

UNITED NATIONS DEVELOPMENT PROGRAMME

PROJECT DOCUMENT
YemenEmpowered lives.
Resilient nations.**Project Title:** Sustainable Fisheries Development (SFISH) in the Red Sea and Gulf of Aden**Project Award Number:** 00141814**Implementing Partner:** UNDP**Start Date:** 01 October 2022 **End Date:** 30 September 2025 **Negotiation Meeting Date:** 04/05/2022

Brief Description

The protracted conflict has made Yemen one of the poorest and most food insecure countries in the world. The conflict has destroyed livelihoods and the ability to purchase food. This is being compounded by the impact of climate-related shocks. In addition, the COVID-19 pandemic is also poised to have a devastating effect on an already devastated economy and impoverished population. The fishery sector provided job opportunities for more than half a million individuals which supported 1.7 million people, forming 18 percent of the coastal population prior to the conflict. It contributed up to 3 percent of the country's GDP as the third most important agricultural sector and second primary source of export earnings before the conflict. Yemen's fisheries sector holds untapped promise in contributing to the national economy, in which the potential of women is underutilized due to social norms. The conflict has caused severe damage to the entire fishery value chain. Overall, the entire fish supply chain has been massively destroyed.

The Development Objective of this first project of the programme is to strengthen mechanisms for regional collaborative management of fisheries in the RSGA region and improve the effective fishery production and value chain in Yemen. The project will focus on improving economic opportunities, food security and effective management of fisheries production in Yemen promoting the greater involvement and participation of women and the youth in the sector. Its primarily aims to support actions to improve fishery production and quality by reducing post-harvest losses and improving climate resilience and access to markets, thus contributing to restoring fishery sector related livelihoods and create economic opportunities for women and men. It will also promote interaction and networks between fishers, micro and small fish processors, wholesalers, and retailers to improve access to markets in targeted coastal areas. It will also support developing local governance systems and knowledge to effectively manage fisheries and ensure climate resilience that aligns with the fishery sector strategy of Yemen.

Approved by:

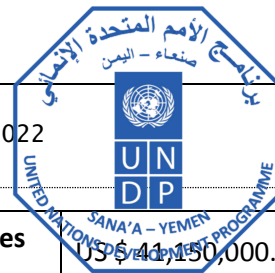
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Contributing Outcome (UNDAF/CPD, RPD or GPD):

Outcome 2: **Yemenis improve their livelihoods and access inclusive productive service**

Indicative Output(s) with gender marker: GEN2/GEN3

Output 2.1: Vulnerable and at-risk Yemenis have received short and medium-term livelihoods and recovery support.Total resources
required:

US\$ 41,150,000.00 million

Total resources
allocated:

UNDP TRAC:

Donor:
World BankUS\$¹ US \$
41,150,000.00
million

Unfunded:

NA

¹ This is equivalent to million Special Drawing Rate (SDR) and the exchange rate used by then was 1.4115.

I. DEVELOPMENT CHALLENGE

The poorest country in the MNA region, Yemen, had a GDP per capita of US\$631 and a population of 29.8 million in 2018.² The devastating conflict since 2015 has weakened Yemen's institutions and caused the worst humanitarian crisis in the world.³ Twenty million people need humanitarian assistance and over 4 million (nearly 80 percent of whom are women and children) have been displaced.⁴ An estimated 40 percent of households have lost their primary income source, contributing to an increase in poverty to 75 percent of the population in 2019. The real GDP contracted by 39 percent compared to the pre-conflict situation,⁵ and the economy has contracted further due to the COVID-19 pandemic, cyclones, and flooding in 2020 and 2021.⁶ Beyond these tragic human costs, the conflict has severely affected the country's food security, damaged critical infrastructure, and reduced access to basic services.⁷ The conflict has also caused multiple disease outbreaks and malnutrition. Despite the ongoing crisis, humanitarian assistance has declined since 2020.⁸

Food insecurity, a chronic problem in Yemen, has increased to unprecedented levels. According to the Integrated Phase Classification (IPC), a total of 16.1 million people, or 54 percent of the country's population were estimated to be acutely food insecure (IPC Phase 3 and above for the population in the coastal zone) in the first half of 2021, despite the presence of the ongoing humanitarian food assistance.⁹ Over 2.25 million cases of children aged 0 to 59 months, and more than a million pregnant and lactating women were projected to suffer from acute malnutrition in the course of 2021. Local conflict, high food prices, depreciation of local currency, and disrupted livelihoods are considered the major drivers of acute food insecurity and this could be further compounded by the recent war in Ukraine and potential disruption of wheat export from Ukraine and Russian Federation.

Yemen is highly vulnerable to climate change-related phenomena. Yemen's Third National Communication to the United Nations Framework Convention on Climate Change (UNFCCC) identified its coastal zone (the coastal Tihama plain, 30-60km wide along the RSGA) as one of the most vulnerable areas to climate change.¹⁰ Yemen experiences high risks from water scarcity, extreme heat, wildfire, locust infestation, floods and landslides.¹¹ All of these hazards negatively affect agricultural sector, which provides income to over 73% of rural population in Yemen¹², provides labour work to 88.1 percent women, and is a main source of food for substantial portion of population. Yemen will need US\$ 2.5-3.1 billion in the next 5 years to recover food security. Forty seven percent of cultivated area is rainfed and vulnerable to climate change; plant production per unit of cultivated area is relatively low.¹³ Climate vulnerability is likely to exacerbate other pressures on livelihoods, the economy, and the environment in the future¹⁴. In turn, this will further exacerbate gender

² World Bank. 2021. Macro Poverty Outlook, October.

³ <https://news.un.org/en/story/2019/02/1032811>

⁴ <https://www.unrefugees.org/emergencies/yemen/>

⁵ <https://www.worldbank.org/en/country/yemen/publication/economic-update-april-2019>

⁶ World Bank. (2021, April 2). Yemen's Economic Update—April 2021. World Bank. <https://www.worldbank.org/en/country/yemen/publication/economic-update-april-2021>

⁷ For example, over 60 percent of population has limited or no access to safe drinking water, sanitation and hygiene; while the number of sewage systems breakdowns has increased.

⁸ FAO. 2021. GIEWS Country Brief Yemen. March 10. <https://www.fao.org/giews/countrybrief/country.jsp?code=YEM>

⁹ IPC. (2021). Yemen: Acute Food Insecurity Situation October—December 2020 and Projection for January—June 2021. IPC Global Platform. <http://www.ipcinfo.org/ipc-country-analysis/details-map/en/c/1152947/?iso3=YEM>

¹⁰ https://unfccc.int/sites/default/files/resource/3490581_Yemen-NC3-2-Yemen_TNC_2018_Final.pdf

¹¹ Republic of Yemen - <https://thinkhazard.org/en/report/269-republic-of-yemen>

¹² Yemen Socio-Economic Update 2021 - <https://reliefweb.int/sites/reliefweb.int/files/resources/YSEU%2064-English%20Version.pdf>

¹³ Ibid.

¹⁴ Sieghart, L., M. Betre and J. Mizener. Strengthening Conflict Sensitive Approaches to Climate Change in MENA. The World Bank.

inequalities. During this transitional period, to address food insecurity and negative effects of climate change, fisheries sector will be playing a critical role. At the same time, it is important to monitor the fish stock and manage it sustainably, not to deplete this valuable resource and ensure it provides food and income to Yemeni population in perpetuity.

The COVID-19 pandemic continues its spread in the region, further compounding economic and supply chain pressures and food security due to pandemic prevention measures. There has been an unprecedented decline in the flow of remittances to Yemen, a vital source of money for the population because of the COVID-19 pandemic, which in turn has affected household income and consumption, both directly and indirectly.^{15,16} The pandemic has added layers of vulnerability for women and girls and exacerbated existing gender inequalities increasing the burden of care work, job losses¹⁷, and gender-based violence including child and early marriage¹⁸. The socioeconomic impact of the crisis is particularly devastating as the pandemic has contributed to worsening the already precarious living conditions of vulnerable households with job loss, price shocks, and other adverse factors. Movement restrictions, in addition to the on-going conflict and high input costs, continue to negatively impact supply chains and trade. Access to fish has decreased across the country as a result of compounding organizational and technical difficulties including increased fuel prices, limiting transportation and the destruction of fishing vessels and cooling and storage facilities. As a result, fish prices have increased impacting both livelihoods and food security.

The fishery sector provided job opportunities for more than half a million individuals,¹⁹ which supported 1.7 million people, forming 18 percent of the coastal population prior to the conflict.²⁰ It contributed up to 3 percent of the country's GDP as the third most important agricultural sector and second primary source of export earnings before the conflict.²¹ Fisheries now contribute around 11.3 percent of the agricultural GDP, or around 1.7 percent of the overall GDP.²² The sector supported the livelihood of about 3.2 percent of the population.²³ A workforce of 94,214 was directly employed, of which almost 75,000 were fishers represented by 129 Fishery Associations. The fisher and fishery associations have strong partnerships that facilitate production and sales flows. However, wholesalers, retailers and brokers are not aware of or open to joint ventures or partnerships. Most businesses in the fishery sector are individuals who use their own or privately rented boats. Artisanal fishers currently operate in about 31,190 fishing boats and account for over 90 percent of total production.²⁴ While there is no state-owned fishing fleet, there are both state-owned and private docks and fish landing facilities. Private sector firms employed about 18,000 workers primarily in domestic wholesale and retail trade and fish exports.²⁵

The participation of women in the fisheries sector is very limited. There are only a few places (Aden, Lahj and Al-Mahara) where women, mostly from the low social status groups, are actively involved in fisheries-related work. In urban areas, women are more commonly employed in fisheries related activities with around 45% of the employees of fish processing plants and many employees of quality control laboratories being women. Women's roles in fisheries and development are matched to the pattern and scale of fishery resources, their uses and state of exploitation. In general, rural women, including the fisher women communities In Yemen,

¹⁵ <https://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT?end=2019&locations=YE&start=1990&view=chart>

¹⁶ <https://ebrary.ifpri.org/utis/getfile/collection/p15738coll2/id/134258/filename/134469.pdf>

¹⁷ <https://sanaacenter.org/publications/main-publications/14703>

¹⁸ [https://www.unicef.org/mena/media/11956/file/Child%20Marriage%20in%20the%20context%20of%20COVID-19-%20MENA%20Regional%20Analysis_High%20Res%20\(1\).pdf.pdf](https://www.unicef.org/mena/media/11956/file/Child%20Marriage%20in%20the%20context%20of%20COVID-19-%20MENA%20Regional%20Analysis_High%20Res%20(1).pdf.pdf)

¹⁹ Artisanal fishing dominated the sector, directly supporting the livelihoods of about 667,000 people (Alabsi and Komatsu, 2014).

