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**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 |
| ILO | International Labour Organization |
| IPC | Integrated Food Security Phase Classification |
| IPSAS | International Public-Sector Accounting Standards |
| IS | Islamic State |
| M&E | Monitoring and Evaluation |
| MAF  MoIT | Mutual Accountability Framework  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-Governmental 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 |

# 

**Programme Title:** **Supporting Resilient Livelihoods and Food Security in Yemen Joint Programme (ERRY II)**

**Overall strategic objective of the Programme:** Contribute to reduced vulnerability and strengthened resilience of crisis-affected communities in Yemen through the creation of sustainable livelihoods and improving access to basic services

**Programme Outcome:** Crisis affected communities are better able to manage local risks and shocks for increased resilience and self-reliance.

**Total amount**:

USD 51,853,858

**Sources of funding**:

EU: USD 39,851,000

Sida: USD 11,072,000

PUNO: USD 930,858

Programme Duration: Three Years

Start Date: March 2019

End Date: February 2022

**Short description of the Programme**

The Supporting Resilient Livelihoods and Food Security in Yemen Joint Programme (ERRY II), a 3 years resilience programme financed by EU and Sida, will be implemented in Yemen by the Food and Agriculture Organization (FAO), International Labour Organization (ILO), United Nations Development Programme (UNDP) and World Food Programme (WFP) in six vulnerable governorates: Hajjah, Hodeidah, Lahj, Abyan, Taiz and Sana’a.

**Names and signatures of national counterparts and Participating UN Organizations**

This programme document should be signed by the relevant Participating UN Organizations. By signing this programme document, all signatories –UN organizations - assume full responsibility to achieve results identified with each of them as shown in Table 1 and detailed in annual work plans.

|  |  |
| --- | --- |
| **Participating UN Organizations (PUNOs):** |  |
| **UNDP**  *Name of Representative*  *Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*  *Date and Seal:* |  |
| **WFP**  *Name of Representative*  *Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*  *Date and Seal* |  |
| **FAO**  *Name of Representative*  *Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*  *Date and Seal* |  |
| **ILO**  *Name of Representative*  *Signature:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_*  *Date and Seal* |  |

# Executive Summary

The **Supporting Resilient Livelihoods and Food Security in Yemen Joint Programme (ERRY II),** a 3 years programme financed by EU and Sida, will be implemented in Yemen by the Food and Agriculture Organization (FAO), International Labour Organization (ILO), United Nations Development Programme (UNDP) and World Food Programme (WFP) in six vulnerable governorates: Hajjah, Hodeidah, Lahj, Abyan, Taiz and Sana’a.

The first phase of the programme (Enhanced Rural Resilience in Yemen (ERRY), 2016 to 2019 was initiated with and funded by EU with the objective to ehance resilience and self reliance of crisis affected rural communities in Yemen. Building on results achieved and lessons learnt during phase I, EU funded Euro 35 million for the ERRY II joint programme (phase II) to scale up the initiative in order to improve food security, livelihoods and resilience building of the crisis affected vulnerable households and communities in prioritized targeted governorates.

The proposed intervention is in tandem with Swedish strategy for provision of humanitarian aid through the Swedish International Development Cooperation Agency (Sida) 2017–2020 as well as DAC’s recommendations on humanitarian-development and peace nexus (HDP). Consequently, Sida contributed Euro 10 million to top up the ERRY II joint programme. Sida’s contribution will enhance the ERRY II joint programme results by increasing number of vulnerable targeted households that the programme will benefit, amount of resources allocated to food security and livelihoods componenets of the programme. Moreover, it will strengthen the interventions that support the most vulnerable households in remote unreacheable areas to transite from depending on humanitarian relief aid to improved livelihoods opportunity and food security. The interventions through the top up from Sida will also add value to the ERRY II programme interventions by improving food security and nutrition level of the most vulnerable beneficiaries by complementing EU funds which aimed to improve livelihoods, food security and build community resilience. The top up increase efficiency of budget utilization due to using the same system, partners and monitoring mechanism. To this end, the interventions will provide capacity development, inputs, employable skills, and create opportunities to cash for work (CfW) beneficiaries to enable them transition into sustainable livelihoods. It is envisioned that the skills and livelihoods opportunities created to the vulnerable target groups will enhance their chances of improving their income, and to sustainably provide for the needs of their families, the capacity to manage future economic shocks. This will further contribute to improved nutrition, food security, increased assets, and enhanced livelihoods capital and household’s resilience while contributing to disaster risk reduction in accordance with the 2030 Agenda.

The Overall Objective of the Programme is to contribute to reduced vulnerability and strengthened resilience of crisis-affected communities in Yemen through the creation of sustainable livelihoods and improving access to basic services.

Specific Objective (Outcome): Crisis affected communities are better able to manage local risks and shocks for increased resilience and self-reliance.

The Joint Programme is expected to achieve the following results over the implementation timeframe:

* Output 1: Community livelihoods, productive assets and food security are improved to strengthen resilience and self-reliance;
* Output 2: Vulnerable communities benefit from solar energy for sustainable livelihoods opportunities and enhanced social service delivery;
* Output 3: Communities and local authorities have enhanced capacities to respond to conflict- and gender-sensitive needs.

Interventions will target the most vulnerable community groups, including women, the unemployed, youth, the Muhamasheen, internally displaced persons (IDPs) and stressed host communities. Target groups are selected using inclusive, participatory and conflict-sensitive tools that will also be used 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 to successfully implement the Programme.

The ERRY II Joint Programme will apply a coordinated **resilience-based approach** to reducing vulnerabilities and contributing to improved levels of community stability, reslience and self-reliance in target areas, improved local governance and reduced competition over scarce resources through the expansion of renewable solar energy. It will also follow the livelihoods and resilience frameworks to address venerability issues through joint programming and strategic partnerships between humanitarian and development partners.

The Programme uses an **integrated and bottom-up planning and implementation approach to strengthening resilience** in affected communities. The Programme will support local-level engagement of community institutions to identify community priorities and implement locally-owned recovery efforts that target local conflict drivers. Inclusive community resilience planning processes and implementation of community-prioritized micro projects by community members will be strengthened and institutionalized to enhance community capacity to plan and implement preparedness projects for resilience building. The Programme interventions will use community resilience plans as entry points to provide support to the selected communities.

On the same note, this project will apply conflict sensitivity and princples of “Do No Harm”. Based on the lessons learnt from ERRY I, this intervention will endeavour to contribute to prevention of conflict/promotion of peace while maintaining respect for the humanitarian principles of independence and neutrality. To do so, the project was designed based on the conflict sensitivity while taking into account the needs of the target beneficiaries as to contribute to enhanced resilience against conflict

Programme activities will also work to include women at all stages of implementation, with a focus on women economic empowerment. The Programme will actively seek to address the specific needs and opportunities for women. Women will also be part of village cooperative councils (VCCs) and insider mediator (IM) groups.

# Context

**Poverty:** According to World Bank and OECD classifications, Yemen is a fragile state, and the only low-income country in the Middle East[[1]](#footnote-2). Yemen’s human development indicators consistently trail the average for the Middle East and North Africa (MENA) region by a wide margin[[2]](#footnote-3). In 2017, Yemen ranked low on the Human Development Index, at 178 out of 189 countries[[3]](#footnote-4). Additionally, Yemen ranks 175 out of 180 countries in Transparency International’s 2017 Corruption Perception Index[[4]](#footnote-5). Yemen’s 2018 Global Hunger Index rating is alarming; it ranked 117 out of 119 countries surveyed[[5]](#footnote-6).

Yemen is the most impoverished country in the MENA region. According to the World Bank, Yemen’s GDP is estimated to have contracted by about 50 percent since 2014[[6]](#footnote-7). Food security is deteriorating, and Yemen has one of the lowest water per capita availability rates in the world. The agriculture and fishery sectors, which employed more than 54 percent of the rural workforce before the conflict, have been severely constrained by shortage of agriculture inputs such as feed and other essential commodities.

The World Economic Forum’s Global Gender Gap Index 2017 ranks Yemen last out of 144 countries surveyed, a position it has held for the last 10 years. It also ranks poorly among countries rated according to the UNDP’s gender empowerment measures. Currently, there is no minimum marriage age and early marriage is common, which negatively impacts maternal health, child health, girls’ education, female literacy and women’s economic empowerment. Maternal mortality is the leading cause of death among women of reproductive age, and Yemeni women face a lifetime risk of maternal death that is nearly four times higher than the MENA average.

The conflict in Yemen is rapidly pushing the country towards social, economic and institutional collapse. Over 15,000 people have been killed[[7]](#footnote-8) and at least 200,000 wounded according to UNOCHA[[8]](#footnote-9). Some 75 percent of the population – 22.2 million people – are in need of some form of humanitarian assistance, including 11.3 million people in acute need who urgently require immediate assistance to survive – an increase of one million since June 2017[[9]](#footnote-10). The conflict has caused over three million people to flee their homes[[10]](#footnote-11). The impact on infrastructure has been severe: health facilities, schools, factories, micro, small and medium enterprises and houses have been damaged or destroyed. According to the Rapid Damage and Needs Assessment (DNA) conducted in 2016[[11]](#footnote-12), "preliminary findings indicate severe damage to infrastructure estimated around $19 billion – equivalent to about half Yemen’s GDP in 2013 – affecting most severely livelihoods and social services”. The war has decimated Yemen’s health systems and cut off 15.7 million people from adequate clean water and sanitation.

The new offensive by the Arab coalition that backs Yemen’s exiled Government since June 2018 has intensified in their efforts to control the strategic city of Hodeida. This is the biggest battle in Yemen’s three-year-old war to date, and the first that has involved and sustained urban warfare, which has inflicted heavy casualties on both fighting forces and civilians and caused hundreds and thousands of people to be displaced to neighboring governorates and districts.

**Import restrictions:** Before the escalation of the crisis, Yemen imported 80-90 percent of its staple foods and required an estimated 544,000 metric tonnes of imported fuel per month for transportation and powering water-systems and health facilities, among other activities. Even before the imposition of complete and partial closure of ports in late 2017, fluctuating restrictions on imports, damaged port infrastructure, insurance and banking hurdles, security risks and high transport costs were key factors negatively affecting import and distribution of critical goods across Yemen. Damaged port infrastructure has further undermined the ability to import key commodities including food, fuel, and medical supplies at the scale required.

Severe access restrictions imposed by the warring parties have disrupted the flow of private sector goods essential to civilians’ survival, including food, fuel and medicine. The restriction has also impacted negatively on food imports, transportation networks and market supply, and consequently on the price of both imported and locally-produced food commodities. This represents a serious threat as Yemen now imports 90–95 percent of its staple food. The continued instability heavily impacted local agricultural production and access to markets. Although only a small share of food is produced domestically, nearly two-thirds of Yemenis derive their livelihoods from agriculture.

**Severe economic decline:** Already ailing before the escalation of the conflict, the Yemeni economy is being wilfully destroyed, and is facing an extraordinary fiscal challenge in 2018. GDP declined by 41.8 percent between 2015 and 2017 – equivalent to a loss of US $32.5 billion, or US $1,180 per capita. The macroeconomic situation in Yemen continues to deteriorate. The alarming depreciation of the Yemeni Riyal is further undermining the Yemeni economy, which heavily relies on imports paid for in US dollars and has significantly contributed to the recent price spike of fuel and basic commodities. Furthermore, Yemen is experiencing a liquidity crisis in which people, traders and humanitarian partners struggle to transfer cash into and within the country.

The economy has contracted sharply since the conflict escalated; imports and internal movement of goods have become more difficult and costlier because of restrictions imposed on the economy. In this situation, even Yemenis not directly affected by the conflict may need humanitarian assistance due to a lack of livelihood options and sharp economic decline. Enterprises have on average reduced operating hours by 50 percent, leading to layoffs that are estimated at 55 percent of the workforce. The agriculture and fishery sectors, which employed more than 54 percent of the rural workforce and was the main source of income for 73 percent of the population prior to the escalation of conflict has been severely impacted. Consequently, the livelihoods of 1.7 million rural households engaged in crop and livestock production has been seriously compromised.

The widespread conflict has impacted both urban and rural livelihoods. Over 78 percent of households are in a worse economic situation compared to the pre-crisis period; 2.5 million people have lost their incomes due to the suspension of the social welfare fund in 2016, private companies closing and displacement. An estimated 8 million Yemenis have lost their livelihoods. The conflict has pushed more people into poverty, sharply reduced economic activity, and deeply diminished people’s self-reliance and livelihoods. A survey conducted by the International Labour Organization (ILO) on employment, labour market and joint Small and Micro Enterprise Promotion Service (SMEPS), as well as a 2016 UNDP assessment on the impact of the conflict on Yemeni small and medium enterprises (SMEs), revealed that the manufacturing sector laid off about 40 percent of full-time and 38 percent of part-time employees leading to a loss of 132,000 jobs[[12]](#footnote-13). As a result, 12 percent of household heads reported the loss of their primary source of income. Small and medium enterprises (SMEs) decreased their economic activities by 80–90 percent, leading to a similar percentage of jobs being lost[[13]](#footnote-14). Millions of people are now unable to meet their basic needs independently. The social protection system in Yemen has collapsed, deepening Yemenis vulnerabilities and limiting coping capacities.

Salary payments for public sector employees have been severely disrupted due to funding constraints and the unprecedented liquidity crisis that eroded the capacity of the Central Bank of Yemen (CBY). As a result, the livelihoods of over a quarter of the population who are dependent on government salaries has further deteriorated. Moreover, imports are gravely affected by the lack of foreign currencies and continued depreciation of Yemen Riyal (YER) against US Dollar (USD).

The war grinds on into its fourth year, unleashing the worst man-made humanitarian crisis since World War II, causing massive physical damage and devastating the economy. The protracted armed conflict and the devastating effect of the civil war is not only reversing development gains but also destroying livelihood opportunities, heightening social and economic insecurity, endangering those who are already vulnerable, including women and young people, and espousing violent ideologies that are threatening to stunt prospects for peace, stability and development for decades to come.

# Problem Analysis

**Conflict and increased vulnerability**: Entering the third year of humanitarian crisis, conflict, severe economic decline and collapsing essential public services have taken an enormous toll on the Yemeni population, exacerbating existing vulnerabilities. The 2018 Yemen Humanitarian Response Plan revealed that Yemenis are facing multiple crises, including armed conflict, displacement, loss of livelihoods, food insecurity, risk of famine and disease outbreaks. Vulnerable populations in 107 out of 333 districts are facing heightened risk of famine and require integrated response efforts to avert a looming catastrophe. Real Gross Domestic Product (GDP) per capita – already the lowest in the Arab world – fell by just under 50 percent from US $590 to $326 per capita between 2012 and 2015, and by almost 35 percent in 2015 alone. Government authorities also estimate that inflation has risen by 41.8 percent as of October 2018. The impact has squeezed the coping mechanisms and capacity of vulnerable families even further, leaving more people in need of humanitarian assistance.

**Loss of livelihoods and increased unemployment rate**: As outlined above, the widespread conflict has impacted both urban and rural livelihoods. A high level of unemployment among vulnerable youth and excluded groups represents a waste of potential human resources and talent that is vital for rejuvenating the labour force. Unemployment breeds social exclusion, damages the economic and personal welfare of those it touches, shatters legitimate hopes of finding a job, and gives rise to despair and resentment that, in turn, increases susceptibility to anti-social behaviour and radicalization, and makes societies more vulnerable to civil disorder and political upheaval. The consequences of these early wounds are often deep and long lasting, taking the form of diminished future employability and earnings.

**Increased food insecurity**: An estimated 17 million people, equivalent to 60 percent of the total Yemeni population, are food insecure. Agriculture is one of the key sectors in Yemen, providing employment to more than 50 percent of the labour force, and livelihoods for 70 percent of the total population (27.4 million people). However, it is one of the most affected sectors, compromising local food access and availability. According to the Integrated Food Security Phase Classification report by FAO, cultivated areas and production measured in 2016 had decreased by 38 percent compared to the pre-crisis period, affecting food availability and household stocks. Based on the results of the Emergency Food Security and Nutrition Assessment (EFSNA), up to 1.5 million households engaged in agriculture now lack access to critical agricultural inputs (including seeds, fertiliser, fuel for irrigation) and are in urgent need of emergency agricultural support. It was reported by EFSNA that 80 percent of Yemenis are now in debt, and more than half of all households have had to buy food on credit. Similarly, most fishermen have lost their fishing assets such as boats, nets and fishing gear; essential fishing infrastructure has also been damaged[[14]](#footnote-15).

The livestock sub-sector has been significantly affected by the conflict and yet it is one of the main sources of income of the rural population, as it is considered as one of repositories of wealth and a cushion against shocks for at least one in every three households owning livestock in the country. Many animals have been killed from attacks on farms and agricultural facilities. Conflict has aggravated the already reduced livestock productive capacity caused by low investment, limited access to livestock production and veterinary inputs and services, inadequate availability and access to quality animal feed, epidemic and infectious diseases. Crisis-affected communities and households are deprived of basic human rights such as access to food, basic services and living without fear.

Based on market information as of September 2018, the YER has depreciated an average of 194 percent compared to pre-crisis (215 YER/USD). Prices of essential food commodities have increased by more than 115 percent on average, while the income of ordinary Yemenis is less than half of its value prior to the conflict, negatively affecting purchasing power of essential food commodities. The national average price of diesel has increased by 268 percent compared to pre-crisis and by 45 percent compared to the previous month average (August 2018). Similarly, the average price of petrol increased by 282 percent compared to pre-crisis and by 45 percent compared to the previous month. The sharp increase in imported commodities has pushed up the prices of locally produced commodities due to a consumer shift in preferences, and the increased prices of fuel have resulted in inflated transportation and production costs. The minimum survival food basket cost for 7 persons per month rose to average of 33,775 YER, a 94 percent increase compared to the pre-crisis period, and an 11 percent increase compared to August 2018.

**Higher vulnerability of youth and women:** Youth and women are disproportionately affected by the crisis.An assessment conducted by CARE International, Oxfam Great Britain, and the Gender Standby Capacity Project (GenCap) of the Inter-Agency Standing Committee (IASC) in October 2016 revealed that many young men are joining armed groups to secure a source of income[[15]](#footnote-16) in the absence of employment. The Youth Employment Action Plan also acknowledged that widespread youth unemployment fuelled the protests that kicked off the 2011 revolution[[16]](#footnote-17). The same assessment revealed that due to deep-rooted socio-cultural and economic inequalities at home and in their wider community, conflicts affect men, women, girls, and boys differently. Men and boys make up most direct victims of armed conflict, forced recruitment and arbitrary detention, while women and girls – who in normal times bear the burden of running the households and are exposed to different forms of gender-based violence (GBV) – become more vulnerable during emergencies. They are more exposed to malnutrition because they have limited access to resources. They work extra time to increase their income or improve their access to services.

Gender inequality in Yemen has many causes; key among these are tradition and culture which define the roles for men and women. These roles take root early in life, starting from the family setting and extending to the neighbourhood and larger community. Public sector workers are predominantly men. Women’s low social status, lack of access to political power, decision-making, education, and capital severely constrains their economic opportunities and productivity, increases their vulnerability to violent extremism and undermines their ability to act as change agents, leaders and community members to prevent and combat extremism.

**High internal displacement**: The massive displacement of population put further constraints on the local population. According to theTask Force on Population Movement’s (TFPM) 17th report, as of June 2018, there are 2,331,264 IDPs (388,544 households), the majority of whom were displaced due to conflict from March 2015, and dispersed across 22 governorates. For the same period, the TFPM identified 1,012,464 IDP returnees (168,744 households) across 22 governorates. Seventy-seven percent of IDPs live with host families or in rented accommodation, straining already scarce resources. This is highest in Hajjah and Hodeida. The southern governorates Aden, Amanat, Taiz and Lahj are receiving the highest number of returnees. One in ten Yemenis have experienced the shock of displacement due to conflict in the last 26 months. The displaced population face constraints in terms of access to food, health services, education, and livelihoods opportunities. Livelihoods opportunities and access to food are among the top two priority needs for IDPs and returnees. Additionally, the displacement coupled with the conflict have eroded the coping capacity of host communities and the ability of the local institutions to deliver basic services, disrupting food and livelihoods activities as well as markets.

**Collapse of basic services and capacity of local institutions:** Basic services and the institutions that provide them are collapsing, placing enormous pressure on the humanitarian response. Only 45 percent of health facilities are functioning, and even these face severe shortages in medicine, equipment and staff. Access to safe water has become a major challenge and the lack of proper sanitation has increased the risk of communicable diseases. The current outbreak of cholera was caused by poor sanitation and lack of water due to collapsed health services. The conflict has also affected local institutions and weakened community-based governance structures. This undermines the efforts of the local systems to provide essential services, which leads to erosion of confidence by the general public and calls into question the legitimacy of those structures. Failure of the local institutions to deliver critical social services is underlined by increased poverty, continued perception of corruption, a high inflation rate, and mounting fiscal pressure, which creates discontent and increases vulnerability.

**Lack of access to energy**: Energy supply in Yemen is very limited nationwide in general. In rural areas, the increasing demand for energy and the limited availability of fuel is among the top challenges’ communities face. The total generation capacity of the Yemeni electricity system before the crisis was about 1.223 GW. The supply gap against demand was estimated at 500 MW in 2013. Damage to the energy sector since the crisis has caused energy levels to drop more than 50 percent, which in turn has affected the health, education, employment, water, solid waste management and private sectors, as well as vulnerable households, women and the poor. Rates of using fuel wood have increased rapidly, causing negative environmental impacts.

Under the ERRY Solar Component, socio-economic and rural energy gaps and needs assessments have been conducted in target districts. Assessment results indicated that about 80 percent of households have been affected by interrupted or a cessation of energy, affecting home-run businesses (tailoring, small stores, handloom textile and handcrafts), as electricity plays a pivotal role in the development and profitability of these types of businesses. Delivery of social services has been impacted: 50 percent of health facilities lack reliable energy sources, which affects health service delivery, especially vaccinations. In addition, 74 percent of education facilities lack energy sources.

Women in most areas experience energy poverty differently and more severely than men. Without access to reliable energy sources, women and girls spend most of their day performing basic subsistence tasks which constrains them from accessing decent wage employment, educational opportunities and livelihood enhancing options, as well as limits their options for social and political interaction outside the household. In contrast, access to reliable and sustainable energy can significantly enhance women’s empowerment by reducing labour burdens, improving their health, and providing them with opportunities for enterprise, income generation and capacity building.

# Target Populations

## Target Groups

While activities are designed to benefit communities at large, the Programme will include dedicated efforts to identify the most vulnerable groups and address their specific needs including those harder hits by humanitarian crises including women, men, boys and girls. Vulnerable households/individuals will be selected through a consultative and participatory process with community-based institutions using beneficiary selection criteria jointly developed by partners.

Specifically, ERRY II will target unemployed youth, women, socially excluded, and other marginalized groups in far remote areas, including IDPs, returnees and host communities, households with highest levels of food insecurity and malnutrition, women-headed households, victims of sexual and gender-based violence, youth susceptible to recruitment by armed non-state actors as well as people with disabilities and minority groups.

In addition, data from the Social Development Fund, UNHCR, NGOs and WFP will be used to help identify Programme participants based on poverty, vulnerability and food insecurity. The entrepreneurial potential of target groups will also be assessed for small business development through specific tools designed for this purpose (e.g. Silatech's Tamheed test for literate beneficiaries). Agriculture/livestock-based interventions will also consider access to farmland and agricultural equipment in addition to vulnerability.

**Youth:** With a rapid population growth of 3 percent per annum, nearly 63 percent of Yemenis are under the age of 25. Thirty-three percent of the total population is estimated to be illiterate[[17]](#footnote-18). Of the youth population, 71 percent live in rural areas and 91 percent work in the informal sector. The presence of a large youth population with limited employment opportunities fuels alienation and exclusion from the state and economy, and feeds into conflict and instability. The population pressure has serious ramifications on scarce land and water resources and on the labour market, which is exacerbated even more due to the escalation of conflict.

The Programme will actively engage youth in community resilience-building through social and community mobilization work, which has the potential to translate into longer-term employment opportunities. The Programme will give special attention to youth –actively including young women – as an important driver of peace, providing them with income and participation opportunities. In this sense, the Programme contributes to peacebuilding mechanisms by providing opportunities for jobs, facilitating community dialogue, ensuring interventions enhance inclusion, and providing opportunities for collaboration around the Programme’s implementation and monitoring.

**Women:** For more than ten consecutive years, Yemen has been at the bottom of the World Economic Forum’s Global Gender Gap Index for women’s equality (141 out of 141 countries).[[18]](#footnote-19) Child marriage is common. Gender-based violence is hidden, but ever present in Yemen. Women have limited freedom of movement; conservative traditions prevent their participation in the economic arena; they have little control over family resources. There are striking differences between the attainments of women and men in the labour market[[19]](#footnote-20), both in terms of employment status and the range of occupations open to women.

Due to the ongoing conflict, women are disproportionately affected and have become increasingly vulnerable – women-headed households in particular. The number of women-headed households are increasing due to conflict as men are often absent seeking employment, engaging in fighting, or have been killed.

Large numbers of women are aware of their potential and eager to improve their conditions through economic empowerment and employment, although opportunities are limited. However, the role that women play in the management of water resources and informal institutions within and outside the household, such as Women’s Union Associations, is critical to rural economies. Their participation in the community consultation processes should therefore given due attention.

As this Programme is implemented in rural areas, where strong tradition restricts women’s participation, community consultation and discussions with women will be part of the priority outreach approach in order to explore suitable cash for work and other livelihood activities, including small businesses, that women can participate in.

**Marginalized groups:** The *Muhamasheen*, of African descent, are one of the most marginalized and socially excluded groups in Yemen. This is exacerbated by numerous and complex factors, such as discrimination and inequality, which limit their access to quality education; and racism in the wider community, which limits their employment opportunities. Often the only work options for them are low-wage and precarious such as street cleaning or smuggling; this has only been exacerbated by the conflict. Cash for work/emergency employment and competency-based skill development trainings could significantly improve their livelihood-generating options. To improve integration, livelihoods opportunities and reduce vulnerabilities, the Muhamasheen will be involved in the village cooperative councils (VCC) and community level consultation processes.

**Internally displaced people and returnees:** IDPs are another priority target group for the Programme. Livelihoods opportunities and access to food are among the top two priority needs for IDPs and returnees; the Programme will address this by providing emergency employment and skill development opportunities. Additionally, the coping capacity of host communities and the ability of local institutions to deliver basic services has eroded, disrupting the food and livelihoods activities and markets. Support to IDPs will help alleviate this.

**Subsistence farmers/livestock holders:** Smallholders farmers and livestock owners are also among the most affected by the conflict and thus have become vulnerable.Before the 2015 conflict, many women were involved in agricultural production, providing 60 percent of crop cultivation labor and 90 percent livestock attending labor[[20]](#footnote-21), typically in the areas of animal breeding and grazing, as well as harvesting, seeding and maintaining fields, and beekeeping. Fuel shortages and increased cost of production due to the conflict have affected the agricultural sector. Compounding this, many youths have left farming to join armed groups; women are working in fields less due insecurity; and farmers cannot afford to buy agricultural inputs, use irrigation or pay for wage laborers.

**Daily labourers:** Daily labourers constitute the largest livelihood group in all target districts and are vulnerable due to job insecurity and low wages. Agricultural daily labouring was the dominant activity in rural areas, but due to the conflict, labourers have lost jobs, joined armed groups, become displaced or have sold their limited available household assets. Low-wage employees in both public or private sectors are also increasingly vulnerable.

