

Annex I

Description of the Action

Enhanced Rural Resilience in Yemen 2016-2019



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List of Abbreviations:

AA	Administrative Agent
AQAP	Al Qaeda in the Arabian Peninsula
AWP	Annual Work plan
CDCs	Community Development Committees
CFSS	Comprehensive Food Security Survey
FAO	Food And Agriculture Organization
FFS	Farmer Field School
GARWP	General Authority for Rural Water Projects
GOY	Government of Yemen
HOA	Head of Agencies
IDPs	Internally Displaced Persons
IPC	Integrated Food Security Phase Classification
IPSAS	International Public Sector Accounting Standards
IS	Islamic State
M&E	Monitoring and Evaluation
MAF	Mutual Accountability Framework
MoIT	Ministry of Industry and Trade
MoLA	Ministry of Local Administration
MOPIC	Ministry of Planning and International Cooperation
MoSAL	Ministry of Social Affairs and Labour
MoTEVT	Ministry of Technical Education and Vocational Training
MOU	Memorandum of Understanding
MoWE	Ministry of Water and Environment
MPTF	Multi Partnership Trust Fund
NDC	National Dialogue Conference
NGOs	Non-Government Organizations
NWRA	National Water Resource Authority
PUNO	Participating United Nations Organization
PWP	Public Works Project
SFD	Social Fund for Development
SMEPS	Small and Micro Enterprise Promotion Service
SWF	Social Welfare Fund
TBC	To be confirmed
UNDP	United Nations Development Programme
VCD	Village Community Development
WFP	World Food Programme
WUA	Water User Association
YEAP	Youth Employment Action Plan

1. Summary of the Action

The three-year joint programme “*Enhanced Rural Resilience in Yemen*” (ERRY) will be implemented by FAO, ILO, UNDP and WFP in four governorates: Hajjah, Hodeidah, Lahj and Abyan.

The overall objective of the programme is to enhance the resilience¹ and self-reliance of crisis-affected rural communities through support to livelihoods stabilisation and recovery, local governance and improved access to sustainable energy.

ERRY will achieve two outcomes:

Outcome 1: Communities are better able to manage local risks and shocks for increased economic self-reliance and enhanced social cohesion.

Outcome 2: Institutions are responsive, accountable and effective to deliver services, build the social contract and meet community identified needs.

Within its three year timeframe, the following results will be achieved:

- Output 1.1: Community livelihoods and productive assets are improved to strengthen resilience and economic self-reliance
- Output 1.2: Communities benefit from improved and more sustainable livelihoods opportunities through better access to solar energy
- Output 1.3: Informal networks promote social cohesion through community dialogue and delivery of services
- Output 2.1: Functions, financing and capacity of local authorities enabled to deliver improved basic services and respond to public priorities
- Output 2.2: Increased capacity of local actors and strengthened partnership of private sector to enhance collective actions, aid delivery and economic recovery

Target groups will focus on the most vulnerable such as women, the unemployed, youth, the Muhamasheen, internally displaced persons (IDPs) and stressed host communities, using inclusive, participatory and conflict-sensitive tools to mobilise and involve them in the proposed activities. Active partnerships with local authorities, the private sector, communities, the Social Fund for Development (SFD) and NGOs will be sought for the successful implementation of the programme.

¹ Resilience is commonly described as the ability of individuals, communities and institutions to better cope with a crisis, shock or stressor.

2. Context

Background

Yemen's transition has tragically spiraled downwards into a full-scale war with little immediate prospect of warring parties finding a peaceful way out. Yemeni men, women, children, young and old, bear the brunt of casualties and suffering of war. This has led to the collapse of the state, economy and security.

More than half of the 25 million Yemeni population were already below the poverty line before the escalation of the war, with 8 million Yemenis receiving humanitarian assistance. Development and public services had already stalled in the aftermath of the 2011 crisis. Six months into the protracted crisis, humanitarian actors estimate that 80% of Yemen's population is now in need of assistance to cope².

The transition process had largely centered on the political dialogue and Sana'a focused state reforms and humanitarian assistance. The remarkable resilience of the Yemeni population that endured decades of underdevelopment is now being tested to its limits. The prolonged war erodes all remaining coping mechanisms that they have left, plunging them into vulnerability, poverty and insecurity in an unprecedented scale of humanitarian disaster. The need for restoring resilience for survival and foundation building of communities, institutions and peace is urgent and essential as is humanitarian relief and political dialogue to end the war.

Yemen's political transition was triggered by Yemeni youth and women demanding democracy and opportunities amidst the wave of Arab Spring demonstrations in 2011. Many events followed starting from the transition agreement brokered by the Gulf Cooperation Council (GCC) in November 2011 and ending with the current war. Given the scope of the emergency and the deteriorating situation, the United Nations revised the Humanitarian Response Plan in June, calling for USD 1.6 billion in assistance to target 11.7 million people out of the 21.1 million people in need.

In July 2015, the United Nations Country Team conducted a Conflict and Development Analysis (CDA) which identified root causes, conflict drivers, and peace engines, which are summarized below :

Conflict factors	Conflict Drivers	Peace Engines
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² Humanitarian Needs Overview, June 2015.

<p>Structural factors</p> <ul style="list-style-type: none"> • Human rights violations and a culture of impunity • Pervasive gender inequality • Disputes over legitimate land ownership • Deficiencies in governance and political institutions • Divided army and security apparatus • Entrenched economic inequality • Lack of and unequal access to essential services • Prevalence of small arms and light weapons within communities <p>Intermediate factors</p> <ul style="list-style-type: none"> • Political transition disconnected from reality • Partisan transitional government • Severe humanitarian crisis • Impact of the conflict on local economy on livelihoods • Competition over scarce resources • The Shia-Sunni discourse and regional rivalries 	<ul style="list-style-type: none"> • Catastrophic humanitarian crisis • Competition and power dynamics among local populations • Ongoing human rights violations and violations of international humanitarian law • Government and security power vacuum • Shifting loyalties and alliances • Politicized security forces and military • Weakened tribal norms • Media and social media • External interventions • Existence of active violent extremist groups 	<ul style="list-style-type: none"> • Family, communal, and tribal ties • Local community structures • Religion and religious leaders • Ideological and political groups • Business community and private enterprise
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Conflict, poverty and vulnerability

Over 80% of the poor reside in rural areas and almost half of them live on less than US\$2 a day.³ Yemen's Human Development Index (HDI) of 2014 is at 0.500, ranking 154 out of 187 countries.⁴ The Gender Inequality Index of 0.733, puts Yemen at the bottom of the 149 countries measured.⁵ The protracted crises in Yemen have also taken a heavy toll on food security. It is estimated that 80% of the population have unreliable access to clean water (it doubled since the start of the war). An estimated 46.5% of children under five years suffer from chronic malnutrition, 39 %are underweight, and 16.3% face acute malnutrition.⁶ In addition, 27% of pregnant women and 35% of lactating women are malnourished. Yemen's main staple wheat is 95% dependent on imports, exposing the country's vulnerability to international food commodity price volatility.⁷

³ IFAD, Enabling Poor Rural People to Overcome Poverty in Yemen, December 2011

⁴ <http://hdr.undp.org/en/content/table-1-human-development-index-and-its-components>

⁵ UNDP Human Development Report 2014

⁶ Ministry of Public Health & Population- Demographic Health Survey, 2014-
<http://www.dhsprogram.com/pubs/pdf/PR50/PR50.pdf>

⁷ FAO Global Information and Early Warning System: <http://www.fao.org/gIEWS/countrybrief/country.jsp?code=YEM>

Social protection and safety nets

Yemen has a few social protection and safety nets programmes including the Social Welfare Fund (SWF), which covers around 33 % of Yemeni households, community-driven development programs under the Social Fund for Development (SFD); the Public Works Project (PWP) and other smaller programs, such as the Disability Fund and the Agriculture and Fishery Promotion Fund. However, Yemen's public spending on these programs, accounting for 0.6–1 % of GDP, is modest compared to similar programs in other low income countries (between 1.5 - 2% of GDP) and Yemen's spending on energy subsidies (more than 7 % of GDP). Most of the social protection measures are now non-functioning. The recent withdrawal of key donor funding to these programmes will have an impact on the beneficiaries (existing and potential), many of whom are very poor.

Macro-economic challenges

Yemen's fledgling post-2011 economic recovery was inadequate to make a dent in unemployment and poverty. Fundamental reforms were postponed for fear of derailing the national dialogue that was central to the political transition. Prior to the current civil war, Yemen's economy was already in a dire situation. The macroeconomic situation deteriorated further in 2014, with increased sabotage of power and oil facilities, causing severe fuel and power shortages and impacting oil revenue, in turn, worsening the fiscal and external positions. The growth slowed down to 0.3% in 2014 and it is estimated that the economy shrunk by 35% in 2015, according to MOPIC. The government reduced public expenditures in 2014 with cuts in fuel subsidies, public sector wages and social transfers, impacting the poorest.

Yemen was granted support in mid-2014 through the IMF's Extended Credit Facility based on a broad agreement on priority reforms. In September 2014, the IMF approved a three-year loan program of US\$ 553 million. The ability to deliver services that protect the poor remains highly vulnerable to the country's security environment and related stability of oil production and exports. Critical donors to the government such as Saudi Arabia and other Gulf States, the World Bank and IMF suspended their assistance.

The disruption of Yemen's domestic economic activity will result in growing loss of jobs and income for a large number of households, as businesses stop their operations, central government stops issuing salaries of public servants, and existing social protection programmes suspend their outreach to 2 million Yemenis. Income losses, combined with rising prices of commodities, have resulted in a significant decrease of purchasing power, putting at risk the ability of households to meet basic needs and increasing existing vulnerabilities. In rural areas, the planting season will most likely not take place due to insecurity, displacement, and unavailability of agricultural inputs, further aggravating food insecurity in the long-run.

The private sector in Yemen remains underdeveloped

Investment risks are high and investor confidence is low. In 2011, 91.4% of Yemenis made a living in the informal sector, including two thirds of the wealthiest people.⁸ The private sector is confronted with red tape, bureaucracy, corruption, unavailability and high costs of basic services, lack of electricity, high cost of finance, and poor law enforcement. Kidnappings and assassination attempts by AQAP and other groups increase the business cost and risks for local and foreign investors. With weak state institutions and a bloated public sector, private sector development is critical for job creation and poverty reduction. Building investor confidence, requires improvements in security and political stability, as well as improvements in the business environment. Underpinning these requirements are strengthened and reformed state institutions.

⁸ UNDP Multidimensional Livelihoods Assessment in Conflict Areas in Yemen 2014

Cognizant of the essential role of the private sector for economic recovery, Prime Minister Bahah's government engaged in an agreement in November, 2014 with the private sector for public-private dialogue and cooperation on priority reforms. Unfortunately, the resignation of the Cabinet in January and unfolding political crisis as elaborated in the previous sections has halted this initiative. The business climate and confidence is rapidly deteriorating. Hard currency (US dollars) is difficult or impossible to obtain in the market. Due to lack of legitimate government, Letter of Credits for imports of commodities have been suspended. Businesses are laying off jobs and reducing or closing operations.

Developments since March 2015

Since mid-March 2015, the conflict has spread to 20 of Yemen's 22 governorates, prompting a large-scale protection crisis and aggravating an already dire humanitarian crisis brought on by years of poverty, poor governance and ongoing instability. Human rights violations are reported to be committed by all warring parties. Since the intensification of fighting, the number of people in need of some form of humanitarian assistance has increased by 33% from 15.9 million to 21.1 million people. This means that 80% of Yemen's population now require some assistance to meet their basic needs for food, water, healthcare, shelter and other basic supplies, or to protect their fundamental rights. More than 12 million people have been directly affected by the conflict, including more than 7 million children. More than 1,400 civilians have been killed: 279 children and over 3,400 injured and 402 children. One million people have become internally displaced and over 42,000 people, mostly third-country nationals have fled the country.⁹

Civilian infrastructure, including schools, health facilities, markets; power plants and warehouses have been damaged and disrupted by the fighting. Furthermore, Saudi Arabia has placed import restrictions to prevent ammunition supply to the Houthis primarily from Iran, but this has also blocked imports of fuel, food and essential commodities, detrimental for an import-dependent country. Shortages of food and fuel are now being reported across the country and as a result, prices for food and commodities have significantly increased.

Prior to the conflict, Yemen imported 90% of its food and most of its fuel. The country relies on fuel for 100% of its electricity, for pumping water from underground wells and running hospital generators, among other critical activities. Prior to the conflict, the country required 544,000 metric tons of fuel each month, but only a small fraction of that has arrived over the past three months. As a result, water pumping and trucking have stopped in many areas, all grain milling has come to a halt, many hospitals have had to cut services, and many parts of the country have less than one hour of electricity per day. Lack of fuel is impeding transport of available commodities to markets and driving price increases in food and water.¹⁰

The national average cost of partial food basket during the first three weeks of July 2015 was 27% higher than the pre-crisis period. The cost of living in the high conflict-affected governorates such as Aden, Lahj, Ad Daleh, Al Bayda, Sa'ada and Hajjah has significantly increased due to high prices and diminished income sources. Consequently, the food security situation in these governorates has continued to rapidly deteriorate to reach severe humanitarian crisis level.¹¹

As Yemen imports almost 90% of staple food, Yemen is vulnerable to market shocks and price volatility. With around half of the population living on less than US\$ 2 per day, many families cannot afford the food they need. As a result, they are eating smaller meals, consuming less nutritious foods and getting less

⁹Humanitarian Response Plan July 2015

¹⁰ Humanitarian Response Plan July, 2015

¹¹ WFP, July 2015

variety. These vulnerabilities have increased as a result of the changing climate, with a higher levels of land degradation, declining agricultural productivity, which lead to increase in rural poverty.

The intensification of the conflict on the ground has given rise to a number of political developments in Yemen and the region. Firstly, Sana'a and state institutions at the central level and in Houthi strongholds are under the de facto control of the Houthi-led Supreme Revolutionary Committee.

Secondly, a (legitimate) government in exile was formed in Riyadh by President Abd Rabbuh Mansur Hadi with Vice President Khaled Bahah and eight other executive members (covering Defense and Security, Services, Media, Planning and Development, Foreign Affairs, Finance, Local Administration and Emergency and Relief). The government is re-establishing its presence and service delivery in Aden since August 2015.

Thirdly, Saudi Arabia is assuming a lead role in political, humanitarian and reconstruction processes while asserting its military supremacy in the region and in the war in Yemen. Saudi Arabia has financed the bulk of the UN Flash Appeal of US\$274 million and established the King Salman Humanitarian Aid and Relief Center to channel additional humanitarian resources to Yemen.

The developmental assistance of the UN is also significantly impacted by the derailment of the transition and NDC Outcome implementation process and the war. An internal review of past lessons learned and analysis of the evolving situation on the ground has generated observations and recommendations to better adjust the response and programming to the current context.

The Impact on Sustainable Livelihoods

In 2013-2014, a *Multidimensional Livelihoods Assessment in Conflict Affected Areas of Yemen*¹² was carried out by UNDP on behalf of the Government of Yemen and the UN Sustainable Livelihoods and Employment Generation Working Group. The assessment provides the necessary information to plan programmes that can help break the negative cycle and support youth and women to identify and initiate viable livelihoods that will sustain them and their families in dignity.¹³

The main findings of the assessment confirmed that most households have been affected by conflicts in one way or another. 67% of affected households referred to major impacts from the 2011 conflicts. Although conflict is a major source of vulnerability, its effects were aggravated by other non-conflict sources including restrictions on migration and border crossing to Saudi Arabia, drought, floods, animal disease outbreaks and seasonal shocks.