²⁰ Ministry of Fish Wealth. 2017. Guide of Fishery Investment. p. 14.

²¹ Alabsi N. and T. Komatsu. 2014. Characterization of fisheries management in Yemen: A case study of a developing country's management regime. *Marine Policy* 50: 89-95

²² IFC (2022). *Fisheries Value Chain in Yemen*, Draft Report.

²³ National Fisheries Strategy (2012-2025), Ministry of Wealth, 2012

²⁴ IFC (2022). *Fisheries Value Chain in Yemen*, Draft Report.

²⁵ World Bank (2022). *Yemen Private Sector Assessment Report*, Draft, Yemen Financial and Private Sector TA.

continue to struggle under the dual burden of production and domestic labor and are confronted by poverty, lack of access to productive resources, illiteracy, high health risks and denial of market access in profitable food sectors.

Fish is a key staple of the Yemeni diet, particularly of the coastal communities and food represents 60 to 70 percent of poor households' consumption expenditures. It also provides key nutrients during pregnancy, breastfeeding, and/or early childhood. Fish contributes to poverty alleviation, food, and nutritional security primarily in the coastal governorates of Hajjah, Taiz, Hudaydah, Aden, Lahj, Abyan, Shabwah, Hadramawt and Mahrah²⁶, and in other parts of the country, such as Sana'a. Food prices, including fish prices have continued to increase because of continued deterioration of the value of the currency and COVID-19 pandemic impacts, in addition to the on-going conflict. This increase in fish prices (combined with lower incomes of coastal communities relying on fisheries) makes fish unaffordable for many people. While fish is a staple of Yemeni diet, there is evidence there is still a significant number of the households who do not utilize fish at a level it could be utilized and lack of understanding of the nutritional benefits. According to IPC²⁷ Yemen recorded the highest level of malnutrition in 2020 (which is the highest ever recorded). Over 2.25 million cases of children aged 0 to 59 months, and more than a million pregnant and lactating women were projected to suffer from acute malnutrition in the course of 2021. Undernutrition is particularly prevalent in rural areas, related to lean seasons or food security crises, and in areas remote from food aid. This suggests that enhanced, rural household-focused nutritional awareness, will be important for broader coastal communities beyond fisher families

The conflict has caused severe damage to the entire fishery value chain. It has taken the lives of many fisherpersons, destroyed fishing boats, landing sites, and storage and processing facilities, disrupted electricity that in turn has severely affected ice-production and cold-supply chain leading to deterioration of product maintenance and quality, limited fisherperson's access to the sea, increased fuel prices affecting boat operation, disrupted transportation networks that heavily affected access to critical input supplies and fish product distribution networks both for domestic and export markets. Overall, the entire fish supply chain has been massively destroyed. The situation has also aggravated following cyclones. As a result, for example, only about 50 percent of fishers in the Red Sea are believed to be still working in the sector.²⁸ Job opportunities and fish production have declined considerably along the coast particularly in Hudaydah, Taiz and Hajjah governorates, which became war zones, specially for women working in the post-harvest operations. Traditional fishing decreased by about 75 percent in the governorates of Taiz and Hudaydah.²⁹ This led to migration of people away from the coast in search of survival opportunities.³⁰ Yet, due to the severe humanitarian crisis affecting some parts of the country, the coastal population is gradually returning to fishing for survival. In addition, during the conflict, retailers, restaurants and street vendors have been the most affected in the fishery value chain. With fishery outlets and restaurants closing, trade decreased by more than half leading to almost half of the workers being laid off or suspended. The fishery associations have also faced large losses due to the cessation of fish exports.

Climate change is altering physical properties such as salinity, temperature, and pH levels in the marine environment which can lead to adverse impacts on marine biodiversity and fisheries. For example, there is increasing evidence that coral reefs in the northern part of the Gulf of Aden are being damaged by unusual marine conditions, and coral bleaching and mortality events, attributing to higher sea water temperatures,

²⁶ See Ellaya (2019), cited above.

²⁷ <https://www.ipcinfo.org/>

²⁸ LSE Middle East Centre. 2018. The Impact of the War in Yemen on Artisanal Fishing of the Red Sea. LSE Middle East Centre.

²⁹ "Severe Food Insecurity Widespread in Yemen," Food and Agriculture Organization, JUNE 21, 2016.

³⁰ Moreover, these conflict-related problems are exacerbated by other factors: climate change, which threatens seriously the livelihoods and infrastructure on the coastal zone; fishing irrespective of the restrictions declared by the MFW; and marine pollution caused by spilling oil, dumping sewage and discarding undesired species in the sea.

have been more frequent in the Gulf of Aden.³¹ Warmer water temperatures and acidifying oceans can also threaten the artisanal and commercial fisheries on which many coastal communities depend through a disruption of the migration patterns of pelagic fishes and through adverse physiological impacts on marine algae and seagrass beds. Therefore, actions to build climate resilience of the fisheries and related systems will contribute to an increased food security.

Overall, the fishery sector remains vital for supporting job creation, livelihoods, and food security in Yemen. Today, Yemen exports fish to almost 34 countries (down from 50 countries prior to the conflict) including neighboring markets, but also European and Asian markets, and the value of fish exports was US\$74 million in 2018³² (which is sharply down from US\$289 million in 2013). Yemen is a major regional fish producer, accounting for more than 50% of fish production and exports across the RSGA. The sector still provides a main source of food security, earnings, and employment for Yemenis living along the southern coast, including in 50 localities along the Gulf of Aden and the Arabian Sea. There are 70,000 small-scale fishers in this southern coastline, and fisheries is often the sole source of income for coastal communities.³³ In Yemen, women are usually involved in catching small fish, smoking, drying and salting of the fish and helping fishermen during the post-harvest operations of handling and transportation.

However, the size of fishery remains limited and contribution of the sector to the total economy still modest because of limited capacity across the fisheries value chain in Yemen, including low quality of products, low productivity, insufficient availability of inputs and post-harvest losses exacerbated by inadequate marketing systems, low human resource capacity, lack of infrastructure, deficient access to modern technologies in fishing and processing the production, challenges to access finance and markets, and social constraints hindering women from actively contributing to this sector. About two-thirds of fishing businesses do not have any access to loans or grants. Though the fishery sector has high competition, the value chain actors focus on volume rather than product differentiation and value-addition. As most fish is sold unprocessed, over 80% of the jobs are concentrated in the upstream of the value chain.³⁴ Although engaging in the country under the current context is subject to multiple risks, the risk of inaction is exponentially greater for the survival of Yemeni citizens. Over 20 million people, about two-thirds of Yemen's population, is dependent on humanitarian aid.³⁵ The United Nations Office for Coordination of Humanitarian Affairs' Yemen Humanitarian Response Plan remains only half-funded, and by September 2021, several humanitarian response sectors have received less than 15 percent of needed funds.³⁶ This alarming situation means that several millions of people will be at even higher risks of famine and death. This calls for an urgent need of action to develop new ways to improve food security, nutrition and livelihoods for the Yemenis at risk in a more sustainable manner. The proposed project aims to address this gap by investing in the fisheries sector, through re-engagement, in improving the fish value chain. The importance of enhanced institutional and governance capacity, technology transfer and capacity building in science-based but practical and context specific effective management practices and controlling of fishing effort that do not impair resource productivity underpins the proposed operation. In addition, by incorporating key elements of sustainable fishery and scaling up the use of innovative technologies, the program aims to make a first step towards a sustainable blue economy in the region. Supporting private sector recovery in an FCV context through interventions in the fishery value chain contributes not only to enhancing food security, but such interventions can also address some of the drivers of fragility by i) creating jobs, ii) improving households' income/livelihoods, thereby leading to better health and human capital outcomes for women and men, iii) addressing gender inequalities that are hindering women

³¹ https://unfccc.int/sites/default/files/resource/3490581_Yemen-NC3-2-Yemen_TNC_2018_Final.pdf

³² https://pdf.usaid.gov/pdf_docs/PA00WFZJ.pdf

³³ https://pdf.usaid.gov/pdf_docs/PA00WFZJ.pdf

³⁴ A synthesis Report on Micro, Small and Medium Enterprises in Yemen with Potential COVID-19 Impact Analysis, UNDP, 27 May 2020.

³⁵ UN OCHA. (2021). Yemen Humanitarian Update (Issue 8). <https://reliefweb.int/report/yemen/yemen-humanitarian-update-issue-8-august-2021-enar>

³⁶ Ibid.

from actively participating in the fishery value chain, and iv) keeping the youth away from conflict-related activities. In addition, the regional approach of seeking regional cooperation to address transboundary challenges will add positive benefits to the country fishery programs.

II. STRATEGY

The project will be implemented in four southern coastal governorates in Yemen namely Aden, Al Mahrah, Hadramout and Taiz where a large share of households is engaged (or have been engaged in past and returning back) in the fishery sector for their livelihoods, fishery contribution to local economy and those that have not benefitted from other fishery development activities/programs. Project sites within the targeted governorates based on poverty level of fishery communities and food security needs, previous existence of fishery production and distribution system and environmental impacts (risks to critical coastal ecosystems important for fisheries, illegal fishing, over-fishing) and feedback from stakeholder consultations will be given priority. The project will be implemented in areas which are accessible and where development interventions can be implemented. The selected areas have been also identified as one of the few places where women, mostly from the low social status groups, are actively involved in fisheries-related work. The project targeting (especially the target sites) will be kept flexible, to make future adjustments due to changes to such as accessibility, and security concerns. Project beneficiary targeting for various activities will be described in the POM.