## Summary of Direct Beneficiaries, Communities and Indirect Beneficiaries

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Component** | **Emergency Employment & Cash for Work** | **Cash for Assets** | **Agriculture Value Chain** | **Skills Development** | **Micro & Small Businesses** | **Solar Energy** | **Conflict Prevention & Resolution** | **Local Governance (VCC & Local Authorities)** | **Workforce & Business Associations’ Support to Private Sector** |
| **Agency** |
| **UNDP** | 9,550 direct  66,850 indirect |  |  | 9,550 direct (training recipients) | 5,374 direct (micro business)  37,618 indirect | 77,000 direct (individuals)  Solar Lantern (11,000) | 140 insider mediators | 49 sub-districts community resilience plans (comprises of 220 village plan)  1,600 direct benef | 4 SME networks supported |
| 70 community market centres rehabilitated |  |  |  |  | 182 Solar service provisions for Public Institutions and systems (Water-3, irrigation-4)  Direct: 127,400 | 35 dialogues | 49 sub-district level grants implemented (comprises of 220 villages)  Direct: 115,500  Indirect: 23,100 |  |
|  |  |  |  |  | 41 community productive assets  47,000 direct  8,000 indirect | 6 community-based mechanisms | 8 District Recovery Plans developed and implemented  Direct: 56,000 individuals  Indirect: 11,200 |  |
|  |  |  |  |  | 720 trained on solar systems | Capacity building of 160 local authorities & VCCs on conflict dialogue and resolution | 248 resilience plans developed & community project support  1,600 direct  60,000 Indirect |  |
|  |  |  |  |  | 400 solar micro-enterprises | 44 community initiatives supported with block grants for conflict resolution  8,800 direct  1,760 indirect | 200 local authorities trained on planning and development |  |
| **FAO** |  |  | 164,000 direct benef  247,750 indirect benef |  |  |  | 60 water user associations  3000 direct |  |  |
| **Component** | **Emergency Employment & Cash for Work** | **Cash for Assets** | **Agriculture Value Chain** | **Skills Development** | **Micro & Small Businesses** | **Solar Energy** | **Conflict Prevention & Resolution** | **Local Governance (VCC & Local Authorities)** | **Workforce & Business Associations’ Support to Private Sector** |
| **Agency** |
| **ILO** | 1,200 direct;  14,000 indirect  benef |  | 12,000 indirect benef | 1,200 most vulnerable benefit from skills training | 3,000 microbusinesses created | 200 youth/women trained in solar skills[[21]](#footnote-22) |  |  | 1,460 direct  10,220 indirect |
| 90% of the trained have increased employment opportunities | 300 women in solar micro-businesses |
| **WFP** |  | 12,950 Participants  90,650 direct benef  108,780 Indirect benef |  |  |  |  |  |  |  |
|  | 325 community - based assets restored / built |  |  |  |  |  |  |  |
| **Total** | **Direct Beneficiaries: 740,404**  **Indirect Beneficiaries: 601,278** | | | | | | | | |

In addition to direct and indirect beneficiaries, ERRY II will also impact the lives of local populations through community level engagement and local authority/association support.

To summarise, an estimated 740,404 vulnerable individuals will directly benefit, and 601,278 individuals will indirectly benefit from improved economic self-reliance, livelihoods opportunities and other Programme interventions.

ERRY II interventions are expected to benefit entire communities and populations through the different resilience building components, such stimulating local economic activity, providing cash injections, promoting alternative energy for health centres, schools, water points and productive assets to limit negative coping mechanisms, and engaging local actors for service delivery and to promote the social contract.

## Geographical Areas

The Programme will be implemented in six vulnerable and food insecure governorates, maintaining the four governorates targeted by the current ERRY Programme: Hajjah, Hodeidah, Abyan, and Lahj*[[22]](#footnote-23)*, as they remain among the top vulnerable/in-need governorates based on data from the 2017 Integrated Phase Classification. In addition, the Programme will expand its interventions to include Taiz, the most conflict-affected governorate, and the capital Sana’a. All the selected governorates are categorized as IPC Phase 4 (Emergency) except Sana’a Governorate (IPC Phase 3), which was specifically selected in order to pilot coffee value chain development.

Districts will be selected in consultation with local stakeholders before Programme implementation begins on the basis of a combination of criteria that will include: i) access and security; ii) poverty and unemployment rates; iii) levels of food insecurity; iv) absence of qat production in the respective districts/communities (if possible); v) potential to open new agricultural land and link to sustainable water access; vi) limited humanitarian assistance already being provided and vii) potential for crop/livestock value chain improvement, including coffee value chain development in case of Sana’a Governorate. (Overview of selected governorates is in [Annex 6](#_Annex_6:_Overview))

# Lessons Learned

The evidence accumulated in the delivery of the current ERRY Programme, the consultations and discussions held with key stakeholders in Hodeidah, Hajjah, Lahj, and Abyan Governorates, the ERRY I Mid-Term Review (MTR) as well as the final independent evalaution, revealed that Programme interventions relating to strengthening livelihoods, emergency employment, agricultural value chains, community assets restoration, access to solar energy and enhancing the local capacities were highly relevant and critical. Creating sustainable economic opportunities and long-term resilience in the current Yemeni context is a huge endeavour that requires tackling a whole range of risks and stress factors.

**Linking humanitarian interventions with resilience-building:** As emergency relief activities are crucial to saving lives by responding to the most urgent human needs, integrating a resilience-building approach within humanitarian operations is equally crucial to support community livelihoods, coping mechanisms and recovery systems. There is a need for complementarity, joint planning and continuity between the humanitarian response, resilience-building and the stabilization efforts. This 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.

**Increased synergy between implementing partners**: The proposed Joint Programme will be implemented by UNDP, ILO, FAO and WFP through a comprehensive, integrated approach to address a broad range of interconnected issues and considering the multi-sectoral demands of vulnerability. The proposed interventions will draw on the comparative advantage of each partnering UN organization (PUNO) and the key lessons learnt under the ongoing ERRY Programme, as articulated by the MTR and Result Oriented Monitoring (ROM), to maximize impact. Joint delivery enables the Programme’s results to be achieved within a short timespan, maximizing impact and creating synergies between different activities taking place in the same target locations. A key lesson from the MTR, ROM and Final Evaluation is to enhance the synergies among PUNOs in the new Programme.

**Integration and convergence of action**: The four UN agencies will target the same districts and communities in order to maximize impact of the diverse and integrated interventions from all PUNOs. This will increase synergies within the technical components (for detailed examples see [Section 7: Complementarity and Synergy](#_Complementarity_and_Synergy)). The joint Coordination Unit (JCU)-strengthening synergies between the different components of ERRY II, requires close coordination and collaboration among PUNOs: joint planning, assessments and monitoring visits to governorates and districts will be strengthened for improved exchange of information, sharing of progress and joint learning as recommemnded during the ERRY final evalaution. Additionally, key to achieving community resilience is strengthening the capacity of VCCs to prepare resilience plans, mobilize resources and implement self-help initiatives. As such, all PUNO interventions will be implemented through the VCC, and PUNOs will use the same field offices to enhance team integration, efficiency, collaboration and delivery as one Joint Programme.

**Livelihood stabilization and community assets rehabilitation for resilience building**: Livelihoods are how households obtain and maintain access to the resources necessary to ensure their immediate and long-term survival. Households use these assets to increase their ability to withstand shocks and to manage risks that threaten their well-being. Lessons learnt from ERRY I show that the conflict has an enormously destructive impact on individuals’ and communities’ livelihoods. People do not wait for relief food but adopt varied positive or negative coping strategies to survive. It is very important to find ways of supporting these strategies before households become asset-depleted and destitute. Stabilization of livelihoods is a prerequisite to resilience-building, as it guarantees cash and income-generation opportunities for crisis-affected households and contributes to asset rehabilitation and rebuilding at the community level. It is essential to protect or enhance household and community assets, and aid that supports household livelihood coping strategies in conflict environments. This was confirmed by the ERRY MTR, which showed that the Programme’s livelihoods and economic empowerment activities, especially those focused on rehabilitating communal assets, had the most notable impacts on households’ and communities’ capacity to manage the ongoing shock.

**Strengthening the capacity of local and community institutions:** The presence of strong and functioning community and local institutions is the foundation for resilience-building in a community. The community coping and self-help mechanisms and social networks need to be strengthened to effectively respond and address shocks and risks. Communities and institutions need to be supported to be able to effectively identify priority areas for support that are best suited to their needs, and in planning for the related responses leveraging the available local resources and identifying gaps. The review of the ERRY I implementation and outcomes half way into its delivery showed, indeed, that VCCs and their capacity-building constitute a power tool to leverage synergies, to effectively reach vulnerable groups and to optimize impacts.

**Increased women’s participation and economic empowerment**: One of the key lessons learned from the ongoing ERRY Programme is that women’s participation in social cohesion, conflict resolution and local governance as insider mediators (IM) and VCC members has contributed significantly in addressing conflicts and basic service needs. This is the case especially resource-based conflicts at the community level which affect the livelihoods of women and ensuring that the response takes gender-related needs into consideration. Inclusion of women as IM and VCC members has also enabled greater access to basic services for women, including schools. In addition, skills development, micro-business establishment, dairy product processing and small business support provided to women’s groups have led to considerable improvements in food security and income for households. Overall, economic empowerment of vulnerable women and women-headed households enable women to have a constructive role in building the community and strengthening household resilience. Economically-empowered women are also less vulnerable to risks of violence, abuse and exploitation.

It has also been noted that the conflict has led to some positive changes in the roles and responsibilities of women, including changing perceptions of ‘appropriate’ behaviour or work for women and men. The positive change in gender roles will facilitate engagement of women in the establishment and management of micro-businesses in relevant business lines which were previously perceived as male-dominated. This will enable the introduction of pioneering and innovative solutions to empower women economically, including encouraging their engagement in gender-responsive services and professions, and gradually breaking down barriers caused by long-standing social and cultural norms. The economic empowerment of women, especially women-led households, will strengthen the role of the women in addressing and meeting the needs of the households, including taking care of disabled and wounded male war returnees, while discouraging other household members from joining the conflict.

The ERRY II Programme will also expand women’s economic empowerment interventions and women’s participation in local decision-making processes for resilience planning through capacity building for women groups, IPs and local instituions, and establishing monitoring mechanisms for women participation (gender marker) to ensure that needs specific to women are systematically addressed. A more general awareness and acceptance of the importance of gender issues and women’s empowerment among all key stakeholders is needed to ensure this. The proposed action will enhance the institutional arrangements tested during ERRY I, enhance gender-disaggregated analysis including market assessments and community prioritization processes, as well as data collection including baseline development and targets, to better tailor the interventions and monitor progress. Flexible and suitable time arrangements will be made for women to be part of the activities without causing additional heavy burden on the top of their household work and social requirements. The programme has designed women related interventions in a way that would not negatively affect the social expectation, households and family responsibilities. It is going to be built on and harmonized with the existing socially and culturally accepted ways. The programme will provide capacity building and awareness creation on the importance of women participation in community/local development to community leaders, VCC, women groups and associations. Women are particularly supported and given capacity building on how to better involve in project activities without affecting other social and household requirements. The programme will develop guideline on women mainstreaming and participation in ERRY II programme interventions in consultation with women and community institutions. Moreover, the programme will incorporate women participation related indicators in regular monitoring system in order to document both positive and negative impacts that might be occurred and take timely management corrective measures. In addition, gender-sensitive implementation mechanisms with PUNOs, private sector, microfinance institutions and the CSO partners will be enhanced under ERRY II.

**Recommendations from the final evaluation of ERRY Joint Programme:** The proposed intervention is also informed by lessons learnt during the implementation of the first phase of ERRY JP as articulated in the recommendations of the final independent evaluation. The key recommendations are:

(1) strengthening the joint programme mechanism i.e. planning, monitoring and evaluation and communication activities – and their coordination at the field level to ensure multi-dimensional resilience. In ERRY II, flexible and robost M&E system will be established and made operational with timely data collection, analysis and reporting. M&E working group has been established and training has been provided to the M&E officers on design and operationalyzation of M&E system. International M&E consultant will be contracted to assist the M&E system to provide support during the desgn and implementation of M&E system. Capacity of IPs and technical staff of each PUNOs will be strengthened to collect and share realtime data during the progress of the implementation to the JCU for analysis and reporting. Moreover, third party monitoring will be used to monitor periodicaly implementation of activities in remote and no-go areas for UN staff. Additional staff and more service providers will be considered to strengthen communication component off the programme.

(2) Area-based approach which allows intensive linkages among different PUNO components as well as recognition and monitoring of the natural resources in the defined area is also recommended. Area-Based approach is targeting specific geographical areas characterised by a particular complex problem (setting it apart from surrounding areas), through an integrated (multi-sector), inclusive (community versus particular groups or individuals), participatory (bottom-up) and flexible (responsive to changes) approach. ERRY II will assess and identify selected geographical areas in each governorate and will pilot the AB approach with its itegrated and diverse interventions.

(3) ERRY JP has also to avoid spreading itself too thinly at the field level. In this regard, ERRY II will focus and concentrate its interventions in districts where ERRY has been implemented and few more new districts and governorate. When ERRY II implementation reached year II, the project team will explore all options with donors and partners on viable ways to expand resilience building in Yemen. There will be a reflection about how to mobilize additional resources and expand this approach to new Governorates and Districts without interrupting the assistance to the present beneficiaries that are not yet self-sustaining.

# Implementation Approach

The Joint Programme will apply a coordinated **resilience approach** to reduce vulnerabilities and contribute to improved levels of community stability and self-reliance in targeted areas, local governance and reduced competition over scarce resources through the expansion of renewable energy. It will also apply the livelihoods and resilience frameworks to address vulnerability issues through joint programming and in strategic partnerships between humanitarian and development partners. Resilience is also about unleashing the work of individuals, communities, institutions and systems to steer change through innovation and learning.

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

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

The Programme will focus on the link between relief, rehabilitation and development. Interventions that that provide opportunities to address immdediate household cash/food needs of the most vulnerable are linked to the interventions that contribute to creation of sustainable livelihoods and development. The most vulnerable beneficiaries who are targeted through integrated short to long term intervetions are expected to be graduated out of general relief food to improved food security and livelihoods. Where possible, ERRY II will be implemented in areas that are relatively secure and stable and with the groups that receive limited humanitarian assistance. Considering the fluid nature of the conflict, coordination with providers of humanitarian assistance will be ensured through the cluster coordination system.

The Programme uses an **integrated and bottom-up planning and implementation approach to strengthen resilience** in affected communities. Resilience will be pursued in target areas at different levels, improving service delivery, social cohesion, basic services, food security and livelihoods recovery to address the negative impacts of the conflict. The Programme will contribute to stabilization in Yemen’s communities and provide a solid foundation for the country’s recovery when the political situation allows.

The Programme will also support local-level engagement of community leaders, VCC, and informal and formal actors to identify community priorities and implement locally-owned recovery efforts that target local conflict drivers. Inclusive community resilience planning processes and implementation of community-prioritized micro-projects by community members will be strengthened and institutionalized to enhance community capacity in planning and implementation of preparedness projects for resilience building. Programme interventions at the community level will use community resilience plans as the entry points to provide support to the selected communities.

The Programme will facilitate a closer engagement between communities and what remains of their local authorities to avoid a total collapse of the social contract through the loss of state-society relations.

**Multisectoral and integrated approach to address food insecurity and malnutrition**: This intervention will employ multisectoral and integrated approach by integrating behaviour change communication and health and nutrition components into the competency-based curricula that targets under the skills training components. It is envisioned that this will contribute to reduction of malnutrition, and undernutrition among women and children in target governorates.

Traditionally, agricultural interventions have focused on increasing food production and raising incomes to reduce malnutrition, hunger and poverty. At the same time, Women considered as the central to family food security and nutrition being responsible for food selection and preparation and care and health of children and family members. Therefore, the women emporment intervention related to the milk processing activites and animal fattinning, contribute to increasing of the nutition values through increasing of the milk production, produce new milk products and improve small romuenant fattenening. Nutrition is most likely to be affected by dairy production programming via two pathways: increased milk availability from production leading to increased direct consumption; and improved access to higher-quality foods as a result of increased income.

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

The following guiding principles will be applied:

* **‘Do no harm’**. This approach ensures that the Programme’s 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 through day-to-day involvement of counterpart institutions.
* **Manage the Programme in a flexible and responsive way**. Drawing on the experience of the Programme’s Yemeni staff, who can solicit informal feedback from counterparts, make sure that the Programme is responsive to its counterparts’ changing needs.
* **Draw on local insight and expertise**. Maximise the use of Yemeni experts on the Programme team.
* **Build momentum** **and demonstrate positive impact in the early stages of the Programme**. This will take place under each programme component, with an emphasis on ‘quick wins’ and a robust M&E strategy.
* Place a strong emphasis on **lessons learned and knowledge management**.

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

The implementation modality is responsive to the lessons learned from ERRY I 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, examining the local environment through updated risks and issues logs that will inform the partnership strategy. The type of interventions, targeted geographical locations, budget of activities and number of targeted beneficiaries are regularly reviewed and adjusted as required to reflect the community needs and reality on the ground considering the insecurities and conflict situation. There is emphasis on community participation in planning, implementation and monitoring in order to build community resilience.

# Cross-cutting Issues

The following cross-cutting issues have been identified:

**Social cohesion:** This will be streamlined and strengthened by addressing conflict drivers at the community level, enhancing inclusion, fair community resource allocation and a sense of belonging via participatory mechanisms of VCCs and similar structures.

**Gender equality**: Programme activities will contribute to strengthening women’s empowerment and inclusion of women at all stages of implementation – 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. Women will be part of VCCs and Insider Mediators.

**Environmental and social impact:** Any cash for work (CfW) activity that involves rehabilitation or construction will include an environmental and social impact assessment. Environmental and social safeguard guidelines (ESSG) will be prepared and implemented. Implementing Partners (IPs) will be trained to implement ESSG to ensure that all projects implemented by ERRY II undergo the necessary assessments to identify, evaluate and manage the associated environment and social risks and impacts. The introduction and expansion of solar energy, as a form of renewable 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. Partners will carefully monitor that when solar-driven water pumps are introduced. This will be done in combination with improved water irrigation systems and awareness-raising to ensure sustainable use of available water resources. The different interventions of the value chains on agriculture will also minimize the misuse of chemicals, reducing the negative impact on the environment. Water User Associations, Farmer Field Schools and community development committees (CDCs)/VCC will be formed and/or strengthened to increase local ownership, sustainability and to ensure maintenance of CfW interventions around the rehabilitation of water and sanitation community infrastructure and awareness-raising on the sustainable use of water.

**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. For community-level interventions, conflict and situation analyses that will be conducted as a part of identification of insider mediators (IM) will also facilitate conflict sensitivity across the activities. IMs will also provide advice on other conflict drivers at the community level so that ERRY II activities can better address them, and ensure remedial actions are taken during implementation.

**Sustainability of results**: Resilience building aims to build capacities and assets that enable communities, households and individuals to manage and sustain their livelihoods and developmental activities beyond the Programme. By working with local and community institutions in civil society and the private sector that can contribute to the Programme’s objectives, it will strive to create a support network of institutions that communities can to access beyond the Programme. Building effective relations and including partners at all stages of the Programme process, with roles and responsibilities clearly defined, and involving as many stakeholders as possible in discussions about the phasing out process, will help ensure the sustainability of the Programme’s outcomes and impacts. However, critical limitations to government ownership are real, noting the current absence of legitimate national government counterparts on the ground, which increase risks in terms of sustainability and ownership of Programme results.

**Pretection of vulnerable groups:** The aim of the programme is also ”to contribute to reduced vulnerability and strengthened resilience of crisis-affected communities in Yemen through the creation of sustainable livelihoods and improving access to basic services”, with the expected outcome-result: “Crisis affected communities are better able to manage local risks and shocks for increased resilience and self-reliance.” Food security is a way to reduce people’s vulnerability or ways to reduce risks for violence and abuse and increased level of family income can reduce negative coping mechanisms.

The humanitarian crisis in Yemen is also a result of non-compliance with IHL and human rights with many civilians being killed, wounded or having to escape and civilian infrastructure and farms being destroyed with reduced possibility to make a living. Therefore, advocacy and dialogue with different parties to respect international laws are crucial to reduce the humanitarian needs and will contribute to the protection of civilians and the results of the programme. The inclusion of minorities like the Muhammasheen is an important part of both protection and conflict prevention. In this relation the work with Human Rights Up Front is indeed relevant. The programme will promote human right based approaches and contributes to the right to access potable water, adequate food, social cohesion, access to energy and other social basic services for the vulnerable community members.

In Yemen there is HCT Protection Strategy for 2018-2019 (Yemen Humanitarian Country Team (HCT) Protection Strategy 2018-2019 with the aim to provide humanitarian system-wide vision and guidance to ensure that protection is a collective responsibility of all humanitarian actors.” The HCT strategy also mentions other UN initiative important from a nexus perspective; i) Human Rights Up Front Initiative for a more effective work addressing human rights (included in ERRY), ii) Reports of the Secretary General on Children and Armed Conflict in Yemen and iii) OHCHR. In connection with this, the programme will contribute to HCT protection strategy through awareness creation at the community level and providing alternative livelihoods opportunities for youth, improve food security and nutrition, access to solar energy, increase social cohesion and income of vulnerable groups to ensure their protection

# Complementarity and Synergy

The four UN agencies participating in this Joint Programme will ensure complementarities and synergies to maximize the impact of their interventions on the target communities. For example, the employment and employability model implemented by UNDP and WFP under ERRY I will continue to strengthen synergies among PUNOs and their implementing partners. It will further enhance targeting as well as post-CfW activities. The UNDP solar energy component will enhance the efficiency and sustainability of productive assets and livelihoods interventions that will be supported by WFP and FAO. It will provide solar energy solutions for agricultural production irrigation projects, dairy processing groups and critical basic services, while focusing on sustainable livelihood opportunities.

The UNDP livelihood component and ILO already work together on small business development and recovery for youth. UNDP and ILO successfully adapted ILO’s *Start and Improve Your Own Business* package to build capacities of vulnerable youth and women on business start-up packages and business grants as youth acquire employable skills to either find jobs or start their own business. This also will be linked with the already-established small business for women and animal feed producers’ initiative by FAO.

ILO will work with WFP and FAO to create sustainable livelihoods opportunities for CfW beneficiaries. UNDP, WFP and FAO will also streamline and harmonize CfW interventions for the beneficiaries interested in self-employment opportunities as part of the exit strategy in the post-CfW phase. UNDP’s social cohesion component will work with the FAO water management component to strengthen the capacity of informal institutions to manage local water management-related conflicts and enhance local peace and development. UNDP’s social cohesion component will also ensure that conflict sensitivity is mainstreamed across all ERRY II interventions by the agencies and implementing partners, provide related capacity-building as well as a common local conflict analysis in the targeted areas to enhance conflict-sensitive programme implementation. Gender considerations will be mainstreamed in the relevant analysis.

UNDP’s local governance component works with all other PUNOs’ interventions at the community level by establishing VCCs, preparing community level resilience plans as a base for all interventions and coordinating all Programme interventions at the community level. The district recovery plans will be based on the local conflict analysis and reflect all district level priority interventions implemented under ERRY II on livelihoods, solar energy, and conflict resolution and social cohesion. All relevant assessments and mappings conducted to guide the interventions will also be integrated within the district recovery plans.

FAO’s agricultural value chain development component will support UNDP beneficiaries who are interested in establishing agriculture/livestock-based small businesses by providing inputs, technical agricultural/livestock training and linkages to market. ILO provides skill development support for FAO-targeted farmers, women in business development and linking the groups to market.

The Programme will complement the ongoing **UNDP and World Bank Emergency Crisis Response Project (ECRP)** which is implemented by the Social Fund for Development (SFD) and Public Works Programme (PWP) by coordinating the target areas for interventions, especially in high risk areas for famine. ECRP aims to mitigate the impact of the current crisis on local households and communities and assist their recovery from the bottom up using local systems, capacities and institutions to progressively resume and scale up service delivery. Both complement each other and contribute to common objective of livelihoods stabilization, community asset rehabilitation, and support to agriculture-based SMEs including farmers, fishermen, and livestock producers, and strengthening local capacities for service delivery. SFD will also be a key implementer of the local capacity strengthening component under ERRY II, focusing on support to VCCs. The technical expertise and capacities related to community asset rehabilitation implemented by PWP and SFD will be shared with ERRY II to guide the relevant interventions, especially on water-related infrastructure including irrigation channels and water reservoirs, and rural/small roads under CfW activities, to avoid any overlap in the targeting of beneficiaries and ensure that the interventions are spread out to benefit more people in need.

The Programme will also complement **the EU-funded FAO project, Enhancement of Food Security and Resilient Livelihoods Programme (EFRLP)** through its short-term emergency employment CfW interventions and small enterprise recovery, which is not covered by FAO project. Both projects have agricultural value chain development components. Knowledge, technologies and experiences can be shared to complement each other and build synergies by targeting different districts.

The Programme will also complement the **EU-funded Social Protection for Community Resilience Project of UNDP (SPCR),** which targets priority areas for both famine and cholera prevention. The technical expertise and lessons learned under the ERRY II in support to community based and local institutions will be leveraged to implement similar interventions but in different target areas under the SPCR. The health facility rehabilitation support under the SPCR will also complement and enhance the interventions under ERRY II especially in facilitating access to critical health care necessary for the vulnerable population in the target areas under ERRY II.

The Programme will also complement humanitarian relief interventions by targeting vulnerable households and communities that have not already been targeted in the humanitarian response through provision of livelihoods opportunities, protecting of productive assets, and building coping mechanisms and resilience by linking resilience with humanitarian interventions. The current ERRY Programme is a part of the emergency employment and community resilience cluster; the work of ERRY and other early recovery and humanitarian interventions are coordinated to ensure synergies and complementarities.

**Complementarity with SIDA interventions in Yemen:** SIDA has been supporting a number of interventions in Yemen in various sectors such as food security and livelihood, protection, WASH, education as well as health sector, complementarity with each sector is described as below:

1. **Food security and livelihood sector:**

Food security rests on the following core pillars:

* Availability of diverse and nutritious foods
* Physical, economic and social access to nutritious foods
* Adequate utilization of food items consumed to maintain a healthy nutritional wellbeing
* Strengthening stability of the pillars and systems people rely on over time

However, the protracted armed conflict in Yemen has led to displacement of population, decrease in food production, with market systems facing potential collapse. The ERRY JP targets the most vulnerable households and communities who lost their assets and their ability to earn a living disrupted.

The ERRY II JP complements and coordinates with other actors in the livelihoods and food security sector in order to maximize impact and avoid duplication. To this end, all the participating UN Agencies (PUNOs) of ERRY are members of the Food Security Cluster that is coordinated by FAO and WFP. The overall objective of the cluster is to facilitate combat of the deteriorating food security situation in Yemen. The cluster actively contributed to the development of the Humanitarian Response Plan 2019.

Additionally, all the PUNOs are members of Livelihoods Technical Working Group (LTWiG).

The ERRY JP coordinates with the actors through LTWiG in order to support communities’ resilience through:

* **Meeting basic needs/livelihoods provisioning:** Protect and stabilize affected households against further effects of risks and crisis by ensuring access to adequate and appropriate nutritious food. Provide other essential livelihood needs required for survival.
* **Livelihoods protection:** Support vulnerable households and communities in protecting livelihood systems, avert erosion of productive assets, and support households and communities in restoring productive assets.
* **Livelihoods promotion:** Enhance household and community capacity to manage risks and shocks and to leverage their adaptive, financial and human capabilities. Invest in lasting solutions for improved economic and social wellbeing and dignity.

UNFPA, with the support from SIDA, is currently implementing project. The ERRY II JP will complement this intervention by providing employable skills training to the beneficiaries of the SIDA supported intervention to enable them to acquire appropriate knowledge and skills to meet basic needs, open doors to job opportunities, and ultimately raise women’s standard of living and status in Yemeni society.