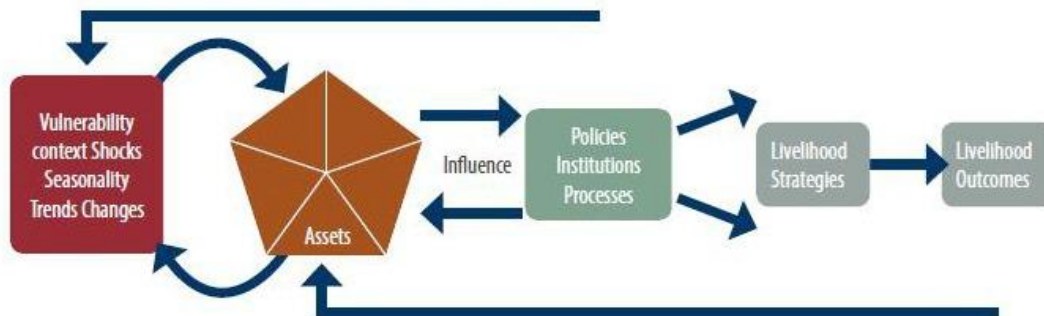
The conflict disrupted livelihoods mainly through high levels of insecurity, road blocks, banditry, increase in prices of productive resources and markets' closure, and to a lesser extent from loss or lack of access to productive resources, loss of livestock (shooting/looting), destruction of production equipment or seizure of land and farms. At the same time, the lack of livelihood assets such as financial assets (i.e. employment), education, water and land has contributed significantly to conflict. For example, it is estimated that land and water disputes account for about 75 to 80% of all conflict in Yemen.

¹²http://www.ye.undp.org/content/yemen/en/home/operations/projects/crisis_prevention_and_recovery/multi-dimensional-livelihoods-assessment-in-conflict-affected-ar.html

¹³ The assessment used the following methodologies: i) a Desk review of existing data and literature of national situation and in selected governorates; ii) a quantitative household survey of livelihoods before and after 2011 in Amran, Abyan, Hajjah, Taiz covering 1,764 households from 98 enumeration areas; iii) a participatory qualitative assessment in these governorates; and iv) integration of the qualitative and quantitative data.

The assessments indicate a downward spiral of the conflict-livelihoods interactions. The asset base of families, i.e. human, social, political, natural, physical and financial capital has reduced for all the main livelihoods groups, including small farmers, petty traders, wage laborers, fishermen etc. Employment, jobs, and income earning opportunities have been drastically reduced. People, especially the poorest, have had to adopt a range of coping strategies, many of which can have harmful long term consequences.

Figure 1: Simplified operational version of SLF (modified from Ashley and Carney: 1999)



The livelihoods assessment also indicated that, at local levels throughout much of the country, traditional social structures have been eroded and the social contract between state and civil society has become defunct. At the community level, systems for conflict mitigation and prevention have disintegrated, as traditional leaders have been displaced, and as society as a whole has fragmented into conflict. Community members, especially the most vulnerable, feel abandoned by the state and the community. The community services in rural areas are inadequate, but perceptions of disempowerment and inability to influence or control personal or community decision making has led to inertia and lack of confidence to attempt change. UNDP is currently leading an Integrated Rapid Assessment under the Early Recovery Cluster that will update the impact of the ongoing crisis on livelihoods assets at the household and community levels through quantitative and qualitative data collection in six governorates.

Yemen faces a severe and widely reported water crisis. Yemen remains one of the most water-deficient Arab countries, with declining freshwater resources and an increasing level of aridity. It is estimated that 80% of the population have unreliable access to clean water (it doubled since the start of the civil-war). Per capita access to water is roughly 4 to 5% of the global average. The amount of available drinking water, usually drawn from a spring or a cistern, is down to less than 0.94 liter per person per day. Yemen aquifers (i.e. groundwater sources) are being sunk at such a rate that groundwater levels have been falling by 10 to 20 feet annually, threatening agriculture and leaving major cities without adequate safe drinking water. According to the Ministry of Water and Environment, 70 to 80% of local conflicts, many of them deadly, are directly attributable to water.¹⁴ Such conflicts are exacerbated by the decline of customary water-management practices in parts of the country and the perceived inability of local authorities to adequately and impartially allocate water supplies and manage water extraction.

¹⁴ Desk study, livelihoods assessment

Water Balance per cent	Abstraction Mm3/year	Recharge to the aquifer Mm3/year	Rainfall pattern change per cent during 30 years period	Water table depletion m/year	Governorate
-37	350	220	-10	-4.1	Lahj
-18	390	320	-8	-5	Abyan
-32	3 456	2345	-12	2.1	Hodeidah
-21	430	340	-16	-3.1	Hajjah
-25	3 800		-10	-4.5	<i>National</i>

Water and climate profile for a period of 30 years (1990-2010)

The conflict further exacerbated the pre-existing service inadequacy, through the disruption of water related services. Assessments also reveal that water scarcity is helping Al-Qaeda gain legitimacy. Water is a powerful currency, as control over the resource is a key priority for villagers to deal with localized tribal and inter-communal violence over control of wells and water sources, particularly in the highlands.

Most water projects that were planned to be implemented by the General Authority for Rural Water Projects (GARWP) to improve access to water for around 239,000 rural inhabitants were suspended in 2011 because of the deteriorating security situation. According to MOPIC, they have not been reactivated. The impact of water shortages on agriculture was significant. According to MoWE, the total cost of damage and losses caused by the 2011 events are about US\$265 million. An estimated 9.4 million people have had their access to water cut or severely disrupted due to fuel shortages while 1.5 million people have been affected by conflict-related damage to water infrastructure. Public water networks in eight major cities – serving 3 million people – are at imminent risk of collapse, while the price of water trucking is now two to four times higher in many locations. Across the country, solid waste collection has been suspended and sewage treatment plants have reduced operations in key cities. The lack of safe water and proper sanitation poses serious health risks to millions of people, with outbreaks of cholera, malaria, worm infestations and dengue already being reported.¹⁵

Qat production uses an estimated 40–50% of the agricultural water, while only 10% of the irrigation water is used for the production of cereals, despite Yemen's high cereal import dependency. Land area used for qat production increased from 8,000 hectares in 1970 to over 165,000 hectares in 2012 which is over 10% of the agricultural land in Yemen. While the widespread cultivation of qat is mostly explained by its high profitability and growing demand from consumers, it is important to keep in mind that low fuel prices indirectly subsidized production by allowing cheap pumping and transport of irrigation water over long distances. Thus, increasing fuel prices may be an important step to putting qat on a more equal playing field with other crops.

Currently, qat chewing is an important part of the Yemeni society and an everyday leisure activity with an increasing number of women also taking up the hitherto male domain. Nationwide, more than half of the

¹⁵ Humanitarian Response Plan 2015.

adult male population and more than one-fourth of the adult female population consume qat regularly with consequences on work productivity among other factors. Regardless of their food security situation, households spend an average of 9% percent of their income on the stimulant, making that money unavailable for buying food and paying for health services and education. Qat production and trade generate 40% of agricultural value added to GDP and are an important source of income for many Yemenis.

Food security. Poor management of water resources and negligence in the agricultural sector contribute to the precarious food security situation in Yemen. This situation is further aggravated by droughts as well as erratic and often poorly distributed high intensity rainfall that generate episodes of severe flash floods and landslides, particularly as a result of poorly managed watersheds. To break this vicious circle of hunger, it is necessary to create sustainable rural livelihoods by addressing these direct and indirect causes of food insecurity. Agriculture remains one of the most promising sectors in view of its potential for growth, job creation and external trade, as well as its ability to improve food and nutrition security, strengthen the resilience of local communities, support peace-building efforts and contribute to reducing migration from Yemen and their related potential spillover effects on neighboring countries.

The Integrated Food Security Phase Classification (IPC) analysis conducted in June 2015 by FAO, WFP, the Government of Yemen and other partners, classified ten governorates (Aden, Al Dhale'e, Lahj, Taiz, Abyan, Sa'ada, Hajjah, Hodeidah, Al Bayda, Shabwa) as facing a food insecurity emergency (IPC Phase 4). These governorates are currently among the worst affected by the war. Nine governorates were classified as facing a food security "Crisis" or IPC Phase 3. These are: Amran, Dhamar, Sana'a, Sana'a city, Ibb, Mareb, Rayma, Al Mahweet, Al Jawf. Of the 12.9 million food insecure people across the country, about 6.8 million were in Emergency Phase, while 6.1 million were in Crisis Phase. With the rapid escalation of the conflict and insecurity, the food security situation is expected to deteriorate significantly.

Yemen has the lowest access rate to electricity (i.e. 40% of the population) compared to the regional rate of around 85%. Inequalities in terms access to electricity exists among rural and urban households. Although rural households accounts for almost three-fourth of total population, only around 23% have access to electricity compared with about 85% of urban population. In general, energy supply in Yemen is limited, and weak generation capacity, high electricity losses from the grid (about 30% of production capacity), and increasing demand are among the top sector challenges.

3. Target groups

While activities are designed to benefit communities at large, activities under the programme will include dedicated efforts to identify the most vulnerable groups as well as their specific needs. A 'Vulnerable Group Targeting Tool'¹⁶ developed by UNDP provides a methodology to jointly make informed decisions on beneficiary selection criteria and to identify culturally appropriate and socially sensitive intervention options, through a consultative process.

¹⁶ This methodology combines a set of tools for participatory field research, based on those developed for the Multi-Dimensional Livelihoods Assessment, to be used in the programme districts including: key informant semi-structured interviews; tailored focus group to allow a safe space for discussion; and transect walks, at the community level, complimented by a desk study and consultation with implementing agencies in Sana'a. In this way the specific needs and possible solutions for various groups within communities, including youth, women and marginalized groups, will clearly ascertained and incorporated into planning.

ERRY targets unemployed youth, women and other marginalized groups, including IDPs and community members affected by displacement (host communities), households with highest levels of food insecurity and malnutrition, women-headed households, men and women with disabilities and minority groups. The total number of more than 1,439,100 IDPs in Yemen is unprecedented in the country's history of displacement, nearly tripling the previous record number of 545,000 IDPs in 2012 ([UNHCR](#), 20 August 2012). These will form an important part of the targeted groups.

In addition, data from the Social Development Fund as well as WFP will be used to help identify programme participants on the basis of poverty level and food insecurity. Also, the entrepreneurial potential of target groups will also be assessed as part of the targeting mechanism through specific tools designed for this purpose (e.g. Silatech's Tamheed test for literate beneficiaries).

Youth: With a rapid population growth of 3% per annum, nearly 63% of Yemenis are under the age of 25¹⁷ and 33% of the total population is estimated to be illiterate¹⁸. Of the youth population, 71% live in rural areas and 91% make their livelihoods in the informal sector. The presence of a large youth population with a lack of employment opportunities fuels alienation and exclusion from the state and economy, and feeds into conflict and instability. In addition to that, the population pressure has serious ramifications on scarce land and water resources, as well as on the labour market which has exacerbated even more as a result of the escalation of the conflict.

The official unemployment rate (age 15 or older) is 16.2% of which youth unemployment (15-24 years) is 33.7%, and child labour (5-14 years) stands at 22.7%.¹⁹ Remittances have dropped after domestic labour market reforms in Saudi Arabia resulted in over 520,000 labour migrants being returned to Yemen since June 2013²⁰. Of the nearly 13 million Yemenis between 15-59 years of age, 48% (7.8 million) are not counted in the labour force, of which 74% (5.7 million) are women.²¹ Female participation in the labor market is 25.2% compared to 72% for men²².

Women: For the seventh consecutive year Yemen is at the bottom of the World Economic Forum Global Gender Gap index for women's equality at (142 out of 142).²³ Child marriage is common and gender-based violence is hidden, but ever present in Yemen. Women have limited freedom of movement and conservative traditions prevent participation in the economic arena with little or no control over family resources. There are striking differences between the attainments of women and men on the labour market,²⁴ both in terms of employment status and the range of occupations open to women.

In conflict-affected areas women are disproportionately affected and have become increasingly vulnerable, in particular women headed households. Men are often absent from IDP households, having gone to seek employment, being engaged in warfare or having fallen victim to war. In many cases lack of a male 'protector' or authority women are increasingly restricted in movement or activity, however, these social changes do form an opportunity for change.

¹⁷ Estimation for 2014 according to 2010 Population Projections (2005-2025) by Central Statistical Office (CSO) and National Population Council (NPC)

¹⁸ Multi-dimensional livelihoods assessment, 2014

¹⁹ UNDP Human Development Report 2014

²⁰ IOM Yemen –31 August 2014 Update

²¹ National Child Labour Survey 2010

²² 2013 HDR Gender Inequality Index.

²³ <http://reports.weforum.org/global-gender-gap-report-2014/economies/#economy=YEM>

²⁴ <http://data.un.org/CountryProfile.aspx?crName=Yemen#Social>

Large numbers of women are aware of their potential and eager to improve their conditions in general and financial situation in particular through economic empowerment and employment although opportunities for women are extremely limited. However, the role that women play in the management of water resources within and outside the household is critical to rural economies. Their participation in the stakeholder consultation processes is therefore, as vital as their participation in the water management structures and platforms like Women Union Associations.

As the project is implemented in rural areas, where strong tradition restricts women participation, community consultation to explore suitable cash for work and livelihood activities that women can participate in will be part of the outreach approach.

Marginalized Groups: The Muhamasheen is a group historically known to be of African descendant and one of the most marginalized and socially excluded groups in Yemen. The dire situation of this group is exacerbated by numerous and complex factors, such as discrimination and inequality that limit and often deny them equal access to quality education. Racism in the wider community also limit their employment opportunities, often related to the most low-waged and precarious options i.e. cleaning streets. When Muhamasheen's rights are violated, recourse to institutions of justice is often a distant possibility. The marginalized minority depend on smuggling and practices minor economic activities, cleaning streets, etc. Cash for work could be considered as one of the options to target marginalized groups, especially in public works such as cleaning and recycling, as much of this is currently done by them, but due to the conflict it has been severely affected. To facilitate their integration, the Muhamasheen will be involved in the Community Development Committees (CDCs).

Summary of Beneficiaries, communities and indirect beneficiaries

	<i>Resilience Plans (participatory planning)</i>	<i>Agricultural and non-agricultural Livelihoods</i>	<i>Solar energy</i>	<i>Conflict prevention and resolution</i>	<i>Local governance (local authorities)</i>	<i>Workforce and business association support</i>
UNDP	100 communities	21,000 individuals	100 communities	60 dialogues 200 insider mediators	Four Governorate Offices Eight local district authorities	Two business associations with governorate outreach
FAO		28,000 individuals		30 water user associations		
ILO						1,400 individuals
WFP		14,000 individuals				

In addition to the direct and indirect beneficiaries, ERRY will also impact on the lives of local populations through the effect of the community level engagement and local authorities/association support activities, which is not captured in the above-table.