The main project beneficiaries³⁷ will be the households engaged in fishery value chain which forms an essential component of their livelihoods and affected by food and nutritional insecurity in the targeted governorates. The project will overall target 5,600 households (and an additional 29,400 indirect beneficiaries) to improve their economic well-being and food security in the four governorates. The project will encourage the participation of youth (18 – 32 years of age) through the community outreach programs for skills development and in infrastructure development and coastal fishery ecosystem preservation activities, which would create temporary jobs. The project will specifically target women with provision of training to develop their skills, aimed at restoring or establishing their livelihoods, and starting their own enterprises. The micro grant program for fishers and micro and small enterprises engaged in the fishing value chain will target 4,200 individuals with 30 percent women. An entrepreneurship development program would benefit 1,400 women (30 percent) and youth to increase their participation fishery value chain and reduce the burden of food insecurity. In addition, 35 fishery associations and cooperatives with at least 15 women-led associations and cooperatives will be supported to build institutional set up and to deliver their services.

Activities to improve the effective management of capture fishery including related capacity building will benefit all 5,600 fishers currently employed in the fishing sector (fishers, and other involved in the value chain) and 585 representatives of GAF and fishery associations/cooperatives. The project will support these beneficiaries to make collective decisions to ensure equitable benefit sharing, monitor and reduce harmful activities to the fishery resources and their environment. Additionally, the national and local sector institutions will benefit from capacity building activities on fishery management. There will be cascading benefits for people in Yemen who are associated with fishing, such as in supply of fishing gears, traders, aggregators, exporters; experts, researchers, and others involved in sector with the improvement to the value chain. Over 500,000 people are expected to also benefit from awareness creation especially on food security, nutritional, health, and gender and social safeguards aspects.

III. RESULTS AND PARTNERSHIPS

Expected Results

³⁷ The beneficiary targets to be updated based on the completion of the on-going assessment

The SFISH project is implemented within a regional World Bank funded project aiming to promote regional cooperation for sustainable fishery management in the Red Sea and Gulf of Aden alongside a second project implemented by PERSGA. The SFISH funding is open for 4 years 2022-2026 but UNDP activities have been planned to be implemented in 3 years (2022-2025). The overall objective of the World Bank project is to strengthen mechanisms for regional collaborative management of fisheries in the PRSGA region and improve the effective fishery production and value chain in Yemen.

The SFISH project through UNDP will work to strengthen the fishery value chain, improve economic opportunities, food security, effective management of fisheries production and addressing gender inequalities that hinder women from actively participating in the fishery value chain in Yemen. Its primary aim is to support actions to improve fishery production and quality by reducing post-harvest losses and improving climate resilience and access to markets, thus contributing to restoring fishery sector related livelihoods and create economic opportunities. It will also promote interaction and networks between women/men fishers, micro and small fish processors, wholesalers, and retailers to improve access to markets in targeted coastal areas. It will also support developing local governance systems and knowledge to effectively manage fisheries and ensure climate resilience that aligns with the fishery sector strategy of Yemen.

The expected outputs of SFISH are (i) Fishery value chain strengthened in Yemen, and (ii) Capacity developed for effective management of Fishery in Yemen.

To achieve this, the project has four outputs.

Output 1: Resilience of the fishery value chain improved for sustained livelihoods. The first output primarily relates to actions which will improve fishery production and quality by reducing post-harvest losses and improving climate resilience and access to markets, thus contributing to restoring fishery sector related livelihoods and create economic opportunities. It will also promote interaction and networks between fishers, micro and small fish processors, wholesalers, and retailers to improve access to markets in targeted coastal areas.

1.1. Micro grants by Small Micro Enterprise Promotion Service (SMEPS) to women/men fisher households and micro and small enterprises engaged in the fishing value chain: This will provide support to fisher households and micro and small enterprises engaged in the fishing value chain on activities such as restoring artisanal fishery production, boat and engine rehabilitation, developing on-boat better storage facilities for fresh catches and to reduce post-harvest losses, purchase of modern fishing technologies (e.g. GPS navigation units and fish finder devices), provision of lifejackets (to increase the safety at sea of targeted fishers), and fish processing, packaging, preservation, and marketing. The support will be provided only for fishing activities that do not contribute to destructive fishing practices, illegal fishing, and fishing of protected species. The project will encourage women to be engaged in the different fishery value chain levels while raising gender awareness and ensuring their protection and safety. The grants would range between US\$1,000-2,500.

1.2 Entrepreneurship and business development opportunities for youth in the fishery value chain enhanced. This will support restoring or establishing their livelihoods and developing and strengthening their own enterprises (individual and groups) and creation of business-to-business network and information sharing. This activity will consultatively identify entrepreneurship opportunities for youth in the project target areas and have measures to address youth potential. The grants would range from US\$5,000-12,000.

1.3 Matching microgrants by SMEPS for fishery associations and cooperatives to improve production: This will support to develop and improve their institutional set up for business continuity such as better

systems in finance, accounting and linkages to exporters and traders, improve quality standards across the value chain (sorting, packaging, and marketing) and capacity to undertake multi-day fishing specially for women working in the fishery sector. Any fishing related activities will be provided only for fishing activities that do not contribute to destructive fishing practices, illegal fishing, and fishing of protected species. The matching grants will range between US\$15,000 to US\$20,000 to improve institutional capacity of 30 associations/cooperatives and US\$60,000 for 5 model associations with 50 percent match between the grants and contributions from the respective association/cooperative. The project will establish women fisheries coalition involving National Women Committee, private sector, financial and higher education institutions, women cooperative groups, NGOs, CBOs, CSOs and other development partners to promote dialogue on sectoral gender policy issues as well as building local capacities to develop gender-responsive interventions.

1.4 Restoration and development by Public Works Project (PWP) of key fishery assets: This includes improving landing sites, supplying fixed and/or mobile cold storage facilities, use of clean technologies such as solar for ice production and for energy generation for auction facilities, and a digital information system hosted by the General Authority of Fishing (GAF) to provide real time pricing information in different markets for fish products and to transmit early weather warnings to the women/men fishers and fishing communities to improve climate resilience in the coastal communities. This activity will ensure opportunities for women/men beneficiaries to participate in the civil works that would provide them with additional short-term income. The designs of the infrastructure will be climate resilient especially from potential flooding, inundation and sand accumulation and have provisions for differently abled beneficiaries to access them. They will also ensure gender-sensitive sanitary facilities and facility level solid and liquid waste management systems.

1.5 Capacity building, training and awareness creation to strengthen institutions, fisheries, and coastal communities: This includes:

- (i) Training of selected women/men fishery associations and cooperatives for improved services including management of the fishery associations/cooperative, sustainable capture fishery production, fish processing and storing including management of post-harvest losses, marketing, equipment supplies and services, credit and financial schemes, and social services, management of fishing grounds and quotas; and
- (ii) Training of fishers and other relevant coastal community members on sustainable fishing practices to strengthen the knowledge of women/men fishers on long-term impacts of climate change and related potential adjustment to their livelihood, sustainable fishing practices so that marine ecosystem can withstand climate related shocks, use of advanced technologies (e.g. GPS), boat and equipment maintenance, handling and quality control of fresh catches, preservation of key habitats important for maintain fish diversity and fish breeding grounds, training in upstream and downstream activities of the fishery value chain, such as maintaining fishing nets, cleaning, processing, and handling fish products using appropriate health and sanitary measures, proper methods for drying and packaging fish. Tailored package of training and/or sperate trainings will be provided for women fishers if needed to enhance their productive roles in the different fishery value chain sectors and leadership roles to promote sustainable fishing practises.
- (iii) Awareness raising on the nutritional benefits of fish and guidance on utilization of fish as a key protein source of coastal communities and beyond through various remote media such as radio and social media. The training will focus also on nutritional values for pregnant, breastfeeding women and children.
- (iv) Training on Gender and social safeguards aspects and support consultation meetings, workshops, advocacy and awareness at the community level to raise awareness promoting the greater involvement and participation of women in the sector. Gender based violence mitigation and response training and mechanism will be established as well.

Relevant local and national level business associations and chambers will be engaged in developing and delivering some of the trainings related to sustainable fishing practices, maintaining hygiene and sanitary aspects of handling, processing, and packaging fish products to maximize their market values. Yemeni Fishery Exporters' Association will partner with the project on these aspects as their exports are affected by many of these factors related to sustainable fishing practices and preserving the quality of the catches. The beneficiaries will be selected in a fair, transparent, gender balanced and equitable manner and are not benefiting from parallel projects (Bank-financed or otherwise) and will be detailed out in the Project Operations Manual (POM) after further consultation with the stakeholders. Specifically, the investments will include:

Output 2: Governance systems and knowledge developed for effective management and climate resilience of fisheries. Activities herein aim at developing local governance systems and knowledge to effectively manage fisheries and ensure climate resilience that aligns with the fishery sector strategy of Yemen and Component 1 and will contribute to the implementation of the Regional Fisheries Protocol for the PRSGA once adopted.

2.1 Establishing of gender balanced sub-national fishery governance committees led by GAF: These aims to complement the implementation fishery strategies and regulations related to management of fisheries and other marine resources. These sub-national governance committees will act as coordinating and consultative platforms for stakeholders (that include representatives from fishery authorities, fishers and other involved in the value chain, academia, and business chambers and associations in addition to the national women committee, women organizations, women fisher cooperatives/associations/forums) and will monitor the adherence of key principles important for effective management of fisheries such as regulating the fishery associations and cooperatives to provide equitable services to their membership, responsible fishing practices and community-based fishery management. The women/men sub-regional fishery governance committees will be trained on the long-term impacts of climate change, and related to that, on potential adjustments to fishing practices supporting the climate-resilience of fisheries sector and with positive spillover effects in the RSGA region. The committee will also be sensitized about gender, social security and the challenges of women in the fisheries sector. The membership of the representatives for the committee and key management principles will be identified through a citizen engagement process ensuring it is a gender balanced and will be included in the POM.

2.2 Establishing approaches for regular fishery data collection and reporting under limited capacity setting: Regular collection of fishery data will contribute to sub-national governance decision making and also to regional reporting. Given the capacity and access limitations, utilization of a simplified fishery gender disaggregated data indicators will assist to assess challenges that impact the sector and proxy status of fish stocks.

2.3 Study on fishery sector diversification and development of a business model: This activity aims to address challenges such as the combined depleting effect of climate change and over-exploitation of capture fishery, current limitations of accessing less utilized fishing areas and respond to climate shocks. The project will undertake a study to assess the past efforts, opportunities, feasibility (technical, financial, environmental and social including gender equality and women's empowerment) and inputs needed to diversify the sector and develop a business model for medium to long-term investments.