1. **Health Sector**

With over 50 per cent of the health facilities dysfunctional due to lack of supplies and essential medicine and salaries, some 16.4 million people are in dire need of assistance to access health care. This is an increase of nearly 80 per cent since the war started in March 2015, underlining the disastrous impact of the collapse of the health system and the rising needs, which are likely to increase. The effect of the damaged health facilities, particularly the reproductive health facilities has led to near paralysis in delivery of reproductive health services, placing more women and girls of childbearing age at extreme risk to their health and their children, in a country with already one of the highest maternal mortality ratios in the region.[[23]](#footnote-24)

1. Complementarity to enhance the delivery of reproductive health services and supplies

Under ERRY JP, the ILO complements the current humanitarian interventions in provision of reproductive health services by improving the capacity of community midwives and paramedics to become independent healthcare service providers through the following activities:

1. Provision of entrepreneurship training to community midwives and women paramedics based on the ILO’s “Women Do Business” program in order to enhance their capacities to establish their own clinic generating income. As a result of this, women will have greater access to productive and gainful employment opportunities in social business, and with a substantial number of community midwives and paramedic women productively engaged in the respective in provision of reproductive healthcare services at the end of project.
2. Provide training to community midwives and women paramedics on occupational safety and health (OSH) based on the ILO’s HealthWISE Manual in order to enhance their capacities to provide quality private health service
3. The ILO will also establish coordination and referral mechanisms to provide support to community midwives and women paramedics to report and remediate workplace inequities and violations in collaboration with the local authorities, Ministry of Social Affairs and Labor (MoSAL), Ministry of Health, National Association of Midwives, and other stakeholders.
4. Complementarity to enhance access to life-saving vaccines

In order to complement the actors in the health sector, the UNDP, under ERRY will procure and install solar panels on XX facilities that will enable the facilities have access to electricity for refrigeration and storage of essential vaccines.

Additionally, ERRY supported the critical facilities to resume functions at the height of cholera epidemic. For example; more than 55% of health facilities in the north function partially and this has led to the collapse of the emergency case management services. It became critical during the peak of cholera waves where health facilities unable to treat despite resource but lack of energy. ERRY supported hospitals through solar energy which helped in resuming full capacity and helped saving money from diesel as well.

1. Complementarity to strengthen the functions of VCC to maintain their core functions and structures for delivery of basic healthcare services

Under the local governance and social cohesion component of ERRY, 21 rural clinics were built and now fully utilized by health agencies such as WHO, IMC and others which has further improved services in that areas.

1. Complementarity in response to cholera epidemic

The ERRY intervention targeted acutely affected Cholera incidences areas where rapid response was provided by humanitarian aid agencies and ERRY complemented each other. ERRY JP, in collaboration with WASH cluster, INGO and Local NGO, provided Solar Automated Chlorination drinking water system. This was done in collaboration with.

1. **Private Sector**

Solar energy sector

UNDP, FAO and ILO are active members of Solar Working Group (SWG) whose participants are drawn from UN Agencies, NGOs, Department of Renewable Energy, the Private Sector, and grassroots organizations. SWG was established in order to strengthen collaboration on solar energy interventions in response to the increasing needs in Yemen. Activities undertaken as part of this project would complement and build upon other previous and ongoing ERRY interventions in Yemen.

1. Support to women entrepreneurs in solar energy sector

An impact assessment conducted under EU funded “Enhanced Rural Resilience in Yemen” (ERRY) revealed that support of solar PV systems to productive assets was able to create livelihood opportunities for many vulnerable households and reduce the cost of production, as well as increase income.[[24]](#footnote-25)

An ILO survey[[25]](#footnote-26) of women entrepreneurs in solar energy sector in four governorates revealed that there are around 100 successful businesses in solar energy sector created and run by Yemeni women. This project will capitalize on the rapid boom in the solar industry since it offers benefits that can be leveraged to empower women to meet their full economic potential, improve their livelihoods and income.

However, women’s participation in the solar energy sector are hindered by several factors:

1. lack of market-driven technical skills in solar occupations;
2. Limited capacity of the formal and non-formal training providers to provide quality, relevant and gender-responsive vocational training in solar occupations;
3. limited access to finance for potential rural women entrepreneurs in solar businesses due to lack of access to relevant information on financial products, weak capacity of national banks and Financial Service Providers FSPs to reach the target group with appropriate financial products, as well as lack of financial literacy education;
4. lack of women organization/associations in solar energy sector to sustainably address socioeconomic and cultural barriers to women economic empowerment and advocate for their rights and representation in the solar energy sector which not only diminishes the capacity of Yemeni women to harness the growth of the solar energy technologies to drive economic development but also limit their capacity to organize, coordinate, manage and take decisions.

ERRY project supports this sector through provision of skills training to women in solar home systems (SHSs), capacity building of women in solar enterprises through provision of business services for women entrepreneurs, especially those in the rural areas. The ERRY project also provides business trainers and business associations with the knowledge, concepts and skills on how to better support women-owned micro and small businesses with growth potential. Additionally, ERRY project developed approved sectoral vocational curricula (in 11 priority occupations) with the Federation of Yemen Chamber of Commerce and industry (FYCCI) and Yemen Business Club. The assumption behind it is that trainees will be nationally mobile (“portability of certificates”) which would help them and major employers. These curricula are demand driven and tailored to the needs of the market are currently used by many actors (e.g. Mercy Corps, Save the Children, NRC, UNICEF, UNFPA) providing skills training to target beneficiaries in various parts of Yemen.

1. **Education Sector**

The ERRY JP participates in the Education Cluster through the ILO and was actively engaged in the development of the education component of the Humanitarian Response Plan for Yemen 2019. The identification of the skills training target beneficiaries of the ERRY Project was based on the needs and priorities identified in the HRP priority of increasing access to market-driven quality vocational education for those who dropped out of schools.

# Alignment with Policy Framework

The proposed programme interventions are aligned with the policy of the government of Yemen, UN, Sida and EU frame work on resilience building of the vulnerable communities:

**Government of Yemen Policy Framework**

The Government of Yemen (GoY) had placed resilience very high on its agenda with a number of appropriate policies and strategies in place. The overall goal of the Government of Yemen is *“to realise sustainable economic growth to reduce poverty and unemployment”*.

**National Agriculture Sector Strategy**: The National Agriculture Sector Strategy and Investment Plan 2012-2016 (NASS) stated that the development of the agriculture sector will have a key role in addressing poverty, food insecurity and conflicts. The objectives of the NASS are: raise domestic agricultural production, lead efforts to fight poverty in rural communities, and preserve the environment and natural resources. The NASS is also intended to support multi-sectoral initiatives in the areas of food security, climate change, and poverty reduction.

**The National Strategy for Renewable Energy and Energy Efficiency:**The National Strategy for Renewable Energy and Energy Efficiency was developed in 2009 under the Ministry of Energy and Electricity. The Strategy identifies key issues, supply options, policy options and strategic to remove barriers and promote renewable energies and energy efficiency. The strategy provides options to promote renewable energy including solar, by facilitating the supply of equipment in the market through a mix of policy and access to finance options and strengthening the related coordination and planning.

**UN Policy Framework:**

**(1) United Nation Development Framework (UNDAF 2012-2015)** for Yemen: This framework has been extended for another two years until 2017. UNDAF stated that over the last few years, Yemen has faced a reversal in development, largely due to the impacts of the food, fuel and financial crises. The initiative is consistent with the **UNDAF’s overarching theme of building resilience, and economic, social and environmental risk reduction,** and cognizant of the interface between humanitarian and development assistance.

(**2**) **United Nation Strategic Framework for Yemen (2017 to 2019):** This UN Strategic Framework is the result of a process of assessment, analysis, consultation and a great deal of reflection. As the Outcome statements identified below suggest, this framework seeks to set out as clearly as possible what needs to be done to prevent the complete collapse of national capacity in Yemen, to restrict the humanitarian crisis from growing, and to support the ongoing efforts towards peace and security in Yemen. Activities will be focused towards sustaining basic social services, **socio-economic resilience**, social cohesion and protection, and peacebuilding with the following overall goal: to mitigate the impact of the current conflict on the social and economic conditions in Yemen, and on the capacity of state institutions while contributing to ongoing peacebuilding efforts. **Outcome three of the framework stated that “Communities are better managing external threats, local risks and shocks with increased economic self-reliance and enhanced social cohesion”.** ERRY II has been aligned with this UN framework and will contribute to achieve this outcome.

**EU Policy Framework**

**Resilience**: in June 2017, the EU published, **a joint communication to the European Parliament and the Council: A Strategic Approach to Resilience in the EU's external action**. The joint communication recognises the need to move away from crisis containment to a more structural, long-term, non-linear approach to vulnerabilities, with an emphasis on anticipation, prevention and preparedness. The EU's resilience approach expands to address state, societal and community resilience. **It places a greater emphasis on addressing protracted crises, the risks of violent conflict** and other structural pressures including environmental degradation, climate change, migration and forced displacement.

**Sida Strategy for Hunaitarian Aid**

Sweden’s resilience work, this is mainly directed by two documents: i) Strategy for Sweden’s humanitarian aid provided through the Swedish International Development Cooperation Agency (Sida) 2017–2020 and 2) DAC’s recommendation on HDP nexus. In the Swedish strategy the following are in particular relevant: “Both development actors and humanitarian actors should contribute to resilience and disaster risk reduction in accordance with the 2030 Agenda. The promise of the 2030 Agenda to ‘leave no one behind’ requires that particular attention be given to the poorest and most vulnerable people, which was also an important issue at the World Humanitarian Summit” and “under Area 1: *Needs-based, fast and effective humanitarian response***.** Sida is to: improve the conditions for resilience and risk reduction, and strengthen cooperation with development actors in this area

The DAC Recommendation aims to provide Adherents with a comprehensive framework that can incentivise and implement more collaborative and complementary humanitarian, development and peace actions, particularly in fragile and conflict-affected situations. It provides a common set of eleven principles to guide and support Adherents, in their capacity as donors, development cooperation actors and stakeholders in the international community. The DAC Recommendation also aims to strengthen coordination, programming and financing to address risks and vulnerabilities, strengthen prevention efforts and reduce need in order to ensure that we reach the furthest behind.

# Programme Results and Activities

## Objectives

The Overall Goal of the Programme: Contribute to reduced vulnerability and strengthened resilience capacity of crisis-affected communities in Yemen through creation of sustainable livelihoods and access to basic services.

The Outcome of the Programme: Crisis affected communities are better able to manage local risks and shocks for increased resilience and self-reliance.

The Programme contributes to Agenda 2030 as it contributes primarily to the progressive achievement of Sustainable Development Goals (SDG): **1**: End Poverty in all its forms everywhere, and **2**: End Hunger, achieve food security and improve nutrition and promote sustainable agriculture.

The proposed intervention also promotes progress towards SDG 5: Achieve Gender Equality and Empower all women and Girls; Goal 7: Ensure access to affordable, reliable, sustainable, and modern Energy for all, and Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. However, it is important to note that this does not constitute a commitment by the country benefiting from this programme to achieving specific SDG targets.

The programme will also contributes to address the root causes of the humanitarian crisis and contribute to decreasing humanitarian needs in Yemen, through a resilience intervention that can positively contribute to an enhanced nutritional and food security situation, as well as enhanced livelihood opportunities. The communities are expected to better manage local risks and shocks for increased resilience and self-reliance. This would lead to decreased humanitarian needs. The Programme uses an integrated and bottom-up planning and implementation approach to strengthening resilience in affected communities, bringing humanitarian, development and peace components together.

## Outputs and Activities

**Output 1. Community livelihoods and productive assets are improved to strengthen resilience**

The Programme will provide improved seeds for cereal and vegetable crops, feed, small dairy equipment and other inputs, and build the capacity of farmers and extension agents, as part of its value chain development activities to increase production and productivity of agriculture, using farmer field schools (FFS) and Village Agricultural Producer Groups (VAPG) in a participatory approach. Small-scale dairy product producers will be supported with improved equipment and training to improve the quality and quantity of products supplied to the market. Livestock feed is one of the critical constraints for livestock production in the target areas, and the Programme will also address the shortage of feed through provision of feed concentrate and feed blocks. The Programme will also support sheep fattening for small businesses and animal health services. These interventions will reduce the rising trend in migration to urban areas of young people, maintain local agricultural production and employment, and improve food security and incomes of vulnerable rural households.

The Programme will also support women’s groups in dairy product processing and marketing based on lessons from the ongoing ERRY Programme. The Programme will address the current energy constraints in agriculture through the provision of solar energy. It will also pilot coffee value chain development with selected potential producers, which is expected to improve smallholder coffee production, handling, processing and marketing to exporters. The interventions are expected to increase income of coffee producers and encourage them to continue with coffee production instead of replacing it with qat production, which is a current negative trend.

Short term emergency employment opportunities will be created for the most vulnerable in order to improve their access to income, food and livelihoods. At least 35 percent of direct beneficiaries will be women and women-headed households, with at least 30 percent IDPs/returnees. The modality will be labour-intensive cash for work (CfW) designed around the rehabilitation of key community assets, which will be identified in consultation with communities and the local authorities. This will enable the target households to generate enough cash to meet the livelihood protection and resilience threshold, which will in turn contribute to improving community assets.

The Programme will also contribute to creation of employment opportunities and income generation for target vulnerable groups (women, youth, Muhamasheen and IDPs/returnees), and will ensure that the approach integrates gender and conflict-sensitivity. The Programme will simultaneously develop and integrate support for target beneficiaries that combines labour-intensive work with entrepreneurship skills development and promotes the development of social impact businesses that address the critical needs in the communities, using the 3x6 approach. For youth susceptible to armed recruitment, the emergency employment scheme will provide alternative opportunities for income, as well as an opportunity to engage in both short and long-term employment opportunities. The beneficiaries of the short-term emergency employment will also be provided with skills development training and grants for self-employment. Entrepreneurship training will be provided for those who want to establish microenterprises, supported with grants as start-up capital to top up savings from CfW activities. Business advisors will provide on-the-job advisory and mentoring support to ensure the establishment and success of small businesses. Post-CfW support will include occupational safety and health training, competency-based training and life skills to enable the transition from emergency short-term employment to sustainable livelihoods opportunities. Based on the learning from ERRY I, the self employment and employability approach will be adopted. PUNOs will collaborate through community resilience plans.

Capacity building of the local private sector will be delivered through the Chambers of Commerce and SME networks, enabling private sector to engage in district-level recovery and resilience planning processes and mechanisms, and have a say in identifying both priority needs related to the private sector and areas where they can intervene/support (around the community needs). The intervention will also support private sector engagement in humanitarian and longer-term resilience activity.

The key results under this activity are:

**Activity Result 1.1: Skills developed, and food security improved for vulnerable farming households through agricultural value chain development (FAO)**

ERRY joint programme identified and analyzed during its phase one key agricultural value chain opportunities through assessment. The key criteria for such identification were: good priorities for cash income & food security, good market growth opportunities, good potential for smallholder farmers participation and existing technical challenges that can be addressed. The programme has been working on the following VC:

* Improvement of Small-scale Backyard Sheep / Goat Fattening Business (mainly practised by women).
* Improvement of small-scale milk production, home processing and milk hygiene standards through supporting to women, dairy producers & milk collectors.
* Improvement of feeds and fodders for animal feeding.
* Improvement Productivity of Sorghum & Pearl Millet through support to farmers with improved seeds.
* Improvement of Tomato Production.

The agricultural value chain development component of ERRY I has improved household food security and income and livelihoods opportunities for smallholder farmers and women-headed households through the provision of improved inputs, equipment, trainings and technologies. A total of 2,490 smallholder farmers were supported with dairy equipment, which resulted in increased quality and quantity of milk production and household incomes; 15,743 households received 151,643 multi-nutrient blocks and improved livestock conditions; 16,911 livestock producers were supported with sugar molasses to alleviate the serious feeding crisis; and 19,950 smallholder farmers benefited from traning seasions and Farmer Field Schools (FFS).

Building on the achievements and lessons of ERRY I, this Programme will scale up its interventions to reach more vulnerable smallholder farmers, focusing on quick and high impact initiatives that will create sustainable crop/livestock value chains while improving food security/safety standards and income generation for affected low-income households. The Programme will provide inputs and productive assets to those who have partially or totally lost their main productive assets, animals, or water irrigation facilities. Emphasis will be placed on accompanying measures that have the greatest potential for rapid crop/livestock value chain productivity improvements in the targeted areas. Capacity building and technical assistance will accompany the provision of appropriate inputs and supplies to support household and community-based food and feed production, processing and marketing. Every value chain will be well mainstreamed with clear link between the farmers associations and the markets.

The Programme will support female-headed households to process and market dairy products and promote small-scale backyard sheep/goat fattening businesses, while also promoting new feeding technologies and fodder crops to increase feed availability.

This component will target 30,000 small-scale agricultural producers (HHs) with 20,000 direct and 10,000 indirect beneficiaries. The project will apply demand-driven, community-based and participatory value chain approaches to agricultural livelihood rehabilitation. The situation of each beneficiary will be assessed and analyzed individually through needs assessment field surveys. Direct beneficiaries will be selected according to rigorous criteria, including: i) drawing main source of income from selected promising value chains; ii) prioritizing poor, female-headed households and young farmers directly involved in running their farm; iii) small-scale farm/animal keeping (≤ 10 Sheep/Goats; ≤ 2 hectares), iv) small-scale farmers with commercial crop/livestock activities integrated with irrigated agriculture; v) farmers with experience in crop/backyard fattening or dairy, with capacity to accommodate the proposed interventions, and vi) willingness to cooperate with the Programme and participate in training sessions.

The distribution of direct beneficiaries between districts and villages will be determined through the application of a composite index measuring social status, income, living standards, farm size, promising value chain, marketing and home processing, which is based on the results of an extensive field survey. The Programme will indirectly benefit 10,000 other farmers (HHs) in the target districts through a spillover effect, including through veterinary services, processing and marketing, development of fodder crops and other feeding technologies, and training to strengthen capacities in improved livestock/crop management and hygiene. Extension agents from Ministry of Agriculture and Tehama Development Authority (TDA), private veterinarians, NGOs and other organizations working with other agricultural projects in the targeted areas will also benefit from the training sessions and extension manuals and leaflets produced by the Programme. ILO and UNDP will work closely with FAO to align interventions providing entrepreneurship training to farmers, creating small agriculture/livestock based small businesses and providing of solar energy for productive assets, including of solar water pumps for irrigation.

*Action 1.1.1: Identification of key agricultural value chain opportunities through market assessment and participatory community validation (FAO)*

* Conduct a needs assessment field survey to identify new villages in the target districts not covered by ERRY I to identify potential crop, livestock and feed value chains, Programme interventions and new beneficiaries.
* Establish 65 new Village Agricultural Producers’ Groups (VAPGs) by grouping neighboring villages in new target areas while strengthening the 85 existing VAPGs. The groups will become a channel for communication with target communities, serving as focal points for the Programme in terms of service provision and management (training, farm inputs, veterinary services and FFS), enabling them to follow up the proposed interventions, ensuring ownership and sustainability.

*Action 1.1.2: Support farmers to improve sorghum/millet value chain through provision of improved seeds and capacity building (FAO)*

Sorghum and millet production are critical food security crops, as most food-insecure people depend on them. The Programme aims to increase productivity, which is currently very low, through distribution of improved seeds and capacity building. The Programme also will provide a management kit for a new pest in Yemen, the Fall Armyworm. Training will be provided to sorghum farmers to enable them to produce high quality seed and organize groups (farmers) to multiply seed at the field level:

* Support 19,000 smallholder farmers with improved sorghum and millet seeds to produce staple cereal grains and livestock fodder. Farmers cropping under spate irrigation will have priority;
* Select 350 smallholder farmers, who both have enough land and practice commercial crop activities integrated with irrigation, to lead small-scale intensive cereal seed multiplication. They will be supported with improved seeds, handling and storing supplies, training on seed production good practices and private sector engagement;
* Support 1,000 smallholder farmers with improved legume seeds (vetch, lablab and cowpea) to promote undersowing of sorghum/millet crops with legumes to improve soil fertility, sorghum grain yield, fodder and protein food from legumes;
* Procurement of improved sorghum seeds (1000 tonnes), pearl millet (50 tonnes) and legumes (20 tonnes); inputs and supplies for seed growers (100 kits); and management kits for Fall Armyworm (Neem and pheromone traps).

*Action 1.1.3: Support farmers to improve tomato value chains through provision of improved seeds, fertilizers, marketing and capacity building (FAO)*

This will address critical issues faced by tomato farmers, who are experiencing very low productivity and losses because of diseases and insect pests (mainly *Tuta Absoluta*):

* Support 5,900 smallholder farmers with high quality tomato seeds and fertilizers. Inputs delivered to identified farmers who are traditionally cultivating tomato and have irrigation facilities;
* Support 50 pilot farmers with pipes and accessories to promote and demonstrate modern techniques with drip irrigation for tomato crops;
* Procurement of high-quality tomato seeds (5,900 pieces, with 5,000 seeds each); soluble NPK fertilizer (200 tonnes), supplies for drip irrigation (100 kits) and Neem & pheromones (2500 kits).

*Action 1.1.4: Support farmers to improve livestock productivity through provision and development of feed resources, fodder and capacity building (FAO)*

This will address poor animal feeding in Yemen – which occurs due to a shortage of feed, poor quality of feed, high prices of sorghum stovers and fodder that is inefficiently used (leftovers can exceed 40-50 percent). Improvement of animal feeding in Yemen is a prerequisite to improving livestock productivity, which in turn contributes to increasing resilient livelihoods in target districts through income-generating and food security, such as increased milk surplus, higher growth rate and shorter fattening cycle:

* Support 5000 farmers to improve fodder crops under small-scale irrigation and with spate/flood irrigation (sorghum, alfalfa, Rhodes grass). Promote sorghum intercropping with food legume grain crops to provide supplementary protein, using twinning cowpea plants;
* Support 100 farmers and VAPGs with fodder choppers to reduce waste of sorghum stovers;
* Support 25,000 livestock farmers with wheat bran to improve milk production and small-scale backyard sheep/goat fattening business;
* Support 25,000 livestock producers with innovative feeding technologies, feed blocks and sugar molasses, as a strategic feed supplement based on better utilization of local feed resources;
* Procure the following inputs to increase production of feeds and fodders: wheat bran (2500 tonnes); fodder seeds (1 tonne each of alfalfa and Rhodes grass); fodder choppers (100 units); feed blocks (1,600 tonnes) and sugar molasses (5,000 tonnes).

*Action 1.1.5: Support farmers to improve livestock productivity through provision of veterinary services and a vaccination campaign (FAO)*

This will reinforce animal health and prevention against the most recurrent animal diseases to protect animals, which are considered key assets for most rural households. This will also strengthen local institutional bodies (MOAI, livestock associations, NGOs) to implement a vaccination campaign carried out by well-trained animal health workers (AHW):

* Support 30,0000 farmers (20,000 directly and 10,000 indirectly) with a vaccination campaign and treatment of 600,000 sheep/goat and 100,000 cattle against TDAs and other widespread diseases: Peste des Petits ruminants (PPR), Sheep & Goat Pox (SGP), Lump Skin Diseases (LSD), Foot & Mouth Diseases (FMD), treatment of sheep/goats against internal and external parasites and Enterotoxemia (Clostrodium sp.);
* Support 6,000 dairy producers, mainly female-headed households, with disinfectant and detergent for milk hygiene as well as vet kits and supplies used under supervision of veterinary workers to prevent and treat recurrent dairy cow diseases: teat dipping bottle and iodine solutions, California test kit (CMT), mastitis prevention medication; metritis prevention and treatment (BOLUS with antibiotics and solution for washing infected uterus), kits for foot rot treatment and prevention.
* Procure vaccines (600,000 doses PPR and SGP; 100,000 doses LSD and FMD); drugs against internal and external parasites (600,000 doses of ivermectin); Enterotoxemia vaccines (600,000 doses); milk hygiene kits (2000 pcs), mastitis treatment and prevention kits (1000 pcs), metritis and foot rot treatment and prevention kits (1000 pcs).

*Action 1.1.6: Support smallholder dairy farmers to improve milk value chain production through provision of small dairy equipment, marketing and capacity building, including empowering female-headed households to process and market improved traditional dairy products (FAO)*

Improvement of milk hygiene standards and milk marketing will improve milk supply. It will also empowerfemale-headed household dairy communities to process and market improved traditional dairy products to enhance income generation through growing demand for their improved quality products:

* Support 6,000 smallholder dairy producers to increase milk supply by improving milk hygiene standards by distributing stainless-steel milk cans and milk filters. Farmers also supported to improve milk productivity through capacity building and feeding technologies;
* Support 50 dairy associations and women’s groups through rehabilitation or establishment and equipping of 50 pilot small-scale dairy units for milk collection, cooling, processing and marketing;
* Support 2000 female-headed households to produce improved hygienic traditional dairy products (zabadi, laban hakin, butter, ghee semna white cheese), with hygienic stainless-steel tools and utensils for home dairy processing;
* Procure and distribute hygienic supplies and stainless steel dairy equipment and equipment to support improvement of dairy value chain: stainless steel milk cans of different capacities (4000 pcs); milk filters (6000 pcs); single head petrol milking machines (50 pcs); detergent and disinfectant, teat dipping solution and cups (5000 units); medium size 250 litre dairy units with working tables (50); 60-70 litre pot pasteurizers with working tables (150 units); electrical butter churns (250 pcs); cooling tanks of different volume along with necessary generators (different powers), milk reception and filters, electronic balances, pumps, and laboratory equipment for milk testing to establish 20 pilot small-scale dairy units for milk collection, cooling, processing and marketing (20 units); insulated five-tonne truck to support dairy cooperatives to transport and market milk (1 unit); insulated and refrigerated small one-tonne truck to enable women’s groups to transport and market their dairy products (1 unit); one tuk-tuk to enable dairy co-operative and women’s groups to collect and transport milk from village farmers to collection/processing units (50 pcs).

*Action 1.1.7: Empower female-headed households to develop small-scale backyard sheep/goat fattening businesses by providing small equipment, feed, vaccines, drugs, marketing facilities and capacity building (FAO)*

This will increase the productivity of the small-scale backyard sheep/goat fattening value chain through improved management. Sheep/goats are the main cash source for most rural farmers to meet their immediate needs of household expenditure (mainly food). This activity will contribute to rural women’s economic empowerment in terms of food security, employment and income generation:

* Support 5000 farmers (80 percent women) to improve small-scale backyard sheep/goat fattening through distribution of concentrate feed, feed supplements (feed blocks, sugar molasses), mineral blocks, drugs and vaccinations;
* Support 200 pilot female-headed households with sheds for animal fattening units, fences made from wiring and locally available materials, feeding/watering troughs and fodder racks;
* Procure feed, drugs and equipment to move confined animals to yards and shelters (200 combined feeding trough and fodder tracks, 200 watering troughs, 200 sheds, 200 fences).

*Action 1.1.8: Support farmers to improve coffee value chain productivity and quality (FAO)*

This will introduce good practices to improve coffee productivity, harvesting, handling and quality storage for better economic returns for coffee growers in Yemen, through capacity building and inputs:

* Support 350 coffee grower members of agricultural cooperatives with 20 Letter of Agreement (LOAs) to construct 20 water ponds for gravity-fed irrigation of coffee plantations;
* Conduct value chain study to identify opportunities for coffee value chain development;
* Distribute materials such as rain harvest tanks, dryers, recorders and compost input materials;
* Provide agricultural cooperatives with a pilot coffee processing plant to create added value and increase market price.

