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Country/Region or Area:	Yemen
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Reporting Period:	March 2017-December 2017
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TABLE OF CONTENTS

Project Summary.....	3
Executive Summary	4
Situational Background	5
Results and Achievements	6
Activity result 1: Knowledge generated to analyze and priorities stabilization needs	6
A. SNOEA (Stabilization Needs, Opportunities and Engagement Assessment)	6
Activity result 2: Restore livelihoods of crisis-affected populations	8
<i>Key Results</i>	13
Activity result 3: Community-based protection mechanisms strengthened with a focus on women and youth	13
Activity Result 4: Project management effectively established to achieve project results	13
Press release links	14
Representative selection of local media coverage of the project	14
Cross Cutting Issues	14
Partnerships	14
Environmental Considerations	15
Risk Management	Error! Bookmark not defined.
Annexes:	16

Project Summary

Project title	Yemen Stabilization Programme
Project ID	00104504
Project start Date / end Date	March 2017 – March 2018
Implementing Modality	Direct Implementation Modality (DIM)
Implementing Partner(s)	For All Foundation (FAF)/NGO
Donors	Government of Japan and UNDP
Expected SP Outcome(s):	Enhancing stability and peace-building, as well as providing opportunities for livelihoods to vulnerable groups and provision of socio-economic infrastructure; which will result in strengthening the resilience of communities that will in turn contribute to reduction of the conflict.
Expected SP Output(s):	Output 6.1: From the humanitarian phase after crisis, early economic revitalization generates jobs and other environmentally sustainable livelihoods opportunities for crisis affected men and women
SP Main Outputs Indicators	Number of individuals directly benefiting from selected stabilization measures.
Expected UNDAF/CP Outcome(s):	Government is accountable at national and local levels, and decentralization, equitable access to justice, protection and promotion of human rights is strengthened; capacity to promote international humanitarian law is built
Expected UNDAF/CP Output(s):	Early recovery and rapid return to sustainable development pathways are achieved in post –conflict and post – disaster settings

Executive Summary

The Yemen Stabilization Project aims at building on the foundations laid by the achievements of humanitarian aid in the piloting areas in South Region. The project approach has been built on the analysis of the immediate post-conflict vulnerabilities and their differentiated impacts on women, men, boys and girls, and incorporate planning for transition to longer-term recovery and development. This was conducted through a series of rapid assessments in 2015, updated with a human security situation tool late 2016 identifying immediate priorities affecting the resilience of communities and affected populations

Based on UNDP's significant experience in supporting stabilization initiative, UNDP has launched a project to support the poor livelihood conditions post conflict which have increased the rate of poverty and have created extra burdens on the house holds who are suffering to provide their day-day basic needs.

The project provided protection means, capacity building and psychosocial support to those who were conflict traumatized. Both activities were built on knowledge production created before launching the activity in order to specify the intervention and learn gaps and chances for effective interventions to support the community.

The key impact oriented achievements attributed to the project include the following:

- The 420 beneficiaries have benefited from vocational training, business training and grants to create 390 micro business opportunity providing scarce services and products in the programme districts.
- 210 women engaged in the immediate post-conflict and developing their vocational training potential to support their families and create micro business opportunities that will support the family's economy.
- Rapid integrated assessments conducted in the targeted areas as an initial entry point for the identification of community stabilisation needs and priorities.

UNDP Yemen has also undertaken vital work to help build the capacity of institutions, focusing on the prevention violence extremism. Over the last year, UNDP has taken critical steps to train and mentorships to youth.

Situational Background

Yemen is facing an unprecedented political, humanitarian, and development crisis. Yemen post Arab Spring transition did not conclude peacefully and spiraled into a full-blown war in March 2015. Currently, there are more than 80% of Yemenis who are in need of humanitarian assistance at a time only 52% of the 2016 Humanitarian Response Plan received funding. Over 3 million people have been displaced since the war started, in which 1 million former IDPs have recently returned to their area of origin. The conflict has so far resulted in USD 19 billion worth of damage to infrastructure and economic losses. Since March 2015, at least 7,054 deaths and 36,376 injuries have been reported in conflict-affected governorates. Prior to the recent conflict, Yemen was already the poorest country in the Arab region suffering from weak human development outcomes compounded with a high population growth, repeated local conflicts, chronic food insecurity and uncertain political transition. With the violent armed conflict that started in 2015 economic indicators have plummeted further: The World Bank Group estimates that poverty has doubled nationally between 2014 and 2016 from an average of 34.1 to 78.8 per cent¹.