2.4 Developing sub-national gender responsive fishery management plans: These aims to respond to short-term needs of the sector and women/men beneficiaries under the current humanitarian context and to develop the medium to long-term needs of the sector. These management plans will also ensure the scarce resources to the fishery sector is better utilized and targeted reducing potential overlap of interventions and investments and create complementarity. It will utilize evidence from fishery stock assessment that is conducted by FAO and other related studies undertaken recently including fishery value chain studies of

UNDP and IFC and sector diagnostic by FAO and recently concluded, on-going and planned investments of various development partners. It will also utilize gender assessment in the fisheries sector conducted by the USAID and other agencies carrying in-depth gender analysis and women and men's power dynamic in the fisheries sector, in addition to identify the gaps and actions to enhance women participation and roles in fisheries' production and processing. The project will support developing and piloting two gender responsive management plans and will ensure they are climate informed and have capability to monitor and adjust plans for fishing to prevent unintended authorized overfishing and to allow natural ecosystems to regenerate to avoid depleting fish stocks to build ecosystem resilience to climate change. It will be developed using participatory approaches, especially consulting relevant line ministries and departments, development partners, academia and think tanks, civil society organizations, international and local non-governmental organizations and private sector chambers and associations national women committee and women fisheries cooperatives/associations/forums and utilizing the sub-regional fishery governance committees which will monitor the implementation of the plans, coordinate the support to effectively develop the fishery sector in targeted areas, make updates to respond to changing circumstances and needs and share knowledge.

Output 3: Entrepreneurship and business development opportunities for women in the fishery value chain enhanced. This will support restoring or establishing their livelihoods and developing and strengthening their own enterprises (individual and groups) and creation of business-to-business network and information sharing. This activity will consultatively identify socially acceptable entrepreneurship opportunities for females in the project target areas and have measures to address potential gender-based violence associated with women participating in a male-dominated sector. The grants would range from US\$5,000-12,000.

Output 4: Project management, monitoring and evaluation and reporting implemented. This includes technical assistance, training, operating costs, and goods for UNDP for national implementation in Yemen ensuring technical, fiduciary, environmental and social, parameters including gender equality and women's empowerment. This will support ongoing communication activities to raise awareness about the project and implementation progress and to ensure effective citizen engagement specially women, youth, IDPs, PWDs and marginalized groups. This sub-component will develop, conduct, and manage country-level monitoring and evaluation of investments, share information and results throughout the region. This will also finance the monitoring and evaluation (M&E) system and Management Information System (MIS), and a third-party monitoring (TPM) mechanism and establish and maintain a GM. The M&E is expected to be gender responsive and to be strengthened by using the Geo-Enabling initiative for Monitoring and Supervision (GEMS)³⁸ for real time data collection and reporting and feed into the M&E and MIS systems as appropriate. Gender review will be conducted regularly to review the project gender marker and assess its gender responsiveness in term of activities/targets, capacities/resources, partnership, and communication/knowledge products generated. Communication products on gender equality and women's empowerment will be produced highlighting women challenges in the fishery sector as well as lessons learned, best practices, and success stories through intersectional lens.

Resources Required to Achieve the Expected Results

The World Bank approved the total amount of US\$41.15 million to UNDP and its RPs for the implementation of all the activities under SFISH project to support sustainable fisheries management, fisheries value chain, improve access to economic opportunities, food security and effective management of fisheries production,

³⁸ The GEMS method enables project teams to use open-source tools for in-field collection of structured digital data that automatically feeds into a centralized M&E system and Management Information System (MIS). GEMS will also allow for establishing a digital platform for remote supervision, real-time environmental and social monitoring, and portfolio mapping for coordination with other relevant operations in the region.

while promoting gender equality in the fishery sector. The project will contribute to recovery of the fisheries sector by supporting restoration of livelihoods and improving access to income opportunities through fishery production and quality of fish by reducing post-harvest losses and improving climate resilience and access to markets for women/men fishers. The support will include promotion of interactions and networks between women/men fishers, micro and small fish processors, wholesalers, and retailers to improve access to markets in targeted coastal areas while addressing women fisher barriers, including access to the market. It will also support developing local governance systems and knowledge to effectively manage fisheries and ensure climate resilience that aligns with the fisheries sector strategy and the gender strategy in the fisheries sector in Yemen.

Partnerships

The project will be implemented by UNDP through the Direct Implementation Modality (DIM). UNDP will also engage two responsible parties, i.e., the Public Works Projects (PWP) and Small and Medium Enterprise Promotion Service (SMEPS) for part implementation. The project will be implemented in areas which are accessible and where development interventions can be implemented. The project targeting will be kept flexible, to make future adjustments which may be necessitated by changes in accessibility and security concerns possible. Currently, the targeted governorates include Aden, Al Mahrah, Hadramout, Taiz.

Risks and Assumptions

Political Risks:

The political crisis and protracted conflict in Yemen, is still far from being resolved and has continued to cause inaccessibility to some sites and delays in delivery in many others in development projects. UNDP choosing to work with PWP and SMEPS which are national institutions and programs with a governing board chaired by the Government of Yemen facilitates implementation. The risks of being impacted by the political fragmentation induced by the war is mitigated by their managerial independence stated in their respective laws. The UN works within complex dynamics reflecting competing interests of political actors and member states, limitations of responding to the scale of needs, a society under pressure and trauma, and security and access constraints. The UN maintains its operational integrity through adherence to principles of impartiality, human rights and inclusive humanitarian/civilian assistance and engages stakeholders clearly communicating these principles. UNDP coordinates with the Office of the Special Envoy to the Secretary-General and is a member of the Humanitarian Country Team and UN Country Team to collectively address political risks.

Besides, the de facto authority in the North has imposed more restrictions and demanding requirements to the movement of TPM or monitoring teams from UNDP and RPs to visit implementation in several sites particularly in most of the Northern districts. UNDP and the RPs mitigated such restrictions through emphasizing the neutrality and importance of the project and the need for facilitation of oversight to ensure accountability to all stakeholders, as well as by coordinating with other clusters for collective pressure against any arbitrary requirements. The participatory approach of the project which engages local authorities and different groups at local communities helped much in facilitating implementation and solving such restrictions and accessibility issues, too. However, the challenge is ongoing as the demands continue to change with the changes in the authorities, which entails more efforts and time on the part of the project partners to monitor closely and cope up accordingly.

Operational Risks:

Given the context, there is potential disruption in UNDP's business processes and project implementation. UNDP has developed a Business Continuity Plan which ensures that the critical office functions can be performed from other locations if necessary. Outside Sana'a, UNDP has staff presence in Aden, Hadhramaut, to interact with sub-offices of PWP and SMEPS and monitor field activities, UNDP also relies on a Third-Party

Monitoring Agent to perform complementary monitoring of the project. The Responsible Parties (PWP and SMEPs) have business continuity plans in place.

Financial/fiduciary Risks:

The financial and fiduciary risks are defined by a number of factors, including hyper-inflation, fraud, and cash advance management. To avoid exchange rate losses and other negative effects of working in the national currency, UNDP will transfer advances in US dollars to RPs. UNDP's anti-fraud policy, the annual audits, regular spot-checking by UNDP staff, and the Third-Party Monitoring Agent are oversight measures over and above RPs' internal procedures to mitigate the risk of fraud, misappropriation and diversion of funds. The Harmonised Approach to Cash Transfers (HACT) capacity assessment results will be used to strengthen the financial management capacities of the responsible parties. RPs will submit quarterly work plans with realistic budgets (cash forecasts) to UNDP to ensure that cash advances are cleared on a regular basis.

Programmatic Risks:

The programmatic risks for RPs are associated with access and targeting due to security or conflict-related obstacles, although mitigated by their widespread network. UNDP level risks are associated with UNDP's potential inability to verify results on the ground in a timely manner, potential inability to recruit staff in a timely fashion to support Project implementation, and potential inability (or significant delays) to meet delivery expectation/targets. UNDP will closely review the quarterly expenditure reports of the responsible parties to monitor financial delivery of the project.

Security Risks:

Crime, air strikes, landmines and UXO, terrorist attacks, and ground combat, arbitrary arrests and detentions. UNDP mitigates these risks through close collaboration and coordination with the UN Department for Safety and Security, including the de-confliction protocols and strict adherence to UN security procedures. Staff training on conflict-sensitive communications and risk management will continue. A Third-Party Monitoring Agent will conduct the monitoring of the implementation of the project in hard-to-reach areas.

Reputational Risks:

In view of the scale and importance, the project also carries a reputational risk for UNDP as well as PWP and SMEPS. It may be subject to politically motivated defamation, and it may be perceived as partial and biased vis-à-vis one or more parties to the conflict. UNDP's reputation as a reliable partner may be affected by issues arising from the project. To mitigate these risks, UNDP has put in place a communication strategy, continues to strengthen Project oversight and quality assurance with documentation of issues, and works very closely with the responsible parties. Grievances from beneficiaries and stakeholders will be channeled through mechanisms which will be established specifically for the project.

Environmental:

Although environmental risks and impacts are expected to be site-specific, reversible and generally of low magnitude that can be mitigated following appropriate measures; nonetheless and based on the implementation experience of the ongoing SPECRP project, and identification of significant Environmental and Occupational Health and Safety (OHS) gaps, there is a significant risk for fatal incidents or serious injuries to occur under the project, particularly under civil work, fishing trips and post operation of landing sites. This is anticipated as the project will engage fisheries communities and young women and men who could be unskilled, largely illiterate, and with little or no knowledge or experience in applying OHS measures. Furthermore, there is a risk of COVID-19 transmission among community workers if worksites are not managed appropriately.

To mitigate environmental risks and impacts, the Project will apply the Environment and Social Framework of the World Bank. The WB and UNDP and RPs will review, update and apply the Environmental and Social Management Framework (ESMF) of the project, including the OHS Framework and Toolkit. The ESMF will (i) identify potential environmental impacts of SFISH interventions, (ii) assess potential environmental and social impacts, and (iii) mitigate risks and impacts appropriately, including OHS risks. Furthermore, landing sites – including those that might be supported by the Contingency Emergency Response Component (CERC) – will be screened against environmental and social criteria that will be included in the ESMF, and subsequent site-specific environmental assessment instruments will be prepared -if needed- during the implementation phase and before the commencement of any physical activities. The project will also support COVID-19-sensitive measures such as: community awareness, social distancing at the workplace, and the provision of hygienic kits at the workplace (e.g., hand-washing stations).