*Action 1.1.9: Empowerment of rural small-scale private entrepreneurs (SSEs) to have better access to markets (FAO)*

During the ERRY JP implementation, many agriculture and livestock based small entreperises were supported and established by the project. Sustainability of agricultural and business service provision necessitates organization of the service providers into small and medium-scale private sector and associations / cooperatives based on economic interest.

The SME laucnhed by the project (during phase one) which are appreciated by stakeholders will be strenghned during ERRY II. There will also be synergies to be promoted between ERRY II and other EU-funded projects in Yemen on strengthening of SMEs and micro-finance for small and medium enterprises (SMEs):

Therefore, in ERRY II, the project will promote small-scale private sector and associations/cooperatives based on economic interest for sustainability of project interventions:

* Carry out quick market study for dairy products, feed, fodder, fattened sheep, goats, tomato, sorghum and coffee produced in each area and identify market trends, examining opportunities particularly for tomato processing;
* Formulation of a marketing strategy for each area based on demand, supply and consumer preference;
* Introduction of feed blocks and sugar molasses as strategic feed supplement, as well as fodder cutters for chopping sorghum Stover to increase intake and reduce leftover. Such feeding techniques are making breakthrough for improvement feeding system in Yemen, as they are simple to make locally at low-cost. The project has alredy promoted small-scale private production units for the manufacture, distribution and marketing of feeds through training for motivated and co-operative members from Hodeida Governorate who are doing their business. ERRY II will:
  + Reinforce the existing ones and promote new small-scale entrepreneurs for manufacturing, marketing feeds to farmers.
  + Micro-credit will be established to develop their business to buy feed ingredients, machines for manufacturing such as fodder choppers, mixers, etc.…forage seeds, irrigation equipment….
* Reinforce and promote 1000 pilot rural small-scale entrepreneurs (milk collectors; female-headed households producing home-processed healthy traditional dairy products, female-headed households with backyard sheep/goat fattening, tomatoe producers, producers of feed and fodder, coffee producers and sorghum seed producers) with productive assets and training on marketing. Marketing capacity building in synergy with ILO skills and entrepreneurship training.

*Action 1.1.10: Upgrade skills and knowledge of farmers/women through comprehensive programme of training, farmer field schools and extension materials and demonstrations (FAO)*

This will address low knowledge and technical skills of smallholder farmers due to the absence of or weak links between small producers and extension services (MAI). It will contribute to improved skills of 30,000 farmers (20,000 direct and 10,000 indirect) and 250 MOAI extension staff in improving livestock/crop value chains with good agricultural/livestock practices through: FFSs, training sessions, workshops and extension materials. Capacity building of farmers and producers is a continuous process that will require in most cases repetition and emphasis on some priority topics including emergency.

* Support 6500 farmers (including 2000 women) with 200 FFSs on the following topics: 40 FFSs on good practices for cereal (sorghum, millet) crops; 40 FFSs on good practices for tomato production; 40 FFSs on good practices for animal feeding, animal health, farm management and fodder production (to male farmers); 60 FFSs sessions for women’s groups (1500 women) on good dairy feeding practices of, small-scale backyard sheep/goat fattening management, milk hygiene, milking, processing of traditional dairy products and marketing; 5 FFSs on good practices for improved coffee crops and processing; and 15 FFSs for Water User Association (WUA)s on good practices for water efficiency and new irrigation techniques;
* Training for 250 district agricultural/livestock extension officers (including 50 women) indicated to be assigned as TOT or trainees on technical topics to build capacity of farmers;
* Four trainings on implementation methodology of FFS for potential facilitators who will lead the target value chain sessions;
* Training for 20,000 smallholder farmers on improved value chain development and other technical topics. This activity will be delivered through trainees with the support of the VAPGs;
* Training for 500 coffee farmers in farming and after-harvest practices that ensure increased productivity and quality such as pruning, picking, drying, sorting, grading and storing;
* Training for small-scale entrepreneurs (milk collectors; female-headed households producing home-processed healthy traditional dairy products, female-headed households with backyard sheep/goat fattening and producers of feed and fodder) on business development services and marketing using ILO’s skills and entrepreneurship training programme;
* Design, printing and distribution of 50,000 extension booklets with different technical topics;
* Conduct five workshops to present and disseminate results to Government, NGOs and businesses;
* Organize two study tours for pilot farmers to learn new techniques: one 7-day study tour for four pilot farmers and one extension officer to Jordan on tomato value chain improvement, and one 7-day study tour for four pilot female-headed households and one female extension gender officer to Lebanon on traditional dairy home processing and marketing.

*Action 1.1.11: Train rural farmers and rural farmers’ associations on entrepreneurship skills, market information and financial literacy in selected value chains and related sectors so that they can provide opportunities for members to upgrade technical and entrepreneurship skills (ILO)*

Building on the achievements and impacts of the ongoing ERRY I, ILO, in collaboration with FAO, will provide 100 training of the trainers (TOT) to farmers’ associations on entrepreneurship skills, market information and financial literacy in the selected value chains and related sectors so that they can provide effective avenues for members to upgrading their technical and entrepreneurship skills. To this end, FAO and ILO will jointly conduct capacity needs and strength assessments of farmers’ associations to tailor the capacity development to identified needs.

This component will simultaneously address all the four pillars of the Decent Work Agenda through the following approaches: i) *employment creation:* identification of market-oriented economic opportunities and capacity building of rural farmers’ associations; ii) *social protection:* involvement of the local authorities on OSH concerns; iii) *right-to-work:* entrepreneurship training modules for rural farmers, including learning modules such as child labour prevention. Gender equality will also be mainstreamed throughout the training modules; and, iv) *social dialogue promotion:* promotion of group cooperation and youth participation as organized stakeholders.

It is envisioned that this will, in the long term, lead to diversification into non-farm activities which will reduce poverty by creating employment and expanding market opportunities for agricultural products. Non-farm activities can also improve labour productivity, particularly for youth and women, who remain underemployed in rural areas of the target governorates.

*Action 1.1.12: Provide training to women engaged in rural agriculture on business development services, marketing skills, savings schemes and diversification of livelihoods based on the ILO/FAO-developed GET Ahead for Women in Enterprise: Training Package and Resource Kit*

Equitable access to sustainable livelihood opportunities for rural women engaged in the agriculture sector will enable them to become effective economic actors and engines of growth while increasing their purchasing power to acquire food, water, fuel and social services that their family needs. It is against this backdrop that the ILO, in collaboration with FAO, developed the GET Ahead for Women in Enterprise: Training Package and Resource Kit.[[26]](#footnote-27)

The Programme will conduct 100 TOT training with womens’ associations engaged in rural agriculture in the target governorates on business development services, marketing skills, savings schemes and diversification of livelihoods based on the ILO/FAO training and resource kit. The TOTs will then conduct training, targeting individual women engaged in rural agriculture, which will have a multiplier effect in terms of impact. The ILO-trained master trainers will provide on-site training and monitoring support to the TOTs and put in place quality assurance mechanisms to ensure consistency and quality of future training. Hard copies of the training packages will be translated into Arabic and provided to the TOTs to support them to deliver training.

**Activity Result 1.2: Livelihoods are stabilized, and community assets rehabilitated through labour intensive emergency employment for vulnerable households and individuals (UNDP and WFP)**

During ERRY I, the emergency employment/CfW interventions benefitted more than 20,556 people (47 percent women) and rehabilitated 300 community assets benefitting 60,000 people. Activities also contributed to improving access to cash, food, basic services, and created livelihood opportunities for women through small business development.

Building on lessons learned from ERRY I, the CfW component will be expanded to reach more beneficiaries and focus on enhancing resilience through asset accumulation. For most vulnerable groups, including women, stabilization of livelihoods is a prerequisite to resilience-building, as it guarantees immediate income-generation and contributes to asset rehabilitation and asset building at the community level. Food security levels of vulnerable households will be enhanced, which will help them transition towards resilience and recovery. Under this activity, food insecure households will have increased access to food and cash through the CfW initiative. At the same time, households will be engaged in productive activities designed 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.

*Action 1.2.1: Select vulnerable beneficiaries and community assets for rehabilitation in coordination with VCC, communities and local institutions (WFP)*

Vulnerable households will be selected based on agreed selection criteria by all stakeholders in a workshop and using a participatory process with VCC and community-based institutions. Vulnerable groups like women, youth, IDPs, returnees and stressed host community members will be given priority for CfW activities. Implementing partners will conduct a rapid assessment to verify the level of vulnerability of the selected households using household poverty data and data from humanitarian relief food distribution.

*Action 1.2.2: Conduct baseline surveys and profiling of targeted beneficiaries*

Before CfW activities start, livelihoods and the economic status of targeted households will be assessed and documented to be able to measure changes/impacts as a result of the interventions. Moreover, beneficiary needs assessments will be conducted for post-CfW sustainable livelihoods interventions in coordination with ILO, UNDP and FAO.

*Action 1.2.3: Select community assets and validate community asset rehabilitation projects using environmental protection criteria (WFP)*

Community resilience plans will be used to select community assets for rehabilitation. The identified assets will be verified by PUNOs/IPs based on their environmental contribution, sustainability, and suitability for women’s and community priority needs. Examples of community assets rehabilitated through CfW activities that contribute to environmental conservation are soil and water conservation schemes, water harvesting, flood control, building water gateways and water harvesting tanks, rehabilitating water networks, digging new wells and rehabilitating and building water tanks. Other examples include rehabilitation of irrigation schemes, land rehabilitation/reclamation and clearing; construction and rehabilitation of roads and bridges; repair or construction of schools, latrines, marketplaces, community granaries and warehouses, and other community infrastructure. A total of 250 community assets will be selected and rehabilitated.

*Action 1.2.4: Implement labour-intensive emergency employment/cash for work activities that rehabilitate community assets (WFP+UNDP)*

Over 90,650 beneficiaries, including atleast 30% women, will benefit from cash transfers for the participation of their households in cash for assets activities (12,950 vulnerable households). Around 108,780 people will indirectly benefit from the assets created and rehabilitated. FFA activities will be six months’ duration. Flexible working arrangements will be agreed with participants in order to ensure women’s participation and allow participants to carry out another livelihood work. FFA participants will receive US $6 in daily wages, which is based on a harmonized agreement made by the Livelihoods Tehnical Working Group of FSAC in Yemen.

UNDP would target 9,550 vulnerable households and focus on market-based approach for the emergency employment. Targeted communities would identify the local or community market in order to improve access to them. Emergency employment would be provided for 10 days with the wage of $6. Sicne the focus of the UNDP emergency employment is not food security, for building synergy, UNDP would identify WFP beneficiaries and supplement for 10 days of employment. Similary in FAO intervention areas, UNDP would support vulnberable households or targeted beneficiaries for the emergency employment to improve markets in terms of necessary and critical facilities to make it functional. In total 70 local and community market centers would be rehabilitated.

While working, participants needs/interests in post-FFA support leading to sustainable livelihoods opportunities will be identified. WFP will coordinate with UNDP, ILO and FAO to conduct the profiling. Based on a participant’s identified career needs, they will be referred to ILO for employability skills development, UNDP for small business-based self-employment or FAO for agriculture/livestock-based livelihoods career development.

**Activity Result 1.3: Sustainable livelihoods opportunities are created in the post-cash for work phase to support self-employment through entrepreneurship development for vulnerable households and individuals (UNDP, FAO and ILO)**

*Action 1.3.1: Provide training of the trainers to business advisors and agricultural entrepreneurs using ILO’s Start and Improve Your Business (SiYB) training to improve capacities and strengthen viable businesses identified through local market assessments (ILO)*

This intervention will provide TOT to 100 business advisors and entrepreneurs in agricultural business on the ILO-developed Start and Improve Your Business(SiYB*)*. The SiYB package consists of various modules such as marketing, costing, buying and stock control, recordkeeping, planning for business, and productivity in agricultural businesses. The training will also include the SiYB Business Game, a practical simulation tool to help participants understand the realities of starting and running an agricultural business. The Business Game simulates an expanding business during training to help participants experience the impact of strategic decisions on their business operations.

It is envisaged that the training will contribute to improved rural livelihoods. This will in turn promote sustainable agricultural and rural development, supporting decent work and employment creation, and promoting gender equality in rural areas.

*Action 1.3.2: Finalize and institutionalize ILO entrepreneurship training packages, with at least five national master trainers certified (ILO)*

Since the onset of the ERRY I, ILO and UNDP have conducted ToT for business development service providers on My First Business *(MFB)*. MFB is a youth-specific adaptation of the ILO Start and Improve Your Business Programme which aims to build the capacity of TOTs to deliver the MFB training to prospective entrepreneurs across four governorates in Yemen. A total of 56 TOTs from the four target governorates were trained.

Under ERRY I, this component had a sustainable impact on its end users. Joint monitoring conducted by ILO, UNDP and ROM revealed that the entrepreneur-level end users supported under this component generally did well in terms of profitability, survival and positive change in sales after the training. Entrepreneur-level end users also reported that existing enterprises were now better at creating jobs that support more marginalized youth and women, hence enhancing their resilience and self-reliance.

Both the ToTs trained under ERRY I and the materials developed are being used by several agencies to train vulnerable youth and women. Mercy Corps, for example, trained 165 youth in July 2018 using the ToTs and the MFB materials under their Sustainable Opportunities for Livelihoods, Vocation and Employment (SOLVE) project in Aden. This project aims to strengthen Yemen’s economy and enable actors to recover more quickly and sustainably from the crisis through vocational and soft skills training and business development.

These activities will be scaled up under ERRY II. The intervention will finalize and institutionalize the adapted key ILO entrepreneurship training packages, with at least five national master trainers certified and nationally accredited. The certified master trainers will develop a national long-term training resource and skills development capability that reflects the needs and capabilities of the micro, small and medium enterprises in Yemen. Additionally, the master trainers will strengthen the institutional capacity of partner organizations (including the Chambers of Commerce, industrial sector associations, and the Business Women in Yemen Business Club) that provide business training to small-scale private entrepreneurs.

The master trainers will also provide TOT trainings to private sector representatives to enable them to: i) acquire facilitation skills and training methods to then train target beneficiaries; ii) independently and effectively prepare and conduct training for potential entrepreneurs and entrepreneurs in the selected sectors; iii) monitor and evaluate the training; iv) conduct follow up activities on trained end-user beneficiaries.

*Action 1.3.3: Conduct a market assessment that integrates gender-and conflict-sensitivity to identify viable social business demands (UNDP)*

The market assessment will be conducted in target districts and focus on the identification of viable social businesses in the district in terms of the goods and services share market. The market assessment will also consider studying microbusinesses in the district and how they can be scaled up to become small and medium enterprises. The assessment will also capture the status of microfinance or financial institutions and identify gaps to consider for microbusiness development. PUNOs and implementing partners will be consulted during the market assessment on the inclusion of target districts.

*Action 1.3.4: Provide life skills, business development and vocational training to owners of identified viable businesses (UNDP):*

During ERRY I, 2,345 youth benefited from emergency employment through the 3x6 approach: 70,000 work days were created; 3,049 youth were equipped with enhanced business and life skills which helped them start their own business; 1,624 microbusinesses were established and generated income for youth. Due to this intervention, incomes have increased, and sustainable livelihoods opportunities were created for participants. Eighty-five percent of established business were still operational and making profit after a year. Businesses owned by women have shown a high survival rate compared to male-owned businesses.

Building on this, the Programme will scale up its interventions to reach more beneficiaries and create more sustainable livelihoods opportunities.

In collaboration with ILO, screened CfW beneficiaries will be trained on basic business skills development. Beneficiaries will also be encouraged to open a bank account to improve access to financial institutions. Once the basic training is completed, beneficiaries will receive intensive advanced business training for microbusiness development (3x6 approach). Selected beneficiaries will develop business proposals which will be reviewed by an evaluation committee based on pre-set criteria. Women and youth will be targeted for business development, along with other vulnerable groups such as the Muhamasheen.

Under the ongoing ERRY, UNDP has focused primarily on non-agricultural and partially agriculture related allied micro businesses for economic self-reliance. The local market assessments would be conducted which would help identify viable sectors for SMEs support which helps integration to the markets. The intervention has closely worked with the market center at district level and traders, both at national and local level, to strengthen access to market as well as improved services. The effort has also been made to support the micro businesses in transitioning to small-medium enterprises. A formal SMALL BUSINESS ASSOCIATION at the local level has been established in Abyan and Hajjah. The association is well represented by Yemen Micro Finance Network, Chamber of Commerce, traders, market centers, banks and business owners.  The purpose of the association is to bridge the gap created due to the crisis in the value chain for both supply and demand sides. The association would provide technical, business advisory and access to market and financial institutional support, to those who aspires to expand their micro businesses into small and medium. UNDP would work closely with FAO, WFP and ILO to promote synergy. Individual or group of businesses can be part of the association to build mutual trust and confidence for the local economy. Agriculture and non-agriculture related SME would be promoted through this platform of Business Association and provision would be made to created business to expand their consumer base through established market centers at the targeted district level.

*Action 1.3.5: Support business development recovery with top up grants, generating multiple impacts and job opportunities, with a focus on women and IDPs/returnees (UNDP)*

A top up grant of US $600 will be provided to 5,374 beneficiaries who have submitted quality, viable business proposals, of which at least 35 percent are women and 30 percent are IDPs/returnees. The microbusiness grant will be available for both individuals and groups interested in joint ventures. Successful businesses from ERRY I will be promoted as role models from which new beneficiaries can learn, particularly in terms of context and market complexity. Peer to peer exposure visits will be organized; microbusinesses will be linked with microbusiness associations established in ERRY I to improve social capital, sustainability and self-reliance. This initiative will reference community resilience plans and identified priorities for microbusinesses. Synergies with WFP and FAO will also be developed in the identification of target beneficiaries to strengthen the collaboration among PUNOs.

**Activity Result 1.4: Sustainable livelihoods opportunities created in the post-cash for work phase support employability through on-the-job training (ILO)**

As part of the exit strategy and to ensure the sustainability of impact after the Programme ends, this intervention will contribute to reduced vulnerability of at least 1200 CfW beneficiaries through access to demand-driven and marketable technical and vocational education and training (TVET) and entrepreneurship skills through public-private partnerships, in order to facilitate their access to meaningful and sustainable employment opportunities. The Programme will develop a targeting mechanism to identify CfW beneficiaries interested in competency-based TVET. This will be based on WFP’s targeting mechanisms for the CfW component and referral pathways through WFP partners and national partners such as the Social Fund for Development. WFP will generate a list of marginalized and vulnerable youth interested in CBT TVET; the assessment for the eligibility will then be carried out by ILO.

*Action 1.4.1: Develop a laddered capacity building package to link cash for work beneficiaries with sustainable economic opportunities*

Although public support and social assistance such as cash transfers and food subsidies help poor families and individuals meet their basic needs, these are not sustainable means of lifting people out of poverty, and in fact perpetuate dependence. In light of this, the project will develop a comprehensive package to link CfW activities with sustainable livelihoods opportunities. The Programme will involve informal sector associations (ISAs) in the design of post-CfW training, as ISAs are well-positioned to assist in selecting participants based on their vulnerability. ILO, in collaboration with UNDP, FAO and WFP, will collect baseline data to establish qualitative and quantitative participants and Programme area data including marketable skills available by gender. The survey will be jointly coordinated with the PUNOs in order to minimize the number of assessments carried out in a given area or with the given population.

Secondly, the Programme will map jobs in the selected sectors, analyse the local economy and its existing network with private sector and identify small business with high potential to realistically absorb the 800 CfW beneficiaries provided with short-term technical and vocational skills. The package will also include business advisory assistance to support the creation of business plans and sustainable growth for target beneficiaries and provide business start-up training to revitalize income generating activities.

*Action 1.4.2: Provide competency-based technical skills training to cash for work beneficiaries leading to jobs or self-employment (ILO)*

ILO, in collaboration with WFP, will conduct an assessment to identify 1,200 CfW beneficiaries (40 percent women) interested in competency based vocational training that will lead to jobs or self-employment.

The Programme will then identify apprenticeship service providers based on pre-set criteria. Under ERRY I, the Programme developed tools for identification and selection of upgraded informal apprenticeship service providers in collaboration with all stakeholders. Selection criteria were based on the following: i) technical capacity; ii) adequate equipment; iii) accessibility; iv) occupational safety and health standards; v) willingness to implement an upgraded informal apprenticeship model; vi) apprenticeship service provider is not engaged in child labour.

The Programme will also identify 300 master craftspersons based on previously developed criteria including: i) technical capacity in selected occupation; ii) experience in mentoring, supporting and supervising an apprentice; iii) willingness to implement competency-based curricula, participate in trainings on learner-centred pedagogy and occupational safety and health, iv) willingness to collect and report performance outcome data for the apprentice using the scorecards and competency-based logbooks, and iv) willingness to adhere to the *Code of Practice* developed by ILO.

Additionally, the Programme will identify a technical institute to equip the selected apprentices with workplace core skills such as life skills, career counselling, occupational safety and health and gender rights. The primary goal of this is to develop the knowledge and behavioural skills of the apprentices in four key areas: personal development, problem solving, healthy lifestyles and workplace success. To achieve this, the Programme, in collaboration with the Ministry of TVET (MOTVET) will identify training institutes in the target locations.

*Action 1.4.3: Conduct competency-based assessment and certification of beneficiaries (ILO)*

Under ERRY I, the Programme provided technical assistance to key stakeholders in developing and strengthening of OSS based assessment and certification systems in informal apprenticeships in Yemen. ILO provided technical support to the partners in developing assessment tools in 11 priority occupations. The Programme will continue to provide technical support to the partners (industrial sector associations, MoTVET, MoLSA and the Federation of Chambers of Commerce and Industries) to provide quality assurance and oversight of assessment processes, outcomes and issue credentials to the 1,200 target beneficiaries.

The long-term sustainability of the new assessment model will be achieved through technical support to the MOTVET, MOLSA and the industry sector associations to institutionalize competency-based national assessment and certification systems through the establishment of a National TVET Qualification Authority in post-conflict Yemen.

*Action 1.4.4: Link beneficiaries to jobs through job placement opportunities in collaboration with private sector (ILO)*

The Programme will collaborate with the private sector in order to link the target beneficiaries with the job market. Prior to this, the Programme will engage the private sector, especially industrial sector representatives, to provide career counselling to target beneficiaries so they have a clearer understanding of the labour market in terms of job demands and make informed decisions as they prepare to enter the labour market.

*Action 1.4.5: Provide follow up mentorship training to beneficiaries (ILO)*

The Programme will engage field advisors/mentors in the target governorates to monitor apprentices and track skill acquisition by using the scorecards and competency-based logbooks developed under ERRY I in collaboration with the industrial sector associations. Field coordinators will ensure that the target beneficiaries are fully equipped with business and management skills to start and manage their businesses successfully through continuous/follow-up training, counselling, and other support services. During the follow-up mentorship training, the Programme will administer pre- and post-training assessments to gauge competence levels of participants and provide further mentorship support to those who intend to set up their own business as cooperatives/associations, individuals/partnerships or private/joint ventures.

**Activity Result 1.5: Capacity of the private sector is strengthened to contribute to emergency crisis response and job creation (UNDP, ILO)**:

*Action 1.5.1: Develop the capacity of the private sector through training and follow up support on how to develop and implement participatory business continuity planning at district and governorate levels, (ILO)*

The important role of national businesses and their leaders, through representative organizations such as the Chamber of Commerce, in preparing its members in times of disaster and maintaining an environment for continued commercial activity, particularly supporting smaller enterprises, is crucial. The Programme will provide technical support to Chambers of Commerce to conduct comprehensive needs assessments for the private sector in six target governorates. The comprehensive assessment will include disaster preparedness, response and recovery.

The Programme will provide technical and institutional support to the Chambers of Commerce for Hodeidah, Sana’a, Taiz and Ibb Governorates by developing guidelines for small and medium-sized business continuity planningin order to increase resilience and mitigate risks, enhancing preparedness for crisis recovery.

Based on ILO’s Comprehensive Toolkit for Business Membership Organization, the Programme will provide training to the private sector focusing on the following five components: i) providing services and supporting SMEs in conflict-affected areas; ii) promoting gender-inclusive workplaces; iii) strengthening private sector roles in peace-making and peace dialogue; iv) strategies to attract investment and jobs and to promote ethical investment; iv) capacity building of employers and business membership organizations (EBMOs). It is envisaged that capacity building of EBMOs will contribute to crisis mitigation strategies and peacebuilding efforts and promote investment in the recovery process.

*Action 1.5.2: Rapid business capacity assessment for micro and small business associations for Hajjah and Lahj (UNDP)*

Under ERRY I, UNDP supported the creation of two microbusiness associations in Hajjah and Lahj. A business capacity assessment of these two associations will be done to scale up in other target governorates. The findings of the capacity assessment will also be used to support and encourage d the associations to include more microbusinesses to ensure sustainability.

*Action 1.5.3: Support establishment of local SME networks and capacity building via Chambers of Commerce to improve information sharing and engagement on coordination and planning at the local level (district recovery and resilience plans) and identification of diversification opportunities (UNDP)*

The microbusiness association established by UNDP under ERRY I will be linked with local SME networks. Networks in target governorates will be scaled up to include existing and new microbusinesses. Networks will also be supported through district recovery and resilience planning and opportunities. In collaboration with FAO, the network will be extended to include dairy productive associations.

**Output 2. Vulnerable communities benefit from solar energy for sustainable livelihoods opportunities and enhanced social service delivery (UNDP)**

This activity will support the use of solar energy to create sustainable livelihoods opportunities and enhance social services for vulnerable communities. This will strengthen the energy resilience of vulnerable households by providing energy for productive assets, small businesses and farmers for agricultural production. Women and youth will be supported to provide solar energy services to vulnerable communities through engagement in solar microenterprises and associations.

Vulnerable women and conflict-affected households will benefit from sustainable income generation and employment opportunities in the solar energy business. Activities will enhance capacities of women to identify gender-sensitive energy priority needs and responses as part of the community resilience plans and district recovery plans. The intervention will leverage the partnership, experiences and lessons learned under ERRY I on entrepreneurship development and private sector engagement around solar businesses for women, as well as capacity building on mediation and dialogue for conflict prevention at community level.

The major activity results that will be implemented under solar energy component are:

**Activity Result 2.1: Energy resilience of key basic services such as schools, health facilities, water and local administration offices is strengthened through improved access to reliable alternative sources of energy (UNDP)**

*Action 2.1.1: Mapping of solar energy gaps and priorities for social services across households, productive assets, health facilities, WASH, schools, and district offices, mainstreaming gender considerations (UNDP)*

UNDP will conduct an energy gap assessment to identify priorities for social services. Local authorities, the Director General of Education and Health, vulnerable households (IDPs/returnees/host communities) and productive associations will be consulted to better understand the priorities and needs in target governorates and districts. At the community level, women and youth will be consulted. Education and health facilities will be assessed based on the presence of other agencies and interventions. Coordination at the cluster level will be done to avoid duplication and cross-checking with PUNOs will identify existing social services support. Under the local governance and social cohesion component, a small-scale project focused on schools and health facilities/centre rehabilitation by WFP will be given priority.

*Action 2.1.2: Install solar energy systems for improved social service delivery to strengthen livelihoods of vulnerable communities (UNDP)*

Based on the energy gap assessment, 182 schools, health centres and facilities (water-3 and irrigation-4), including established microbusinesses will receive solar energy systems. ERRY I learnings will be considered in the development of technical specifications, such as warranty, operational and maintenance costs. Solar microbusinesses will be linked with the above service delivery provisions to support operation and maintenance. Social services will be encouraged to use savings to cover facility maintenance.

*Action 2.1.3: Install solar energy systems in vulnerable households (UNDP)*

Portable solar lanterns will be provided to 11,000 vulnerable households, including female-headed households. Solar microbusinesses will be trained to develop portable solar lantern applications locally, and to build portable lanterns and other household solar equipment. The top up grant for these microbusinesses will cover the capital costs for portable solar lanterns to be built and assembled.