To summarise, an estimated 63,000 vulnerable individuals will indirectly benefit from improved economic self-reliance and livelihoods opportunities as part of ERRY. This includes targeting of 100 communities for participatory planning and prioritization across the four Governorates reaching an approximate 100,000 citizens. Solar energy will also be introduced to 100 communities, with additional linkages sought through enterprise recovery to reach markets. Local governance will be enhanced through capacity building of four Governorates and eight local district authorities servicing the entire local population. To reduce tensions and improve social cohesion for resilience-building, 200 insider mediators for two years will be trained, strengthening informal networks for economic revitalization and basic services to be delivered.

The compounded impact of all ERRY interventions are expected to benefit entire communities and populations, through the different components of building resilience, e.g. cash injection and redynamising the local economic activity, promoting alternative energy to limit negative coping mechanisms, and consolidate local actors for service delivery and to promote the social contract. Districts will be selected according to specific criteria and in consultation with local stakeholders. This will inform on the overall population figure covered by ERRY activities during the inception phase.

4. Lessons Learned

The crisis in Yemen is not only a humanitarian and political crisis, but also a development crisis and needs to be addressed simultaneously.

In the past, the international development support has been focused on supporting the political process and the humanitarian needs and not enough on development. One of the factors contributing to the failure of the GCC-brokered transition agreement was the disproportionate focus by international partners on the political process in Sana'a and humanitarian assistance in a limited geographical sphere while other parts of the country where the majority of the impoverished population reside were relatively neglected. This has created a number of problems as the transitional period progressed. To start with, the state institutions which have chronic and severe human and financial resource deficiency were unable to play their role as they were heavily reliant on international assistance which was not forthcoming. Secondly, an increasing gap emerged between the statements regarding the successes of the National Dialogue Conference and other political developments, on the one hand, and the deteriorating living conditions and lack of development dividends on the other. This created popular discontent and enabled the Houthis to take advantage of this popular discontent to take over large parts of Yemen.

The review of key Mutual Accountability Framework (MAF) priorities as well as the final report by the Executive Bureau for the fourth quarter of 2014 confirms that the support of international development partners was almost exclusively focused on supporting formal and central institutions with very little support for local communities, informal institutions and local authorities. The formal and informal governance assessment which UNDP undertook between 2013 and 2014 confirmed that in many areas like security and justice almost 90% of cases are resolved through informal institutions and actors. The lack of investment at local level and in communities, including community justice and policing, not only missed the opportunity of enhancing service delivery at the local level but also missed an important opening of strengthening the link between formal and informal institutions as well as between the Government of Yemen and its citizens and communities.

The response of the international community must strengthen the bridge between humanitarian and development interventions through early recovery and resilience building. A large number of IDPs,

civilians in conflict-intense areas and other vulnerable people need humanitarian relief, including food, water and shelter. However, most of the population have been affected by the collapse of the economy and public services, fuel and power shortage, infrastructural damage, medical and psycho-social conditions and deterioration of security. Yemenis need to be able to build resilience in the prolonged complex crisis, restore their livelihoods and communities, rehabilitate damaged infrastructure, invest in education, access energy, goods and quality public services, and to continue to plan for their futures. Introducing development-thinking in the humanitarian response now will help build resilience across Yemen and buttress the overall impact and cost-effectiveness of the international response to facilitate a rapid return to sustainable development pathways.

5. Implementation approach

The ERRY joint programme will introduce a coordinated **resilience approach** to reduce vulnerabilities and contribute to improved levels of community stability in targeted areas, local governance and reduced competition over scarce resources through the introduction of renewable energy. It will also follow the Multi-Dimensional Livelihoods assessment's recommendation to address issues through joint programming and in strategic partnerships between humanitarian and development partners.

The resilience-based approach complements, but is distinct from humanitarian support by focusing, amongst others, on:

- i) Creating a basis to transition towards sustainable development and supporting self-reliance wherever possible;
- ii) Cooperating with and jointly implementing the programme through local partners, based on comparative advantages (i.e. local capacity development, joint identification of project priorities and beneficiaries, etc.);
- iii) Ensuring a multi-sectoral livelihoods approach, addressing the impact of conflict across different livelihoods assets (i.e. financial, social, human, physical, natural);

ERRY will focus on the Link Relief, Rehabilitation and Development. Where possible, ERRY will be implemented in areas that are relatively secure and stable and where there is limited or no humanitarian assistance currently being provided. In light of the fluidity of the conflict, coordination with providers of humanitarian assistance will be ensured through the cluster system.

The programme's vision takes an **integrated and bottom-up approach to strengthening resilience** in affected communities. Resilience will be pursued in targeted areas at different levels, addressing service delivery, social cohesion, basic services and livelihoods recovery as a means to address the negative impacts of the conflict. The programme aims to contribute to stabilization in Yemen's communities and to provide a solid foundation for the country's recovery when the political situation allows.

The programme will support local level engagement of community leaders and coalitions of informal and formal actors to identify community priorities and implement locally-owned recovery efforts that target local conflict drivers. The programme will facilitate over time a closer engagement between communities and what remained of their local authorities to avoid a total collapse of the social contract through the loss of state-society relations. The value and feasibility of direct engagement and support to local state institutions will be carefully assessed against associated political and reputational risks, given the dire situation of the public sector and legitimacy issues.

ERRY's programme management approach

Effective management of ERRY will be critical, given its importance, size and complexity. To this end will employ a project management methodology which emphasizes a simple and structured yet flexible framework, with an emphasis on delivering measurable outcomes and benefits.

Our programme management methodology clearly identifies reporting requirements, which are described in the M&E section. We will use simple tables and the traffic-light system to give clear indications of where there are any risks to completion of each output. It is anticipated that these reports will be translated into Arabic and submitted to the national partners.

We will employ the following guiding principles:

- **'Do no harm'**. We will apply a 'Do No Harm' approach and ensure that our work does not inadvertently fuel conflicts and disrupt the peace process.
- **Foster local ownership and skills transfer**. This will be both through the National Programme Steering Committee, and also through our day-to-day involvement of counterpart institutions;
- **Manage the programme in a flexible and responsive way**. We will draw on the experience of our Yemeni staff, who are already able to solicit informal feedback from our counterparts, to make sure that we continue to be responsive to our counterparts' changing needs.
- **Draw on local insight and expertise**. Our plans to maximise the use of Yemeni experts who are a part of our team;
- **Build momentum** and demonstrate a positive impact during the early stages of the programme. This will be a key part of our programme under each component, including our emphasis on 'quick wins' and also of our M&E strategy;
- Place a strong emphasis on **lessons learning and knowledge management**.

The **expected results of the resilience approach** include visible improvements in people's livelihood opportunities - including human, natural, physical and social - in selected areas. Close cooperation with and capacity building of local government and partners will strengthen ownership and facilitate scaling up and impact over time.

Implementation modality retained is responsive to lessons learnt of similar initiatives implemented by participating UN agencies, and takes stock of the fluid security conditions with a need for greater risk management. Third party implementation through trusted and vetted NGOs and institutions will be encouraged to ensure that delivery will be met with quality assurance and in rural remote locations. This will be assessed following UN agencies' rules and regulations according to the results of Pillar Assessments with appropriate recommendations, examining local environment through updated risks and issues logs that will inform partnerships strategy. There is emphasis on the community involvement and the strategy is to build the community resilience by involving them in planning, monitoring and implementation.

6. Selection of the geographical areas

The programme will be implemented in four Governorates, namely Hajjah, Hodeidah, Abyan and Lahj²⁵. Districts will be selected on the basis of a combination of criteria that will include: (a) Access and availability of implementing partners; (b) Poverty and unemployment rates; (c) Levels of food insecurity; (d) Absence of Qat production in the respective districts/communities (if possible); (e) Potential to open new land of agriculture and link to sustainable access for water; and (f) Limited or no humanitarian assistance provided so far.

7. Cross-cutting issues

Social cohesion will be strengthened through addressing conflict drivers at the community level, enhancing inclusion, fair community resource allocation and sense of belonging through participatory mechanisms of Community Development Committees and similar structures.

Gender: Programme activities will ensure inclusion of women at all stage of implementation, i.e. assessment, implementation and M&E considering the social and cultural barriers rural women face in Yemen. The programme will not only actively seek to address the specific needs and opportunities for women, care will be taken to ensure that activities provided for women are culturally acceptable and can be accessed by women. Yet, where possible, the programme will aim to also break barriers to actively support women's economic empowerment and participation in decision-making.²⁶

Community Development Committees (CDCs) previously established in Abyan and Ibb Governorates by UNDP ensured a minimum 30% women's participation. Capacity development of Insider Mediators will include at least 30% of women peacebuilders at the community level as well as women's participation in the Water User Associations.

In addition to that, the programme will work closely with community members to foster attitudes that allow women to go beyond the culturally assigned roles. Activities will include: i) the organization of focus-group discussions, including with male role models within the communities; ii) train groups of male role models to work with other men in communities to open up space for women to engage in income generating activities under the programme and beyond; iii) support communication of success stories where women's engagement in self or wage employment activities positively contributed to income generation at household or community levels. The programme will build on good practice examples²⁷ from other contexts such as Sudan to support involvement of male community members to promote women's economic empowerment as well as address sensitive issues such as domestic violence; iv) focus group discussions exclusively for women, to monitor women's experience of programme participation and mitigate actions that can potentially have adverse or unexpected effects at household levels.

Environment: Any cash for work activity that would involve rehabilitation or construction will entail an environmental impact assessment. The introduction and expansion of solar energy, as a form renewable

²⁵ In consultation with key government ministries, governorates have been selected on the following criteria: access, poverty levels, levels of food insecurity, unemployment and presence of partner agencies.

²⁶ It is important to note, however, that barriers to women's economic empowerment include not only economic opportunities, but also legal status and rights (i.e. property ownership, inheritance, land rights, marriage and economic conditions, etc.), as well as voice and participation in economic decision-making.

²⁷ UNDP (2012) Blame it on the war: gender dimensions of violence

energy, will also mitigate the negative impact of the crisis on the environment given the high fuel dependency and the increased use of wood and charcoal by families.

Qat: Qat constitutes a major problem for Yemen today, which also threatens its future, including from environmental, social and economic perspectives. While addressing the cultural aspects of qat is challenging, analysis so far underlines that the high profitability of qat production in comparison to other crops, leaves very limited openings to address the root causes of the problem, particularly when taking into account high levels of poverty and a youth unemployment rate of 50%. Therefore, any sustainable development plan, from an environmental, social and economic perspective is largely dependent upon an alternative to the increased growth and water usage of qat. Qat considerations are therefore carefully mainstreamed throughout each activity from a ‘do no harm’ approach i.e. avoiding facilitation of qat use or production and positively contributing to reduce qat dependency wherever possible within the scope of the programme.

Conflict sensitivity: Conflict sensitivity means that participating agencies are aware of the dynamics and consequences that an intervention may generate, and take measures to address these to avoid aggravating the existing conflict or creating additional sources of tension. The updated Conflict and Development Analysis (July 2015) has informed the ERRY formulation process so that its proposed actions are designed in a conflict-sensitive manner. For community-level interventions, conflict and situation analysis that will be conducted as a part of identification of Insider Mediators will also facilitate conflict sensitivity across the activities. Partners are well aware of the fact that access to water is an important source of conflict in rural areas. In order positively contribute to social cohesion and resolve conflict related to access water, programme activities including replacement of community assets will be identified through local CDCs. Insider Mediators will also provide advice on other conflict drivers at the community level so that ERRY activities can better address them and remedial actions are taken during implementation.

8. Programme results and activities

A logical framework is detailed in annex g of the joint programme document. The present section details the ERRY joint programme results to be achieved and activities to be undertaken by participating agencies.

Outcome 1: Communities are better able to manage local risks and shocks for increased economic self-reliance and enhanced social cohesion

Output 1: Community livelihoods and productive assets are improved to strengthen resilience and economic self-reliance

Activity Result 1.1 – Inclusive community-based governance systems are strengthened to develop community resilience plans and identify community priority actions (UNDP)

The aim is to strengthen community-based governance structures such as Community Development Committees (CDCs)²⁸ as a basis for community-driven empowerment and decision-making. CDCs will

²⁸ Informal community-based governance structure is not new to Yemen. Community Development Committees has been supported by UNDP in Abyan, Ibb, Sa’ada governorates before. Village Councils established by Social Fund for Development have

mobilize community members to develop integrated community resilience plans that will be supported by UNDP through Community Compacts²⁹. CDCs should be capable of leading the implementation of Community Compacts (with support from NGO implementing partners) inclusively and accountably. When feasible, other agencies will be encouraged to provide livelihoods support through CDCs using Community Compacts to allow for synergies. CDCs will also advocate for their communities' needs to local authorities. Particular emphasis will be put by UNDP on increasing the awareness and capacity of CDCs to mainstream conflict sensitivity and gender equality in collective actions at community level and to ensure proper targeting of women and youth among the beneficiaries of UNDP-funded community compacts. 100 CDCs will be established (and/or operationalized where an equivalent structure already exists).

Activity Result 1.2 - Livelihoods opportunities are provided through stabilized cash and voucher for work, focusing on community asset rehabilitation (WFP)

For most vulnerable groups, stabilization of livelihoods is a prerequisite to resilience-building to guarantee immediate income-generation and contribute to asset rehabilitation and asset building at the community level. This component will focus on enhancing resilience through asset accumulation. WFP will draw its productive safety nets and livelihood support programmatic experience that particularly targets rural shock-affected communities and households through asset accumulation. Their food security levels will be enhanced to transition towards resilience and recovery. Under this activity, food insecure households will have access to food (through cash or food transfers as indicated by local market conditions) during the critical period of the year. At the same time households will be engaged in productive activities oriented to create or restore productive community assets as well as assets that enhance communities' resilience in the face of shocks such as drought, floods and conflict. Over 2,000 vulnerable individuals will be targeted across the four governorates, creating direct positive livelihood impact for 14,000 people in addition to the communities themselves.

Activity Result 1.3- Income-generating revenues are created through enterprise recovery (such as within the framework of 3x6 approach) targeting communities affected by the crisis (UNDP)

The aim is to support livelihoods with the provision of seed capital to establish micro and small social businesses using small grants schemes. The "3x6 approach" that was successfully implemented in Yemen to promote youth and women employment in the post-2011 conflict transition will be adapted to ensure inclusion, ownership and impact, as per below:

the similar functions and other International NGOs have supported in developing community-based governance structure in Yemen.

²⁹ Community Compacts will include a block grant for one year (calculated on the basis of the community size and particular vulnerability criteria) and a programme of training, technical assistance and awareness-raising support to be provided by UNDP through implementing partners. It will also detail expected community contributions to realizing the integrated community plan. If other agencies are supporting the plan, they will also be signatory to the Community Compact.



UNDP will provide cash-for-work in close cooperation with SFD where possible. Cash-for-work will help build seed capital and ownership into the entrepreneurship promotion scheme. The most viable business plans that are developed as a result of the inclusive business training will be provided cash or in-kind grants (capitalization) with particular preference for social businesses³⁰. Social businesses will be informed by initial market assessments conducted at the district level. Social businesses will also benefit from synergies with different interventions of the joint programme, specifically water management, alternative and renewable energy and complement FAO's support to agricultural livelihoods opportunities through agricultural value chains.