As part of the ongoing projects UNDP and RPs have established an environmental and social (E&S) management system with adequate policy, procedures, capacity and resources, focusing on OHS. The project will capitalize on safeguard resources available within the on-going WB projects implemented by UNDP and the RPs.

Social (including safeguards)

The project is expected to have numerous social benefits for the target fisheries communities and vulnerable population including restoration of fisheries gears, boats and economic opportunities which will enable preparedness to mitigate the impacts of COVID-19. The type of interventions under this project are not expected to require physical or economic displacement. Nonetheless, there might be a potential need of land for community infrastructure development under the civil works component. Given the rehabilitation nature and scale of the investments, the possible land needs would be minimal and are expected to be met through community contributions, which is a common practice in the local area.

Potential social impacts that could occur under landing sites rehabilitation are related to the civil work activities labor influx as 50 percent of the laborer's are from outside the target communities by private contractors, and community health and safety such as injuries. There are several social risks that may occur during of the project implementation stage such as: (i) mistreatment, quality of services and suspected fraud; (ii) exclusion of most vulnerable people and risks due to the security situation; (iii) elite capture of investments by powerful and/or better-connected beneficiaries thus excluding some segments of the fisheries communities (disadvantaged and marginalized groups); and (iv) potential of excluding small fisheries with high incidence of malnutrition from economic opportunity support (iv) Risks might also include women exclusion from certain phases of the fishery value chain or their exposure to violence that may arise due to the social or cultural norms. The Gender Action Plan will be prepared to mitigate these risks that include gender awareness and the establishment of GBV mechanism. Based on the above expected project risks and impacts, the social rating is rated as substantial.

Gender and Gender Based Violence (GBV)

Although, the majority of small-scale fishers are men, women play an important role in fishing communities, encompassing social and economic responsibilities and duties, within and outside their households. Women are particularly involved in activities directly related to fisheries production, processing and sometimes marketing as well as in non-fisheries income-generating activities. However, the important role women play in the fisheries sector (especially in post-harvest and marketing) often goes unrecognized. Therefore, efforts will be made to ensure that both women and men benefit from programme activities. Special efforts are also being devoted to the involvement of women in decision-making processes within the sector.

The project will ensure that gender responsive interventions are mainstreamed across all project outputs

and activities creating pathways for fisheries communities, value chain actors and participation in sector and playing a key role in building resilience to shocks, improving livelihoods and mitigating social constraints. This is relevant in the current country context as empowering women's full productive potential can yield enormous dividends in reducing GBV, gender gaps in education, employment and access to services. These continued investments are integral to strengthening the human capital base in Yemen, rebuilding the social fabric and laying the foundation of a more inclusive society.

The project will contribute to reducing gender inequalities in the fishery sector, that is currently dominated by men by providing at least 1680 women beneficiaries with job-focused interventions, establishing women associations/cooperatives/forums, engaging women in all different consultations and committee through intersectional lens. Women will be seen as active agents of change contributing to the fishery value chain and promoting for sustainable fishing practices and climate change. The project will ensure gender and social safeguards aspects are mainstreamed in all plans, assessment, knowledge products produced. All activities will be accompanied by gender/GBV awareness/capacity building to promote for women leadership roles in this sector.

A GBV assessment will be undertaken for the Project prior to implementation to have a sense of potential GBV, Sexual Exploitation and Abuse (SEA)/SH. The assessment will be conducted to cover activities under outputs 1 ,2 and 3 since there will be interaction between male workers with female beneficiaries and laborers provided by contractors. The Project will prepare a Gender Action Plan.

Grievance Redress Mechanism:

UNDP with developed Stakeholder Response Mechanism (SRM)/ Social and Environmental Standards (SES) will enhance the GRM and MIS practices developed under the project, PWP and SMEPS also can utilize their GRM systems to register complaints received and report to UNDP. UNDP and RPs will require GRM signboards, including information on the hotline and WhatsApp number, at subproject sites. They will also support additional tools (including technological solutions) and raise awareness for communities to take a more active role in the monitoring of subprojects, including compliance with safeguards. There will be a clear mechanism between UNDP and RPs for reporting timeline and distribution of responsibilities to have better control and management of complaints. Immediate actions and reporting should be implemented by UNDP and RPs for cases related GBV, SEA/SH and/or serious incidents or injuries including cases related to COVID-19. The project will utilize an enhanced integrated GRM system building on the experience and systems developed the on-going WB projects. The projects have utilized a wide variety of communication methods for soliciting grievances, including complaint boxes, toll-free phone calls, SMS, WhatsApp, Telegram, Fax, Online Forms, emails, letters, in -person visits to head offices or branch offices or through face-to-face interactions with project staff. Developing the local partners' GRM systems strengthens accountability, operations oversight, citizen engagement, and learning. In addition to continuing these methods, UNDP will enhance the GRM system by operating a TPM call center facility for outbound calls to project beneficiaries and targeted communities for verification. RPs will facilitate answering toll-free calls from mobile and fixed/land phone lines; recording of inbound and outbound calls automatically to be stored in their call centers server for operations' purposes and quality control; interactive voice response, call-recording and logging for calls received after work hours, and RPs will develop a remote access to their GRM systems. UNDP's call center will forward recorded calls and messages to the GRM agents under TPM to process and transmit the calls and messages to the focal points of UNDP and IPs (according to the specific sub-component) by using a web based GRM system. Weekly, monthly, and quarterly reports including a summary of opened/processed complaints focusing on the performance of the GRM will be generated automatically by the system. A tracking function will be available to send automated notifications for any unresolved complaints that are pending for 14 days without processing by UNDP and RPs. For any serious complaint received by the call center agents, the responsible TPM focal point will immediately notify UNDP and IP team via email and phone calls. The GRM system dashboard will be updated regularly with the latest

progress status of complaints. The strengthened GRM system will be transferred entirely to the local institutions by the end of the Project. The integrated system is currently being developed.

Stakeholder Engagement

Project sites within the targeted governorates based on poverty level of fishery communities and food security needs, previous existence of fishery production and distribution system and environmental impacts (risks to critical coastal ecosystems important for fisheries, illegal fishing, over-fishing) and feedback from stakeholder consultations will be given priority. The project will be implemented in areas which are accessible and where development interventions can be implemented. The project targeting (especially the target sites) will be kept flexible, to make future adjustments due to changes to such as accessibility, and security concerns. Currently, the targeted governorates include Aden, Al Mahrah, Hadramout, and Taiz. Project beneficiary targeting for various activities will be described in the POM.

The project's citizen engagement interventions will be aligned with the Stakeholder Engagement Plan to ensure stakeholder consultations of the program implementation to facilitate ongoing learning and feedback to feed into the adaptive management process taking aspects such as gender and disability into consideration. The project will include a governance mechanism that will strengthen participatory planning and monitoring of the fishery sector performance at the local level and related capacity building that would allow stakeholders to engage meaningfully. The project will also undertake perception surveys both at the regional and country level ensure the communities feel that the project interventions has made progress and delivered intended change. Detailed actions related to citizen engagement beyond the SEP will be designed and included in the Project Operations Manual (POM).

Public Sector Relevance - The relevance of regional agencies, the public sector and local stakeholders is instrumental to increase the opportunity and reduce the vulnerability of the people while increasing the opportunities and resilience of the targeted communities. Improving the competitiveness of fishers and climbing up the value chain of their catch through markets in terms of both time and space will increase the targeted communities' resilience with significant benefits accruing to the poor. Hence, the purpose of the overall project is to secure and improve the whole fishery value chain that could prove to be the driver of growth, livelihood and wellness.

The work on governance of the capture fishery is complemented by exploration and development of new capture fishery technologies that will through time reduce the need for overfishing and strengthen the self-management through collective governance efforts. Setting up of local governance systems led by GAF with participation of key stakeholders and linkages created with private sector will ensure contributions to operate and maintain the fishery assets that will be restored, improved, and developed.

Knowledge

To ensure regular and 'on-message' public visibility for SFISH project, a communication and visibility plan will be developed to well position this partnership and provide a set of proposed communication products, specific media pieces, and advocacy asks. This plan will utilize UNDP's, World Bank's, and RPs' online platforms to share human interest/impact stories, articles, exposure stories, blogs, op-eds, press releases, Facebook/Twitter posts, video stories, factsheets, visual presentations, etc. Additionally, forward looking products and evidence-based studies such as policy briefs and impact reports will also be developed to capture high impact of the project. The project will produce at least two knowledge products on gender equality and women empowerment that will include gender analysis, assessment, success stories, lessons learned, fact sheets, etc. At least 15% of social media messages will be gender responsive.

Sustainability and Scaling Up

PWP is well-established and credible national institutions that have delivered community development and

fisheries projects in Yemen for two decades. By helping to reactivate its operations of the Work Bank projects in partnership with UNDP, the projects have contributed to the preservation and sustainability of its implementation capacity of much needed service delivery programmes. SMEPS has also brought to the table specific inputs, expertise, capacities, and resources in fisheries value chains that were necessary elements for success, and which together resulted in higher impact on the support to SMEs and agricultural and fisheries production. The nationwide coverage of RPs (PWP and SMEPS) will enable scale-up and its wide network of non-state partners like CBOs, NGOs and private sector (e.g. contractors and small and micro enterprises) will also extend the outreach. At the community level especially fisheries, the project is expected to pave a way to a more inclusive future in Yemen by actively seeking to build social cohesion, empower communities and foster a role for non-state actors. The RPs have strong partnership and donor support which will increase as the conflict winds down. The World Bank projects have acted as a catalyst and will enable attracting additional support from interested donors. Bodies created and trained throughout the project including women and men associations/cooperatives/forums will enhance the sustainability factor of this project.

IV. PROJECT MANAGEMENT

The project will be implemented by UNDP through the Direct Implementation Modality (DIM). UNDP will also engage two responsible parties PWP and SMEPS. The project will be implemented in four governorates. The project will be implemented in areas which are accessible and where development interventions can be implemented. The project targeting (especially the target sites) will be kept flexible, to make future adjustments due to challenges such as accessibility, and security concerns and will take into consideration locations where there are women fishers. Currently, the targeted governorates include Aden, Al Mahrah, Hadramout, and Taiz.

