03	
Beneficiary type		Beneficiaries with Disability	Women HH		Men HH		Schoolchildren In settlements	Schoolchildren Outside Settlements	School girls - Education incentive	Emergency Response
Modality		CBT Top-up	Food	CBT	Food	CBT	Food	Food	CBT	CBT
Cereals & Grains	Wheat - Flour Fortified		400		400					
Dairy Products	Milk UHT							206		
Mixed & Blended Foods	Biscuits							37.5		
Mixed & Blended Foods	Date Bars							42.5		
Oils & Fats	Vegetable Oil		27		27					
Pre-packaged Food Parcels	Rations						241.58			241.58
cash (USD /person/day)		0.1		0.22		0.18			0.12	0.12
Number of feeding days per year (2024)		360	360	360	360	360	30	177	198	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	25 740	11 520 529	1 440	1 231 716	27 180	12 752 244
Pulses	0	0	0	0	0	0
Oil and Fats	0	0	1 361	2 272 772	1 361	2 272 772
Mixed and blended foods	676	1 136 213	116	370 236	792	1 506 449
Other	1 849	1 542 400	372	905 055	2 221	2 447 455
TOTAL (food)	28 265	14 199 142	3 289	4 779 779	31 553	18 978 921
Cash-Based Transfers (USD)		14 978 700		- 1 344 960		13 633 740
TOTAL (food and CBT value - USD)	28 265	29 177 842	3 289	3 434 819	31 553	32 612 661

3. COST BREAKDOWN

14. The overall increase in the budget is only USD 5.8m, as the 2-year extension in time has been offset by the reduction in the budget in 2024 and 2025 due to the reduction in beneficiaries and savings in cash-based transfers.

COST BREAKDOWN OF THE REVISION ONLY (USD)			
SDG targets/ WFP Strategic outcomes	SDG Target 2.1 - WFP Strategic Outcome 1	SDG Target 17.16 - WFP Strategic Outcome 5	TOTAL
ICSP Outcomes	01	02	
Focus Area	Crisis Response	Crisis Response	
Transfer	4 037 353	- 800 000	3 237 353
Implementation	979 989	- 8 000	971 989
Direct support costs			1 184 851
Subtotal			5 394 193
Indirect support costs			406 572
TOTAL			5 800 765

OVERALL ICSP COST BREAKDOWN, FOLLOWING THE REVISION (USD)			
SDG targets/ WFP Strategic outcomes	SDG Target 2.1 - WFP Strategic Outcome 1	SDG Target 17.16 - WFP Strategic Outcome 5	TOTAL
ICSP Outcomes	01	02	
Focus Area	Crisis Response	Crisis Response	
Transfer	33 624 807	700 000	34 324 807
Implementation	2 421 283	7 000	2 428 283
Direct support costs	3 446 914	54 512	3 501 427
Subtotal	39 493 004	761 512	40 254 517
Indirect support costs	2 567 045	0	2 567 045
TOTAL	42 060 049	761 512	42 821 562