Greater integration with business networks, markets, financial access, as well as business development services will be pursued through strategic partnerships with business associations, local authorities, financial providers as well as Business Support Centers where applicable.

Activity result 1.4 - Skills developed of women and men in agricultural value chains (FAO)

A review and study of the key value chains in the crop, livestock and fishery sectors will be conducted. The study will identify opportunities as well as value chain challenges.

Farmer field schools (FFS) will be established at the start in each target community to enhance the farming and production capacity as well as managerial ability of farmers. These groups will entail seasonal learning and experimentation. In close connection to established FFS groups and needs and demands articulated by the groups' farmers, engagement in value chain and trade will be enhanced. Value chain assessments in selected enterprises will advise and inform group learning activities and help in framing a commercial-oriented production.

This will be achieved through: (a) training "value chain master trainers", (b) developing knowledge products, (c) supporting institutionalization of the value chain capacity building process, and (d) creating

³⁰Social businesses will address a social problem and/or seek to generate an impact at the social level, while retaining a profit-making (or non-loss) component. It bridges social good with private sector stimulation.

value chain development (VCD) learning networks aiming at demonstrating practical and systematic approaches to poverty reduction through a market-led approach for indigenous products. The key activities include training group members on VCD management, enterprise and market development, savings and credit management as well as on M&E. The EU funds will be used to scale up existing projects (in case of overlapping governorates) and expand the work in additional Governorates. 4,000 rural individuals will see their value chain development skills improved through this activity.

Note: A detailed set of activities and procurement plan will be finalised during the inception phase of this project.

Output 2- Communities benefit from solar energy for sustainable livelihoods opportunities

Activity Result 2.1 – Expansion of solar energy applications to strengthen rural energy resilience, capacity building and recovery (UNDP)

UNDP will conduct a rapid assessment to map energy gaps in rural areas and identify immediate, medium and long-term actions for solar energy resilience building. The assessment will produce a roadmap for prioritization of solar equipment and services to be provided drawing on best practice and experiences for scale up and replication including through south-south cooperation on rural energy resilience.

UNDP will also raise awareness to support demonstration of the application of solar energy to improve efficiency of rural productive assets, to promote the use of solar energy for household and commercial applications, as well as for business development. Awareness raising and capacity building on solar energy application and maintenance will enhance awareness especially among local communities, on the potential role of solar energy in meeting basic rural energy needs for livelihood resilience, as an alternative to fossil fuels, while at the same time improve quality of solar services.

Activity Result 2.2 Decentralized solar energy services installed in public service centers to reinforce livelihood resilience of vulnerable rural communities (UNDP)

The provision of solar energy will help secure the electricity needs for the delivery of essential public services for vulnerable rural communities focusing on community infrastructure e.g. refrigeration to store vaccines and medicines; solar water pumps for communal areas, street lights for greater communal security; among others. This will include support to social businesses that are supported under ERRY through UNDP's 3x6 approach as well as other social businesses that operate within the solar energy sector. Trainings will also be provided to local cooperatives for installation and maintenance of community solar energy systems.

Activity Result 2.3 - Solar energy introduced to support enhancement of rural community energy resilience (UNDP)

The application of solar energy alternatives by implementing pilot interventions focusing on productive assets such as integrated solar water pumping in collaboration with local cooperatives, and concerned institutions will be demonstrated across the targeted governorates.

The pilot interventions will provide huge opportunity to demonstrate cost-effective, flexible solar energy services contributing to improving the performance of productive rural assets building livelihood

resilience of the vulnerability communities. The interventions will include installment, monitoring and evaluation of solar energy technologies in the targeted areas contributing to promotion of effective application of reliable solar energy sources and its replication. The local community will also be training in operation and maintenance of solar energy systems.

Activity Result 2.4: Marketing of micro-business development for solar energy supported (UNDP)

This component includes the marketing of micro-business development for solar energy, including a rapid assessment on the solar market potential to support business development in the solar energy sector, with a special focus on micro businesses.

Secondly, this component will support the development of a solar market mix (i.e. product/equipment, price, promotion and distribution) to encourage private sector engagement and support energy service demands through provision of solar energy. Partnerships and networks between national solar dealers, local private sector and key stakeholders will be promoted within the four targeted governorates. Solar business development will also be supported through technical assistance, vocational training and access to market. Partnership and networking amongst the solar energy dealers at the national and local levels will be encouraged to promote expansion of solar energy applications in the rural areas.

Output 3: Informal networks promote social cohesion through community dialogue and delivery of services

Activity Result 3.1 - Water User Associations (WUA) established (FAO)

ERRY will strengthen existing or new WUAs (including women members) to promote better water management and reduce local conflicts. This component will focus on the start-up phase of WUAs and on incentives that drive the establishment and operation of WUAs. Support will include WUAs organizational capacity, technical capacity and its financial sustainability and by ensuring that good governance and equitably principles are well understood and applied. This component will introduce and implement these principles in the existing tribal system, and require extensive consultations to overcome possible community challenges. The major incentive for farmers to change their present production systems will be that their production system will be modernized and their net farm income remains equal or increases.

Based on the lessons learned, the role of WUAs should not be restricted to water resources management, but should include the agriculture production systems. By doing so, farmers will be more motivated to become closely involved in the operations of the WUA as it will not only monitor the (ground) water resources management to reduce depletion within the project area but the WUAs will also act on behalf of farmers to improve their crop production system and affect directly their net farming revenue. The WUA will be organized and trained so they can continue to develop and intensify their farming operations by applying efficient irrigation techniques to reduce the usage rates of water to acceptable levels.³¹ The

³¹ Meanwhile, FAO is innovating WUA formulation and mobilization systems. This system takes into account previous experiences and lesson learned in setting up WUA in the past in Yemen. The FAO approach responds to the stakeholder's needs and benefits in creating a value chain where by further support will be provided to ensure development of sustainable agriculture sector based on the FAO land and water integrated resources management approach, where by the WUA governance, and management will be based.

farmers will be guided by the project through a process of negotiated changes so that they can contribute to more sustainable water management that should reflect on their wellbeing and their families. Important criteria for the changes are that farmers' net income should increase through the creation of value chain and more crop per drop approach.

FAO will provide technical advice and expertise for sustainable crop production intensification aimed to increase crop production per unit area, taking into consideration all relevant factors affecting productivity and sustainability with a particular focus on environmental sustainability through an ecosystem approach. Particular attention will be given to improved management of water resources to produce high value cash crops and promote overall more efficient farm and agricultural production and practices.

Responding to the increasing competition over water resources through labour intensive work, water sensitive agricultural practice and access to water small enterprises e.g. supplies and plumbing, the programme will promote environmentally sustainable water use for agriculture. The repair or construction of productive assets and introduction of improved agricultural techniques, such as precision irrigation, will help increase crop productivity and improve food security. The application of sustainable natural resource management principles for land use and water sources will also contribute to conflict reduction. These approaches will ultimately enable communities to withstand and cope with economic shocks, natural disasters and conflicts. Water User Associations will be supported across 30 communities.

Activity Result 3.2: Insider Mediators are better able to prevent and resolve community level conflicts (including areas such as exclusion and natural resources based conflicts) (UNDP)

“Insider Mediators” are national actors (individuals, group entities, institutions, etc.) possessing high levels of legitimacy and trust with the parties involved in specific conflict(s) and thus the unique ability to directly or indirectly influence conflict parties' behavior and thinking. UNDP will expand the cadre of insider mediators in the target communities with at least 30% of women insider mediators.

UNDP will conduct conflict and situation analysis in target communities to ensure an understanding of the social, cultural and political realities and constraints faced by insider mediators in the communities. While particular cultural and social contexts related to gender will be taken into consideration, conflict and situation analysis will include gender analysis to promote greater participation by women and potentially reach a consensus on a new role and responsibility for women in peacebuilding and conflict resolutions. The conflict and situation analysis will serve as a platform for cultivating common understanding among community members about conflict drivers and threats facing target communities and the level of community capacity available and needed to address and adapt to threats. Once insider mediators are identified, a capacity development strategy will be developed.

Capacity development for insider mediators includes knowledge and skill development such as conflict analysis, mediation and negotiation skills, leadership and gender. In addition, they are expected to promote social cohesion and capacity development which will incorporate understanding of conflict and tensions related to identity, inter-ethnic relations, inter-and intra-religious, gender-based violence, role of traditional mechanisms. Based on the skills and knowledge acquired and based on the conflict and situation analysis, the insider mediators will identify specific entry points to promote social cohesion and address causes of conflicts within their communities. The aim is to help to bring about changes in attitude and behaviors in a non-adversarial and collaborative manner. New approaches and initiatives that promote social cohesion through behavior and attitude change will be supported with small grants.

Outcome 2: Institutions are responsive, accountable and effective to deliver services, build the social contract and meet community identified needs

Output 1: Functions, financing and capacity of local authorities enabled to deliver improved basic services and respond to public priorities

Activity Result 2.2.1 - Local authorities are better able to plan, monitor, and coordinate aid and recovery (UNDP)

UNDP will support local authorities' most urgent capacity development needs so that they can take the lead in humanitarian and recovery planning, monitoring and coordination. While civil servants salaries are still being paid³², services provided by local authorities are limited to water, health and financial payment related. Some local authorities are still collecting taxes and fees which are used to implement government projects. In facilitating local authorities' service delivery, a core team/crisis management team which consists of representatives of main service delivery departments, will be reactivated and supported.

To ensure evidence-based planning, public service availability will be assessed in target districts at the start of the project. Due to the limited capacities of district authorities to conduct such assessments i.e. limited finance and human resources, a mechanism will be created through which CSOs will collect and share information with local authorities in each target district. These assessments will be linked with essential public services required for humanitarian activities and with cash-for-work activities, as much as possible. The data collected will be deposited in a database managed by local authorities. A process of developing district recovery plans will be supported by training and coaching in planning and monitoring in strengthening citizen participation. If available, community plans developed by CDCs under Outcome 1 will be considered and consultations will be facilitated with CDC members. At the Governorate level, a coordination mechanism for aid management and the required capacity will be developed in close cooperation with the Governors' offices, including the planning and finance departments.

Output 2: Increased capacity of local actors and strengthened partnership of private sector to enhance economic recovery.

Activity Result 2.2.1: Strengthened capacity of local partners to deliver on skills and employability, the entrepreneurial and on the job training (ILO)

In parallel to the value chain analysis conducted by FAO in the agricultural sector, ILO will also implement a rapid Participatory Value Chain Analysis for non-agricultural sectors with high potential for job creation. ILO will work through the CDCs. Emphasis will be on the identification of bottlenecks for job creation that will be later tackled with direct interventions, either through training services under this component, or through other components tackling advocacy, coordination and governance at governorate/local levels.

³² UNDP conducted a quick survey on local governance in a few districts of each of the six governorates (Abyan, Hadramaut, Hajjah, Ibb, Taizz, Socotra) between June-August, 2015. When the survey was conducted, local authorities operational costs, mainly for salary payments, were still transferred from the central authority while the development budgets were not paid.

In addition, capacity building will be provided to training providers on: (a) a competency-based approach to training; (b) pedagogical skills for instructors; and (c) testing and certification methods. Emphasis will be put on workplace-based learning. In particular, the project will support the “upgrading informal apprenticeships”, i.e. concurrently improving the training provision, the workplace environment and the productivity of small businesses - linked with training providers. Capacity building for Business Development Services (BDS) will also be provided. ILO will also link with WFP for the development of post Cash for Work services. This support will be provided for the design and piloting of graduation packages.

ILO will also intervene at the institutional level to enable national partners such as SMEPS to deliver non-financial business development services such as training and coaching among others to potential business start-ups (a special emphasis will be placed on women, youth and IDPs to ensure better integration within the target governorates). These services, which will largely complement the grant/capitalisation provision managed by UNDP for businesses or start-ups, will be targeted to the needs of the beneficiaries and institutionalized in SMEPS (and potentially other national counterparts selected) to ensure the continuity of the service provision at the end of the project. The ILO will adapt its *Start and Improve Your Business* programme and train local trainers and certify them in its delivery. For the special needs of women, the Women Business Owners Training programme (successfully developed and pilot tested in collaboration with SMEPS) will be rolled out in the selected governorates to provide the required business start-up assistance to women.

Given the high illiteracy rates, the recently developed business start-up programme targeting semi-literate and illiterate people will also be introduced with capacity building of the service providers. For the specific needs of youth, a combined business start-up training including financial literacy and coaching will be provided in close collaboration with private sector representatives (potential partners may include business associations and chambers of commerce and industry). All ILO programmes will be institutionalized at the local level with certified trainers and a clear implementation modality to ensure quality delivery and sustainability.

Activity Result 2.2.3. Strengthen partnership with the private sector to accelerate early recovery and employment (UNDP)

The private sector remains a key and overlooked partner in the promotion of resilience through employment and economic revitalisation. UNDP will map active and credible economic entities and their networks in targeted governorates contributing to stakeholder and community profiles. UNDP will build the capacities of existing business associations and key economic institutions to respond to the country's economic challenges using the UNDP capacity assessment tool, with a focus on the rural areas, to encourage private-sector led employment creation and the identification of new opportunities.

Private sector dialogue will be facilitated at the sub-national level to foster inclusiveness and collaboration (including with local authorities) and address business constraints. For affected businesses, micro-enterprise recovery initiatives through business associations and economic institutions will be piloted to strengthen their agency. At least two business associations/economic institutions will be supported for economic agency.

9. Risks and Assumptions:

The programme assumes a stalemate of conflict continues with continued erosion of state institutions, economy and communities. The conflict becomes protracted and war becomes the new normal to Yemeni people. While the President Hadi and its cabinet returned to Aden, the Houthis maintain control over parts of the country including Sana'a. Due to security vacuum and lack of service delivery by the Government, no-state actors including extremist groups (e.g. IS and AQAP) expand their controls to certain areas. The economy comes to a standstill, trade is restricted, and availability of certain items (fuel, gas, food commodities) remains to be scarce. Humanitarian crisis situation continues with a rise of displaced populations and shortage of food, shelter and water.

The given scenario poses multiple and interconnected risks in political, security and other areas that have ramifications on financial and operational aspects of the programme. These are explained in the Risk Log given below. Given the fluidity of the situation, the risks need to be reviewed regularly. In such fluid environment, UN agencies will manage the risks related to the implementation of the project through a set of mitigation measures. The backbone of the risk mitigation system is the decentralization of operations through five hubs and selection of staff with full set of skills both in project implementation, operations and M&E. The programme will be supported by third party monitoring system composed of NGO/CSO or experts that will undertake quality assurance functions on behalf of the UNDP. In terms of fiduciary risk, UNDP will rely on qualified accounting firms under a Long Term Agreement to conduct on spot check basis review of financial transactions. They will ensure that resources are used in line with approved work plan and that transactions are in line with sound management practices. Finally, UNDP with support of other country offices such Somalia and Sudan is establishing cash advance based on NGO or Implementing Partner Risk Level.

The following table captures some of the main risks and counter measures/management responses to mitigate their impact on the joint programme.