PWP and SMEPS as Responsible Parties will deliver the agreed outputs on the basis of a written Letter of Agreement (LoA) with UNDP. The Responsible Party is directly accountable to UNDP in accordance with the terms of their LoA. In line with UNDP's Financial regulations and rules, PWP and SMEPS must open dedicated project accounts in US Dollars with commercial banks for the purposes of bank reconciliation and audit. The bank accounts will only be under the control of the responsible parties which will have the sole custody and access to resources and signing authority. As done in other on-going World Bank projects, due to the continuity of political divisions in Yemen and in order to facilitate decision making and expedite implementation, all new project activities related under this project will be approved by the internal steering committees and not the project boards of both institutions.

The PWP will implement infrastructure-related works through selected locally sourced contractors and create employment opportunities for the beneficiary communities. SMEPS will manage the micro grants to fishery sector beneficiaries to develop their small businesses identified through beneficiary selection criteria developed jointly by the UNDP and SMEPS and consulted with relevant stakeholders. For specialized training where necessary, UNDP will hire expert consultants and link with private sector to design and deliver the training.

UNDP will capitalize on the on-going World Bank project management system, with strengthened operational risk management and project approaches sensitive to the conflict and political environment in Yemen.

UNDP will closely coordinate with the World Bank to provide needed information and to enable smooth and speedy financial and operational transactions to facilitate timely implementation at the level of the responsible parties. UNDP will maintain regular interactions with RPs with UNDP staff presence in Sana'a,

and Aden, for monitoring, quality assurance and as needed, management of complaints and grievances, as per agreed Grievance Redress Mechanism (GRM) under the project. The project will also look for further value-adding opportunities through ensuring internal synergies and bundling the on-going World Bank projects and with other projects under the different program units of UNDP including the “Strengthening Institutional and Economic Resilience in Yemen” and the “Enhancing Rural Resilience and Recovery in Yemen” projects.

TPM will also feed into UNDP’s monitoring work. UNDP will prepare bi-annual narrative reports and end of project reports consolidating inputs from the Responsible Parties as well as to convene project board meetings and undertake audits and evaluations. Interim unaudited financial reports shall be prepared and submitted to the donor quarterly, no later than forty-five (45) days after the end of the period covered by the report.

UNDP will coordinate with the Government of Yemen, relevant authorities at the sub-regional level for technical consultations, international partners and UN agencies to enable a conducive and coherent supporting environment for RPs.

Project Team

The core implementation team (Project Team) will be set in Aden to implement the project. The project will be implemented for 3 years period. Table 3 below elaborates on the current staff positions in the Team under the project:

Table 3. Project Team Staff Composition Post Title	Level	Total Cost for SFISH Duration
Project Manager - Aden	P4	810,000.00
National Coordinator (Aden)	NSPA10	207,879.00
Communication Officer - SB4	NPSA8	71,521.11
M&E Officer - SB4	NPSA8	143,042.20
Finance Officer and Admin - SB4	NPSA7	143,042.20
Gender & Safeguards Officer (SB4)	NPSA8	143,042.20
Total		1,518,526.71

V. RESULTS FRAMEWORK³⁹

Intended Outcome as stated in the Country Programme Framework (CPF: 2019-2021) Priority: Yemenis improve their livelihoods and access inclusive productive services.										
Outcome indicators as stated in the Country Programme Resources Framework, Outcome Indicator 2.1: Proportion of population by age group and sex benefited from increased household incomes. Baseline: 20%; Target: 40%										
Applicable Output(s) from the UNDP Strategic Plan: Marginalised groups, particularly the poor, women, people with disabilities and displaced are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs (UNDP SP 1.1.2)										
Project title and Atlas Project Award ID 00141814: Sustainable Fisheries Development (SFISH) Project in the Red Sea and Gulf of Aden Region										
EXPECTED OUTCOME/OUTPUTS	ACTIVITY INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 2022	Year 2023	Year 2024	Year 2025	Total	
					1	2	3	4		
OUTCOME: Fishery value chain strengthened in Yemen										
	Number of beneficiaries with job-focused interventions disaggregated by sex, age, PWDs, ISPs, and marginalized (1,680 women)	SMEPS	0	2022	0	1200	3000	1400	5,600	Direct count of beneficiaries who receive assistance
	% of beneficiary households experienced at least ten percent increase in their per capita household income	SMEPS	0	2022	0	21%	54%	25%	100%	Percentage of household surveyed who expressed increase in household income

³⁹ UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

	from the baseline situation.									
	Number of sub-national climate informed participatory fishery management plans implemented.	UNDP	0	2022	0	0	1	1	2	Direct count of fishery management plans developed
	Number of beneficiaries benefited from the project interventions	All	0	2022	-	2,500	4,200	3,300	10,000	Direct count of beneficiaries

Output1: Improving Economic Opportunities, Food Security & Effective Management of Fisheries in Yemen

	1.1. Number of fishers and micro and medium enterprises benefitted from voucher inputs/micro grants to develop fishery value chain activities (gender disaggregated)	SMEPS/TPMA	0	2022	0	1,000	2,200	1,000	4,200	Direct count of small holders/ fishers and vocational SMEs who received inputs/micro grant vouchers which is 30% of them women with total 1,200 women.
	1.2. Number of youth with enhanced skills with grants to establish fishery enterprises and access to market opportunities (1.2 further broken down into 1.2.1, 1.2.2 and 3.1)				0	450	500	450	1,400	MIS records of direct count of fishery MSMEs, supply chain enablers to improve production and services.
	1.2.1 Number of fishery Supply chain enablers supported with training and fund	SMEPS/TPMA		2022	0	200	150	170	520	MIS records of direct count of fishery youth and women supply chain enablers to improve production and services.

matching to improve their production (gender disaggregated)									
1.2.2. Number of fishery MSMEs supported with technical and business training and grants (gender disaggregated)	SMEPS/TPMA		2022	0	150	150	100	400	MIS records of direct count of fishery MSMEs supported to improve production and services
1.3. Number of fishery associations and cooperatives supported with matching microgrants for improved production	SMEPS/TPMA	0	2022	0	10	20	5	35	Direct count of fishery associations and cooperatives supported to improve production and services
1.4. Number of people benefited from awareness	SMEPS/TPMA	0	2022	0	100,000	200,000	200,000	500,000	Through available and affordable means
1.5. Number of beneficiaries received awareness on OHS, Gender social safeguards (Gender disaggregated)	SMEPS/TPMA		2022	0	1000	2600	2000	5,600	MIS records of direct count of beneficiaries receiving training
1.6. Number of fishery infrastructure (landing sites) rehabilitated/restored with enhanced climate resilience	PWP/TPMA	0	2022	0	0	5	4	9	Direct count of fisheries landing sites rehabilitated

	1.7. Number of beneficiaries who are receiving real time pricing information and transmit early weather warnings through the digital Information System installed at GAF (Gender disaggregated)	PWP/TPMA	0	2022	0	1000	3000	4000	4,000	Cumulative direct count of fishers, GAF staff members, fishery associations and cooperatives members who are using the DIS application
	1.8. Number of fishery communities benefiting from fishery assets rehab/construction	PWP/TPMA	0	2022	0	-	38,000	41,186	79,186	This number will be revised after the baseline assessment
	1.9. Number of beneficiaries from training and capacity building to develop the fishery value chain, responsible fishing practices, and fishery management. Women participants 30%.	SMEPS/TPMA	0	2022	0	2,500	4,200	3,300	10,000	Training and capacity building reports and post-evaluations
Output 2: Developed governance systems and knowledge for effective management and climate resilience of fisheries										
	2.1. Number of sub-national fishery governance committees established	UNDP	0	2022	0	2	2	0	4	UNDP MIS records of the progress and performance of the fishery committees with evidence including formation of the committees and meeting minutes
	2.2. Number of sub-national fishery entities that are using	UNDP/TPMA	0	2022	0	4	12	16	16	UNDP MIS records of the use of matrix by the relevant fishery various stakeholders

	the simplified matrix									
	2.3. Number of annual fishery management reports produced documenting fishery governance actions	UNDP/TPMA	0	2022	0	0	2	2	4	UNDP MIS records to develop and disseminate annual fishery management reports
	2.4. A study on fishery sector diversification and development of a business model developed and disseminated	UNDP/TPMA	0	2022	0	1	0	0	1	UNDP MIS records to develop and disseminate fishery sector development reports
	2.5. Number of sub-national fishery management plans developed	UNDP/TPMA	0	2022	0	0	2	0	2	UNDP MIS records to develop and disseminate fishery sector development reports
Output 3. Establishing women value chain SMEs										
	3.1. Number of women with enhanced skills along with grants to develop fishery enterprises and access to market opportunities	SMEPS/TPMA	0	2022	0	100	200	180	480	MIS records of direct count of fishery MSMEs, supply chain enablers to improve production and services.
Output 4. Project management, monitoring and evaluation and reporting by UNDP										
	4.1 Percentage of Surveyed beneficiaries who report receiving the right payment amount (98%)	UNDP/PWP/TPMA	0	2022	0	0	98%	100%	100%	TPM surveys, UNDP field mission, questionnaires and phone interviews, remote verification

	4.2. Percentage of Surveyed beneficiaries who express satisfaction with project interventions (80%)	UNDP/PWP/TPMA	0	2022	0	0	90%	90%	90%	TPM operated GRM system, surveys, questionnaires and phone interviews, remote verification
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VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

Monitoring Plan

Monitoring & Evaluation Plan: output Indicators					
Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Beneficiaries of job-focused interventions	Direct count of beneficiaries from micro-grants to develop fishery value chain activities or to establish fishery enterprises and access to market opportunities	Quarterly commencing Q4 of year 2	Bi-annual project progress reports, TPMA reports and fishery management plans	Direct count of beneficiaries who received the assistance	SMEPS, UNDP, TPM
Beneficiaries of job-focused interventions - Females	Direct count of women with enhanced skills along with grants to establish fishery enterprises and access to market opportunities	Quarterly commencing Q4 of year 2	Bi-annual project progress reports, TPMA reports and fishery management plans	Direct count of beneficiaries who received the assistance	SMEPS, UNDP, TPM
Beneficiary households experienced at least ten percent increase in their per capita household income from the baseline situation disaggregated by the gender of the head of households	Direct beneficiaries' income change from project interventions, particularly micro-grants, as well as other related interventions	Mid-term and prior to project closure.	Beneficiary survey report	Beneficiary survey	UNDP, SMEPS and PWP
Sub-regional climate informed participatory/gender sensitive fishery management plans implemented	Assess the preparation process, adoption and implementation of the sub-regional fishery management plans as well as its gender inclusiveness	Commencing from Year 2, bi-annually	Bi-annual project progress reports, TPMA reports and fishery management plans	Review of the reports and plans and meeting minutes	UNDP, GAF and TPMA