*Action 2.1.4: Develop solar energy solutions for productive assets and community production facilities to strengthen livelihood resilience of vulnerable rural communities (UNDP)*

Innovative approaches to rebuilding productive assets taken under ERRY I, such as micro-grid installation through established businesses, will be expanded based on both demand and energy gaps. Fourty one productive assets relating to agriculture and job creation will be rehabilitated using solar energy solutions. Market centres will be targeted to strengthen the decentralized solar services. Microfinance institutions and banks will also be engaged to develop solar energy solutions for productive assets.

*Action 2.1.5: Capacity building and awareness training for communities on solar applications and use of solar energy, with a focus on youth and women in at community and district levels (UNDP)*

To complement the above solar intervention activities, target communities, local authorities, implementing partners, PUNOs, social services and productive associations will receive training on solar energy solutions and 720 individuals would be trained. PUNOs will be engaged to build their capacity on solar programming. Under ERRY I, an operational guideline on solar programming, capacity building and awareness raising was developed that will form the foundation of the training curricula.

**Activity Result 2.2: Women and youth play an active role in the provision of solar energy in their communities through solar microenterprises (UNDP, ILO)**

*Action 2.2.1: Develop competency-based curricula based on the new and emerging youth and women-friendly solar technology occupations (ILO)*

The blooming solar market and large energy gap/demand in target governorates has led to a sharp increase in the demand for skills in solar energy. Women and youth are increasingly engaging in income generating activities, such as providing repair services and lantern assembly for the increasing use of common solar power systems. However, demand has made it difficult for solar energy education and training providers to match their activity to industry requirements. In response, ILO will develop competency-based curricula to support new and emerging youth and female-friendly solar technology occupations that match market needs. This will be based on solar energy value chains, which encompass: manufacture and distribution of solar equipment; installation, operation and maintenance, and cross-cutting activities that contribute to more than one of the other value chain stages.

*Action 2.2.2: Provide vocational solar skills training to technicians, with a focus on women and youth, to enable them to play an active role in the provision of solar energy in their communities through solar microenterprises (ILO)*

Competency-based solar skills training will be provided to 200 youth (40 percent women) in the target governorates. The training will build the existing technical capacities of target beneficiaries on use, application, installation, repair and maintenance of solar applications. Business development services training will also be provided, including financial literacy, business planning and entrepreneurship skills, to enhance long-term employability, improve incomes and strengthen livelihoods through solar microenterprises.

The training will i) engage women and youth in income creation opportunities based on small-scale electrification projects (off-grid systems), ii) engage of women and youth already operating solar businesses, iii) support existing initiatives using solar power led by women and youth, and iv) contribute to conflict transformation and livelihoods improvement of vulnerable communities.

The programme technical assistance will also focus on strengthening competency-based assessment and certification, while delivering nationally recognized assessments and certification to beneficiaries.

*Action 2.2.3: Promote solar microbusinesses, business connections and networking among rural and urban dealers’ communities with a focus on youth and women (UNDP)*

Under ERRY I, 200 solar microbusinesses were developed; ERRY II will establish another 400. Under this Programme’s livelihood component, 4,960 micro businesses will be developed, and solar will be promoted as a priority business to expand among target beneficiaries. In collaboration with ILO, target beneficiaries will be trained by certified trainers on how to develop solar microbusinesses. New solar microbusinesses will be linked with market centres at the district level for production and sales, and with the existing microbusiness supported to scale up to become small and medium enterprises.

*Action 2.2.4: Enhance solar energy capacity building, including vocational training on solar energy application uses, specification design, installation and maintenance through microbusiness associations and the private sector (UNDP)*

In target governorates, ILO will collaborate with TVET to develop capacity building curricula for solar energy applications and solutions. TVET will also work closely with solar microbusinesses from inception, including selecting beneficiaries, business and skill development and evaluation of business proposals and business mentoring.

**Output 3: Communities and local authorities have enhanced capacity to respond to conflict- and gender-sensitive priorities, needs and service delivery (UNDP)**

As demonstrated under ERRY I, peaceful resolution of local conflicts and promoting social cohesion through insider mediators in communities can effectively mitigate many conflicts local communities face. Under ERRY II, 30 percent of insider mediators trained will be women. The Programme will mainstream conflict sensitivity and social cohesion as a cross-cutting considerations throughout its interventions, including assessments and data collection, prioritization of target areas, selection of beneficiaries, and implementation of activities. Water User Associations will be supported to work closely with insider mediators to ensure proper use of water resources and address disputes around water use.

The Programme will strengthen community-based governance structures such as VCCs as a basis for community-driven empowerment and decision-making. VCCs will mobilize community members to develop integrated conflict- and gender-sensitive community resilience plans that will be supported through community compacts (CCs). VCCs can lead the implementation of CCs (with support from NGO implementing partners) inclusively and accountably. At least 50 percent of the VCC members will be women, to ensure that the gender-related needs and responses are adequately reflected. When feasible, livelihoods support will be provided in collaboration with the VCCs using CCs to allow for synergies.

VCCs will also advocate for their communities’ needs to local authorities. The priorities identified under community resilience plans will be integrated int development and related planning, coordination and implementation of the district recovery plans, which will be done through participatory engagement with communities and local authorities and facilitated by District Management Teams (DMTs).

The community resilience plans and district recovery plans will ensure that the priority needs and responses address gender considerations (comprising at least 30 percent of the budget). PUNOs will implement their interventions through the VCC and contribute to the implementation of the resilience plan and resilience building at the community level. The Programme will also identify and enhance the key required capacities of the local authorities at the district level to enhance the coordination and planning, so that they can play a key role in and eventually lead the coordination, planning, implementation, and monitoring of interventions related to humanitarian response, resilience-building, service delivery and recovery.

The major activity results under this expected result are:

**Activity Result 3.1: Empowerment of Water User Association communities (WUAs) with efficient water irrigation and increased crop/fodder productivity (UNDP and FAO)**

This will improve water management by and for the community, through both improvements in water use efficiency and its fair distribution from canals and spate irrigation areas. This Output will also support farmer associations with solar pumps and modern techniques for irrigation to improve efficiency of water use and mitigate the shortage and high price of diesel. The final contribution will be improvement in crops/livestock value chain productivity.

The Programme will support 60 WUAs by strengthening the existing 30 WUAs established during ERRY I and creating or reactivating 30 WUAs. The Programme will establish LOAs with WUAs for maintenance and rehabilitation of existing irrigation canals in valleys of large rivers (wadis) such as Wadi Sardud, Wadi Siham, Wadi Murr and Wadi Tuban.

Among the targeted WUAs, 20 WUAs and farmer’ associations will be provided with wells fitted with solar pumps for irrigation, as well as irrigation kits to promote efficient irrigation techniques for crops/vegetables and fodder (productive assets). Four WUAs were already equipped during ERRY I. UNDP will equip wells with solar pumps, while FAO will provide the irrigation kits and capacity building.

All 60 WUAs will sign LOAs to carry out maintenance and rehabilitation work of irrigation canals, such as clearing and maintenance of gates. Twenty irrigation kits will be procured to equip 0,5-1ha with modern irrigation. This activity aims to establish one pilot irrigation area with each WUA for on-farm demonstration and training farming communities to adopt water saving technologies.

**Activity Result 3.2: Community-based organizations have enhanced capacities to develop conflict- and gender-sensitive community resilience plans reflecting priority community needs and actions (UNDP)**

*Action 3.2.1: Insider mediators recruited and trained based on specific criteria and vetted by IPs, Local Council representatives, Sheikhs, other community leaders and VCCs (UNDP)*

An additional 140 insider mediators (IM) who have both community acceptance and experience in conflict resolution will be identified (30 per new selected district: Hodiedah, Abyan, Hajjah and Lahj). One third will be women and youth. The mediators will receive training on do no harm principles, as well as humanitarian principles of impartiality and neutrality. Mediators will work closely with VCC members to and identify local conflicts and facilitate conflict resolution. Mediators will be trained by existing master trainers in the district who were trained under ERRY I.

*Action 3.2.2: Produce conflict analysis and scans, with input of DMTs, VCCs, IMs and community representatives; hold four validation workshops (UNDP)*

Insider Mediators will work closely with DMTs and VCCs responsible for the development of district recovery and community resilience plans. IMs will facilitate workshops with DMTs and VCCs to conduct conflict analysis and scans (7) of the target communities and districts. Analyses and scans will then be shared with other community actors such as water user associations, local authorities and representatives of target communities. Based on findings, IMs will organize validation workshops to present proposed solutions. Depending upon the areas of intervention, relevant PUNOs and implementing partners will be requested to join and support above activities.

*Action 3.2.3: Establish community committees and facilitate community dialogues around priority conflicts identified by IMs with the participation of the community, VCC, LCs/DMTs (UNDP)*

Community committees will be established in target districts to facilitate community dialogues (35) based on priority conflicts identified by IMs. The community dialogues will be fora to discuss conflict scans and analysis; participants will prioritize conflict resolution and implementation activities. The outcome of the community dialogues will be integrated into the community resilience plan to implement small-scale block grants (44). Priority will be given to conflict-related small-scale basic service or community infrastructure rehabilitation. District-level authorities such as local councils (LC), district management teams, administrative and executive agencies will also engage in community dialogue forums to build consensus around conflict prioritization and resolution.

*Action 3.2.4: Capacity building of partners, including implementing partners, VCCs, LCs/DMTs, and PUNOs on gender- and conflict-sensitive approaches and social cohesion (UNDP)*

Prior to the establishment of community development committees and dialogue forum, partners will be sensitized and trained on gender- and conflict-sensitive approaches and social cohesion. Learnings from ERRY I will be the key focus of capacity building activities. Capacity building activities will be organized for PUNOs and their identified implementing partners to better understand the conflict-sensitive and social cohesion approaches. Capacity building activities will be done in two phases including 160 participants; in the beginning of ERRY II and during midterm of the Programme.

*Action 3.2.5: Establish and operationalize village cooperative councils through training and technical support (UNDP)*

Village cooperative councils (VCC) will be reactivated in target villages and sub-district levels. Half of all VCC members will be youth and women. VCCs will be elected at the village level, and VCCs in turn will nominate representatives at the sub-district level. Under ERRY II, VCCs will be established at the sub-district level to create more space for PUNOs and their implementing partners. UNDP, along with implementing partners, will revise existing capacity building curricula for VCC members both at village and sub-district levels. UNDP will also collaborate with PUNOs to promote VCCs as key community functionaries and the line of contact to communities for ERRY II interventions.

*Action 3.2.6: Develop community resilience plans based on conflict scans, prioritizing gender- and conflict- sensitive community initiatives (UNDP)*

Once VCCs are reactivated, the trained members will mobilise communities to develop resilience plans. The sub-district level resilience plans will cut across sectors such as education, health, jobs and employment, agriculture, skill building and energy. The plans provide an entry point for PUNOs in their target areas. UNDP’s implementing partner will coordinate with PUNOs and their partners to build capacities around the development of these resilience plans. Based on ERRY I pilot implementation in Hajjah and Lahj where sub-district level resilience plans developed and implemented. Under this action, 49 sub-district level resilience plans would be developed which comprises 220 villages.

*Action 3.2.7: Provide block grants based on community compacts for 220 (49 sub-districts) priority community initiatives identified under community resilience plans (UNDP)*

Based on the priorities outlined in community resilience plans, target communities will receive a block grant to implement small-scale projects. Priority will be given to projects that address conflict-related issues. PUNO support to the implementation of the community resilience plans will emphasize conflict resolution and social cohesion, and based on ERRY I learnings, all interventions will take a conflict-sensitive approach.

**Activity Result 3.3: Local authorities are better able to plan, monitor and coordinate gender- and conflict-sensitive resilience building, recovery priorities and response at the district level through a participatory approach (UNDP)**

*Action 3.3.1: Conduct public service damage assessments and develop citizen monitoring systems in target districts (UNDP)*

A damage and loss assessment framework will be developed for 8 targeted districts in consultation with local authorities, PUNOs and implementing partners in target districts. District management teams, along with administrative and executive agencies, will gather primary and secondary data that will form the initial assessment in developing district recovery plans. A citizen monitoring system will also be developed at the initial stage of the district level intervention by UNDP and its implementing partner. The purpose of citizen monitoring is to improve the transparency and accountability of district level authorities in basic service delivery. Good practices from ERRY I will be integrated. In total 8 DMTs would be established in targeted districts.

*Action 3.3.2: (Re)activate district management teams to restore minimum public service delivery (UNDP)*

The district management team (DMT) is an ad hoc mechanism implemented in ERRY I to support district authorities and facilitate district recovery plan development and implementation in a crisis context. The DMT is comprised of representatives from both administrative and executive agencies of district authorities. As DMTs are reactivated, PUNOs, other agencies and partners will be consulted to ensure awareness of the DMT’s role.

*Action 3.3.3: Provide technical capacity building to local authorities (200) to support planning and implementation of recovery plans and service delivery (UNDP)*

DMTs, along with other relevant agencies at the local level, will receive capacity building support to be able to lead planning and implementation of recovery plans. Districts targeted under ERRY I will act as role models for new districts under ERRY II. Peer-to-peer exposure visits will be organized at the district level to share lessons and good practices around recovery plan development and implementation. PUNOs and their partners will also be actively engaged during the capacity building training and peer-to-peer visits in target districts.

*Action 3.3.4: Develop conflict- and gender-sensitive district recovery plans (8) which include monitoring frameworks and implement priority interventions (UNDP)*

Sub-district resilience plans and damage and loss assessments will act as secondary sources of information and reference documents for the development of district recovery plans. District recovery plans will include conflict- and gender-sensitive approaches and will focus on sector-wide damage assessments, including status and implementation priorities. Respective sectors and clusters will be engaged during the plan development process by the local authorities. The recovery document will also act as an advocacy tool for the local authorities to mobilize resources through different funding instruments. The district recovery plan will be validated by the district level stakeholders and will be partially supported by UNDP through its local governance component. Local authorities will be responsible for its implementation, while fiduciary control will rest with UNDP’s implementing partner to ensure financial compliance and internal controls.

*Action 3.3.5: Organize community and local authority meetings to showcase priority interventions on conflict-sensitive livelihood, solar and self-help interventions with all key stakeholders (UNDP)*

Peer-to-peer exposure visits among target communities and districts will be organized by UNDP and its implementing partner. PUNOs, local authorities and sub-district VCCs will be engaged in the exposure visits to showcase priority interventions on conflict-sensitive livelihood generation, self-help and compact initiatives. PUNOs and their implementing partners initiatives will also be included in exposure visits to identify synergies and opportunities for collaboration.

# Management Arrangements and Coordination

In the proposed Joint Programme, a Steering Committee (SC) will provide strategic direction and advisory authority using the pass-through modality. 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 (See Annex 7 for Organogram).

## 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, donor community and the host government for the implementation of the Joint Programme. Advisory in nature, the PSC reviews and endorses the Joint Programme Document and annual work plans. It provides strategic direction and oversight, advises on allocation criteria for resources, reviews implementation progress and addresses problems. The PSC also receives progress reports, approves budget revisions/reallocations, notes evaluation and audit reports (published in accordance with each PUNOs’ disclosure policy), and initiates investigations if needed. The PSC is supported by a Joint Coordination Unit and meets at least semi-annually. The PSC will include senior Programme Managers (CDs/RR) of all UN signatories of the Joint Programme Document, government and donor representatives. 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.

## 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 rules and regulations for the receipt and administration of the funds received from donor(s) pursuant to the Administrative Arrangement.  This Joint Programme Account will be administered by the AA in accordance with the applicable rules, regulations directives and procedures, including those relating to interest;
* Make disbursements to Participating UN Organizations from the Joint Programme Account as instructed by the Steering Committee, in line with the budget set forth in the Joint Programme Document.
* The MPTF Office will charge an administrative agent fee, which includes costs of the services performed by the Administrative Agent in line with the UNDG Operationalization Guidelines for the EU PAGODA 2 Delegation Agreement. These costs are included in the Project Direct Cost.

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 AA.

Each UN organization is entitled to deduct their indirect costs on contributions received according to their own rules and regulations, considering the size and complexity of the programme. Each UN organization will deduct seven percent as overhead costs of the total allocation received for the agency.

**Administrative Agent**

According to the pass-through modality, the UNDP [Multi-Partner Trust Fund Office (MPTF Office)](http://mdtf.undp.org/overview/office/what) 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: i) receiving donor contributions, ii) disbursing funds to Participating UN Organizations based on the Steering Committee instructions, and iii) consolidating periodic financial reports and the final financial report.

**Participating UN Agencies:** Participating UN organizations 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 agreement.

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

**PUNOs 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. This 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 by approving timesheets, expenses and contractor invoices, and by preparing internal financial reports, including periodic financial reports.

## Convening Agency and Joint Coordination Unit in Sana’a and Sub-National Level

Under ERRY, UNDP is the Convening Agency and will provide joint coordination support. UNDP will be accountable for the coordination of programmatic activities and narrative reporting.

The Joint Coordination Unit is responsible for operational and programmatic coordination that includes: i) coordinating all Joint Programme partners, ii) coordinating and compiling annual work plans and narrative reports, iii) coordinating the monitoring of annual targets, iv) calling and reporting on Steering Committee meetings, v) coordinating audits and evaluation, vi) reporting back to the Steering Committee, and vii) potential 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

The Joint Coordination Unit (JCU) in Sana’a will be led by a Joint Programme Manager, supported by a Communications Officer, an M&E and Reporting Officer, and an Administrative and Finance Officer.

The JCU will be hosted by UNDP within its premises and will operate with a dedicated budget and staff that will cover risk management, conflict sensitivity, communications, M&E, coordination and oversight. A key task of the unit will be to ensure coherence across the Programme’s components, outputs and synergies. This will be done by:

* 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;
* Developing 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 the Joint Programme Manager is focused on coherence and taking advantage of synergies between components;
* Using a joint template for M&E and communications that governs 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 and interpreters between components and locations.

**Sub-national Joint Coordination Units**

The sub-national Joint Coordination Units will be led by FAO in the north, based in Hajjah and/or Hodeidah to cover both the Hajjah and Hodeidah Governorates. It will be led by UNDP in the south, based in Aden to cover both the 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 led from Sana’a, and the operational coordination of activities across outcomes and agencies will be initiated at the region level which covers the six target governorates.

The sub-national JCUs may facilitate the setting up of premises for PUNO personnel, liaise with authorities, facilitate coordination among IPs and PUNOs in the field, facilitate coordination with local authorities, facilitate monitoring and evaluation in the field, facilitate field visits, attend UNOCHA and other coordination forum representing ERRY II, support field level operations (office, furniture, equipment, communications, and operational expenses) in existing offices and guarantee programmatic and operational capacity for field visits and stakeholder coordination meetings.

**Scoping and Agreeing on Project Activities**

ERRY will have a detailed consolidated rolling work plan and annual work plan, presented to the National Programme Steering Committee for approval after being agreed upon by all PUNOs. These work plans will be divided into separately scoped and agreed activities. The ERRY JCU will group activities together into Outputs and Outcomes in order to streamline management and results, and to incorporate linkages and dependencies into planning. The Programme’s overall approach will be to demonstrate impact as soon as possible, which will allow for lessons to be reviewed and incorporated into Outputs.

# Sustainability

## Institutional and Policy Level Sustainability

Resilience building aims to strengthen capacities and assets that enable communities, households and individuals to manage and sustain their livelihoods and developmental activities beyond the life of the Programme. By working with community-based institutions (VCCs, IMs, farmers’ associations, women’s associations and others), local government institutions (line ministries, Chambers of Commerce, TVET, local administration), civil society organizations (implementing partners) and private sector (suppliers, trainers, micro-financiers, exporters, importers, wholesalers, traders, retailers, factories) that can contribute to the Programme’s objectives, the creation of a support network of institutions that communities can continue to access beyond the Programme’s life will be possible. Building effective relationships, including with partners at all stages of the project, strengthening their capacity with clearly defined roles and responsibilities, and involving as many stakeholders as possible in discussions about the phasing out process and exit strategy will help in ensuring the sustainability of activities.

However, critical limitations to government ownership are real, noting the current absence of legitimate national government counterparts at the Sana’a level, which may affect sustainability and ownership of programme results at the national level. Focus will be given to create ownership of local institutions at district and community levels which will exist and sustain even through political instability at the Central level. Self-reliance is an important aspect and will be part of the community mobilization process. Sustainability and ownership of the Programme 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 and Financial Sustainability

The resilience-based approaches under Output 1 are participatory, market-oriented and informed by market and value chain assessments. The Programme seeks to link with both agricultural and non-agricultural value chains to create sustainable employment opportunities through demand-driven skills development and the creation of market opportunities. The trainings carried out will be linked with available job opportunities in rural areas. Special attention will be given to the inclusion of women, in order to ensure their participation in the long term. Strong emphasis is placed on strengthening the capacity of national partners and stakeholders to carry out capacity building using their own resources, especially local trainers, suppliers, maintenance and installation technicians, and VCCs as catalysts for community mobilization and planning. The local community will be encouraged to contribute local resources in cash or in kind for all community-based projects to ensure the cost-effectiveness and sustainability of the interventions. These interventions are designed to improve economic and livelihood opportunities through small business development and support to value chain groups. Youth employability interventions will provide continued technical and advisory support until new businesses are profitable and sustainable, linking them to markets and financial institutions to ensure economic sustainability. The Programme will promote the use of cost-effective and affordable technologies that are both available and managed locally to ensure sustainability.

It is important to note that the ongoing crisis has caused a significant economic downturn resulting in a sharp rise in unemployment, closure of businesses, difficulty accessing cash and a strangle on imports and exports. While ERRY II will deliver concrete community-level economic results through stabilization, and activities that promote livelihoods and economic self-reliance, broader economic impact and the sustainability of results are contingent upon the national economic ecosystem and the stability of Yemen’s political and security situations.

ERRY I positively impacted the lives of the target beneficiaries by enhancing their productive assets through access to solar energy. The socioeconomic benefits of the solar energy component under ERRY II seeks to improve access to solar energy and the supply of electricity to the vulnerable rural districts where power is lacking, and also aims to create new jobs in the solar energy sector, such as the selling, installation and maintenance of solar energy systems.

Emphasis throughout the implementation of ERRY II will be on the sustainability of the suppliers’ capacity to sell, install and maintain the systems. The Programme will also support competency-based training of technicians to ensure satisfactory consumer experience with the new technology, and a market monitoring mechanism to track progress and enhance ongoing targeted support for the sector.

## Environmental Sustainability

Environmental sustainability is an integral part of this Programme and is fundamental to achieving the outcomes stated in the log frame (see Annex 2: **Error! Reference source not found.**). Consequently, environmental sustainability has been mainstreamed throughout this intervention. Based on experiences from ERRY I, the Programme will strengthen and/or undertake several activities that will enhance environmental sustainability and strengthen the vulnerable communities’ climate resilience.

Under ERRY I, PUNOs provided technical and institutional support for the establishment of 15 Water User Associations (WUAs), which have been instrumental in rehabilitating water and sanitation infrastructures within their communities. PUNO Monitoring reports revealed that the WUAs significantly raised awareness on the sustainable management and use of water resources while protecting the livelihoods of rural farmers, improving food security.

ERRY II will build on the existing intervention by strengthening the capacity of existing WUAs and also establishing new ones. In order to ensure sustainability, the Programme will adopt and apply holistic approaches by working closely with WUAs, local communities and local authorities in order to increase farmers’ awareness of water scarcity and their ability to reduce groundwater explotation ERRY II will identify and implement sustainable and climate-resistant crop production systems that require lower water input and result in equal or higher net incomes for farmers. The Programme will also empower WUAs to negotiate sustainable groundwater management plans and train them on social cohesion and conflict resolution in order ensure their sustainability and help them better serve farmers.

The 187 VCCs established and supported by PUNOs under ERRY I played a vital role in the identification, implementation and management of activities that contributed to improved water conservation, sanitation, tree planting and other environmentally sustainable initiatives.

Given the high level of dependence on natural resources and the environmental degradation in the target governorates, activities will focus on building the resilience of the vulnerable communities by increasing their ability to adapt and to mitigate the effects of climate change. Training of the VCC and WUAs has a multiplier effect on: i) achieving environmental sustainability, ii) increasing local ownership, iii) ensuring maintenance of CfW and other community projects around rehabilitation of water and sanitation community infrastructure, and iv) awareness-raising on the sustainable use of water. This intervention will also enhance awareness on environmental management and efficient use of water for agricultural practices during Farmer Field School sessions and other community trainings.

The solar component under ERRY II will focus on improving access to renewable solar energy, thereby reducing competition over scarce natural resources which has been among the causes of local conflicts. The environmental sustainability activities of this component are aligned with the EU Global Public Goods and Challenges (GPGC) operational programme and its strategies. It corresponds to theEnvironment and Climate Change strategic area of the GPGC, as it supports the transition towards an inclusive green economy and the mainstreaming of environmental sustainability, climate change and disaster risk reduction initiatives[[27]](#footnote-28).

Solar energy use is environmentally friendly, sustainable and will spur economic growth of the target districts without harming the environment. By creating and improving the access of rural communities to solar energy, this intervention will stimulate the socioeconomic development of the target communities. ERRY II’s delivery of sustainable environmentally friendly energy to rural areas is consistent with the UN’s Sustainable Energy for All initiative. In particular, it is in line with the first objective regarding universal access to modern energy services, and with its third objective to double the share of renewable energy in the global energy mix. Through careful monitoring, partners will ensure that solar powered water pumps are installed in combination with improved water irrigation systems, and supported with awareness-raising, to ensure that the available water resources are used sustainably. The community will also be trained on solar equipment maintenance.

In order to ensure environmental sustainability, this Programme will also engage target beneficiaries, local communities, the VCCs and the WUAs during solar system identification, design, preparation and installation. This will be achieved through technical demonstrations and training on the management and maintenance of the systems thereby ensuring transfer of knowledge and increased sustainability. This will in turn minimize the use of fuel and woods as sources of energy.

The Programme will also ensure environmental sustainability by creating a video documentary on the benefits of solar power as a source of energy. The documentary will highlight the direct benefits that solar energy will bring to rural villages. Additionally, the Programme will disseminate the documentary in order to raise awareness and educate the community on the benefits of this type of renewable energy. This in turn will also raise the profile of solar energy across Yemen’s business and financial sectors.

# Action Scalability

All components of the Programme have the potential to be expanded to other governorates and/or national level when the context allows it. Experience from ERRY I shows that most of the interventions, including the community resilience planning process, dairy products support, feed blocks/molasses processing, emergency employment measures, and solar energy related activities have already been scaled up and replicated in other communities and governorates through implementing partners and other projects. The training manuals that were developed by ERRY I (competency-based trainings manual, my first business manual and semi-literate business training manual) are being adopted and used by NGOs for similar trainings in other governorates. The manuals are going to be used by the national government as part of the TVET trainings curriculum. ERRY II will also further promote and replicate these interventions into new districts and governorates.

ERRY II will also focus on innovative approaches and interventions that are applicable to the current context and that are built on local knowledge, capacity and resources when scaling up and expanding to other governorates.

The Programme involves local partners at all levels in order to support full ownership and strengthen capacities required for the scale up. The unpredictable and highly volatile context in Yemen makes any programmatic intervention subject to change and risk. ERRY II must be flexible, responsive and risk-averse, with the capacity to adapt its activities as conditions evolve. Agencies will assess and mitigate risks through on-going analysis of the situation in order to assess programme feasibility and determine scalability.