Description	Category	Impact & Probability	Counter measures / Management response
Lack of legitimate and recognized authorities at the national level	Political	Limited central level ownership of the joint programme. Impact 4 Probability 5	<ul style="list-style-type: none"> - Use of Direct Implementation Modality - Ensure representation of government representatives in the Steering Committee and conduct outreach/introductory events on ERRY when applicable
Ongoing war and conflicting parties control different geographical areas	Political and security	Conflicting parties influence to programme interventions to benefit one or part of the parties. Impact: 4 Probability: 4	<ul style="list-style-type: none"> - Work with partners who knows the politics on the ground/local context - Conflict analysis to understand parties and their interests - Communication to clarify the objectives of programme interventions and impartiality.
Perception that international/ UN interventions are not impartial	Political	Greater need for conflict sensitivity mechanisms as scrutinisation of programme activities is accrued Impact 4 Probability 5	<ul style="list-style-type: none"> - Continuous engagement and monitoring of perceptions at the community level. - Working through local, neutral and socially accepted partners. - Continuous sharing of local knowledge - Programme to invest in careful selection of beneficiaries, with strong involvement of local partners and community members with different affiliations. - Conflict analysis to consider the consequences of UN's interventions and partnership
Continued deterioration of security situation	Security	Implementation constraints due to: i) agencies' limited access to target areas; ii) increased threat levels on international staff. Impact 4 Probability 4	<ul style="list-style-type: none"> - Undertake regular security assessments for continuous monitoring of security conditions and for remedial action as needed - Use of implementation modalities that are less dependent on international staff and less likely to be impacted by security incidents e.g. partnerships with local entities, NGOs and private sector - Third party monitoring - Use short-term deployment of international experts to mitigate longer term in-country residence
Lack of financial resources of	Financial	No sustainability of project impact regardless of	<ul style="list-style-type: none"> - Capacity development of local authorities to support local level resource mobilization

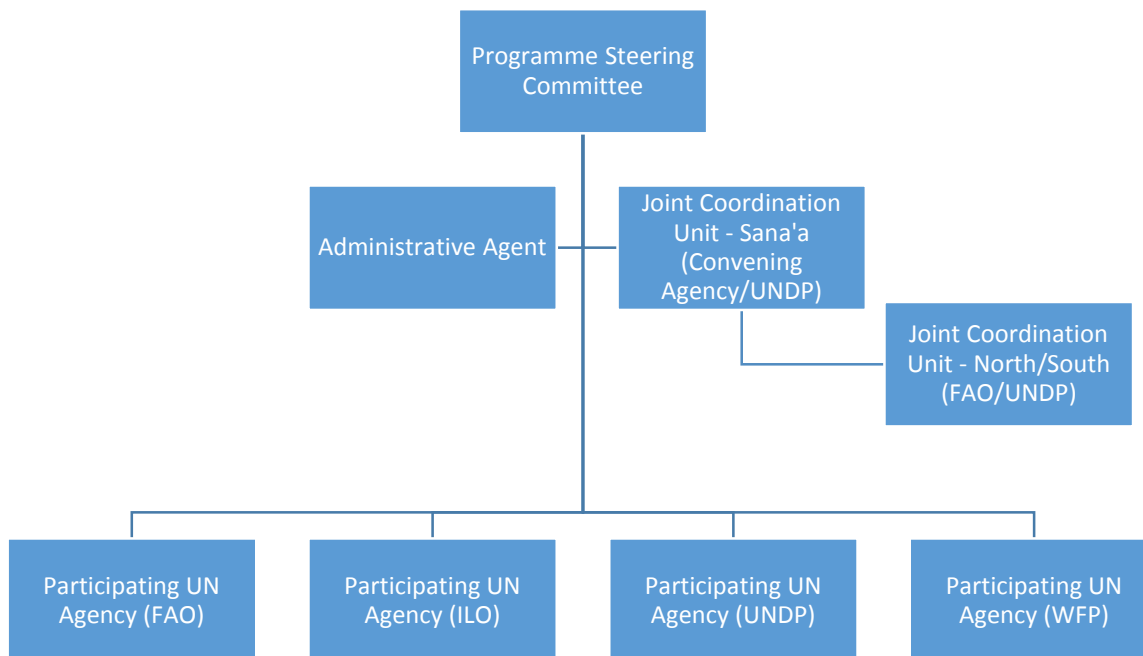
<p>local authorities</p>		<p>capacity of local authorities improved</p> <p>Impact 4</p> <p>Probability 4</p>	<ul style="list-style-type: none"> - Capacity development of local authorities to collect local revenues from taxes
<p>Limited capacity of implementing partners</p>	<p>Operational</p>	<p>Limited technical, managerial and/or financial expertise</p> <p>Impact 3</p> <p>Probability 4</p>	<ul style="list-style-type: none"> - Undertake capacity assessment of implementing partners prior to grant approval. - Work with local partners that have already been trained under other projects where possible, including the PBF - Build capacity of implementation partners, including training of trainers initiatives, through current programme as well as other UNCT projects. - Set up monitoring mechanism through independent third parties to identify weaknesses and provide timely support.
<p>Continued humanitarian crisis and war</p>	<p>Operational</p>	<p>Beneficiaries immediate needs focus on subsistent needs.</p> <p>Lack of capacity/space for mid-term investment and planning</p> <p>Commitment/limited participation/engagement in programme</p>	<ul style="list-style-type: none"> - Interventions planned to meet both the subsistent needs and to create space for people’s future investment/planning - Coordinate with humanitarian activities - Communications to clarify advantages of interventions for resilience
<p>Perception of inequity of benefit among regions, communities or target groups</p>	<p>Conflict</p>	<p>Resentment towards the UN / the programme, increasing security risks or undermining ownership and support by local communities.</p> <p>Create potential tensions within and among communities</p> <p>Impact 4</p> <p>Probability 3</p>	<ul style="list-style-type: none"> - Ensure geographical areas are selected on the basis of clear criteria, including levels of unemployment, poverty, food insecurity and vulnerability to tension or conflict - Community needs and selection criteria at jointly determined through Community Development Committees (CDCs) - CDCs will be representative of different groups within the community - Awareness raising and communication campaigns will be a core area under the programme to mitigate risk
<p>Possible facilitation or support to qat use and/or production</p>	<p>Socio-economic, environmental, political</p>	<p><u>Programme</u> interventions could, unintentionally, contribute to the use, or production of qat, for</p>	<ul style="list-style-type: none"> - Qat issues have been carefully analyzed and used as a basis to identify programme interventions and design. Continuous monitoring and lesson learning to guide

		<p>instance through its aim to increase access to water.</p> <p>Impact 3</p> <p>Probability 2</p>	<p>changes of delivery in subsequent stages of the project if necessary;</p> <ul style="list-style-type: none"> - The programme will provide strong advocacy campaigns and awareness raising (at both national and community levels through the 60 community development committees that will be established as well as through liaison with anti-qat NGO's such as "Generation without Qat" and relevant government agencies), in an effort to change perception in the use of qat and raise awareness on available alternative livelihoods. - <u>Policy on no use of qat during programme activities</u>: Programme beneficiaries will not be allowed to use qat during project activities, in line with current SFD policy; - <u>Anti-qat policy of implementing partners</u>: The programme will work only with implementing partners/ NGOs that issue an anti-qat policy; - <u>Avoiding qat areas in selection of regions</u>: The programme will aim to work outside intensive qat production areas, if possible in balance with other criteria like poverty and food security indicators; - <u>Promotion of alternative cash crops</u>: The programme will seek to introduce alternative opportunities to farmers, in particular the promotion of other, (more) profitable cash crops; - <u>Do no harm/ risk mitigation</u>- anti-qat components will be mainstreamed across all outcomes. Actions will be included to ensure programme activities will be carefully planned, and monitored wherever possible, to ensure to 'do no harm' by preventing any of the increased assets resulting from the programme to benefit qat growers e.g. that increased access to water or irrigation will not be used for qat production.
<p>Inflation</p>	<p>Economic</p>	<p><u>Lack of financial resources to deliver results</u></p> <p><u>Limited mobility (in case of fuel cost)</u></p>	<ul style="list-style-type: none"> - Identify implementation in the target areas to reduce the necessity of mobility - Plan alternative activities

Banking/financial system collapse	Economic	<u>Limited/lack of liquidity</u> <u>Difficulties of transport</u>	<ul style="list-style-type: none"> - Assess feasibility of using alternative (informal) financial providers such as micro-finance institutions, money changers/exchange offices - Consider in-kind support vs cash-based interventions
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10. Management Arrangements and Coordination

In the proposed joint programme, using the pass-through modality, a Steering Committee will provide strategic direction and advisory authority. UNDP as the Convening Agency will be responsible for coordinating programmatic aspects, and the Administrative Agent (UNDP’s Multi-Partner Trust Fund Office) will be responsible for financial management, with each participating UN organization having programmatic and financial responsibility for the funds entrusted to it.



The national Programme Steering Committee (PSC)

The national Programme Steering Committee (PSC) is the Joint Programme oversight and advisory authority, representing the highest body for strategic guidance, fiduciary and management oversight/coordination. It facilitates collaboration between participating UN organizations and host government for the implementation of the Joint Programme. Representation of the host government may

not constitute legal recognition on the side of the UN or the EU. Advisory in nature, the PSC reviews and endorses the Joint Programme Document and annual work plans, provides strategic direction and oversight, advises on allocation criteria for resources, reviews implementation progress and addresses problems, reviews progress reports budget revisions/reallocations, and evaluation reports, notes audit reports (published in accordance with each PUNOs’ disclosure policy), and initiates investigations (if needed). The Programme Steering Committee is supported by a Joint Coordination Unit. The national Programme Steering Committee meets at least semi-annually.

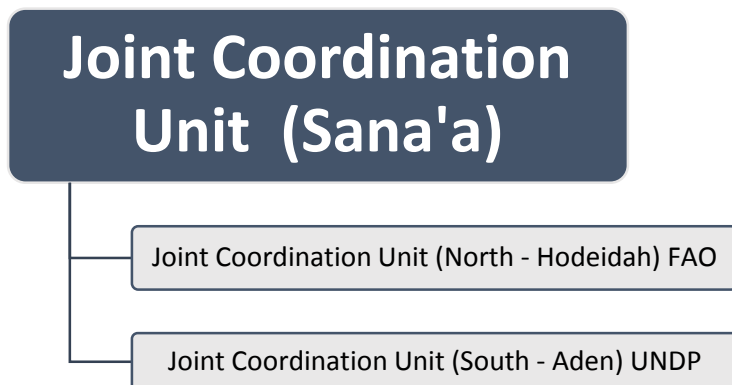
The PSC will include senior programme managers of all signatories of the Joint Programme Document; may also include other members in observer capacity, such as civil society organizations. It will be co-chaired by the UN Resident Coordinator, a senior representative of the Ministry of Planning and International Cooperation (counterpart to ERRY) and a representative from the European Union.

Administrative Agent

According to the pass-through modality, the UNDP Multi-Partner Trust Fund Office (MPTF Office) will serve as the Administrative Agent (AA) of the Joint Programme. The AA will be accountable for effective and impartial fiduciary management and financial reporting. The AA will be responsible for financial/administrative management that includes: 1) receiving donor contributions, 2) disbursing funds to Participating UN Organizations based on Steering Committee instructions, and 3) consolidating periodic financial reports and final financial report. The AA may be involved in day-to-day administration.

Convening Agency (UNDP) and Joint Coordination Unit in Sana’a and sub-national

Under ERRY, UNDP is acting as the Convening Agency and will provide joint coordination support. UNDP will be accountable for coordination of programmatic activities and narrative reporting through two instruments:



- A Joint Coordination Unit in Sana’a
 - Sub-national Joint Coordination Units (one in the North operating from Hodeidah, one in the South operating from Aden)

The Joint Coordination Unit is responsible for operational and programmatic coordination that includes: 1) coordinating all the Joint Programme partners, 2) coordinating and compiling annual work plans and

narrative reports, 3) coordinating monitoring of annual targets, 4) calling and reporting on Steering Committee meetings, 5) facilitating audits and evaluation, 6) reporting back to the Steering Committee; and 7) may be involved in resource mobilization. The Joint Coordination Unit is involved in day-to-day coordination, but does not hold any financial or programmatic accountability

The Joint Coordination Unit in Sana'a will be led by a Joint Programme Manager, supported by a Communications Specialist, an M&E and Reporting Specialist, and an Administrative and Finance Assistant.

The Joint Coordination Unit in Sana'a will be hosted by UNDP within its premises in Sana'a, and operate with a dedicated budget and staff that will cover risk management, conflict sensitivity, communications, M&E, and coordination and oversight requirements for the duration of ERRY and sustain its programmatic and operational presence in Yemen, including budget for possible relocation/evacuation of international personnel, depending on the slot allocation of staff. A key task of the unit would be to ensure coherence across the programme's components and outputs. This will be done in a number of different ways, including:

- Building on thematic linkages between outputs and locations (at the central and governorate levels) and organising thematic lessons learning exercises which will also involve counterparts;
- Develop communication and knowledge with the aim of promoting the overall coherence of the programme. This formal structure will also encourage the development of informal relationships between partners;
- Ensuring that the role of joint programme manager is focused on coherence and taking advantage of synergies between components;
- Using a joint template for M&E and communications governing each intervention under the programme, which will encourage each implementation team to consider the same key cross-cutting issues and facilitate the learning of lessons between components;
- Promoting common resources and sharing facilities, interpreters etc., between components and locations.

Sub-national level, office and logistics management

The sub-national Joint Coordination Units will be led by FAO in the North, based in Hajjah and/or Hodeidah to cover both Hajjah and Hodeidah Governorates. It will be led by UNDP in the South, based in Aden to cover both Lahj and Abyan Governorates. Sub-national coordination will report to the Joint Programme Manager. The overall programme coordination among agencies and the national PSC will be achieved from Sana'a, but the operational coordination of activities across outcomes and agencies will be initiated at the region level which covers the four targeted governorates.

The sub-national Joint Coordination Units may facilitate setting up of premises for PUNO personnel, liaise with authorities, with a dedicated budget and staff to set up a structure (office, furniture, equipment, communications, and operational expenses) in a new or existing office and guarantee programmatic and operational capacity for field visits and stakeholder coordination meetings. In the North, two options are explored: Hajjah office of UNDP, and establishing an ERRY presence in the future UN Hub of Hodeidah. In the South, UNDP is assessing feasibility of an ERRY presence within a sister agency premise (e.g. WFP) or a new structure in the diplomatic enclave in Aden. Security assessments are underway in both locations (North and South) to report on timeline, costs and actions. An indicative budget that includes likely security upgrades and dedicated sub-national coordination costs required for the implementation of the joint programme is presented in Annex III.

The central and sub-national coordination structures will be tested during the joint programme's inception period with recommendations for adjustments as applicable, given the fluidity of the Yemeni context and possible stabilization.

Support staff is identified for ERRY, including programme staff for the North and South hubs, who may include profiles such as project assistants, coordinators, interpreters/translators and drivers.

Participating UN Agencies

Participating UN organizations (PUNOs) to ERRY include FAO, ILO, UNDP and WFP. PUNOs operate in accordance with their own regulations, rules, directives and procedures. They assume full programmatic and financial accountability for funds disbursed by the Administrative Agent and are responsible for the implementation and delivery of results under each activity result. PUNOs are the co-delegates which will sign the EU PAGODA agreement.

PUNOs will have dedicated resources for the achievement of the results, including personnel and consultants (technical assistance) that are directly contributing to ERRY activities, and allocate budget for the associated direct costs such as office structure and operability of field visits for quality assurance.

