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your communication of	your reference	our reference	date
19/10/2020	PQ19072	D5.1/AK/2019.05/2020/10775/1	26/10/2020

To be quoted in all correspondence

RE: Request for reallocation and no cost extension of the “Education in Emergencies (EiE) for Palestine Refugee Children - Phase II” Project (Your Ref.: PJ/2019/05, UNRWA Project Code: PQ19072)

Dear Sir,

Following your communication, dated October 19th 2020, I would like to inform you that I agree to

- a “No Cost Extension” of 6 months for the project mentioned above. This extension only applies to the part of the project related to Education in Emergencies (EiE). The project is therefore extended to June 19th 2021.
- a budget reallocation (with no increase to the original budget) as described in your above-mentioned request.

The no-cost extension and budget reallocation do not imply any change to the scope and targets of the project. Such a modification is foreseen in the “Terms and Conditions of the contribution” under art. 2.5.

I. No cost extension

The request is justified by the challenges faced by UNRWA during the implementation of the EiE project in all fields of operation over the past several months, due to the COVID-19 pandemic. The approved no-cost extension will enable the Agency to bring to completion all project activities and fulfill the corresponding reporting requirements.

II. Budget reallocation

In order to respond to the COVID-19 challenge, UNRWA had to reconceptualize its EiE approach to ensure the continuation of students’ access to quality, inclusive, equitable, and safe education. This led to adopting, where possible, remote modalities of delivery for activities planned initially to take place in person and reprioritization of services, based on most urgent needs and possibility to deliver as explained in the below table. These changes made some budget savings possible that will be reallocated to the rehabilitation of 84 schools.

Programme Strand	Original Budget		Approved Revised Budget ¹ (A)		Budget Reallocation (B)		Variant (B-A)			Budget Reallocation Details
	Total Amount (EUR)	Total Amount (USD)	Total Amount (EUR)(A)	Total Amount (USD)(A)	Total Amount (EUR)(B)	Total Amount (USD)(B)	EUR	USD	%	
1) Access to education is ensured	€ 917,173	\$ 1,023,631	€ 1,007,442	\$ 1,124,377	€ 1,004,935	\$ 1,121,579	- 2,507	- 2,798	- 0.25%	Budget proposed to be decreased by USD 2,798 / EUR 2,507 that would be re-allocated to Outcome 2. This decrease is possible due to minor savings incurred in activities such as transportation support due to school closures, and some overlapping of other donor funds in some Fields.
2) Safe and secure learning environments are further enhanced and maintained, addressing the physical needs of children.	€ 277,613	\$ 309,836	€ 277,107	\$ 309,272	€ 419,518	\$ 468,212	€ 142,411	\$ 158,940	51.39%	Budget proposed to be increased by USD 158,940/ EUR 142,411 that would be re-allocated from Outcomes 1, 3, 4, 5, 6. This increase would allow the rehabilitation of a total of 84 additional schools.
3) The psychosocial well-being of students affected by conflict is enhanced.	€ 2,296,923	\$ 2,563,530	€ 2,249,416	\$ 2,510,509	€ 2,225,146	\$ 2,483,422	- 24,270	- 27,087	- 1.08%	Budget proposed to be decreased by USD 27,087/ EUR 24,270 that would be re-allocated to Outcome 2. This decrease is possible due to savings related, mainly, to the procurement of recreational kits (other parallel funds were secured), the shift to remote delivery modalities for planned training, workshops, seminars, as well as some decreases in targets where the initially planned numbers can not be achieved due to the COVID-19 crisis.
4) The quality of teaching and learning is sustained during emergencies.	€ 205,475	\$ 229,325	€ 180,241	\$ 201,162	€ 166,813	\$ 186,176	- 13,427	- 14,986	- 7.45%	Budget proposed to be decreased by USD 14,986/ EUR 13,427 that would be re-allocated to Outcome 2. This decrease is possible due to savings generated, mainly, by shifting to remote delivery modalities for planned training, workshops, seminars, and by some decreases in targets where the initially planned numbers can not be achieved due to the COVID-19 crisis.
5) Community engagement and participation is further enhanced and maintained.	€ 132,671	\$ 148,071	€ 116,447	\$ 129,963	€ 53,926	\$ 60,185	- 62,521	- 69,778	- 53.69%	Budget proposed to be decreased by USD 69,778/ EUR 62,521 that would be re-allocated to Outcome 2. This decrease is possible due to savings generated, mainly, by shifting to remote delivery modalities for planned training, workshops, and seminars, sessions, activities and by some decreases in targets where the initially planned numbers can not be achieved due to the COVID-19 crisis.
6) EiE Data management, assessment and analysis is further improved.	€ 89,064	\$ 99,402	€ 88,266	\$ 98,511	€ 48,581	\$ 54,220	- 39,685	- 44,291	- 44.96%	Budget proposed to be decreased by USD 44,291 / EUR 39,685 that would be re-allocated to Outcome 2. This decrease is possible due to savings generated, mainly, by shifting to alternative remote delivery modalities for training and assessments, meetings, etc., to allow the implementation of activities under the current COVID-19 crisis constraints.
Total direct costs	€ 3,918,919	\$ 4,373,794	€ 3,918,919	\$ 4,373,794	€ 3,918,919	\$ 4,373,794	€ 0	\$ 0		
11% ISC	€ 431,081	\$ 481,117	€ 431,081	\$ 481,117	€ 431,081	\$ 481,117	€ 0	\$ 0		
Grand total	€ 4,350,000	\$ 4,854,911	€ 4,350,000	\$ 4,854,911	€ 4,350,000	\$ 4,854,911	€ 0	\$ 0		

¹ Original budget as per revision approved by the Belgium Government in September 2020.

This letter constitutes an addendum to the letter-agreement, regulating the execution modalities relating to the aforementioned project.

Sincerely Yours,

Guy Rayée
Director general a.i.
Development Cooperation and Humanitarian Aid