# Monitoring, Evaluation and Reporting

The technical and financial monitoring of the implementation of the Programme will be a continuous process. It will be part of the PUNOs and their implementing partners’ responsibility with strategic guidance and feedback from the Joint Programme Coordination Unit. To this end, the JCU will establish an M&E system across the participating UN Agencies to ensure that the Programme is fulfilling its accountability requirements and to oversee the Programme’s performance. Additionally, the JCU will be facilitating, coordinating, and providing guidance for the evaluation process and products, such as annual reports, quarterly reports and evaluation reports.

## Monitoring

For ERRY JP, monitoring is an ongoing process by which stakeholders obtain regular feedback on their progress. Building on ERRY I’s experience and recommendations from ROM, the Programme will have a comprehensive M&E framework and plan, that guide its M&E implementation and that strengthen its M&E system. The Programme team’s technical capacity in performing M&E will be strengthened using the EU programme cycle.

A set of result indicators have been developed and selected in consultation with PUNOs and other relevant stakeholders to accurately and realistically measure change for each of the Programme’s Outputs and Outcomes over time. Gender and conflict-sensitive indicators have been defined to measure the Programme’s Outputs and Outcomes. Indicators that enable to measure improvements in nutrition, food security, income and transition to sustainable livelihoods of the most vulnerable households will have been included in the ERRY II M&E system.

The means of verification provided for each indicator outlines the source of data needed to measure the indicator, as well as the frequency, the methodology and the responsibility for data collection. External assumptions and risks related to each level of results are provided as necessary conditions for the outcome to materialize. ERRY II will use both internal and third-party monitoring to ensure that all project interventions in all geographical areas are systematically and periodically monitored, analysed and reported.

Periodic joint monitoring in the field by PUNOs and local partners will be strengthened to ensure that the plan’s progress and results are regularly checked and verified.

This will be achieved by:

* PUNOs and IPs monthly meetings to assess the Programme’s results as stated in the M&E framework, to share information, and address challenges;
* Planning and conducting regular joint field monitoring missions to gauge and verify achievements and constraints;
* Identifying, sharing and disseminating lessons learned, promoting their use by partners and developing knowledge products;
* Identifying capacity building needs among partners, particularly relating to data collection, analysis, monitoring and reporting.
* Contributing to the annual and progress reports for consistency and quality.

The risks of working in Yemen are significant, given that it is an active conflict zone. These risks are weighed against the high return of providing support to people in desperate need. Each UN agency has a risk management system that informs their decision making. The JCU will regularly update the steering committee on the results of risks analyses and results. Discussions will cover progress, context, needs and mitigation measures. These meetings will highlight any changes to the key risks and will consider the need for any additional mitigating actions. As monitoring risk is an integral part of the Programme, a full risk register will be incorporated into the delivery plan for this Programme. The initial potential risks have been identified and mitigation strategies have been proposed. If necessary, new risks will be added to the register and further mitigation strategies will be developed. Developing effective mitigation measures relies on staff being present on the ground and strengthened engagement with target communities; however, the top risks have been outlined in the risk table in Annex 1, along with their respective mitigating actions.

## Baseline Data

The baseline data is derived from the assessments conducted by the ERRY I baseline study, PUNOs end line data, relevant data collected by IPs and local authorities, and other relevant studies conducted by national or international organizations.

Given the predominantly quantitative nature of the Outputs’ indicators and the fact that they were selected to reflect the project’s direct delivery and immediate results, baseline information is mostly available for this level of results. Regarding long-term Outcomes, more information on community resilience, livelihoods, food security, social cohesion, and access to social basic services needs to be collected before the start of the intervention.

## Third-Party Monitoring

Third-Party Monitoring (TPM) will support the JCU by carrying out objective tracking, independent programme oversight and monitoring functions. This role will ensure that appropriate Programme milestones are managed and completed. TPM firms may also provide support to collect M&E data from insecure and inaccessible target areas that UN project staff cannot access.

## M&E Data Management

Data management involves the collection, storage, processing/analysis, dissemination and efficient use of information in the M&E context. ERRY M&E data will be collected by various stakeholders (M&E Officers, PUNOs, IPs, TPM providers and consultants). These data will be checked for accuracy, then integrated and made accessible to relevant actors in a timely and usable manner. The following diagram outlines the ERRY II M&E data management process related to the Programme’s cycle:

**M&E Data Flow Diagram**

### Data Collection Tools

Different data collection tools will be employed to account for the mixed nature of the indicators used to measure the Programme’s implementation progress. The tools will be selected and designed to be as inclusive and as unbiased as possible. More specifically, the applied data collection tools will avoid gender-related disparities and ensure the inclusion of the more vulnerable groups such as women, youth and IDPs. Some of the collection tools that will be used to measure indicators are surveys, interviews, focus groups, community meetings, observations, rankings and case studies. The ERRY team will determine the correct mix of monitoring tools and approaches for each component, output, and activities. The M&E team will also ensure that the M&E processes contain an appropriate balance between data analysis, validation, and participation.

### Roles of Project Partners in M&E

The following table outlines all Programme Stakeholders’ M&E roles and responsibilities:

| **ERRY Stakeholder** | **Roles & Responsibilities** |
| --- | --- |
| **ERRY Joint Coordination Unit** | * Ensure component-specific output indicators are properly collected, analysed and reported. * Consolidate PUNOs Quarterly and Annual progress and final reports. * Ensure quality of information and provide technical feedback and guidance. * Disseminate reports that demonstrate achievements, challenges, lessons learned and plans to end-users. * Ensure effective collaboration and knowledge-sharing at the agencies and IPs levels. * Resolve implementation bottlenecks based on the M&E findings and technical meetings. |
| **ERRY Participating UN Organizations** | * Provide technical advice on the design and implementation of the monitoring and data collection tools. * Ensure M&E data and findings about implementation activities are collected through IPs and communicated effectively in a timely manner. * Provide technical support and guidance to IPs to overcome challenges related to data collection and quality reporting. |
| **Implementing Partners** | * Conduct data collection and interpretation at the district levels. * Provide feedback on M&E findings and apply M&E recommendations in implementation activities. * Link with beneficiaries and the local community level. |

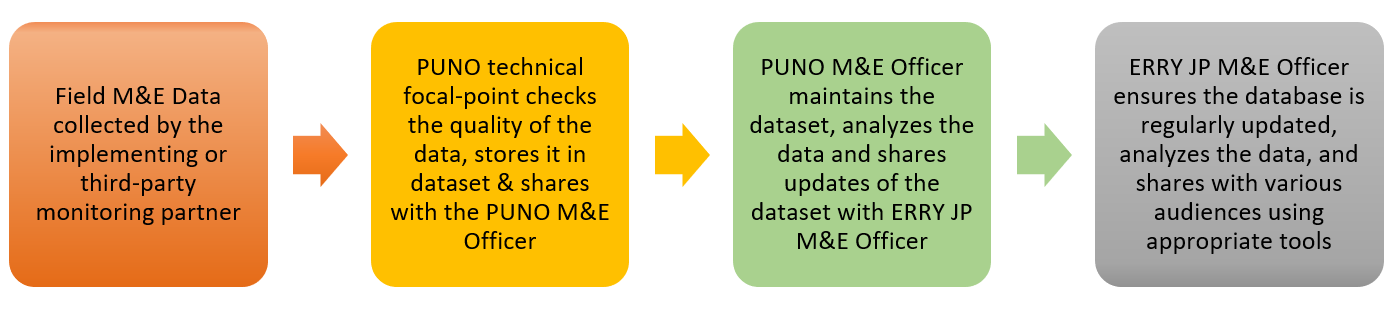
### Data Collection System

The ERRY M&E Management Information System (MIS) will provide an integrated and holistic view of the Programme’s performance, activities, and beneficiaries in a relatively real-time manner, which enables programme managers and decision-makers to access timely, quality and accurate information. The MIS will facilitate the collection, analysis, storage, and management of data from multiple actors in a harmonized and consistent manner.

Due to the joint delivery nature of the ERRY Programme, PUNOs (and their M&E focal-points and IPs) will have a responsibility in collecting, controlling, managing and sharing the activity and Output data related to their component’s delivery. On the other hand, the JCU (and its JP M&E Officer) will ensure that the required data is collected, consolidated, analysed and reported in order to demonstrate a comprehensive and coherent record of the Programme.

The following chart illustrates the flow of ERRY M&E’s data generation, collection, processing, and sharing:

**MIS Data Flow**



The various data will be organized into special datasets bases on ERRY components. The information will be analysed by the JCU M&E officer to identify trends, deviations, bottlenecks and ways forward to allow ERRY management to make timely decisions.

## Annual/Regular Reviews

The Programme team will conduct the following regular reviews and meetings:

* Bi-monthly coordination meetings (technical level working group) at the sub-national level (north and south) at the onset of the Programme, to be re-scheduled as necessary.
* Bi-monthly coordination meetings (technical level working group) at the national level (Sana’a).
* Quarterly reviews by the Joint Programme Coordination team to monitor the implementation of the AWP, analyse delays and formulate solutions.
* Annual review with the Joint Programme Team in preparation of the annual Steering Committee Meeting that will examine the implementation of activities outlined in the annual work plan, analyse Outputs and Outcomes, and prepare/adopt the annual work plan.
* In addition to the ongoing re-alignments in response to real-time monitoring, risks, assumptions, and mitigation measures will be reviewed when necessary depending on the changing context.

## Evaluation

A mid-term evaluation of the Programme will be conducted to assess its performance, identify the main difficulties/constraints and formulate practical recommendations to improve the Programme’s implementation. A final evaluation will be conducted to assess whether the Programme has attained its expected objectives and delivered tangible results for the target communities. Both mid-term and final evaluations will also be carried out for accountability and learning purposes, including the review of approaches and strategies, and scale up. The ERRY Joint Programme evaluation findings and recommendations will be discussed and shared in appropriate forums and meetings to ensure transparency and participation.

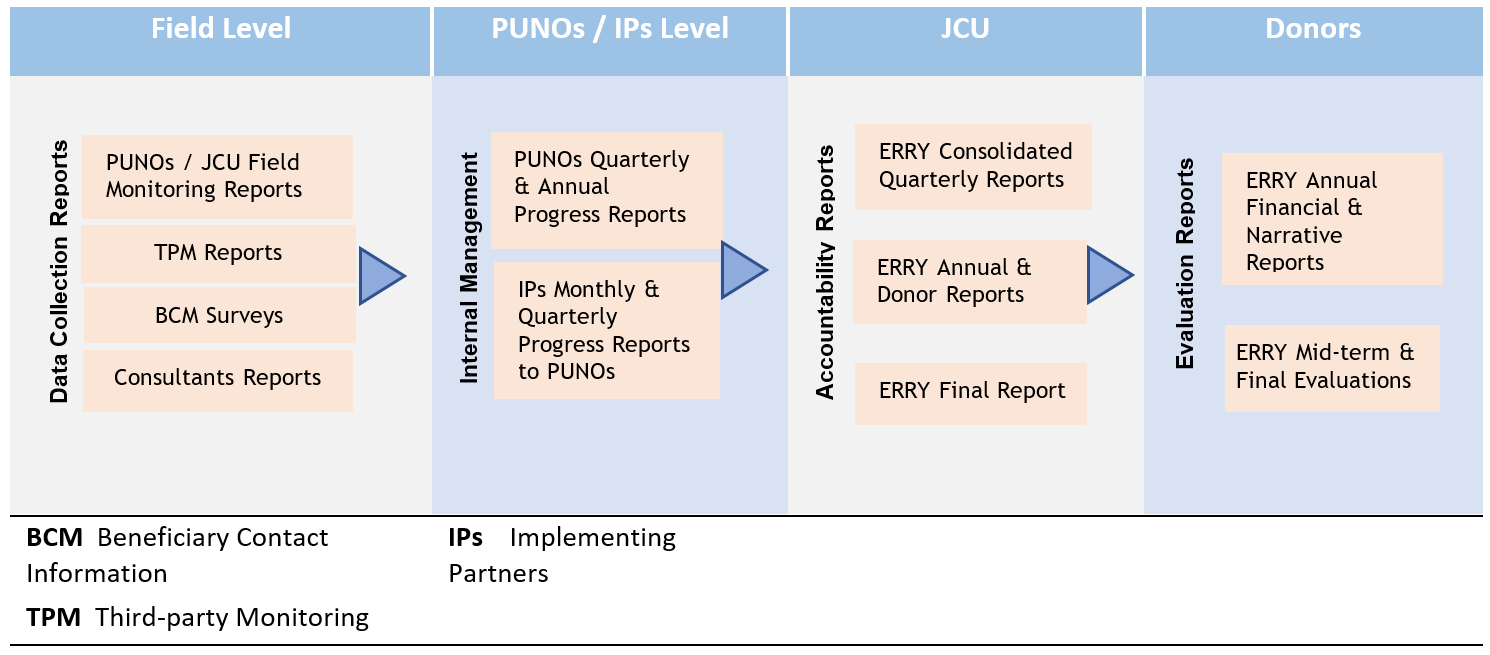
## Reporting

The following reports will be produced to communicate the Programme’s progress to internal project management, donors and the Steering Committee based on the implementation of the annual work plan:

* **PUNO Quarterly Reports:** Outline progress at the Output level and provide details on challenges and lessons learned. The JCU will consolidate the quarterly reports and share with partners.
* **ERRY II Consolidated Annual and Donor Report:** Prepared by the JCU, cleared by convening agency and submitted to the SC and EU. It will outline achievements, progress, targets, outputs, impacts and financial delivery during the reporting period. It will also highlight the progress towards Outcomes and challenges/risks encountered during the reporting period, and the following year’s AWP.
* **Annual Review Report:** The JCU will conduct an annual review meeting in Dec/Jan with its partners to assess project implementation progress during the year against its AWP. The review report will be produced and shared.
* **ERRY Evaluation Reports**: Mid-term and final evaluation reports will provide the mid and longer-term impacts of the Programme (effectiveness, efficiency, relevancy and sustainability), describing processes, analysing gaps, derive lessons learned and provide recommendations for improvement.

**Flow of M&E Reporting:** The following diagram outlines the flow of the ERRY M&E integrated reporting system. The objective is to ensure timely M&E information flow from the field level to be aggregated, synthetized, and analyzed as it passes through different levels until reaching the donors.

**ERRY JP M&E Reporting Flow**



## Accountability and Complaint System

ERRY II places great emphasis on the accountability of utilised resources, and results achieved vis-à-vis beneficiaries, local partners and donors. A feedback and complaint mechanism will be established to help ERRY management identify improvement areas and build trust and confidence with local communities by promoting a culture of transparency and accountability.

The participating agencies have activated their formalized complaint and feedback systems. They will set up signboards and hotlines to allow beneficiaries to voice their concerns, appeal decisions, and provide feedback on the Programme’s services. Complaints are archived to enable system tracking and adjustment. Accountability and complaints data are incorporated into the overall monitoring reports on the Programme’s progress and impacts. Key issues on the views, concerns, feedback and complaints of communities will be regularly reported to Programme management.

# ERRY II Communication Strategy

The communication and visibility component of ERRY II aims to create awareness amongst local communities, implementing partners, donors, the media, beneficiaries and the general public about the Programme's impact on the ground, and seeks to ensure the visibility of the EU's and Sida’s contribution to the Programme and to the wellbeing of the people of Yemen. The process of developing a coherent, dynamic and comprehensive communication and visibility strategy adapted to ERRY's needs was initiated during ERRY I. The Joint Visibility Guidelines for EC-Sida-UN actions in the field, the Joint Action Plan on Visibility 2006 as well as the Communication and Visibility Manual for European Union External Actions 2010 are being used as the guiding documents to develop the ERRY II communication and visibility strategy.

The communication plan will highlight the general objectives of the Programme, the respective target groups, the specific activities and tools that will be used during implementation, the expected indicators of achievement aimed by the communication strategy, as well as the human and financial resources envisaged for the implementation of the Programme.

The specific objectives of the proposed communication and visibility strategy are as follows:

* Promote and communicate the results of the Programme;
* Promote the cooperation of Government-UN-EU-Sida and national/local partners to deliver on the Programme’s goals;
* Ensure visibility of EU's and Sida’s support to the Programme and beneficiaries.

## Media Context in Yemen

Yemen has a relatively open and vibrant media environment. The television and radio sectors are expanding with an increasing number of channels and stations. Since 2011, The country's media space has improved, with a growing number of social media activists, especially women. Female bloggers and activists have taken advantage of internet access to participate in the public discourse. Another positive development is a visible improvement in the quality of state-run media outlets, especially newspapers.

Internet users in Yemen have jumped from 1 percent of the country’s population in 2016, to 24.3 percent (7,031,784 users) as of December 2017, according to Internet World Stats. In that same month, 2,352,942 Facebook subscribers were recorded. As a result, the Programme will benefit from social media’s tremendous growth in Yemen to disseminate its objectives, achievements, impacts, and key messages.

## Main Communication Actions of the Programme

There is a variety of communication and publicity activities that can be used to promote the Programme:

* Info-days, information campaigns/events;
* Small promotional items, stickers, logos;
* Business cards, envelopes, folders, invitations;
* Websites, e-bulletins, e-magazines, blogs (social media);
* Brochures, bulletins, leaflets, newsletters, catalogues, banners, pamphlet;
* Articles, publications, meetings and workshops, press-releases, advertisements, audio and video materials.

The communication and visibility strategy’s guiding principles are multidimensional and collaborative. They emphasize coordination, innovation, sustainability, interaction, gender-sensitivity, insight and social inclusion.

High-quality and cost-effective communication and visibility actions will be ensured by the Joint Coordination Unit by providing the following contributions: i) advisory support regarding communication and visibility work plans, budgets, reports and evaluations, ii) the production of all communication materials needed to achieve the communication outcomes and objectives of the Joint Programme, iii) technical support for the implementation of agreed ERRY-specific visibility actions.

## EU & Sida Visibility of the Action

This intervention will acknowledge the contribution of the European Union to the target and indirect beneficiaries of the project. The general purpose of the communication and visibility actions is to ensure that all communications of the ERRY II Joint Programme is consistent with the European Union's values and other related communication activities and events. The following visibility elements will be considered for ERRY II:

**Branding**: The EU & Sida emblem will be used in all produced communication and visibility materials of ERRY II. In addition, the financial contribution will always be acknowledged using the following sentence: *This Programme is funded by the European Union & Sida.*

**Online communication and visibility**: Information about the EU & Sida financed Programme will be disseminated through ERRY II official web platforms and social media that were created during ERRY I. In addition, information about the ERRY II Programme will also be included on the social media accounts and websites of Participating UN agencies. The EU & Sida emblem and acknowledgement of its support will also be included, as will links to the relevant EU and Sida websites and social media accounts such as @europeaid, @euinyemen and @sida.

**Electronic newsletters, online articles and blogs:** ERRY II Joint Programme will disseminate electronic newsletters, online articles and blog posts to inform the stakeholder’s audiences about the EU & Sida financed Programme. These publications will also be shared in ERRY II social media channels and the ERRY II webpage. They will also be shared in the Participating UN agencies’ media channels. Arabic versions of these publications will be produced whenever possible.

**Information campaigns, events, visits, stakeholder meetings:** These will be conducted according to EU and Sida Communication and Visibility criteria. These events will link overall objectives, achievements and impacts of ERRY II with EU and and Sida general partnerships with UN agencies working in Yemen. Public events (such as conferences, workshops, seminars, training courses, and exhibitions) will be conducted to highlight the objectives and achievements of the Programme. The EU and Sida emblem will be displayed prominently on all these events to ensure that attendees are aware of the EU and Sida’s financial support.

**Press releases**: Press releases will be issued at action launches, and during events or joint field visits. The EU and Sida's partnership with UN agencies working in Yemen and funds provided by the EU and Sida will be mentioned.

**Audio-visual material, photography and other productions:** Audio-visual and photographic materials will be produced to convey ERRY II ‘s accomplishments, impact, and key messages. All materials will comply with the EU-financed external actions’ criteria in and will consider the generally recognized standards and best practice. The EU and Sida will be entitled to use or reproduce all audio-visual and photographic materials produced by any PUNOs or their implementing partners. Audio-visual materials will also feature the EU and Sida emblem at the beginning and/or end of the production, accompanied by the following text: *This [film/video/…] was produced with the financial support of the European Union and Sida.*

Photographs related to ERRY II progress, results, and impact will also be available to the EU and Sida, accompanied by IPTC metadata or a separate English metadata file detailing (for each image) the photographer’s name, production date and location and a caption detailing the names and functions of any identifiable individuals.

**Newsletters, leaflets, brochures and other printed materials**: These will be disseminated in electronic form through websites, social media and email. All these materials will comply with the Communication and Visibility in EU-financed external actions criteria and Sida Comunication Manual. The cover or front page of any document will clearly identify the Programme as an EU and Sida-financed action. The EU and Sida emblem will be prominently visible.

**Promotional materials**: ERRY II promotional materials (jackets, t-shirts, calenders, mugs and notebooks) will be produced and distributed to implementing partners, stakeholders and people working in the field. These promotional materials seek to increase EU and Sida visibility in the field and amongst government officials and stakeholders. The EU and Sida emblem will be prominently visible in these materials accompanied with the sentence: *This programme is supported by the European Union and Sida*.

**Banners and commemorative plaques**: The EU and Sida emblem will be prominently visible on all ERRY II special event banners. ERRY II permanent structures (such as health centres, schools, training centres, roads, solar systems or markets) will bear a commemorative plaque inscribed with the following sentence: *This [type of structure] was built with the Financial support of the European Union* and Sida.

These will be placed in the most visible part of the structure, such as at the front of the building or at its main entrance.

# Annexes

## Annex 1: Risks and Mitigation Measures

| **Risk Description** | **Category** | **Impact and Probability**  **(Scale 1-5)** | **Mitigation Measures / Management Response** |
| --- | --- | --- | --- |
| **Implementation disrupted; inaccessibility due to ongoing conflict and military confrontation in Hodiedah governorate** | **Political and security** | If ERRY II targets districts in the southern part of the Governorate (Beital Faqeeh, Zabeed, and Hayes), there will be high impact due to limited access and movement due to landmines.  If the Programme targets districts in the northern part of the governorates, the impact will be low.  Impact: 4  Probability: 4 | * As districts in the south of Hodeidah along the sea coast are not secure for implementation, thus ERRY II will target districts in the north of the governorate. * If all districts in Hodeidah governorate are inaccessible/insecure, the project will relocate its interventions to the relatively safer districts in Hajjah, Mahwit, or other governorates. * Scenario-based implementation plans will be developed for Hodeidah districts considering the ongoing conflict, which may impact access, movement and displacements due to landmines. * Local implementing partners will conduct the interventions using local and remote mechanisms to ensure they are carried out. * Conduct continued monitoring and assessment. |
| **Mass displacement due to conflict in Hodeidah governorate** | **Political and security** | Increased number of IDPs may put pressure on host communities and humanitarian aid. Internal displacement grows more protracted, disrupts livelihoods and increases humanitarian needs of both IDPs and host communities.  Impact: 4  Probability: 4 | * The Programme will target districts with a high number of IDPs. * As a vulnerable group, IDPs will be prioritised for emergency employment interventions. * The Programme will support host communities to absorb IDPs by improving access to basic services, community micro-projects, negotiation process, and creating employment opportunities. |
| **Lack of legitimate and recognized authorities at the national level** | **Political** | Limited central-level ownership of the Joint Programme.  Impact: 4  Probability: 5 | * Use of Direct Implementation Modality * Ensure ownership at community and district level to ensure sustainability * 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 Programme interventions to benefit one or part of the parties.  Impact: 4  Probability: 4 | * Work with partners who know the politics/local context on the ground. * Conduct conflict analysis to understand different parties and their interests. * Clear communication on objectives of programme interventions; impartial approach. * Awareness creation to reduce attempts to influence interventions. |
| **Perception that international/UN interventions are not impartial** | **Political** | Greater need for conflict-sensitive mechanisms as scrutiny of Programme activities builds  Impact: 4  Probability: 5 | * Continuous engagement and monitoring of perceptions at the community level. * Working through and with local, neutral and socially accepted partners. * Continuous sharing of local knowledge. * Careful selection of beneficiaries, with strong involvement of local partners and community members who have different affiliations. * Conduct conflict analysis to understand the consequences of UN interventions and partnership. |
| **Continued deterioration of the 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 | * Undertake regular security assessments to continuously monitor 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 need for longer term in-country residence. * Capacity building of local staff and Yemeni NGOs to ensure continuation of project implementation if no international staff are allowed on the ground. Target low conflict intensity areas and use remote management modalities (e.g. for monitoring). |
| **Fraud and corruption** | **Financial** | Programme resources may be liked out if implemented through local authorities due to absence of government salary and if controlling mechanisms and monitoring system is weak.  Impact: 2  Probability: 1 | * Avoid implementation through local authorities * Establish strong controlling and monitoring mechanisms of UN and IPs * Spot check and verfification with benefiries about IPs inmplemenetation in the field * Use third party monitoring for indepependent verification and spot checking * Capacity building of IPs and regular auditing of IPs transaction and expenditure * Make complaint and feedback mechanisms operational and responsive. |
| **Lack of financial resources of local authorities** | **Financial** | Programme impact not sustained despite improvement in capacity of local authorities.  Impact: 4  Probability: 4 | * Capacity development of local authorities to support local level resource mobilization. * Prioritize activities that do require local authorities’ involvement but are implemented through communities. |
| **Limited capacity of implementing partners** | **Operational** | Limited technical, managerial and/or financial expertise.  Impact: 3  Probability: 4 | * Undertake capacity assessment of implementing partners prior to grant approval. * Work with local partners that have already been trained under other projects. * Build capacity of implementing partners, including master trainers leading ToT, through current Programme and other UNCT projects. * Set up monitoring mechanism through independent third parties to identify weaknesses and provide timely support. |
| **Continued humanitarian crisis and food insecurity** | **Operational** | Beneficiaries’ immediate focus is on subsistence needs.  Lack of capacity/space for mid-term investment and planning.  Limited commitment/participation/engagement in Programme.  Further deterioration of livelihood assets of targeted households, weakened savings and investment for resilience  Impact: 4  Probability: 4 | * Interventions planned to meet both subsistence needs and to create space for future investment/planning. * Communication to clarify advantages of interventions for resilience. * Investing more in coping mechanisms and advocating for livelihoods and resilience investment. * Coordination to ensure complementarity of humanitarian and resilience/food security interventions. |
| **Perception of inequity of benefits among regions, communities or target groups** | **Conflict** | Resentment towards the UN/the Programme; increased security risks; ownership and support by local communities undermined.  Creates tension within and among communities.  Impact: 4  Probability: 3 | * 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 are jointly determined through Community Development Committees (CDCs) or VCCs. * CDCs/VCC are representative of different groups within the community. * Awareness raising, and communication campaigns delivered to mitigate risk. |
| **Possible facilitation or support to qat use and/or production** | **Socio-economic, environmental, political** | Programme interventions could unintentionally contribute to the use or production of qat, for instance through efforts to increase access to water.  Impact: 3  Probability: 2 | * Qat issues are carefully analysed and used as a basis to identify Programme interventions and design. Continuous monitoring and lesson learning to guide changes in delivery in subsequent stages of the project if necessary. * The Programme will provide strong advocacy campaigns and awareness raising at both national and community levels through CDCs as well as through liaison with anti-qat NGO's such as Generation without Qat and relevant government agencies, in an effort to change perceptions of qat use and raise awareness on available alternative livelihoods. * Policy on use of qat during Programme activities: Programme beneficiaries will not be allowed to use qat during project activities, in line with current SFD policy. * Anti-qat policy for implementing partners: The Programme will work only with implementing partners/NGOs that have an anti-qat policy. * Avoiding qat areas in selection of regions: The Programme will aim to work outside intensive qat production areas, if possible in balance with other criteria like poverty and food security indicators. * Promotion of alternative cash crops: The Programme will seek to introduce alternative opportunities for farmers and the promotion of other, more profitable cash crops such as coffee. * Do no harm/risk mitigation: Anti-qat components will be mainstreamed across all outcomes. 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. |
| **High Inflation** | **Economic** | The exchange rate reached at YER 750 to US $1 in Oct 2018. The currency depreciation has affected the average market price of basic food commodities, which have increased by up to 10 percent in recent weeks.  The cost of the minimum food basket has increased by 35 percent since November 2017. The price of fuel commodities - cooking gas, diesel and petrol - have also increased by more than 25 percent between November 2017 and September 2018.  Impact: 5  Probability: 5 | * Regularly review contracts with IPs to accommodate changes, and if possible to sign the contract in USD. * Review and adjust the CfW rate to adjust the devaluation. * Consider options to provide in-kind support when possible. * Increase livelihoods/resilience investment and employment opportunities to increase income of households to cope with inflation. |
| **Banking/financial system collapse** | **Economic and financial** | Lack of liquidity in the country affects the import of commodities, availability of goods, limited availability of foreign currency, increased commodities price.  Impact: 5  Probability: 5 | * 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. * Minimize financial requirements to few weeks; prepare and implement proper projection of financial requirements. * Minimize heavy investments. |