There are particularly difficult logistical challenges in Yemen. For this reason, the programme will use the services of our operational departments which ensure that all procurement adheres to UN rules and regulations except when an EU Pillar Assessment advises otherwise. In many locations there is very little local capacity (either individuals or organisations) with relevant skills and experience. For this reason we will give particular attention to developing local organisations and individuals, who would support ERRY on a long-term basis.

Financial management

PUNOs have bank accounts set up in Yemen. These accounts will be managed by authorized staff who will maintain comprehensive records of local bank account transactions (including clearly labelled receipts) and produce monthly reconciliations. Information will flow through to our invoices and will also be summarised for inclusion in the bi-annual reports.

The operational departments in each organization, will support the financial management of the programme through approving timesheets, expenses and contractor invoices, as well as preparing internal financial reports, including periodic financial reports.

Scoping and agreeing on project activities

ERRY will have a rolling work-plan, presented to the national Programme Steering Committee. These work-plans will be divided into a number of separately scoped and agreed activities.

Our starting point will be to build on the diagnostic work already carried out by each agency. The focus of the inception phase will be to scope and agree proposed activities in detail, with an emphasis on implementing agreed improvements as quickly as possible.

We will group activities together into outputs and outcomes in order to make management and results more streamlined, and to enable linkages and dependencies to be incorporated into our planning. We do not propose to prescribe all activities at once as they will be confirmed during the inception phase.

Our overall approach will be to demonstrate impact as soon as possible; this will then allow for the review and incorporation of lessons learnt to a particular output.

11. Fund Management Arrangements

This UN Joint Programme will follow the pass-through fund management modality according to the United Nations Development Group (UNDG) Guidelines on UN Joint Programming. As outlined, the UNDP MPTF Office, serving as the Administrative Agent (AA) for the Joint Programme, as set out in the Standard Memorandum of Understanding (MoU) for Joint Projects using Pass-Through Fund Management will perform the following functions:

- Establish a separate ledger account under its financial regulations and rules for the receipt and administration of the funds received from the donor(s) pursuant the Administrative Arrangement. This Joint Programme Account will be administered by the Administrative Agent in accordance with the regulations, rules, directives and procedures applicable to it, including those relating to interest;
- Make disbursements to Participating UN Organizations from the Joint programme Account based on instructions from the Steering Committee, in line with the budget set forth in the Joint Programme Document.

The Participating UN Organizations will:

- Assume full programmatic and financial responsibility and accountability for the funds disbursed by the AA as detailed in the Management Arrangements and Coordination section;
- Establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent.

Each UN organization is entitled to deduct their indirect costs on contributions received according to their own regulation and rules, taking into account the size and complexity of the programme. Each UN organization will deduct 7 per cent as overheads costs of the total allocation received for the agency.

12. Sustainability:

Institutional and policy level sustainability: Resilience building by definition aims to build capacities and assets that enable communities, households and individuals to manage and sustain their livelihoods and developmental activities beyond the programme. Local authorities' commitment to support CDCs as well as to pursuit their own responsibilities (defined by the Local Authority Law No (4) of 2000) is a condition to identify the districts and target communities. By working with local institutions in civil society and private sector that can contribute to the objectives of the programme, it will strive to create a support network of institutions that communities can continue to access beyond the programme. Building effective relations and including partners at all stages of the project process, with roles and responsibilities clearly defined, and involving as many stakeholders as possible in discussions about the phasing out process helps in ensuring sustainability of activities.

However, critical limitations to government ownership are real, noting the current absence of legitimate national Government counterparts, which may risks sustainability and ownership of programme results. Self-reliance is an important aspect and will be part of the community mobilization process. Sustainability and ownership of the project will be ensured by the involvement of communities in the planning and design of interventions and by ensuring community contributions and investments in the programme components' costs. Furthermore, an assessment of community environment and capacity to ensure local ownership, motivation and incentives to maintain and operate resources and assets created with programme support will be executed.

Economic sustainability: The resilience-based approaches used, in particular under Outcome 1 and Output 1, are market-oriented and informed by market and value chain assessments. The programme seeks to create critical linkages with agricultural and non-agricultural value chains to support sustainable employment opportunities, amongst others through demand-driven skills development and the creation of market opportunities. The trainings carried out will be linked with job opportunities that are available in the rural areas. Moreover, in this programme, strong gender components are present and special attention is given to the inclusion of women ensuring the participation of women in the long term. There is a strong emphasis on building the capacity of national partners and stakeholders to carry out capacity building and initiative through its own resources, especially the CDCs as catalyst of a community mobilization dynamic.

However, it is important to note that the ongoing crisis has resulted in a significant aggravation of the economic situation with large-scale increase of unemployment, private sector downsizing and closure, difficulties in sourcing hard currency and accessing liquidity and severe import-export constraints. While ERRY will deliver concrete community-level economic results, through stabilization and economic self-reliance activities, broader economic impact and sustainability of results are contingent upon the national economic ecosystem and political/security stability.

Environmental sustainability: Water User Associations and CDCs will be formed and/or strengthened in order to increase local ownership, sustainability and ensure maintenance of the cash-for-work interventions that will be led around the rehabilitation of water and sanitation community infrastructure and awareness-raising on the sustainable use of water.

A main component of the programme will focus on introducing solar energy as a form of renewable energy source, in order to reduce competition over scarce natural resources, which have been a source of local conflicts. Partners will carefully monitor that when solar driven water pumps are introduced, that this will be done in combination with improved water irrigation systems and awareness-raising to ensure sustainable use of available water resources. The community will also be taught how to take care and maintain the solar equipment. The solar energy market has expanded in the country to increasing demand. Amongst existing dealers there are some with reliable technology while new suppliers have also joined the sector. UNDP has a global Long Term Agreement (LTA) enabling procurement of solar equipment from the Arab States region. Market risks do exist and relate to price fluctuation as prices sometimes go up dramatically, over 120%, then to drop due to entry of industry newcomers by 40-50%. This risk is mitigated since the solar energy sector has become a booming business in crisis-affected Yemen. Transportation and installation costs amount to 12-15% of the solar procurement cost. Local expertise in terms of technical needs assessment and installation of equipment is available and qualified.

13. Scalability of the Action

All components of the joint programme have the potential to be scaled up to other governorates and/or national level if/when the context allows. The joint programme has included the following elements to support this scale-up: i) close partnership is ensued with local partners at all levels including local authority and community to support full ownership as well as to build required capacities.

The unpredictable and highly volatile context in Yemen makes any programmatic intervention subject to change and risk. The ERRY must be flexible, responsive and risk-based, with the capacity to adapt programming as conditions evolve. Agencies will assess mitigate risks through on-going analysis of the situation to assess programme feasibility and determine scalability.

14. Monitoring, Evaluation and Reporting

a. Monitoring

A set of gender and conflict sensitive indicators will be defined to measure the performance of the programme at the outputs and outcomes levels. If not available, the baseline data for those indicators will be collected at the beginning of the programme, especially those to monitor change for the most vulnerable groups and individuals targeted. Moreover UNDP has already conducted several assessments in the livelihoods area that provides quantitative and qualitative information about the current situation at the governorates level, which could be used as baseline reference for the programme.³³ Indicators will be monitored on a regular basis, the frequency will be set according to the level of results intended to be measure (outputs vs outcome) and the utilization to be done of the indicator (monitoring vs evaluation). A peacebuilding strategy, check list and set of monitoring indicators will be developed in the programme initiation phase (during the first three months of implementation) to be used under the different programme components.

Annual joint monitoring visit will be conducted, to assess the implementation of activities and progress towards the results and to formulate concrete recommendations to ensure the achievement of the expected results. A monitoring, evaluation and reporting action plan will be created to ensure that all relevant activities are being conducted in a timely manner. Project evaluations will be shared with the EU, serving as an important part of the overall EU accountability framework. A monitoring and evaluation officer will be recruited for the programme, to implement all M&E related activities and ensure real time monitoring to ensure timely adjustments to implementation promoting maximum impact and conflict sensitivity.

b. Annual/Regular reviews

- Bi-monthly coordination meeting (technical level working group) at the sub-national (North and South) at the onset of the programme and then to be re-scheduled as necessary;
- Monthly coordination meeting (technical level working group) at the national level (Sana'a);

³³ Multidimensional Livelihoods Assessment in Conflict Affected Areas in Yemen, 2013 and the forthcoming Integrated Rapid Assessment that is ongoing.

- Quarterly review with the joint programme team will be organized to monitor the implementation of the AWP; analyse delays and envisage solutions envisaged;
- Annual (or bi-annual) review with the joint programme team in preparation of the annual Steering Committee meeting that will examine the implementation of activities against the annual work plan, achievement of results against the expected outputs and outcome, and preparation/adoption of the following annual work plan.

c. Evaluation

A mid-term evaluation of the programme will be conducted to assess the progress towards the results, identify the main difficulties/constraints and formulate practical recommendations to improve the programme implementation as to achieve the expected results. A final evaluation will be realized to assess the achievement of the results and the impact of the programme for the targeted populations.

In addition to ongoing re-alignments in response to real-time monitoring the risks and assumptions will be managed to achieve the agreed joint programme results. They will also be reviewed on an annual basis and more regularly if appropriate.

d. Reporting³⁴

A quarterly progress report will be produced for internal purposes, at the end of the first, second and third quarter, as to monitor the implementation of the annual work plan, the risks and main issues, and to evaluate the progress towards the expected outputs. At the end of the calendar year, an annual report will be produced to: monitor the completion of the annual work plan (AWP), assess the results achieved towards the expected outputs and outcomes; analyse the major constraints (risks, issues...) that might impact the delivery of results and propose concrete solutions/mitigation measures; analyse key challenges and lessons learnt; present the financial reporting; established the AWP for the following year.

Once a year, the AA in coordination with the Joint Coordination Unit will consolidate the narrative and financial report for submission by 31 May (the annual report will be validated by the annual review of the PSC). As the EU requires an interim report to request second and subsequent tranches, additional reports may have to be produced for this purpose.

The Joint Coordination Unit will be responsible for establishing an M&E system across the participating UN agencies. Third party monitoring may be explored according to the security situation and field access through qualified NGOs. UNDP is currently in process of developing this alternative modality for some of its field projects.

³⁴ The Standard Progress Report used by the ExCom agencies or any other reporting format used by any other UN organization may be adapted for the purpose. Donor requirements should also be kept in mind. The reporting format should be approved by the joint programme Steering Committee.

Annex a: Stakeholder mapping

Community Development Committees: Representative and participatory community level bodies that formulates community development plans and mainstream conflict sensitivity. They also possess resource allocation decision-making at the community level.

Water Management committees: These are community level committees responsible for management and smooth running of community water and sanitation services and resources

Community women groups: Promotion of women's social inclusion in decision making, economic activity, access to services and human rights

Marginalised groups: Marginalised groups such as the Muhamasheen or IDPs for promotion of their social inclusion in decision making, economic activity, and access to services will be mainstreamed throughout the different interventions.

Farmer and other artisan associations: Inclusion of farmer and other artisan perspectives and development needs in local planning.

NGOs: Implementing partners and facilitators to the delivery of the joint programme. They have established relationships of trust with communities conducive to access and local acceptance. Their capacity for conflict sensitive implementation of resilience building programmes will be built.

Business Community: Through the stimulation of economic livelihoods, private sector activity will be consolidated and strengthened. UNDP's entrepreneurship promotion track will seek to expand the supply side with a focus on social microbusiness establishment, and capacity development to business/economic associations.

Ministry of Planning and International Cooperation: Coordination of planning and financial management through overview of international community initiatives. MOPIC will play an active role in monitoring and evaluation and ensure that data from programme intervention is gathered, organized and shared widely. MOPIC is also the co-chair of the Working Group on Sustainable Livelihoods and Employment Generation with UNDP and ensure consultation and coordination across ministries.

Rural Water Authority and Governorate level water management committees: Capacity building and ensuring technically appropriate water and environmental protection implementation.

Social Fund for Development (SFD): SFD supports development opportunities through improving access to basic services, enhancing economic opportunities and reducing the vulnerability of the poor.

National Water Resource Authority (NWRA): Policy development and national level management of water resources.

Sana'a University: Both departments at the University (departments of Water and Environmental Studies and the Gender and Conflict studies) are keen to link academic study with field reality. The programme will provide an opportunity for joint learning with them.

Governors' Offices: Oversee the executive branch of local authorities, managing civil servants at the governorate level.

District Councils: Elected local authority with the responsibility to ensure that development needs of the local population that approves district development plans.

Ministry of Water and Environment (MoWE): Through the National Water Resource Authority (NWRT), the MoWE is responsible for water resource management, planning, and monitoring, and for law enforcement, legislations, and public awareness. Accordingly, it is responsible for sector governance. Its activities center on providing policy formulation, decision-making, centralized data collection, monitoring, and planning at the national level for the water sector of Yemen. NWSA, Local Water and Sanitation Corporations LCs, as well as the General Authority for Rural Water Supply Projects (GARWSP) and the Environmental Protection Authority (EPA) are subordinate to the MoWE.

Ministry of Local Administration (MoLA): MoLA is responsible for enforcing the Local Authorities Law (Decentralization Law). It aims to establish local councils to work at the local level for more community participation and more decentralization of the administrative and financial processes. It is also mandated in this law for the local councils to manage and control the water resources in coordination and cooperation with the water resources authority.

Ministry of Social Affairs and Labour (MoSAL): Responsible for designing, enforcing and monitoring of labour market, in view of national legislatives and international standards. MoSAL is organizing the national decent work agenda and promoting social dialogue, Occupational Safety and Health in workplace, and coordinating social protection process. It is also a lead ministry in the YEAP secretariat.

Ministry of Technical Education and Vocational Training (MoTEVT): MoTEVT is responsible for enforcing requirements of the labour market requirements by linking the supply with demand side of labour force. MoTEVT throughout its nation-wide network of vocational training centres could of assistance of all related activities under this program, in particular with improvement of vocational skills and other life skills. It is by-law, that the Minister of MoTEVT presides the general board of the Skills Development Fund, the potential funding body to provide and strengthen at-job training, and labour force skills to enclose the dire current gaps between both demand/supply sides of labour market. A member of the Working Group on Sustainable Livelihoods and Employment Generation.

Annex b: Participating UN Agencies and their mandates

Food and Agriculture Organisation (FAO): Provision of technical expertise to introduce sustainable and efficient practices in agriculture, livestock, and fisheries; training of programme participants to improve production, productivity, resulting in improved incomes, self-employment through value chain development. Support NWRA in the decentralized water management through empowerment of the Water User Associations (WUA) and other local stakeholders in evident based water and land management to reduce water use, increase water productivity while avoiding decline in agricultural production and rural income.

International Labour Organization (ILO): ILO is the tripartite UN agency focused on creating decent work and protecting rights in the workplace in order to realize social justice. ILO is supporting Yemen in several key areas including in reform of national legislation, child labour, and youth employment. The ILO will build the capacity of skills training providers and business development service providers, and emphasis will be put on workplace based learning to improve employability and entrepreneurship. In particular, the program will support the upgrading informal apprenticeships, through improving the training provision, the workplace environment and the productivity of small businesses - linked with training providers. ILO will also intervene at the institutional level to enable national partners to deliver non-financial business development services such as training and coaching among others to potential business start-ups (a special will be place on women, youth and IDPs to ensure better integration within the target governorates). In addition, support will be provided to the Social Fund for Development to develop of post Cash for Work services, through design, piloting graduation packages.

