

(ECHO)

From: (ECHO)
Sent: martedì 30 maggio 2017 14:43
To: (ECHO); (ECHO)
Cc: (ECHO); (EEAS); (ECHO); (ECHO)
Subject: Update on the Milk Scheme - inside Syria

Dear , dear

As requested, please find below the update of the state of play of the milk scheme inside Syria.

General background:

- The project aims at distributing **17 500 metric tonnes** of UHT liquid milk of European Origin to 500 000 school children inside Syria. The milk is complementing an existing school feeding programme carried out by UNICEF and WFP and covers 400 schools in GoS controlled area in Homs, Damascus, Rural Damascus, Tartous, Quneitra and Latakia governorates.
- The project is at its half way now, it started in June 2016 and will end in June 2018, encompassing 2 school years.
- The project is encoded under a special HIP, and has been approved by MSs with a written procedure.

State of play:

- WFP approached in Damascus to request a 1 year No-cost extension.
- ECHO proactively checked with the legal unit if under a legal perspective an extension was deemed possible and asked WFP for more information. A meeting took place this morning (30/05) in Damascus on this topic.
- During the enquiry, the following information has been disclosed:
 - WFP, at procurement stage, negotiated a lower than expected price per litre. This will allow WFP to buy **24 000 metric tons of milk (instead of 17 500, as per initial proposal)**, equal to an increase of **37% of quantity to distribute**.
 - As of today, WFP distributed **5 000 metric tonnes** of milk to 250 000 children (1/3 of the total quantity in ½ of the time). In addition, 4000 metric tonnes are already procured and will be shipped to Syria in September/October.
 - On timing, there is one school-year left to perform distributions. Distributions are not ongoing during summer, because with high temperatures the risks of bad storage and conservation for such a delicate product are too high.
 - → If it was already challenging to distribute the 17 500 metric tonnes foreseen, it will be not feasible to distribute 24 000 metric tonnes instead, in the same timeframe.

Options looked at:

1. Increase the caseload within the present conditions (i.e. in the area controlled by GoS).
 Challenges:
 - a. Administrative/clearances/ authorisation will be difficult to have from GoS, who has approved the scheme, considering that 6 ministries are involved.
 - b. Storage of such high quantity in such short timeframe is impossible inside Syria at the moment. Storage has to be adequate (cool chain etc.)
 - c. Logistics capacity

2. Include milk in the GFA (General food assistance): Challenges:
 - a. Limited storage capacity / cold chain for such a huge quantity
 - b. Distortion of existing targeting among beneficiaries
 - c. Impact in breastfeeding / no harm principles
 - d. Milk is a product that beneficiaries could be re-sold into markets, with impact in humanitarian aid
 - e. Market distortions
 - f. Access constraints
3. XB TK option: Challenges:
 - a. TK does not allow huge quantity through the 2 crossing points
 - b. No existing school network
 - c. The operation would present serious challenges in terms of remote management of such a delicate product.
 - d. In Northern Syria small schools with small caseload and logistics impediments
4. If no time extension is deemed possible, a **fund recovery** for the quantity not procured and distributed could be envisageable.
5. A **time extension** could be justified in terms of cost-effectiveness of the operation (same amount, 37% more milk to distribute, but in 3 years instead of 2 for the objective operational constraints).

Under our request, a meeting with WFP BXL is scheduled for this on Thursday 01/06 at 15:30 with [REDACTED] will attend.

Happy to discuss at any time.

Kindly,

[REDACTED]

Syria Team

[REDACTED]



European Commission

DG ECHO
B4 - Middle East – Humanitarian Operations
L-86 0 [REDACTED] -1049 Brussels
T. +32 (0)2 29 [REDACTED]
[REDACTED]@ec.europa.eu