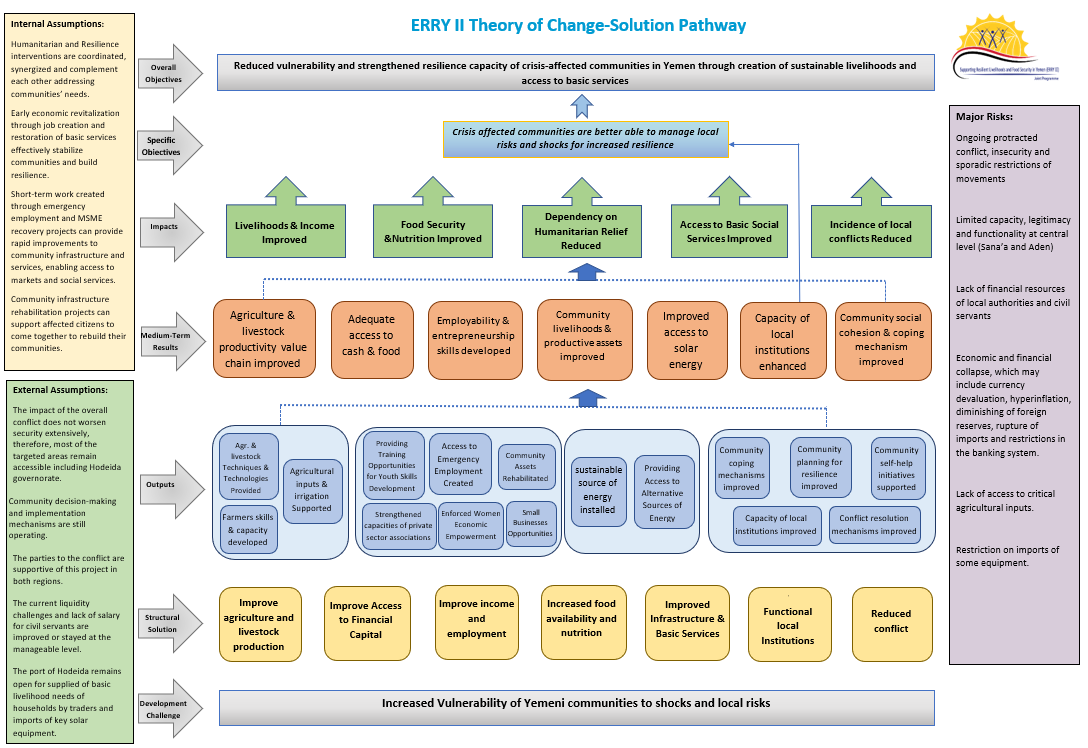
## Annex 2: ERRY II Log Frame

**Overall Objective: *Contribute to reduced vulnerability and strengthened resilience capacity of crisis-affected communities in Yemen through creation of sustainable livelihoods and access to basic services.***

| **Intended Outcome / Output** | **Indicators** | **Baselines**  **(incl. ref year)** | **Targets** | **Immediate Results & Indicative Activities** | **Sources and means of verification** |
| --- | --- | --- | --- | --- | --- |
| **Outcome:** Crisis affected communities are better able to manage local risks and shocks for increased resilience | **Resilience** | |  | All subsequent activities | Survey, FGDs  Survey, FGDs  FGDs, KIIs, Documents Review  Annual reviews, mid-term reviews, evaluation |
| Average targeted communities’ **level of resilience** (disaggregated by district) | 1.8 (on a scale of 10) in 2016[[28]](#footnote-29) | 2.8 by 2022 (level before the start of the conflict) |
| Average level of targeted rural communities/HHs with improved absorptive, adaptive, and transformative capacity to cope up with crisis | TBD when baseline is complete | Will be set after baseline assessment |
| % of targeted communities reporting reduction in frequency of conflicts | TBD | Will be set after baseline assessment |
| **Livelihood & Food Security** | |  |
| Average **level of improved livelihoods and income** in targeted communities (disaggregated by district) | 28%[[29]](#footnote-30) | TBD when baseline is completed |
| % of households with acceptable **food consumption score - nutrition (FCS-N)** | TBD when baseline is complete | 80% |
| % of decrease of households’ **crisis coping strategies** | TBD when baseline is completed | 10% |
| **Output 1:** Community livelihoods and productive assets are improved to strengthen resilience  **Output 1:** Community livelihoods and productive assets are improved to strengthen resilience  **Output 1:** Community livelihoods and productive assets are improved to strengthen resilience | # of farmers provided with inputs to improve sorghum/millet, tomato, and coffee value chains (disaggregated by gender) | 10,000 in 2018 | **25,250** (19,000 sorghum/ millet; 5,900 tomato; 350 coffee) by 2022, (30% women) | **1.1: Skills developed, and food security improved for vulnerable farming households (FAO and ILO)**   * + 1. Identification of key agricultural value chain opportunities through market assessment and participatory community validation (FAO)     2. Support to farmers to improve sorghum/millet value chain through provision of improved seeds and capacity building (FAO)     3. Support to farmers to improve tomato value chain development through provision of improved seeds, fertilizers, marketing and capacity building (FAO) | PUNOs Monitoring Data, IPs Progress Reports, field visit monitoring reports,  distribution lists, during- and post-distribution monitoring |
| # of farmers benefited from FFS (disaggregated by gender) | 7,495 small holders in 2018 | **6,500** by 2022, (50% women) | * + 1. Support to farmers to improve livestock productivity through provision and development of feed resources, fodders and capacity building (FAO)     2. Support to farmers to improve livestock productivity through provision of veterinary services and vaccination campaign (FAO) |
| # of dairy producers supported with inputs (disaggregated by gender) | 2,206 in 2018 | **6,000** by 2022, (90% women) | * + 1. Support to dairy smallholders to improve milk value chain production through provision of small dairy equipment, marketing and capacity building, including empowering women-headed households for processing and marketing of improved traditional dairy products (FAO)     2. Support to farmers to improve coffee value chain productivity and quality (FAO) |
| # of farmers trained on sorghum/millet, tomato, milk and coffee value chains, livestock fattening and health, dairy product processing and marketing (disaggregated by gender) | 10,000 in 2018 | **25,000** by 2022, (50% women) | * + 1. Empowering female-headed households’ development of small-scale backyard sheep/ goat fattening businesses, through provision of small equipment, feeds, vaccines, drugs, marketing facilities and capacity building (FAO) |
| # of farmers trained on entrepreneurship skills and financial literacy |  | **1,200** | * + 1. Empowerment of rural small-scale private entrepreneurs (SSEs) to have better access to markets (FAO)     2. Upgrading skills and knowledge of farmers/women through a comprehensive training programme, FFS, extension materials and demonstration to be developed side-by-side with project activities and with the delivery of inputs (FAO) |
| # of rural farmers associations providing training to upgrade members’ technical and entrepreneurship skill |  | **80** | * + 1. Train rural farmers and rural famer associations on entrepreneurship skills, market information and financial literacy in selected value chains and related sectors to provide effective avenues to upgrade members’ technical and entrepreneurship skills (ILO + FAO) |
| Proportion of the targeted beneficiaries reporting increase in their income due to agriculture value chain support |  | **70%** | * + 1. Provide training to women engaged in rural agriculture on business development services, marketing skills, savings schemes, diversification of livelihoods based on ILO/FAO-developed GET Ahead for Women in Enterprise: Training Package and Resource Kit (ILO + FAO). |
| # of participants in Food/Cash for Assets interventions  # of beneficiaries benefitting from FFA cash/food transfers  Proportion of the population in targeted communities reporting benefits from an enhanced livelihood asset base through FFA using Asset Benefit Index | 2,800 individuals by 2018 through ERRY  33,912 individuals by 2018 through ERRY  0 | **12,950** (30% women)  **90,650** individuals by 20121  **50%** | **1.2: Livelihoods are stabilized, and community assets rehabilitated through providing short-term income support for vulnerable households and individuals (WFP and UNDP)**  1.2.1 Validate selection criteria, select vulnerable beneficiaries and community assets for rehabilitation in coordination with VCC, communities and targeted district representative bodies (WFP)  1.2.2 Conduct baseline surveys for target beneficiaries and community assets (WFP)  1.2.3 Implement Food for Asset activities and community asset rehabilitation (WFP) | PUNO Monitoring Data, IPs Progress Reports  CfW Impact Survey |
| # of community-based assets restored and/or established (disaggregated by type) | 371 assets by 2018 | **325** | 1.2.4 Carry out screening and validating of community asset rehabilitation projects through environmental protection criteria (WFP) |
| Total amount of cash transferred to targeted beneficiaries | USD **5,903,359** by 2018 through ERRY I | USD **6,992,500** | 1.2.5 Monitor community asset rehabilitation and cash delivery to ensure quality standards are met (WFP) |
| # of community Market assets restored through 3x6 | 0 in 2018 | **70** by 2020 | 1.2.6 Design and implement labour intensive CfW activities identifying key community market assets to be restored; engage and select beneficiaries in consultation with communities, VCC and local authorities (UNDP). |
| # of beneficiaries participating in CFW activities through 3x6 | 0 in 2018 | **9,550** individuals (35% women& marginalized) |
| # of beneficiaries who received business development and life skills training  % of beneficiaries who are able to graduate to sustainable livelihoods as a result of post-CfW activities of self-employment and employability | 2,693 in 2018 | **9,550** by 2021  **70%** | **1.3: Sustainable livelihoods opportunities are created in the post-cash for work phase to support self-employment through entrepreneurship development for vulnerable households and individuals (UNDP, FAO and ILO)**   * + 1. Provide life skills, business development and vocational training for identified viable businesses (UNDP)     2. Provide post-cash for work technical training to farmers on promising crop/livestock value chains (FAO) | Annual reviews, mid-term reviews, evaluation, IPs and PUNO progress reports |
| # of ToTs trained on business training packages (MFB & semiliterate) | 53 | **125** | * + 1. Strengthen training of the trainers and train business advisors adapting ILO’s Start and Improve Your Business (SiYB) for entrepreneurs in agricultural businesses and viable businesses identified through the local market assessments (ILO)     2. Finalize and institutionalize adapted MFB & semiliterate packages; at least five national master trainers are certified (ILO) |
| # of microbusinesses established and operational after 6 months | 1,624 by 2018 | **4,974** (35% women, youth &marginalized) by 2021 | * + 1. Conduct market assessment (integrating gender- and conflict-sensitivity) to identify viable social business demands in a conflict context (UNDP)     2. Support business development and recovery with top up grants, generating multiple impacts and job opportunities (UNDP) |
| # of targeted beneficiaries who have improved access to income, business competency and have improved their livelihoods (disaggregated by gender & age) | 1,728 (70% of the targeted) | **4,836**  (90% of the targeted) by 2021 |
| # of trainees with improved employability skills through informal apprenticeship scheme | 600 in 2018 | **2,000** trainees | **1.4: Sustainable livelihoods opportunities area created in the post-Cash for Work phase to support employability through on-the-job training (ILO).**  1.4.1 Develop a laddered capacity building package to link cash for work beneficiaries with sustainable economic opportunities  1.4.2 Provide competency-based technical skills training to cash-for-work beneficiaries interested in wage employment  1.4.3 Conduct competency-based assessment and certification of the beneficiaries  1.4.4 Link the beneficiaries to jobs through job placement opportunities in collaboration with private sector  1.4.5 Provide follow up mentorship training to beneficiaries | PUNO Monitoring Data, IPs Progress Reports |
| % of vulnerable youth/women reporting improved income at least three months after completion of the training | 60% | **70%** |
| # of individuals from private sector and government institutions at district and governorate level build their capacity to develop and implement participatory business continuity planning | 0 | **90** | **1.5: Private sector capacity is strengthened to contribute to emergency crisis response and job creation (UNDP, ILO, FAO)**  1.5.1 Develop the capacity of the private sector through training and follow up support on participatory business continuity planning at district and governorate levels based on ILO local economic recovery guidelines and global practice (ILO)  1.5.2 Rapid Business capacity assessment for micro and small business associations for Hajjah and Lahj (UNDP) | PUNO Monitoring Data, IPs Progress Reports  distribution lists, during- and post-distribution monitoring, field visit monitoring reports |
| # of SME networks supported by the programme reporting improvement in their capacity | 2 networks by 2018 | **4** networks by 2022 | 1.5.3 Support establishment of local SME networks and capacity building via Chambers of Commerce to share information and engage on coordination and planning at the local level (District Recovery and Resilience Plans) and identify diversification opportunities (UNDP) |
| # of households provided with small-scale productive assets and training on marketing | 0 in 2018 | **1,000** by 2022, including 40% female-headed households | 1.5.4 Reinforce and promote pilot rural small-scale entrepreneurs (SSEs) supported by the Programme (milk collectors; women-headed households producing home-processed healthy traditional dairy products, women-headed households with backyard sheep/goat fattening businesses, producers of feed and fodder, coffee producers and sorghum seed producers) with productive assets and training on marketing (FAO, ILO) |
| **Output2:**  Vulnerable communities benefit from solar energy solutions for sustainable livelihoods opportunities and enhanced social service delivery | # of public institution facilities (health, education and district offices) supported with solar systems  % of targeted public institution facilities (health, schools and district offices) and systems (water) have resumed and improved critical services | 210 by 2018 through ERRY I | **182** by 2022  **70%** by 2022 | **2.1 Energy resilience of key basic services (schools, health facilities, water, local administration offices) strengthened through improved access to reliable alternative sources of energy (UNDP)**  2.1.1 Mapping of solar energy gaps and priorities for social services (households, productive assets, health facilities, WASH, schools, and district offices), mainstreaming gender considerations (UNDP)  2.1.2 Install solar energy systems for social services to improve service delivery and reinforce livelihoods of vulnerable communities (UNDP) | PUNOs monitoring data, IP progress reports  Annual reviews, mid-term reviews, evaluation, IPs and PUNO progress reports |
| # of community productive assets (MSME) supported through introduction of solar energy | 19 by 2018 through ERRY I | **41** by 2022 | 2.1.4 Develop solar energy solutions for productive assets and community production facilities to reinforce livelihood resilience of vulnerable rural communities (UNDP) |
| # of HHs supported through introduction of solar energy (disaggregated by female-headed households) | 5600 by 2018 through ERRY I | **11,000** by 2022 | 2.1.3 Install solar energy for vulnerable households (UNDP) |
| % of trained and certified women and youth in solar system installation who have adopted solar innovation |  | **60%** by 2022 (700 trainees) | 2.1.5 Capacity building and awareness training of communities on solar applications and use of solar energy, and for engagement of youth and women in community and district (UNDP) |
| # of solar micro-enterprises established (disaggregated by gender | 200 micro businesses in 2018 | **400** micro business by 2022 (60% women, youth &marginalized) | **2.2 Women and youth play an active role in the provision of solar energy in their communities through solar microenterprises (UNDP, ILO)**  2.2.1 Promote solar microbusiness, business connection and networking among rural and urban dealers’ communities, including youth and women (UNDP) | Annual reviews, mid-term reviews, evaluation, IPs and PUNO progress reports |
| # of trainees reporting improvement in their employability skills in solar energy micro-enterprises | 0 in 2018 | **250** | 2.2.2 Develop competency-based curricula based on the new and emerging youth- and women-friendly solar technology occupations (ILO)  2.2.3 Provide vocational solar skills training to technicians (women and youth) in order for them to play an active role in the provision of solar energy in their communities through solar microenterprises (ILO) |
| % of targeted MSME have benefitted through solar energy solutions | 0 in 2018 | **70%** by 2022 | 2.2.4 Enhance solar energy capacity building, including vocational training on solar energy application uses, specifications design, installation and maintenance through microbusiness associations and private sector (UNDP) |
| % of solar entrepreneurs who are able to access financial institutions and have expanded their businesses for profit | 0 in 2018 | **20%** by 2021 |
| **Output 3:** Communities and local authorities have enhanced capacities to respond to conflict and gender sensitive priorities needs  **Output 3:** Communities and local authorities have enhanced capacities to respond to conflict and gender sensitive priorities needs | # of WUAs supported to promote efficient water and land management | 15 in 2018 | **60** by 2022 | **3.1 Water User Associations (WUA) established (FAO)**  3.1.1 Support 30 WUAs by strengthening the existing fifteen (15) WUAs established during ERRY Phase-I and creation / reactivation of 15 WUAs for efficient water and land management (FAO)  3.1.2 Out of total 30 WUAs, support 20 WUAs using wells with 20 water solar pumps and irrigation kits to promote efficient irrigation techniques for crops / vegetables and fodders (productive assets) (FAO + UNDP)  3.1.3 Establish 30 pilot irrigation within targeted WUAs under LoAs to implement activities aimed at the maintenance and rehabilitation of irrigation canals in order to demonstrate water saving technologies to farming communities (FAO) | IPs Progress Reports |
| # of insider mediators recruited and trained to facilitate peaceful conflict resolution (disaggregated by gender)  % of target communities with improved access to basic services due to conflict mitigating interventions | 229 in 2018  60% | **120** IMs by 2022 (30% women)  **70%** | **3.2: Community-based organizations have enhanced capacities to develop conflict- and gender- sensitive community resilience plans reflecting community priority needs and actions (UNDP)**  3.2.1 Insider mediators recruited and trained based on specific criteria and vetted by IPs, LC representatives and other community leaders and VCCs (UNDP)  3.2.2 Capacity building of partners (implementing partners, VCCs, LCs/DMTs and PUNOs) on gender, conflict sensitive approaches and social cohesion (UNDP) | PUNO monitoring data, IP progress reports  Annual reviews, mid-term reviews, evaluation, IP and PUNO progress reports |
| # of gender-sensitive conflict analysis conducted | 4 by 2018 | **7** by 2022 | 3.2.3 Conflict analysis and scans produced with engagement of DMTs, VCCs, IMs and community representatives, including four validation workshops (UNDP) |
| # of selected priority interventions identified under the community resilience plans which have been implemented (disaggregated by village and sub-district)  % target communities have enhanced service delivery support through participatory approach (LG) | 0  60% | **135** and **53** respectively  **70%** | 3.2.4 Provide block grants based on community compact for priority community initiative identified under community resilience plans (UNDP) |
| # of SDCs established and operational  # of conflict-mitigating initiatives supported | 0 | **49**  **31** | 3.2.5 Community committees established, and community dialogues facilitated by IMs around priority conflicts, with participation of community, VCC and LCs/DMTs to implement small-scale block grants (UNDP)  3.2.6 VCCs established and operational through training and technical support (UNDP) |
| # of community resilience plans developed (and operationalized) at sub-district level | 0 | **49** | 3.2.7 Develop community resilience plans based on conflict scans, prioritizing gender- and conflict- sensitive community initiatives (UNDP) |
| # and % of targeted local authorities that are able to revitalize service delivery by implementing and operationalizing recovery plans | 8 in 2018 | **8** in 2022 | **3.3: Local authorities are better able to plan, monitor and coordinate gender- and conflict-sensitive resilience and recovery priorities and respond at the district level through a participatory approach (UNDP)**  3.3.1 Conduct public service damage assessment by citizen and a develop citizen monitoring systems in target districts (UNDP)  3.3.2 Organize meetings with communities and local authorities to showcase priority interventions on conflict-sensitive livelihoods, solar and self-help interventions (including those from conflict resolution) with all key stakeholders (UNDP)  3.3.3 Develop conflict- and gender-sensitive district recovery plans with monitoring framework and implement priority interventions (UNDP) | PUNO monitoring data, IP progress reports  Annual reviews, mid-term reviews, evaluation, IP and PUNO progress reports |
| t# of DMTs reactivated to restore public service delivery | 8 in 2018 | **8** in 2020 | 3.3.4 (Re)activate district management teams to restore minimum public service delivery (UNDP) |
| # of local authority members trained on planning and development | 80 in 2018 | **200** in 2020 | 3.3.5 Provide technical capacity building to local authorities to plan and implement recovery plans (UNDP) |

## Annex 3: Theory of Change

### Theory of Change (Diagram)



### Theory of Change (narrative)

Theory of change (ToC) is the ongoing process of reflection to explore social change and its underlying hypotheses and assumptions, how it happens and the role the Programme is required to play in this context. In contrast with the linear representation of the logframe, the ToC is intended to grasp the complexity of the intervention and its context and illustrate the often-sinuous pathway to contribution to social change. In the case of the ERRY Programme, with its multi-stakeholder design and setting, ToC helps develop a shared understanding of the situation, common ground for action, as well as opportunities, challenges and obstacles. The ERRY II ToC will be used by the Programme’s stakeholders to:

* Identify and define the desired change, why and for whom;
* Map the pathways of change, its processes and its different stages;
* Clarify underlying assumptions around needs, interests, behavior and causal relations;
* Identify ERRY’s strategic options and strategies to contribute to the desired change;
* Guide monitoring, evaluation and learning processes.

The ERRY II theory of change visually represents the pathway towards ERRY’s contribution to the longer-term goal of reducing vulnerability of crisis-affected rural communities to crisis and enhance their resilience and self-reliance. It is worth noting that the ToC diagram is a simplified, rather linear, depiction of the more complex pathway to change ERRY programme is expecting to contribute to.

To enhance the target communities’ resilience, ERRY ToC asserts that the Programme will primarily seek to contribute to increasing their self-reliance and capacity to plan for and manage local shocks and crises. Four main pathways are considered to achieve this long-term objective:

1. **Improving livelihoods opportunities, food security and nutrition in target vulnerable rural communities:**

Income generating activities, small businesses and access to secure food were profoundly negatively impacted by the armed conflict and its various manifestations. Many households, especially the poorest, IDPs and the marginalized, lost their source of income due to damage to productive assets, the collapse of the local economy and a decrease in agricultural production. To support individuals, households and communities, ERRY II will implement a number of activities designed to alleviate the direct burden on communities’ capacity to recover. This includes emergency employment/cash for work (CfW) activities both to provide income for food and rehabilitate communal assets; development of income generation opportunities along the agricultural value chain and a supporting a more productive agriculture; and training and competitive small grants provision for young women and men to recover or create and sustain small businesses.

On a structural level, and in order to sustain the created livelihood opportunities, ERRY will provide post-CfW training and phase-out support; build the capacity of the local private sector to support economic recovery; and target the vulnerable, such as women and youth, to empower them and ensure their engagement in the recovery and capacity building of their communities. In the intermediate term, these activities and their respective direct outputs are expected to improve food security in the community, enhance livelihood and income generation potential and help build the structural capacity of the individuals and the community to deal with hardship and crises.

1. **Improving the energy resilience of the community to sustain livelihood and basic social services:**

Access to reliable energy is a structural problem in Yemen, especially in rural and isolated areas, with devastating impact on the population’s resilience, livelihoods and quality of life. The situation is aggravated due to parties to the conflict disrupting electricity and fuel supply. In order to improve target communities’ access to energy, ERRY will install solar energy systems in households, schools, health centres, productive units and social service centres, and provide training to young women and men in the communities on their installation and maintenance. This access to alternative energy sources is expected to result in better social service provision and access, less disruption of economic activities (especially of small income generating businesses), creation of solar energy micro-enterprises and a lasting impact on the community capacity to plan and manage shocks and crises.

1. **Promoting community social cohesion and capacity to peacefully resolve local conflicts:**

Local conflicts in rural areas in Yemen are structurally driven by the scarcity of resources (water, land) and the lack of community structures and institutions which encourage and facilitate their consensual and peaceful resolution. This has been further exacerbated by the conflict and the pressures it has brought on communities due to internal displacement, collapse of local authorities and degradation of the economy. To support communities’ capacity to tackle local conflicts, ERRY II will recruit and train local mediators (50 percent women) on how to identify conflict dynamics and mediate their resolution and mitigate their impacts. Along with the Water Users’ Associations (WUAs) established and supported by the Programme, small grants will be provided to support local conflict resolution with the expected result of reinforcing community institutions and their capacity to arbitrate conflicts. Social cohesion in any community is multi-dimensional and affects all, mutually impacting and being impacted by the community social structure, economy and its surrounding environment. Ultimately, community resilience and its capacity to manage crises is dependent on its social harmony and collaborative efforts to overcome challenges.

**4. Reinforcing community-based institutions and building the capacity of local authorities to respond to community needs:**

In a situation where the Central Government is split and paralyzed, local authorities and community-based institutions are naturally called on to fill the void to strategize and lead the efforts intended to enable communities’ survival. Any intervention seeking to enhance community resilience will have little chance of success without a clear ownership and engagement by the community and the existence of institutions and structures that support them. The creation or activation of existing village cooperative councils (VCCs) will be the backbone of the ERRY intervention, as it supports and coordinates the VCCs’ various activities. Composed of leading elected community members (including 50 percent women), the VCCs will be supported to create resilience plans identifying community needs and the priority areas to be supported in the short and intermediate terms. They will also constitute fora where decisions are made regarding the targeting of the ERRY interventions; support identification of beneficiaries and reach; and support evidence-based information collection and interpretation on the Programme’s implementation and impact. In addition, ERRY will seek to build the capacity of local authorities to plan, monitor and coordinate their efforts with the community-based institutions to better respond to their needs and identified priorities.

### Main Assumptions on ERRY’s Contribution to Change

Assumptions are beliefs or assertions that frame the causalities and external factors that impact the Programme’s contribution pathway towards the expected change. These can be categorized as:

**External Assumptions**

* **Escalation of conflict**: It is assumed that the ongoing armed conflict in Yemen will remain at its current level of intensity and reach. Any escalation to a full-range urban civil war will have serious and handicapping consequences on the Programme’s implementation capacity, and thus, on its potential outcomes and expected impacts.
* **The liquidity crisis and high inflation**: The lack of liquidity is already having devastating impacts on the economy and fragile livelihoods. Any worsening of access to direct cash will cause serious obstacles to the Programme’s capacity to implement its activities and deliver its expected results.
* **Conflict parties’ support to implementation:** Access to implementation areas cannot be ensured without the collaboration and the facilitation of the parties to the conflict. Any serious hindrance of access will impact the Programme’s ability to reach beneficiaries, its delivery rate and the attainment of its expected results.
* **Coordination of humanitarian and resilience interventions:** The ERRY intervention, along with similar programmes, complements and aligns with emergency humanitarian interventions. The idea is to ensure that beyond immediate survival, communities are empowered to plan and sustain their own resilience and livelihoods.
* **Conducive environment for building local government capacity**: Many factors are at play when assessing and supporting the capacity of local authorities. This includes the political context, the legislative framework, the social structure and bureaucracy dynamics. The ERRY intervention must take these factors into consideration when delivering its support to local authorities.