United Nations Development Programme (UNDP): Ensure support to government through provision of technical and functional expertise in the areas of: resilience building; coordination; knowledge management; capacity development; mobilization of additional financial resources; and development of strategic partnerships and alliances to enhance the recovery process and the transition towards sustainable development. Experience working over broad range of issues related to Crisis Prevention and Recovery (social cohesion, conflict prevention/transformation, good governance, local governance and Rule of Law), skill development & employment generation, especially for youth, livelihoods diversification and recovery. Also, UNDP has mandate and significant experience in capacity building of local government and Civil Society actors. UNDP is co-chair of the Sustainable Livelihoods and Employment Generation working group and the Early Recovery Cluster in Yemen. UNDP has led a comprehensive, multidimensional livelihoods assessment in conflict areas in Yemen (2014) on behalf of the wider UNCT, providing a critical evidence base for livelihoods programmes Yemen. UNDP has played a leading role, along with the ILO, in developing the UN Policy on employment creation, income creation and reintegration in post-conflict situations.

World Food Programme (WFP): Engage communities on the ground and reach with various forms of assistance (food, cash and vouchers, technical support). 3,500 food distribution points in Yemen; exercise a strong participatory approach in designing and carrying out its projects. In Yemen WFP has extensively consulted the Government, international and national non-governmental organizations and other strategic partners in preparation of its new programme for 2014-2016. This programme envisages a gradual shift from relief toward recovery and resilience to help people move towards food and nutrition security and manage the consequences of conflict and natural disasters. WFP's 2014-2016 portfolio in Yemen covers six million beneficiaries. WFP will engage people in protective and productive safety nets; provide support to livelihoods; prevent malnutrition and support education through take-home rations for girls and children released from child labour and on-site meals. Within its new programme WFP has a strong component on Capacity Development aiming to provide support to the Government in the development of policies, strategies and investment plans which enhance

food and nutrition security, help improve situation and response analysis including the implementation of a Comprehensive Food Security Survey (CFSS), and provide technical support and training to strengthen service delivery.

In the humanitarian community WFP leads Logistics Cluster and co-leads with FAO Food and Agriculture Cluster. WFP together with UNDP and FAO co-chairs Resilience Group.

Annex c: The Farmer Field Schools Approach

Farmer Field Schools (FFS): A Farmers Field School (FFS) can be described as a community-based practically-oriented field study programme. It is usually a time-bound activity (generally one agricultural production cycle), involving a group of farmers (commonly around 30), facilitated by extension staff or – by other farmers. The FFS provides an opportunity for farmers to learn together, using practical, hands-on methods of discovery learning. The methods emphasise observation, discussion, analysis, collective decision-making, presentation and taking appropriate action. Discussion and analysis are important ways to combine local indigenous knowledge with new concepts and bring both into decision-making. Although FFS are time-bound, many groups formalise their relations and continue study or action projects, including FFS on other subjects, after the FFS is finished.

Since late 1980's FAO has been acquiring world-wide experience in developing alternative extension methodologies based on the application of adult education principles, using experiential learning (or learning by doing) methods. Over time, the same methodologies have been used to broaden farmers' understanding of many other aspects of agriculture and of rural life and to increase their skills and ability to cope with a widening range of problems affecting their livelihoods. They have also increased the ability of farmers to articulate their problems and thus to create effective demands on services, so that these shift from being supply-driven to demand-driven.

Substantial data from around the region suggest that as a result of involvement in FFS activities group members are able to realise significant increases in yields and/or reduction in costs, resulting in increased incomes levels. However, it is also clear that the Farmers Field Schools do not represent an end in themselves; the Field School experience also bonds the farmers' groups and gives them a real dynamism, which may be translated into collective, commercially-oriented endeavours; and it gives the members (and particularly women) far greater confidence in their own ability to deal with government staff and market intermediaries. In short, the FFS experience is a means to enabling small farmers to create their own cohesive economic empowerment groups.

Past interventions have shown that a majority of FFS groups develop savings systems or established income generating activities to ensure sustainability of the group activities. The approach has also been successfully used to improve skills and knowledge on not only agriculture related topics but also other relevant to the livelihoods of rural farmers, such as business skills, health, HIV/AIDS etc.

The empowerment effects have been demonstrated by the creation of strong and cohesive FFS networks and associations at local and district level that have proved to be effective units for collective action, produce marketing and policy advocacy. The FFS is also effective and cost efficient in encouraging communities to validate and adapt improved technologies to local conditions, improve rural food security and income generation, and empower farmers to find solutions to their problems. The strategy to promote farmer-led FFS (farmers as facilitators) allows a large number of farmers to benefit and ensures a system that is community centered.

Annex d: The UNDP 3x6 approach

United Nations Development Programme



3x6 The approach

Yemen Livelihoods and Economic Recovery

With the escalation of the crisis and war in Yemen between 2014 and 2015, the unemployment situation in Yemen has dramatically worsened with the alarming erosion of the socio-economic fabric. Civil servants, private sector, civil society, and students are not able to work or study. Livelihood opportunities, economic activities, and public services in many parts of Yemen have come to a standstill since fighting began. As cash availability and market stalls decreased, poverty, food insecurity and desperation are climbing high, hitting most vulnerable groups such as youth, women, the disabled, and the socially marginalised such as the Muhamasheen.

The 3x6 approach provides a comprehensive response to build the resilience of conflict-affected populations and offers an alternative and resilient economic path, deterring from negative coping strategies and radicalization.

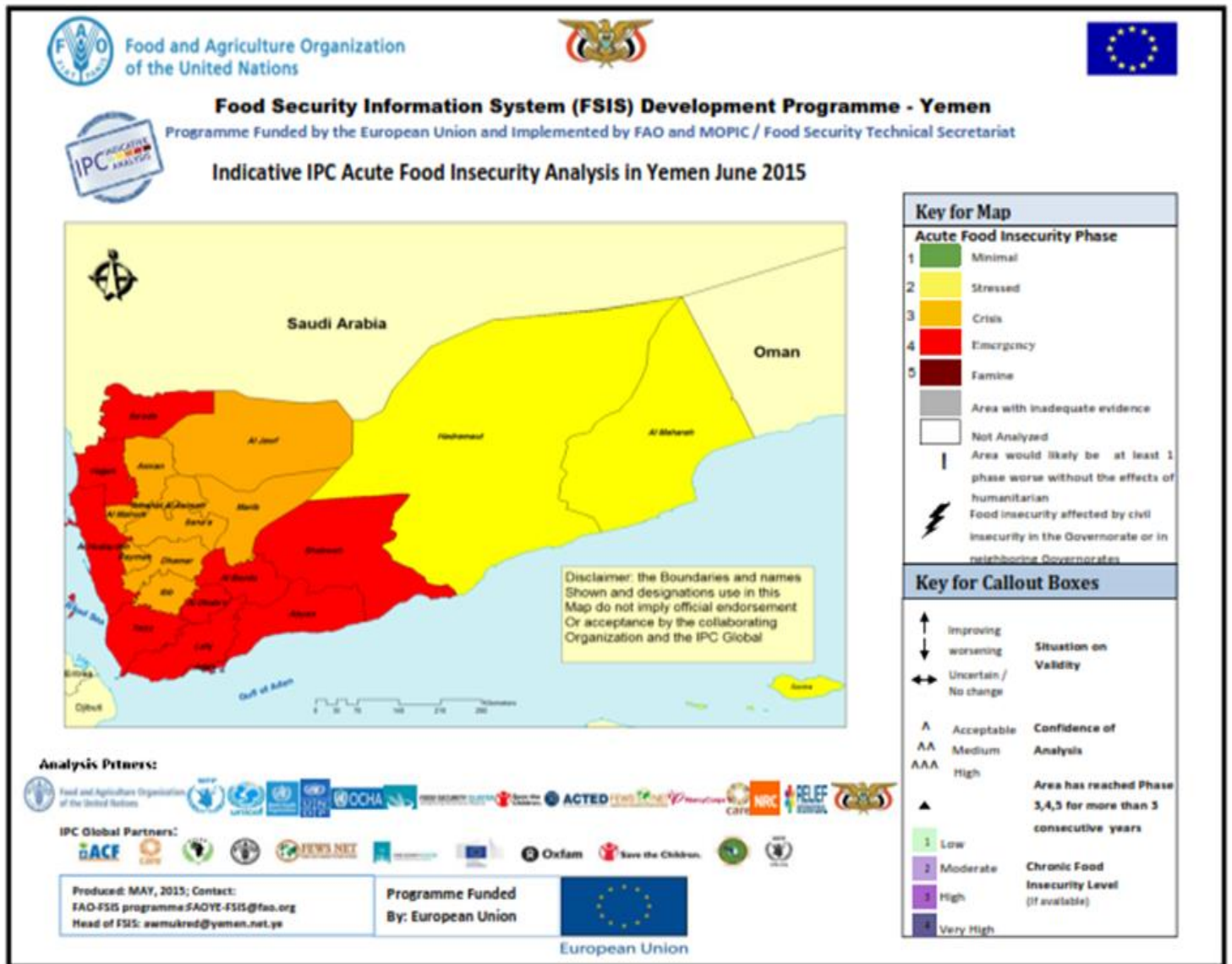
It focuses on three overarching principles (INCLUSION, OWNERSHIP, IMPACT) that guide six core steps to economically empower vulnerable groups (COMMUNITY ENGAGEMENT, INCOME-GENERATION, ACCESS TO FINANCE, BUSINESS VENTURING, SOCIAL BENEFIT, ENTERPRISE RECOVERY).

How does it work?

Inclusion	Ownership	Impact
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Community Engagement</p> </div> <div style="text-align: center;">  <p>Income-Generation</p> </div> </div> <p>Community engagement: mobilising community members through participatory bodies at the community-level to define criteria and select participants.</p> <p>Income-generation: conducting community-oriented cash-for-work programme to rehabilitate infrastructure, seeking synergies with community resilience/recovery plans.</p>	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Access to Finance</p> </div> <div style="text-align: center;">  <p>Business Venturing</p> </div> </div> <p>Access to finance: opening savings accounts for participants and institute culture of savings. Small grants will be disbursed for business establishment to supplement existing capital along with loans where most appropriate.</p> <p>Business venturing: formulating business plans under guidance from trainers and coaches, with joint venturing encouraged.</p>	<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  <p>Social Benefit</p> </div> <div style="text-align: center;">  <p>Enterprise Recovery</p> </div> </div> <p>Social benefit: restoring markets and services for social impact at the community level, contributing to business oriented solutions for community challenges.</p> <p>Enterprise recovery: reviving the private sector for service delivery and dynamising local economic activity.</p>

The 3x6 approach is intended to remain flexible and fit for purpose, with a greater or lesser focus on the steps as indicated by the local context, community consultations, market assessments and crisis intensity.

Annex e: Integrated Food Security Phase Classification, June 2015 Findings



Annex f: Overview of targeted Governorates

Abyan Governorate: According to the IPC analysis published in June 2015, Abyan governorate was classified as being in Emergency food security phase or IPC Phase 4, for the past four consecutive years. This situation is a result of the poor performance of various food insecurity indicators. Although the conflict subsided and security relatively improved since 2011, however the situation is not yet back to full stability. The protracted conflict and insecurity have disrupted people's livelihood activities including agriculture and livestock production and other off farm activities that complement the family income, as well as reduced coping strategies. Additionally, the presence of AQAP in neighboring governorates still has the potential to cause insecurity and therefore destabilize the livelihoods of the population.

The governorate is among the highest in the poverty ranking in the country, with about 45.7 per cent of the population facing poverty. Because of these hazards and the negative coping strategies, the population has an increased vulnerability to even minor shocks. Moreover, the governorate accommodates about 150,743 returnees from 2013 that are receiving some level of support from the government and the humanitarian community. Nonetheless, the returnees and host communities require an integrated and structured support to reinstate their livelihoods. There are efforts from different actors addressing the humanitarian needs of the population; however, the rehabilitation and recovery segment is still not addressed. It is of paramount importance to provide technical, financial and institutional support to rehabilitate/rebuild and develop the household and community level assets and structures in the targeted and prioritized areas in the state. The interventions should also address the different livelihoods activities to support the different vulnerable groups along the value chain of the crop, livestock and fishery sub sectors.

Hodeidah Governorate: The Governorate is located in the western part of Yemen and occupies most of the western coastline bordering the Red sea. The governorate has an area of 13,479 sq. km divided into 26 districts and with estimated total population of 2,917,000-inhabitants. The governorate is the ninth in the poverty ranking in Yemen with 31.7 per cent of the population considered as facing poverty. The governorate is known for its widespread agricultural investments and livestock production, similar to other areas in the Tehama Strip. The Tehama plains, which include a large part of Hodeidah, are of great significance in the production of agricultural products including cereals, vegetables, fruits, tobacco and cotton. Breeding of livestock and fishing are also important economic activities, with good potential for livelihoods diversification and economic growth for the population. The Tehama plains, are considered of one of the most important agricultural areas in Yemen as they provide livelihoods to about 70 per cent of the people of the region. Despite the agricultural potential, the population heavily relies on wage labor as source of income to access food from the market.

In the IPC analysis, Al Hodeidah was classified as being in IPC Phase 4 (Emergency). As the governorate, and Tehama plains in general have a good potential for opportunities to diversify income, proposed interventions should assess the potential and comparative advantage of diversification options such as agriculture, livestock, fisheries, wage labor, petty trade and other small businesses – all of which are potential entry points. Unreliable rainfall is the major constraint for 38.6 per cent of the population, who are farmers, to maximize their agricultural production. The limited supply and increased price of agricultural inputs (fertilizer, seed, fuel, etc.) are the key challenges that contribute to the reduction in production and productivity of the agricultural sector in the governorate. The recent fluctuation of the price of fuel (and especially diesel) made significantly impacted the irrigable farming activities in the governorate. Many inhabitants of the governorate of Al Hodeida are engaged in fishing to take advantage of different kinds of fish species in the Red Sea, among which are shrimps, tuna, and lobster.

Hence, the intervention aimed at strengthening resilience will need to complement the various humanitarian responses to the existing crisis. Longer-term programming through supporting and enhancing crop and livestock production and fisheries sub sector will be essential. The interventions should therefore focus on social and livelihood protection programming with strong element of resilience building.

Lahj Governorate: The recent IPC analysis results classify the food security situation in Lahj governorate as Phase 4 (Emergency), a classification that has been sustained for 4-5 consecutive years. Agriculture is the lead economic activity for the majority of resident's and bee keeping, fishing and other non-farm livelihoods activities, are also significant. The majority of the population are predominantly subsistence farmers growing cereals, horticulture, cash crops (coffee, cotton, tobacco and sesame), and *qat*. The main livestock kept in the region include cattle, goats, sheep and poultry. Fishing activities along the coastal areas is also another income generating activity. Other economic activities include sale of labor, petty trade within the governorate capital and small rural towns and during market days.