Monitoring & Evaluation Plan: Intermediate Results Activity Indicators					
Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Functioning RFIMS for fishery status reporting and decision-making	Monitor the setting up of the RFIMS, uploading of gender disaggregated data and analysis of fishery information and production of annual rereport on the status of regional fisheries and collaborative management decisions in year 3 and 4 and assess its gender inclusiveness	The indicator will be monitored bi-annually from the end of Year 1.	Publicly accessible on-line RFIMS with fishery information and reports generated by PERSGA	Review of minutes of member states and reports	PERSGA
Trainers and users supported for the utilization of regional fishery management tools disaggregated by sex, age, PWDs, IDPs and marginalized	Assess the number of individuals trained as trainers and users of fishery management tools and utilization of the tools.	Monitoring on the targets will commence from Year 2 and bi-annually thereafter.	Training attendance sheets and post-training evaluations	PERSGA will ensure all training events include a report that includes details of the attendees including gender, member country representation	PERSGA
Women participation					
Gender Responsive regional plan of action prepared and adopted for IUU fishing management in RSGA	Assess the preparation and adoption of Regional plan of action for IUU fishing management in RSGA and its gender inclusiveness	This indicator will be measured bi-annually from Year 2.	Plan of action, minutes of consultations and working groups	Review of plan of actions and minutes of meetings	PERSGA
Fishers and micro and medium enterprises benefitted from voucher inputs/micro grants to develop fishery value chain activities	Assess the number of people in the fishery value chain benefitted through micro grants/voucher inputs.	This indicator will be assessed bi-annually from Year 2 of the	SMEPS and TPM reports	SMEPS records of micro grants and/or voucher inputs provided	UNDP, SMEPS and TPM agent

		project.			
Women and youth with enhanced skills with grants to establish fishery enterprises and access to market opportunities disaggregated by sex, age, PWDs, IDPs and marginalized	Assess the women and youth benefitted by business development and/or continuity.	Bi-annually from Year 2	SMEPS and TPM reports	SMEPS records of micro grants, entrepreneurship and business development activities provided.	UNDP, SMEPS and TPM agent
Fishery associations and cooperatives supported for improved production and services disaggregated by the gender of the associations/cooperatives	Fishery associations and cooperatives capacity build for improved production and services	Bi-annually from Year 2	SMEPS and TPM reports	Review of reports and surveys	UNDP, SMEPS, TPM agent
Fishery gender responsive infrastructure rehabilitated/restored with enhanced climate resilience	Selected infrastructures will be designed and rehabilitated/restored to enhance resilience to climate change, renewable energy, waste management and waste reduction systems	Bi-annually the progress from Year 2	PWP , supervision and TPM reports	Field monitoring and review of reports	UNDP, PWP, TPM agent
Annual gender responsive fishery management reports produced documenting fishery governance actions	This indicator will assess the setting up of the sub-regional fishery governance committees and effective fishery management actions taken and reported by GAF.	Bi-annually from Year 2	Documented details minutes of the local fishery governance committees and annual fishery reports	Review of reports and minutes	UNDP and TPMA
Beneficiaries from training and capacity building to develop the fishery value chain, responsible fishing practices, and fishery management disaggregated by sex, age, PWDs, IDPs and marginalized	Effectiveness of all training and capacity building activities	Bi-annually from Year 2	Training and capacity building reports and post-evaluations	Review of reports and evaluations	UNDP, SMEPS and TPM agent
Women participation					

The monitoring of project outputs will be undertaken at multiple levels. The PWP and SMEPs will play a critical role to gather periodic data and information on the subproject implementation progress and to provide UNDP PMU on regular basis. UNDP will carry out monitoring through review of mandatory quarterly reports for quality assurance and verifications. As part of the risk mitigation measures, UNDP will employ a Third-Party Monitoring Agent for the sole purposes of monitoring the implementation of the project. The Third-Party Monitoring Agent is expected to contribute to improving the development effectiveness and efficiency of the project through reviewing its performance and using evidence to propose adjustments to its programming for optimal results achievement. The TPM will also assess the project contribution to gender equality and women's empowerment and propose correction measures.

The Third Party Monitoring Agent will focus on the following areas: 1) verify that the project outputs and activities are being implemented according to the agreement with the World Bank under the FMFA and elaborated eligibility criteria for financing of sub-projects, including the targeting methodology as outlined in the Project Document; 2) track performance through the collection of appropriate and credible data and other evidence; 3) analyse evidence to inform UNDP management and Project Board decision-making, recommend improvement of effectiveness and efficiency as necessary; and 4) report on performance and lessons to facilitate learning and support accountability. The ToR of the Third-Party Monitoring Agent is attached in annex-1 for further information.

Evaluation Plan

Evaluation Title	Partners (if joint)	Related Strategic Plan Output	UNDAF/CPD Outcome	Planned Completion Date	Key Evaluation Stakeholders	Cost and Source of Funding
Project Mid-Term Evaluation	UNDP and WB	Marginalized groups, particularly the poor, women, people with disabilities and displaced are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs	Yemenis improve their livelihoods and access inclusive productive services	September 2023	Government Counterpart, Project Donors, National Responsible Parties, Bi-lateral and multi-lateral donors/other international communities, UNDP Regional and HQ.	US\$50,000
Project Final Evaluation	UNDP and WB	Marginalized groups, particularly the poor, women, people with disabilities and displaced are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs	Yemenis improve their livelihoods and access inclusive productive services	August 2025 (Tentatively)	Government Counterpart, Project Donors, National Responsible Parties, Bi-lateral and multi-lateral donors/other international communities, UNDP Regional and HQ.	US\$50,000

VII. MULTI-YEAR WORK PLAN

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget Per Year				RESPONSIBLE PARTY	PLANNED BUDGET			
		Year 2022	Year 2023	Year 2024	Year 2025		FUNDING SOURCE	BUDGET DESCRIPTION	AMOUNT	REMARKS
		1	2	3	4					
Output1: Improving Economic Opportunities, Food Security & Effective Management of Fisheries in Yemen (GEN2)	1.1 Micro grants by Small Micro Enterprise Promotion Service (SMEPS) to fisher households and micro and small enterprises engaged in the fishing value chain		1,418,000.00	2,876,000.00	1,204,000.00	SMEPS	WB	Micro grants to small holders and vocational SMEs/entrepreneurs	5,498,000.00	
	1.2 Micro grants by SMEPS in entrepreneurship and business development opportunities for women and youth in the fishery value chain (including 1.2.1 and 1.2.2)		1,296,000	2,472,000	1,032,000	SMEPS	WB	Matching grants by SMEPS for existing fishery MSMEs	4,800,000.00	
			1,444,902.50	2,571,062.50	982,890	SMEPS	WB	Supporting fishery supply chain enablers engaged in the fishing value chain	4,998,855.00	
	1.3 Matching microgrants by SMEPS for fishery associations and cooperatives to improve production:		225,000.00	463,500.00	211,500.00	SMEPS	WB	Matching microgrants by SMEPS for 35 fishery associations and cooperatives to improve production	900,000.00	
	1.4 Restoration					PWP	WB	Restoration and development by	5,200,000.00	

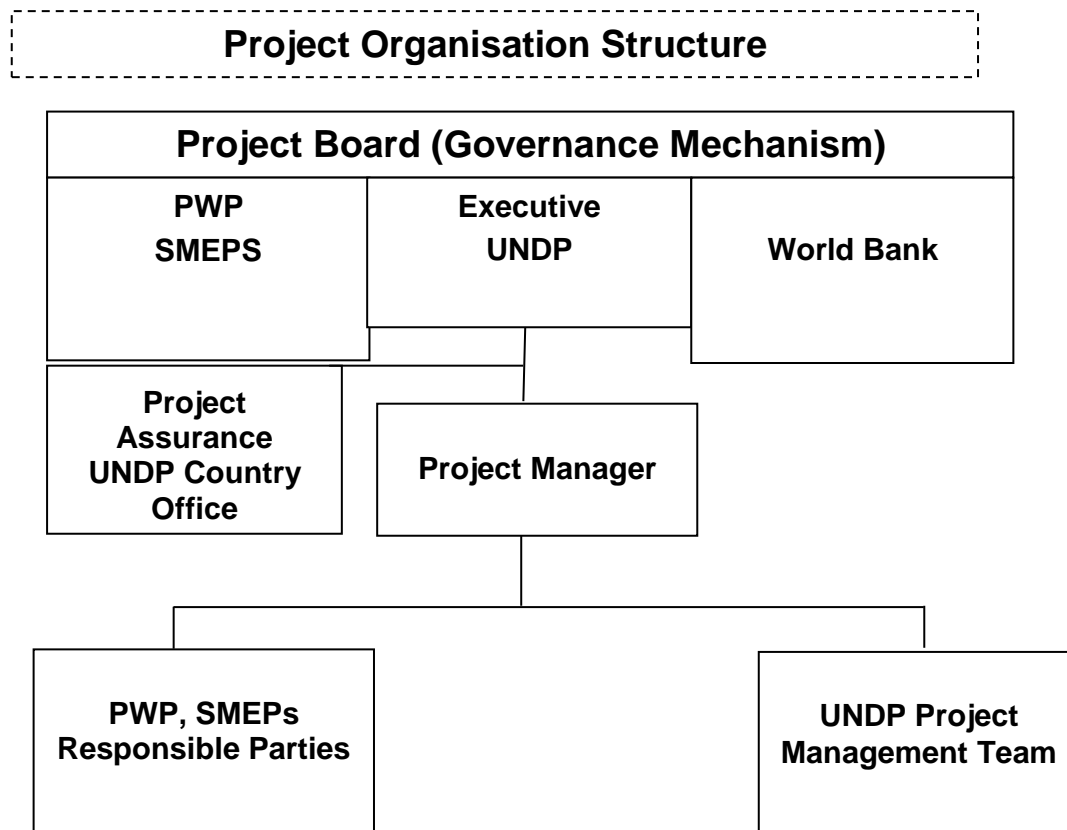
	and development by Public Works Project (PWP) of key fishery assets:	-	1,560,000.00	3,640,000.00				Public Works Project (PWP) of key fishery assets in agender sensitive manner		
		-	210,000.00	90,000.00	-	PWP	WB	Installing a digital Information System at GAF provide real time pricing information and transmit early weather warnings	300,000.00	
	PWP Management	20,000.00	120,000.00	300,000.00		PWP	WB	PWP Consultancy Services - Direct Cost	440,000.00	
		30,000.00	254,000.00	101,000.00	-	PWP	WB	PWP Operating Costs - Indirect Cost	385,000.00	
	1.5 Capacity building, training and awareness creation to strengthen institutions, fisheries, and coastal communities:		40,000.00	80,000.00	40,000.00	SMEPS	WB	Awareness on occupational health and safety	160,000.00	
		9,365	382,230.00	382,230.00	49,320.00	SMEPS	WB	Training for community members on sustainable fishing practices and related aspects.	823,145.00	
			22,050.00	88,200.00	22,050.00	SMEPS	WB	Awareness through various remote media such as radio and social media	132,300.00	
		25,646	1,173,297.84	1,036,997.84	150,877	SMEPS	WB	Training and capacity building to develop the fishery value chain, responsible fishing practices, and fishery management. Women participants 30%.	2,386,819.00	
			571,494.00	1,298,850.00	727,356.00	SMEPS	WB	Consultancy Services - Technical support for beneficiaries	2,597,700.00	
	SMEPS Management	263,428.57	1,145,558.11	1,059,467.68	687,226.63	SMEPS	WB	Management Direct Cost – Operating Cost (Project staff, other cost, M&E, Communication) - Direct Cost	3,155,681.00	
		245,785.71	589,885.71	589,885.71	294,942.86	SMEPS	WB	SMEPs Operating Cost - Indirect Cost	1,720,500.00	
Sub-total Output 1		594,225.48	10,452,418.16	17,049,193.73	5,402,162.63				33,498,000.00	
Output 2: Developed governance systems and knowledge for effective management and climate		-	10,000	-	-	UNDP	WB	Establishing gender responsive sub-national fishery governance committees	10,000.00	
		-	20,000	66,000	4,000	UNDP	WB	1. Developing a simplified matrix for fishery data indicators for regular fishery data collection and reporting under limited capacity setting. 2. Producing annual	90,000.00	