**Internal Assumptions**

* **Community resilience:** Resilience is a multi-dimensional concept with human, physical, financial, social and natural dimensions. Community resilience is assumed to be built through improved food security, better livelihoods, stronger local governance and improved access to social services.
* **Improving livelihoods, food security and nutrition:** It is assumed that emergency employment, income generation and agricultural production improves households’ and communities’ livelihoods by increasing incomes, improving food security, reducing dependency on humanitarian relief aid and solidarity mechanisms at play within the community.
* **Creating employment opportunities:** By improving business, trade and apprenticeship skills for young women and men, it is expected that new employment opportunities, including entrepreneurship and self-employment opportunities, will be created in the community.
* **Cash for work:** Cash generated through emergency employment is expected to be used to improve household and community food security while rehabilitating communal infrastructure.
* **Improved local governance:** Improving the capacity of local authorities and community-based governance is expected to lead to improved social services that address community needs.
* **Improved agricultural productivity:** Support to improved agricultural production and productivity is assumed to alleviate food insecurity.

## Annex 4: Stakeholder Analysis

Stakeholders are the people who will benefit from the resilience activity, or whose interests may be affected by that activity. This stakeholder analysis helps to identify:

* Potential risks, conflicts and constraints that could affect the ERRY Programme or planned activities;
* Opportunities and partnerships that could be explored and developed;
* Vulnerable or marginalized groups that are normally left out of planning processes.

The key identified stakeholders of the initiative are:

**Village Cooperative Council:** Community-elected representatives and community level bodies that formulate community projects, resilience plans and mainstream conflict sensitivity. They also possess resource allocation decision-making responsibilities at the community level.

**Water Management Committees and Insider Mediators:** These are community level committees and individuals responsible for management and smooth running of community water and sanitation services, and mediating conflicts at the community level.

**Community women’s groups:** These groups promote women’s social inclusion in decision making, economic activity, agriculture and livestock activities, access to services and human rights.

**Marginalized groups:** Groups that are typically excluded from decision making, such as the Muhamasheen, returnees and IDPs. Support will be mainstreamed throughout the different interventions to promote their social inclusion in decision making, economic activity and access to services.

**Farmers and agricultural producers’ cooperatives:** These groups advocate for inclusion of smallholder farmers for collective action, extension support, marketing perspectives and resilience needs in local planning. They will participate in agricultural value chain development.

**Village agricultural producers’ groups (VAPG’s)**: These are groups of smallholder farmers established at the village levels act that as a focal point to facilitate the different activities at village level. They have good networks with neighboring villages and governmental extension staff.

**Farmer field schools (FFSs):** These schools take an interactive and participatory learning-by-doing approach that aims to improve farmers’ livelihoods and recognize their role as innovators and guardians of natural environments. They lead farmer-to-farmer extension activities at the community level.

**Water use associations (WUAs)**: A group of farmers who supervise the main activities relating to water and irrigation at the community level. Can be an implementing partner to support and facilitate Programme activities.

**Non-governmental organizations:** NGOs can be implementing partners and facilitators assist the delivery of Programme activities. They have established relationships of trust with communities that enable access and local acceptance. Their capacity for conflict-sensitive implementation of resilience building programmes will be built.

**Business community:** The local private sector can play a key role in the revitalization and recovery of the local economy and contribute to resilience-building of communities by creating job opportunities and responding to the current crisis. The engagement of private sector including Chambers of Commerce and the Yemen Business Club will be consolidated and strengthened through micro and small business development and recovery.

**Ministry of Planning and International Cooperation:** Leads 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 interventions is gathered, organized and shared widely.

**Social Fund for Development (SFD):** SFD was established by law in 1997 as a non-profit organization. Although its board is chaired by the Prime Minister, it is independent from the Yemeni Government as it has independent policies and procedures. Its mandate is to achieve and align its programmes with the goals of national social and economic development plans for poverty reduction and it has a **nationwide presence to implement community-based programmes and support to community-based institutions (VCCs)**. The SFD is subject to an annual financial audit conducted by an independent international audit firm. The SFD will be **a Programme partner to implement the support to local authorities and community-based institutions.** Its development approach emphasises the importance of decentralized resource distribution, substantial participation and co-determination from beneficiaries (especially vulnerable groups and poor communities), local actors and coordination with local authorities. In early 2016, the EU, in close coordination with DFID, GER, NL, and USAID, launched a pre-award assessment on SFD’s current capacities. The preliminary findings identified four adequate areas (legal structure, control environment and procedures; financial management and accounting systems; project management capacity; and organizational sustainability) and two acceptable areas (procurement and property management systems; and personnel and payroll systems).

**National Water Resource Authority (NWRA):** Responsible for policy development and national level management of water resources.

**Sana’a University:** Both the Department of Water and Environmental Studies and the Department of Gender and Conflict Studies are keen to link academic study with field reality. The Programme will provide an opportunity for joint learning with them.

**Local authorities**: District councils and administrative units including the executive office at both governorate and district level have the responsibility to consult communities and coordinate, develop and implement **district economic and social development plans** for local society. Those plans are submitted by the governorates to the national government and have a direct impact on the service delivery and social protection mechanisms.

**Ministry of Agriculture and Irrigation (MoAI)**: Through the Agricultural Offices in the target governorates and Tehama Development Authority, MoAI is responsible for agricultural development, maximizing the use of the local natural resources (water and land) to meet the needs of populations. It is also responsible for the national economics of the different agricultural products and improving food security in the country. MoAI has technicians and extension agents distributed widely throughout the country who follow the objectives and the responsibility of the Ministry.

**Ministry of Water and Environment (MoWE):** Through the National Water Resource Authority (NWRT), MoWE is responsible for water resource management, planning and monitoring, for law enforcement, legislations, and public awareness. Accordingly, it is responsible for sector governance. Its activities centre on policy formulation, decision-making, centralized data collection, monitoring and planning at the national level for the water sector. NWRA, local water and sanitation corporations, local councils, 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 to increase community participation and decentralize administrative and financial processes. This law also mandates local councils 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 national legislations and international standards in the labour market. MoSAL organizes the National Decent Work Agenda; promotes social dialogue; occupational safety and health in the workplace; and coordinates social protection processes. 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 by linking the supply with demand side of labour force. MoTEVT, throughout its nationwide network of vocational training centres, can assist with relevant Programme activities, in particular with improvement of vocational skills and other life skills.

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## Annex 5: Participating UN Agencies and their Mandates

**Food** **and Agriculture Organization (FAO):** FAO provides technical expertise to introduce sustainable and efficient practices in agriculture, livestock, and fisheries, and trains Programme participants to improve productivity, resulting in improved incomes and self-employment through value chain development. FAO supports NWRA in decentralized water management through empowerment of WUAs and other local stakeholders in evidence-based water and land management to reduce water use and increase water productivity while avoiding a decline in agricultural production and rural incomes.

**International Labour Organization (ILO):** ILO is a tripartite UN agency focused on creating decent work and protecting rights in the workplace in order to realize social justice. In Yemen, ILO supports reform of national legislation, the abolition of child labour, and youth employment. In ERRY II, ILO will build the capacity of skills training providers and business development service providers. Emphasis will be put on workplace-based learning to improve employability and entrepreneurship. In particular, the Programme will support the upgrading of informal apprenticeships through improving training, workplace environment and productivity of small businesses, linked with training providers. ILO will also support at the institutional level to enable national partners to deliver non-financial business development services such as training and coaching to potential business start-ups (with a focus on women, youth and IDPs to ensure better integration within the target governorates). In addition, support will be provided to the SFD to develop of post-cash for work services through design, piloting graduation packages.

**United Nations Development Programme (UNDP):** UNDP provides technical and functional support to governments 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. UNDP has experience working over broad range of issues relating to crisis prevention and recovery (social cohesion, conflict prevention/transformation, good governance, local governance and rule of law); skill development and employment generation, especially for youth; and livelihoods diversification and recovery. UNDP has 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 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 ILO, in developing the UN Policy on employment creation, income creation and reintegration in post-conflict situations.

**World Food Programme (WFP):** WFP supports communities on the ground with various forms of assistance (food, cash and vouchers, technical support). WFP has extensively consulted the Government, international and national NGOs and other strategic partners. 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. WFP provides 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 security cluster. UNDP will lead Early Recovery cluster.

## Annex 6: Overview of Target Governorates

**Abyan Governorate:** According to the Integrated Food Security Phase Classification (IPC) analysis published in June 2017, Abyan Governorate was classified as being in Emergency Food Security Phase, or IPC Phase 4, for the past four consecutive years. This is due to poor performance of various food insecurity indicators. 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 Al Qaeda in the Arabian Peninsula (AQAP) in neighbouring governorates has the potential to cause insecurity and destabilize livelihoods.

The Governorate is among the most impoverished in the country, with 45.7 percent of the population facing poverty. Because of the above hazards and resulting negative coping strategies, the population has an increased vulnerability to even minor shocks. Moreover, the Governorate accommodates about 35,730 IDPs and 102,006 returnees that are receiving some level of support from the Government and the humanitarian community. Nonetheless, the IDPs, returnees and host communities require integrated and structured support to reinstate their livelihoods. There are efforts by different actors to address the humanitarian needs of the population; however, the rehabilitation and recovery segment is still not addressed. It is important to provide technical, financial and institutional support to rehabilitate/rebuild and develop household and community level assets and structures in the target 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:** This 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 with an estimated total population of 2.9 million inhabitants. The Governorate is ranks ninth on Yemen’s poverty index, with 31.7 percent of the population facing poverty. The Governorate is known for its widespread agricultural investments and livestock production, like other areas in Yemen’s Tehama Strip. The Tehama Plains, which include a large part of Hodeidah, are considered of one of the most important agricultural areas in Yemen as they provide livelihoods to about 70 percent of the people of the region. They are a major source of agricultural production including for 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. Despite the agricultural potential, the population heavily relies on wage labour as a source of income to access food from the market.

In the IPC 2017 analysis, Hodeidah was classified as being in IPC Phase 4 (Emergency). Its population is vulnerable due to protracted conflict. As the Governorate, and Tehama Plains specifically, 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 labour, petty trade and other small businesses – all of which are potential entry points. Unreliable rainfall is a major constraint for 38.6 percent of the population, who are farmers, as it affects agricultural production. The limited supply and increased price of agricultural inputs (fertilizer, seed and fuel) have contributed to a reduction in production and productivity of the agricultural sector in the Governorate. The recent increased price of fuel (especially diesel) significantly impacted irrigable farming activities in the Governorate.

Resilience-strengthening interventions must complement the ongoing humanitarian activities. Longer-term programming through supporting and enhancing crop and livestock production and fisheries sub-sectors will be essential. Interventions should focus on social and livelihood protection, with a strong element of resilience building.

Hodeida’s port city has been controlled by Houthi rebels since 2015, but the Arab coalition, which supports Yemen’s exiled Government, gained control of the strategic city following a new assault in June 2018. Almost 80 percent of Yemen’s imports, including much of its food, flowed through Hodeidah even before the war broke out in 2015. The port has become [the country’s only aid and goods pipeline](https://www.independent.co.uk/news/world/middle-east/ramadan-yemen-war-latest-hodeidah-port-famine-houthi-imports-un-a8374811.html) due to a Saudi-led blockade Yemen’s borders and air space – so any damage to it could cut off crucially needed supplies. Fighting for Hodeidah will be the biggest battle in Yemen’s three-year-old war to date, and the first that could involve sustained urban warfare – which risks inflicting heavy casualties on both fighting forces and civilians and causing hundreds of thousands of people to be displaced to neighboring governorates and districts. According to the Task Force for Population Movement (TFPM), as of June 2018, more than 133,830 IDPs are living in Hodeida governorate. The southern districts of Hodeida are still too insecure to carry out Programme interventions due to ongoing fighting. The Programme will target the districts in the northern part of the Governorate that are relatively accessible and have a high number of IDPs.

**Lahj Governorate:** The recent IPC analysis classified the food security situation in Lahj Governorate as Phase 4 (Emergency). This has not changed in four to five consecutive years. Agriculture is the main economic activity for the majority of residents. Bee keeping, fishing and other non-agricultural livelihood activities are also significant. Most residents are predominantly horticulturists or subsistence farmers growing cereal, cash crops (coffee, cotton, tobacco and sesame) or qat. The region’s main livestock is comprised of cattle, goats, sheep and poultry. Fishing along the coastal areas is another income generating activity. Other economic activities include the wage of labour, and petty trade within the governorate capital and small rural towns.

Lahj Governorate is located in a volatile security zone in Yemen where more than 60 percent of the population has experienced repeated shocks. The resulting decline in employment opportunities for the rural and urban labour force, coupled with reduced financial access has forced most households to resort to negative coping strategies that further eroded their productive assets and their capacity to resist shocks, reducing their resilience. The Programme’s activities should focus on saving and rebuilding livelihood assets to complement emergency activities by other UN partners.

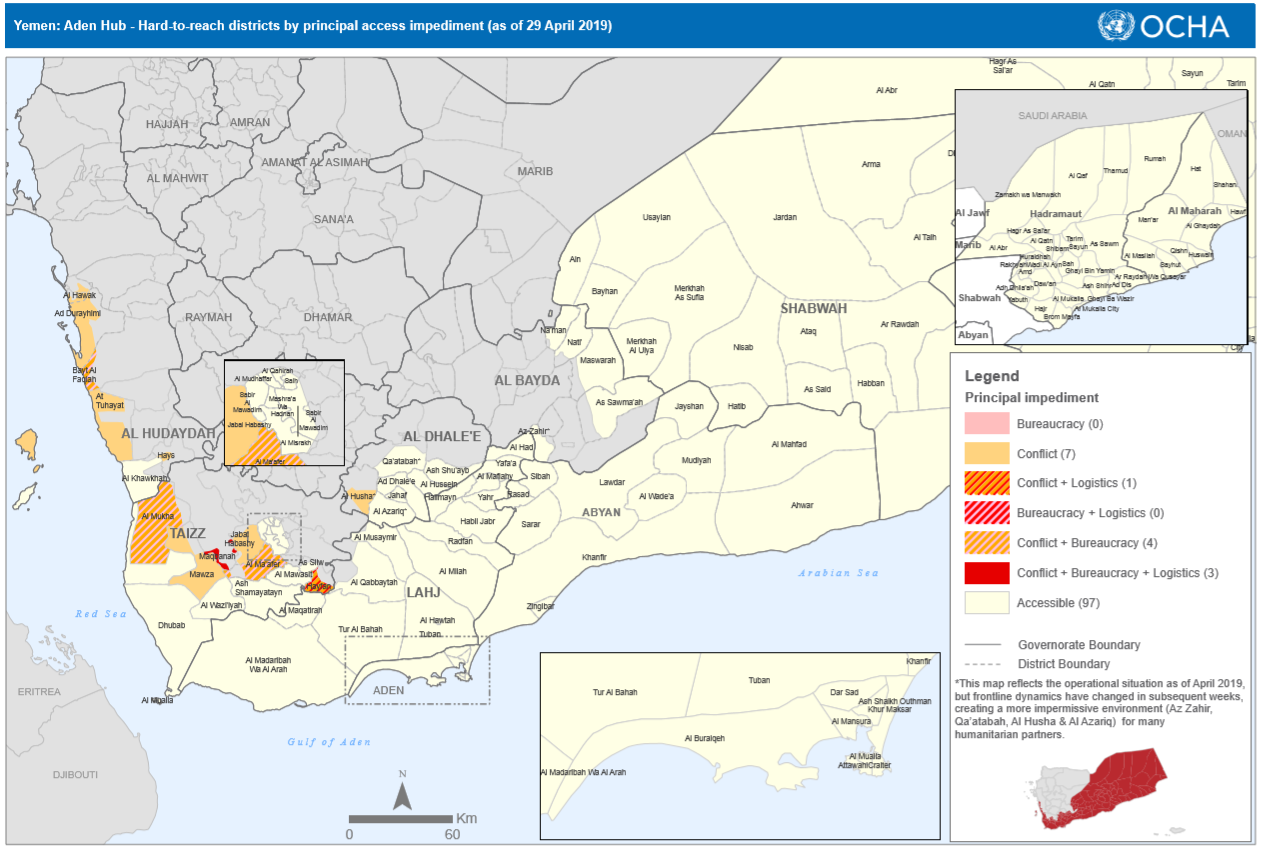
**Hajjah Governorate:** According to the 2017 IPC analysis, Hajjah Governorate is in IPC Phase 4. It has been at Phase 4 for the past four to five years, resulting in the population facing a variety of difficulties and hazards. According to the IPC analysis, 958,050 people (45 percent of the Governorate’s population) are under Emergency Phase 4, and 638,700 people face a food insecurity crisis (Phase 3). The different analysis results show that the Governorate faces a combination of chronic and transitory food insecurity due to various socio-economic and policy related factors.

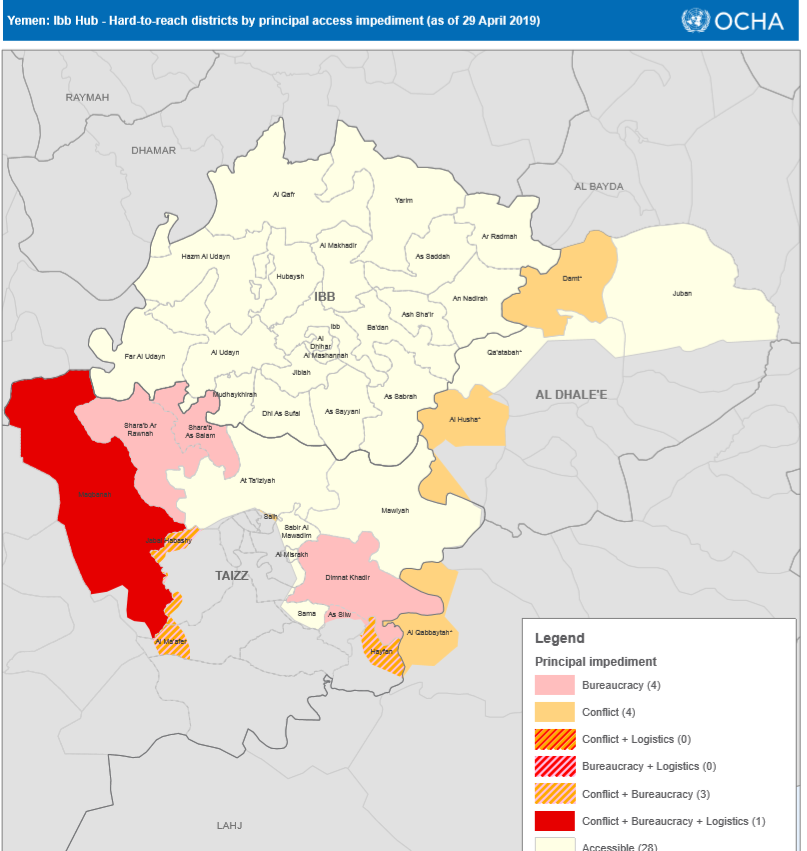
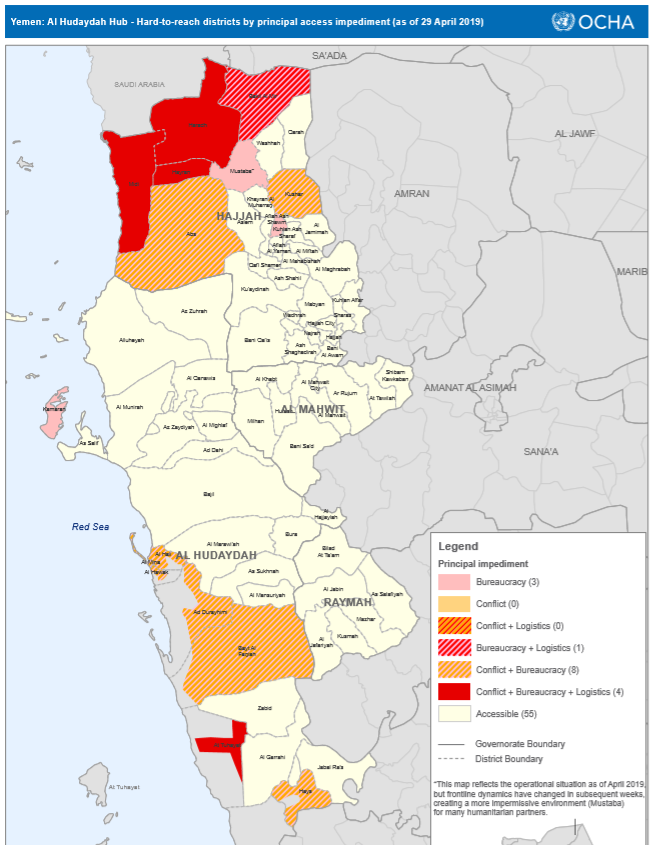
Additionally, conflict and civil insecurity remain potential hazards in the northern and north-eastern parts of the Governorate. According to the 2014 CFSS survey result, about 41.5 percent of the population has access to agricultural land, of which 72.9 percent is privately owned and 27.1 percent is rented land. Therefore – as agriculture is the main source of income for households in the Governorate – supporting the sector will improve the income situation for more than 50 percent of the population. In addition, fishing is an important source of livelihood for coastal communities. Hajjah hosts many IDPs from Hodeidah, as well as returnees and repatriated migrants from Saudi Arabia. This puts additional pressure on overall livelihood opportunities over and above the other factors that are responsible for triggering food insecurity in the Governorate.

**Taiz Governorate:** Taiz is one of the most populous Governorates in Yemen. With over 3.18 million residents, it accounts for 11 percent of the country’s population. Taiz has been in IPC Phase 4 since June 2015, which has deteriorated food security and eroded livelihood coping mechanisms. The Governorate has experienced active conflict and sustained fighting since 2015, affecting most districts. The city has been under siege for around two years. Food consumption indicators (FCS) show that one third (31.6%) are poor and a further 38.1 percent are borderline. Compared to pre-crisis indicators (2014), poor and borderline FCS have significantly deteriorated. Only 30 of the population has an acceptable FCS. Livelihood changes indicators show that 51.5 percent of households practice crisis copying strategies and 6.5 percent practice emergency coping strategies. Taiz has the highest number of IDPs in the country. In January 2017, more than 30,000 people fled from Almokha district alone. It is the most affected Governorate by the on-going conflict, which has resulted in significant loss of employment. Fishing in the costal part of Taiz (Almokha and Dhubab) has totally stopped. All exports from the Governorate have stopped due to closure of land and sea routes and airports, which has resulted in a loss of livelihood activities for most households. Government employees have not received salaries for more than five months. Global acute malnutrition as of May 2016 in Taiz City was 17 percent, with SAM 1.9 percent. In Lowland the malnutrition rate was 25.1 percent, with the SAM rate 5.3 percent. The prevalence of acute malnutrition is above the WHO critical emergency threshold (≥15%), which classifies as IPC Phase 4.

**Sana’a Governorate:** According to the IPC 2017, Sana’a Governorate was classified as IPC Phase 3 (food insecure). Forty percent of the population (230,000) is in Phase 3 and 15 percent of the population is in Phase 4 (emergency). Sana’a Governorate accommodates a high number of IDPs, particularly those displaced due to the heavy fighting over the control of Hodeidah City. Sana’a is a high-quality coffee growing Governorate. It is accessible and relatively secure compared to other coffee growing districts. Yemen is well known for some of the best quality coffee in the world. Most of the coffee growing areas however, have been overtaken and replaced by qat – a more lucrative product locally. Overall, coffee production has declined over the last decade. Many experts strongly recommend supporting, promoting, processing and marketing coffee production in Yemen in order to combat the expansion of qat farming. The project will support coffee growers to improve coffee handling and processing and link them to exporters in order to create sustainable livelihoods.

## Annex 7: Area Accessibility Maps Per Hub





1. [↑](#footnote-ref-2)
2. 1 World Bank, 2014 [↑](#footnote-ref-3)
3. 2 UNDP, Human Development Indices and Indicators: 2018 Statistical Update, Yemen Country Notes, <http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/YEM.pdf>

   3 Human Development Index 2017 [↑](#footnote-ref-4)
4. Transparency International, Corruption Perception Index 2017, <https://www.transparency.org/news/feature/corruption_perceptions_index_2017> [↑](#footnote-ref-5)
5. Global Hunger Index, Global Hunger Index 2018 Yemen [↑](#footnote-ref-6)
6. World Bank, The World Bank in Yemen, <https://www.worldbank.org/en/country/yemen/overview> [↑](#footnote-ref-7)
7. OHCHR, Yemen: Civilians at mercy of sniping, shelling and airstrikes, Press Release, 12 February 2018 [↑](#footnote-ref-8)
8. UNPCHA, Yemen: Humanitarian Response Plan Jan-Dec 2018 [↑](#footnote-ref-9)
9. Ibid [↑](#footnote-ref-10)
10. [Ibid](https://reliefweb.int/report/yemen/yemen-humanitarian-response-plan-january-december-2018-enar) [↑](#footnote-ref-11)
11. EU, Islamic Bank for Development, UNDP and World Bank, Yemen Damage Needs Assessment, April 2016 [↑](#footnote-ref-12)
12. By ILO and the CSO. The estimate refers to a net negative balance of employment (salaried and non-salaried, in levels) in three governorates [↑](#footnote-ref-13)
13. SMEPS-UNDP. Impact of the Crisis on Local SMEs. 2016. [↑](#footnote-ref-14)
14. FewsNet, Yemen Food Security Information (FSIS) March 2017 [↑](#footnote-ref-15)
15. CARE International, Gen Cap, Oxfam, From the Ground Up: Gender and conflict analysis in Yemen, October 2016 [↑](#footnote-ref-16)
16. UNDP, Yemen Youth Employment Action Plan 2014-2016, December 2013 [↑](#footnote-ref-17)
17. UNDP, Multidimensional Livelihoods Assessment in Conflict Areas in Yemen, December 2014 [↑](#footnote-ref-18)
18. World Economic Forum, The Global Gender Gap Report 2017 [↑](#footnote-ref-19)
19. [↑](#footnote-ref-20)
20. Care, GenCap and Oxfam, Conflict and Gender Relations in Yemen, November 2016, <http://www.care-international.org/files/files/YemenGenderReport171116.pdf> [↑](#footnote-ref-21)
21. This will include youth susceptible to recruitment by armed non-state actors, victims of SGBV, etc. [↑](#footnote-ref-22)
22. In consultation with stakeholders, governorates have been selected on the following criteria: access, poverty levels, levels of food insecurity, unemployment and presence of partner agencies. [↑](#footnote-ref-23)
23. Yemen has one of the highest maternal mortality ratios in the region, estimated at 385 maternal deaths per 100,000 live births in 2015. Today, the maternal deaths ratio is likely to have doubled. [↑](#footnote-ref-24)
24. Good Practices and Lessons Learned: Solar Interventions under ERRY Project in Yemen (Feb 2019) [↑](#footnote-ref-25)
25. ILO 2016. Solar Energy Sector Value Chain Analysis in Lahj, Abyan, Hajjah and Hodeidah [↑](#footnote-ref-26)
26. ILO, GET Ahead for Women in Enterprise Training Package and Resource Kit, 2011, <https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_159071.pdf> [↑](#footnote-ref-27)
27. European Commission, Programming Thematic Programmes and Instruments, Programme on Global Public Goods and Challenges 2014-2020: Multi-Annual Indicative Programme 2014-2017, p.37, <https://ec.europa.eu/europeaid/sites/devco/files/mip-gpgc-2014-2017-annex_en.pdf> [↑](#footnote-ref-28)
28. ERRY Baseline Study, 2017. COBRA Resilience measurement framework applied to targeted districts. [↑](#footnote-ref-29)
29. ERRY Baseline Study, 2017 [↑](#footnote-ref-30)