The governorate is within the volatile security zone in Yemen where more than 60 per cent of the population have experienced repeated shocks. Deterioration of employment opportunities for the rural and urban labor force and reduced financial access led to most households resorting to damaging coping strategies that further eroded their productive assets and abilities to resist shocks – further reducing their resilience. This further increased the vulnerability of these HHs to shocks and hazards. Project activities would best focus on saving and rebuilding of livelihood assets, to complement emergency activities by other UN partners in the project.

Hajjah Governorate: According to 2014 IPC analysis, Hajjah Governorate was categorized as facing a food security Emergency or IPC Phase 4. The Governorate continued to be in Phase 4 for the past four to five years, and this is associated with a variety of difficulties and hazards faced by the population. According to the IPC analysis results 762,074 people (38 per cent of the population) in the governorate are under Emergency phase (Phase 4), and 491,425 people face food insecurity Crisis (Phase 3). The IPC findings corroborate the CFSS survey findings, which were concluded earlier in 2014. Moreover, the different analysis results shows that the governorate faces a combination of chronic and transitory food insecurity due to various socio economic and policy related factors. The repeated drought and below average rainfall during the main agriculture production seasons in 2011 and 2015, resulted in reduced crop production and below average pasture and water availability for livestock production, as well as reduced ground-water aquifer recharging.

Additionally, conflict and civil insecurity remain potential hazards in the northern and northeastern parts of the governorate. According to the 2014 CFSS survey result; about 41.5 per cent of the population have access to agricultural land out of which 72.9 per cent is privately owned land, while 27.1 per cent was rented land. Hence, supporting the agriculture production sector will facilitate an improvement in incomes for more than 50 per cent of the population – as agriculture is the main source of income for households in the governorate. In addition to agriculture and other non-farm sources of income, fishery is an important livelihoods source for the coastal communities. Hajjah is one of the governorates hosting many IDPs as well as returnees and repatriated migrants from Saudi Arabia. This puts an additional pressure on overall livelihoods opportunities in addition to the other factors that are responsible for triggering food insecurity in the governorate.

Annex g: Joint Programme Logical Framework

Outcome 1: Communities are better able to manage local risks and shocks for increased economic self-reliance and enhanced social cohesion			
Intended Outputs	Key Performance Indicators for 2018	Indicative Activities	Inputs
<p>Output 1: Community livelihoods and productive assets are improved to strengthen resilience and economic self-reliance</p> <p><i>Baseline</i></p> <p>1. No community resilience plans exist</p> <p>2. Emergency employment options to stabilize rural livelihoods are limited</p> <p>3. Limited entrepreneurial pathways available in rural (remote) areas for affected/vulnerable groups</p> <p>4. Technical and operational capacities of communities to engage in viable value chain</p>	<p>1. 100 community resilience plans are developed</p> <p>2. At least 14,000 vulnerable and food insecure individuals indirectly benefiting from emergency income generating revenues that provides immediate income</p> <p>3. At least 21,000 men and women indirectly benefiting from improved skills to establish community-oriented social businesses for self-reliance</p> <p>4. 28,000 men and women indirectly benefiting from technical and economic capacities built on agriculture value chains.</p>	<p>1.1 Inclusive community-based governance system is strengthened to develop community resilience plan and identify community prioritized actions</p> <p>1.1.1 Establish and operationalize CDCs through training and technical support</p> <p>1.1.2 Develop community resilience plans and community initiatives</p> <p>1.1.3 Provide block grant based on community compact</p>	<p>Budget estimate:</p> <p>USD 1,330,000.00</p>
		<p>1.2 Livelihoods opportunities are provided through stabilized cash and vouchers for work, focusing on community asset rehabilitation</p> <p>1.2.1 Validate target community criteria in coordination with target districts representative bodies, including district councils</p>	<p>Budget estimate:</p> <p>USD 7,140,400.78</p>

<p>opportunities are inadequate and there is no institutionalization of farmer field school schemes</p> <p><i>Means of Verification</i></p> <ol style="list-style-type: none"> 1. Report from implementing partner, third party monitoring report 2. Report from implementing partner, third party monitoring report 3. Report from implementing partner, third party monitoring report 4. Report from technical assistance, third party monitoring report 		<p>1.2.2 Carry out screening and validating projects through environmental protection criteria</p> <p>1.2.3 Prepare micro-project implementation plans including bill of quantities for the various assets identified, procurements plans for the required materials as well as labor allocation for the various micro-projects</p> <p>1.2.4 Select of beneficiaries and monitoring implementation of physical activities ensuring quality standards of work/assets are met</p>	
		<p>1.3. Income-generating revenues are created through enterprise recovery (such as within the framework of 3x6 approach) targeting communities affected by the crisis</p> <p>1.3.1 Conduct market assessment in targeted governorates to identify viable social businesses matching demand</p> <p>1.3.2 Select beneficiaries according to the vulnerability criteria agreed on with national counterparts / local communities and provide them with seed capital through community-based cash-for-work</p> <p>1.3.3 Develop capacities of beneficiaries in life and business development skills, and coach them to develop their own social business plan in line with market assessment</p>	<p>Budget estimate: USD 4,294,920.00</p>

		<p>1.3.4 Complement beneficiaries seed capital with micro grants to enable the creation of social businesses</p> <p>1.3.5 Oversee establishment of business venturing as per respective business plans, with a focus on collective endeavors, supporting linkages to markets/community service centers for the established businesses</p>	
		<p>1.4. Skills developed of women and men in agricultural value chains</p> <p>1.4.1 Identification of key agricultural value chain opportunities through market assessment and participatory community validation</p> <p>1.4.2 Provision of inputs to farmers for the realisation of value chain</p> <p>1.4.3 Establishment of Farmer Field Schools (FFS) in targeted locations</p> <p>1.4.4 Technical training of selected farmers on skills required for value chain development</p> <p>1.4.5 Institutionalisation of the FFS approach</p>	<p>Budget estimate: USD 5,169,442.00</p>
<p>Output 2: Communities benefit from solar energy for sustainable livelihoods opportunities</p>	<p>1. Seven solar energy resilience building programming initiatives formulated and implemented</p>	<p>2.1. Expansion of solar energy applications programmed and operationalized to strengthen rural energy resilience, capacity building and recovery</p>	<p>Budget estimate:</p>

<p><i>Baseline</i></p> <ol style="list-style-type: none"> 1. No programme framework to promote solar energy resilience building in Yemen is in place 2. TBD in targeted locations 3. Limited applications of solar energy for productive uses (TBD in targeted areas) 4. No solar energy market mix in place for promotion of solar energy solutions <p><i>Means of Verification</i></p> <ol style="list-style-type: none"> 1. National programme framework 2. Project periodical report 3. Project periodical report 4. Project periodical report 	<ol style="list-style-type: none"> 2. At least 100 rural communities will improve their access to solar energy 3. Introduction of solar energy applications to improve performance of 12 economically productivity assets 4. Solar energy market mix conducted and networking developed among solar dealers 	<ol style="list-style-type: none"> 2.1.1 Map rural energy insecurity gaps in the targeted governorates 2.1.2 Develop and implement awareness raising programme and campaign focusing on decision makers, and general public at the local level 2.1.3 Share best practices and experiences for scale-up and replication and encourage south-south cooperation on rural energy resilience building and business development 2.1.4 Develop solar programme framework defining immediate, medium and long term actions for resilience building 	<p>USD 812,100.00</p>
		<p>2.2. Decentralized solar energy services installed in public service centers to reinforce livelihood resilience of vulnerable rural communities</p> <ol style="list-style-type: none"> 2.2.1 Analyze and define the short-term, medium term and long term solar energy priorities with stakeholders for feasibility of communal solar energy (i.e. for public centers including health clinics, and schools) 2.2.2 Design a phased out road map for technical installation of feasible communal solar energy services (i.e. solar lanterns, solar powered street lights, solar water pumps for 	<p>Budget estimate: USD 1,955,363.00</p>

		<p>communal places) to improve access to basic social services</p> <p>2.2.3 Deliver and install the community solar energy systems</p> <p>2.2.4 Train local cooperatives on installation and maintenance of the community solar energy systems</p>	
		<p>2.3. Solar energy introduced to support enhancement of rural community energy resilience</p> <p>2.3.1 Determine through a prioritization process the critical immediate and future energy needs for improving the performance of the productive assets in rural communities</p> <p>2.3.2 Identify the demonstration sites and define roles and responsibilities of stakeholders involved, particularly local institutions including cooperatives</p> <p>2.3.3 Design, and install pilot solar energy systems applications for economic and productive assets such as rural power generation for electrification/micro businesses and integrated solar water pumping to demonstrate economically optimal and sustainable water use</p> <p>2.3.4 Develop and implement capacity building programme for installation,</p>	<p>Budget estimate: USD 1,291,007.50</p>

		<p>maintenance and linkage with micro-businesses on solar energy initiative</p>	
		<p>2.4. Marketing of micro-business development for solar energy supported</p> <p>2.4.1 Assess solar market potential to support business development in the solar energy sector, with special focus on micro businesses</p> <p>2.4.2 Develop a strategic solar market mix programme (product/equipment, price, promotion and distribution) to encourage private sector engagement and support energy service demands through provision of solar energy</p> <p>2.4.3 Support building partnership and networking between national solar dealers, local private sector and key stakeholders within the four targeted governorates</p> <p>2.4.4 Support community resilience and solar business development through technical assistance and solar business development</p>	<p>Budget estimate: USD 135,000.00</p>
<p>Output 3: Informal networks promote social cohesion through community dialogue and delivery of services</p> <p><i>Baseline</i></p>	<p>1. 30 communities where WUA developed a mechanism to facilitate dialogues for water resource management, agriculture production system, and crop production system</p>	<p>3.1. Water User Association (WUA) established</p> <p>3.1.1 In partnership with CDCs identify and build a relationship of trust with existing or create new WUA</p>	<p>Budget estimate: USD 306,558.00</p>

<p>1. Water User Association (WUA) are either not existent or are not fully operational in the targeted governorates</p> <p>2. 34 community-based dialogue mechanisms were established in Abyan but not in other governorates</p> <p>3. No significant evidence of efforts to build consensus, dialogue or resolve disputes peacefully (based on a qualitative scoring and means of verification)</p> <p><i>Means of Verification</i></p> <p>1. Project periodical report</p> <p>2. Report from implementing partner, Third-party monitoring report</p> <p>3. Report from implementing partners, focused group meeting with target community members</p>	<p>2. 60 community-based dialogue facilitated by insider mediators</p> <p>3. Significant evidence of efforts to build consensus, dialogue or resolve disputes peacefully (based on a qualitative scoring and means of verification)</p>	<p>3.1.2 Increase production and profitability through changes in crop production systems and improve on processing and marketing at the benefit of farmers.</p> <p>3.1.3 Promote discussion on the potential for water marketing and valuation, including the possibility to consider a financial contribution from the urban population and the private sector as the investments made by farmers will secure their drinking water supply in future.</p>	
		<p>3.2 Insider Mediators are better able to prevent and resolve community level conflicts (including areas such as exclusion and natural resources based conflicts)</p> <p>3.2.1 Community level conflict and situation analysis conducted</p> <p>3.2.2 Capacity development through mentoring and targeted trainings of insider mediators</p> <p>3.2.3 Innovative approaches of Insider Mediators supported with small grants based on work plans</p>	<p>Budget estimate: USD 1,083,200.00</p>

Outcome 2: Institutions are responsive, accountable and effective to deliver services, build the social contract and meet community identified needs			
<p>Output 1: Functions, financing and capacity of local authorities enabled to deliver improved basic services and respond to public priorities</p> <p><i>Baseline</i></p> <ol style="list-style-type: none"> No capacity of local authorities for planning, budgeting, and monitoring basic services delivery No framework of private sector and citizen engagement in target governorates <p><i>Means of Verification</i></p> <ol style="list-style-type: none"> Local authorities' development report, recovery plan Project periodic report/ completion report 	<ol style="list-style-type: none"> From no capacity of local authorities for planning, budgeting and monitoring basic services delivery to very partial capacity observed in four governorates (based on a qualitative scoring and means of verification) Institutional framework for engaging private sector and citizens in local recovery/ resilience plan will be developed and launched in four governorates 	<p>1.1 Local authorities are better able to plan, monitor, and coordinate aid and recovery</p> <ol style="list-style-type: none"> 1.1.1 Conduct public service damage assessment by citizen and develop citizen monitoring system 1.1.2 (Re)activate DMT and restore minimum public service delivery 1.1.3 Develop a district recovery plan with monitoring framework 1.1.4 Establish coordination mechanism at the governorate level 1.1.5 Provide technical advice to the UNDP project team and local authorities 	<p>Budget estimate:</p> <p>USD 1,388,115.20</p>
<p>Output 2: Increased capacity of local actors and strengthened</p>	<ol style="list-style-type: none"> 1,400 community members indirectly benefit from informal upgrading apprenticeship 	<p>2.1 Strengthen capacity of local training providers to deliver market relevant skills and entrepreneurial training</p>	<p>Budget estimate:</p>

<p>partnership of private sector to enhance economic recovery</p> <p><i>Baseline</i></p> <ol style="list-style-type: none"> 1. Business development services and informal apprenticeship schemes have a limited outreach to the rural areas (TBD in the targeted areas) 2. Dependency on short term employment schemes is high with limited graduation strategies 3. Business associations/economic institutions have a limited technical and operational engagement in enterprise recovery 	<p>schemes and business development services</p> <ol style="list-style-type: none"> 2. 40% more likely not to apply for cash for work with SFD again in the following year 3. At least two business association/economic institution with governorate coverage have their capacity needs assessed and addressed for greater enterprise recovery engagement 	<p>2.1.1 Conduct participatory value chain analysis and skills needs assessments of non-agricultural sectors, with high potential for job creation</p> <p>2.1.2 Strengthen the capacity of local training and BDS service providers and employers to implement on-the-job training and entrepreneurship/enterprise development interventions in partnership with SMEPS</p> <p>2.1.3 Design and implement private sector led apprenticeship schemes and business development services including coaching and financial literacy assistance for targeted youth (including upgrading of informal apprenticeship in informal economy)</p> <p>2.1.4 Develop, test, and institutionalize post Cash for Work services pilot.</p>	<p>USD 1,075,419.00</p>
<p><i>Means of Verification</i></p> <ol style="list-style-type: none"> 1. Project periodic report 2. Project completion report/evaluation 3. Project periodic report 		<p>2.2. Strengthen partnership with the private sector to accelerate early recovery and employment</p> <p>2.2.1 Map active and credible economic entities with networks in targeted governorates</p> <p>2.2.2 Build capacities of business associations and economic institutions to encourage private sector-led employment creation</p>	<p>Budget estimate: USD 200,000.00</p>

<p>0.1 Technical and management agency resources adequate to implement activities and reach results are in place/available</p> <p>FAO Budget estimate: USD 2,362,500 (+GMS: 558,508.08) ILO Budget estimate: USD 1,325,811 (+GMS: 168,086.10) UNDP Budget estimate: USD 2,347,521.36 (+GMS: 1,187,764.77) WFP Budget estimate: USD 698,099.29 (+GMS: 548,695.00)</p>
<p>0.2 Joint (inter-agency) programme coordination unit is operationalized for effective administration, coordination, monitoring and evaluation of results</p> <p>Convening Agency (UNDP) Budget estimate: USD 2,513,354.78 (additional USD 140,186.92 to FAO for the North sub-national coordination)</p>