resilience of fisheries (GEN 2)								fishery management reports produced documenting fishery governance actions		
	-	80,000				UNDP	WB	Producing a gender responsive study on fishery sector diversification and development of a business model (through a gender lens)	80,000.00	
		60,000	100,000			UNDP	WB	Producing gender responsive sub-national fishery management plans	160,000.00	
Sub-total Output 2	-	170,000	166,000	4,000					340,000.00	
Output 3. Establishing women value chain SMEs (GEN 3)		351,540	670,530	279,930		SMEPS	WB	Disbursing grant to women with enhanced skills to establish fishery enterprises and access to market opportunities	1,302,000.00	
Sub-total Output 3	-	351,540	670,530	279,930				Total	1,302,000.00	
Output 4. Project management, monitoring and evaluation and reporting by UNDP	172,610.00	483,053.00	569,150.00	365,235.19		UNDP	WB	1. Staff Salaries (International and National)	1,590,048.19	
	211,635.00	507,925.00	564,351.00	332,196.00		UNDP	WB	2. Country Office Support to Implementation and Common Services	1,616,107.00	
	10,000.00	56,000.00	56,000.00	28,000.00		UNDP	WB	3. Communication	150,000.00	
	25,000.00	60,000.00	60,000.00	35,000.00		UNDP	WB	4. Running/misc costs	180,000.00	
	-	-	100,000.00	50,000		UNDP	WB	5. TPM	150,000.00	
	-	40,000.00	40,000.00	-		UNDP	WB	6. Capacity building	80,000.00	
	-	10,000.00	40,000.00	70,000		UNDP	WB	7. Audit	120,000.00	
	-	82,160.00	-	82,161		UNDP	WB	8.M&E	164,321.00	
Sub-total Output 4	419,245.00	1,239,138.00	1,429,501.00	962,592.19		UNDP	WB		4,050,476.19	
Indirect Cost / GMS (5%)	50,673.52	610,654.81	965,761.24	332,434.24		UNDP	WB		1,959,523.81	
Grand Total	1,064,144.00	12,823,750.97	20,280,985.97	6,981,119.06					41,150,000.00	

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

UNDP will establish the Project Board as oversight and advisory authority, representing the highest body for coordination, strategic guidance, oversight and quality assurance. The body will facilitate collaboration between UNDP, PWP, SMEPs and the World Bank, and other stakeholders for the implementation of the Project. The Board will review and endorse the annual work plans (AWPs), will provide strategic direction and oversight, will review implementation progress, and will review narrative and financial progress reports.

The Board will be convened by UNDP in conjunction with the WB Implementation Support Mission and meet at least on a 6-monthly basis. It will include senior programme managers from UNDP, PWP, SMEPs and World Bank. The review meetings will be chaired by UNDP Resident Representative or OIC and attended by the World Bank Team Leader as well as the task leaders and middle management of the two agencies.



The Project Board will ensure tracking of safeguards compliance and performance as stipulated in the ESMF. The Board will oversee and review the implementation of the Safeguards Instruments, giving details of:

- a) measures taken in furtherance of the Safeguards Instruments
- (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments; and
- (c) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of the

Safeguards Instruments.

IX. LEGAL CONTEXT

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of the Republic of Yemen and UNDP, signed on 11 April 1977. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

1. UNDP as the Implementing Partner shall comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP agrees to undertake all reasonable efforts to ensure that none of the project funds are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

UNDP Anti-Fraud Policy

The Responsible Parties have a general accountability for fiduciary management of funds put at their disposal by UNDP. In this regard, Responsible Parties will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, and responsible parties in implementing the programme/project or using the UNDP funds. The Responsible Parties will ensure that appropriate financial management, anti-corruption and anti-fraud policies are put in place and are enforced for all funding received from or through UNDP.

The Responsible Parties shall comply with and be subject to the requirements of the following documents then in force at the time of signature of the Project Document:

- (a) UNDP Policy on Fraud and other Corrupt Practices (“UNDP Anti-fraud Policy”);
- (b) UNDP Office of Audit and Investigations (OAI) Investigation Guidelines; and
- (c) UNDP Social and Environmental Standards (SES), including the related Stakeholder Response Mechanism (SRM), with the specific details pertaining to the project outlined in the ESMF.

The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this project document and are available online at www.undp.org.

In the event that an investigation is required, UNDP has the right to conduct investigations relating to any aspect of UNDP Projects, as per its mandate. The Responsible Parties shall provide full cooperation, including making available personnel, relevant documentation, and granting access to the Responsible Parties (and its consultants’, contractors and subcontractor’) premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a problem in exercising this right, UNDP shall consult with the Responsible Parties to find a solution in the best interest of both parties.

The Signatories to this Project Document will promptly inform each other in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where the Responsible Party becomes aware that UNDP has funded or is funding, in whole or in part, an activity that is the focus of investigation for alleged fraud/corruption, the implementing partner will inform the UNDP Resident Representative, who will promptly inform UNDP’s Office of Audit and Investigations (OAI). The Responsible Party shall provide regular updates to the UNDP Resident Representative and OAI of the status of, and actions relating to such investigation.

With regard to the restitution of funds misused, including fraud or corruption, UNDP's anti-fraud policy, UNDP shall be entitled to a refund from the Responsible Party of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail the Implementing Partner's obligations under this Project Document.

Where such funds have not been refunded to UNDP, the Responsible Party agrees that donors to UNDP whose funding is the source, in whole or in part, of the funds for the activities which are the subject of the Project Document, shall have recourse to the Responsible Party for the recovery of any funds determined by UNDP to have been used inappropriately, including fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

The Responsible Party shall ensure that the above provisions are included in all sub-contracts or sub-agreements entered into in connection with the project or programme.

Each contract issued by the Responsible Party in connection with the Project shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Responsible Parties shall cooperate with any and all investigations and post-payment audits.

Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the relevant national authorities shall actively investigate the same and prosecute all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

The project will strengthen the overall risk analysis and management mechanism, including regular updates on the contextual risks, as well as operational risks pertaining to the project, on a quarterly basis.

X. RISK MANAGEMENT**UNDP (DIM)**

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds UNDP received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the updated UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Stakeholder Response Mechanism (<http://www.undp.org/secu-srm>).
4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
6. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:
 - a. Consistent with the Article III of the SBAA [or the Supplemental Provisions to the Project Document], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP's property in such responsible parties, subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
 - i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
 - ii. assume all risks and liabilities related to such responsible party's, subcontractor's and sub-recipient's security, and the full implementation of the security plan.
 - b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party's, subcontractor's and sub-recipient's obligations under this Project Document.
 - c. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.

- d. The requirements of the following documents, then in force at the time of signature of the Project Document apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and subrecipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- e. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and subrecipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
- f. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.
- g. Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and subrecipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.
- h. UNDP will be entitled to a refund from the responsible party, subcontractor or subrecipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail any responsible party's, subcontractor's or sub-recipient's obligations under this Project Document.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- h. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract

execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.

- i. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
- j. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled “Risk Management” are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled “Risk Management Standard Clauses” are adequately reflected, mutatis mutandis, in all its subcontracts or sub-agreements entered into further to this Project Document.

XI. ANNEXES

- 1. SFISH Theory of Change**
- 2. Project Quality Assurance Report**
- 3. Social and Environmental Screening Template** [\[English\]](#) [\[French\]](#) [\[Spanish\]](#), including additional Social and Environmental Assessments or Management Plans as relevant. *(NOTE: The SES Screening is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences, preparation of communication materials, strengthening capacities of partners to participate in international negotiations and conferences, partnership coordination and management of networks, or global/regional projects with no country level activities).*
- 4. Risk Analysis.** Use the standard [Risk Register template](#). Please refer to the [Deliverable Description of the Risk Register](#) for instructions
- 5. Capacity Assessment:** Results of capacity assessments of Implementing Partner (including HACT Micro Assessment)
- 6. Project Board Terms of Reference and TORs of key management positions**

Annex 1: SFISH Theory of Change