The accumulative decline in real GDP was estimated at 47.1% (in absolute terms the real GDP losses are estimated at USD 32.5 billion) during 2015-2017². This has resulted to GDP per capita to shrink from USD 1,247 in 2014 to almost USD 485 in 2017. This means more people are sliding below the national poverty line, which was estimated at USD 600 per person per year. The unemployment figures have tremendously increased due to collapse of the Yemeni economy and run away of private sector, which used to employ more than 70% of the labor force. The top four stressors for families endangering their ability to cope include: a) insecurity; (b) road blocks and banditry; (c) increase in prices of productive resources; and (d) market closures; as identified by UNDP in a post-conflict assessment. The current crisis has exacerbated both the magnitude and depth of all four stressors, leaving vulnerable families and communities at a significant risk of prolonged impoverishment with lasting consequences.

The remarkable resilience of the Yemeni population is now tested to its limits. At the macroeconomic level, insecurity, unpredictability, high transportation costs and the availability of key commodities impeded by import restrictions have caused severe inflation including on basic goods and fuel. With almost no income due to diminishing tax revenues, the suspension of oil and gas exports and halt of direct budgetary support from the international community, drastic cuts in state budget did not prevent the deficit to grow driving the Central Bank of Yemen (CBY) to exhaust its reserves (Foreign reserves shrank from US\$ 4.7 billion in December 2014 to US\$ 0.987 billion in September 2016), causing public service salaries payment to be suspended as of August 2016, with crippling effects for institutions and the population. The CBY is also now unable to issue Letter of Credits to vouch for importers or to stabilize exchange rate, further reducing imports and driving the economy to black market cash operations outside banks. The CBY is unable to address liquidity issue, which severely slows down and undermines operations in the banking sector.

¹ The World Bank, Poverty Update June 2017

² MoPIC, Yemen Socio-economic updated issue:30 – December 2017

Results and Achievements

Activity result 1: Knowledge generated to analyze and priorities stabilization needs

Rapid integrated assessments have been conducted in the targeted areas as an initial entry point for the identification of community stabilization needs and priorities. In addition to the already collected baseline information in 2015 in districts that may geographically overlap with the proposed programme, the assessments have been updated accordingly. The quantitative design was complemented by a community based conflict analysis and other qualitative tools in order to enrich the analysis. The combination of the collected quantitative and qualitative assessments have enriched the planning, implementation, monitoring and evaluation phases of the project, for a context-specific design. The programme has formulated 2 main reports i.e. **Stabilization Needs, Opportunities and Engagement Assessment (SNOEA)** and Market Assessment, which were prepared by IOM, international and national consultants who have conducted field researches, interviews, focus groups discussion and one-to-one meetings to collect information and then submitted to UNDP to analyze.

A. SNOEA (Stabilization Needs, Opportunities and Engagement Assessment)

Key Results

The Stabilization Needs, Opportunities and Engagement Assessment (SNOEA) carried out to update the stabilization-related programme in a conflict-sensitive and risk-informed manner. This assessment triangulates four main data sources to capture both quantitative and qualitative elements: a local conflict analysis; key informant interviews; a household questionnaire administered to a sample of 200 families; and focus group discussions with the target groups. The local conflict analysis sought to understand the manifestation of conflict(s), its actors, enablers, and proposes programmatic priorities for the YSP. The key respondents sought to scan local governance and basic service challenges and opportunities from institutional representatives at community-level: district managers and key social figures ('Aqil, judges, etc). Moreover, 200-household questionnaire was administered to provide insights to community perception on social cohesion, security, justice, and coping strategies of populations. It also offers an opportunity to disaggregate perceptions along gender, displacement status, age and districts to further refine the analysis. Furthermore, a series of focus group discussions with youth were conducted to understand violent extremism at local-level and its effect on community members. As results, action plans have been elaborated by youth to foster the vital values of solidarity and empathy as well as critical thinking, social engagement and meaningful civic participation

Key Findings

There were strong similarities between the three districts (i.e. Crater, Muallah and Tawahi in Aden Governorate) in terms of the types of conflicts and existing mechanisms for conflict mitigation. Most of the conflict issues are not necessarily district specific but are rather related to broader governance issues and power struggle between key local actors at the governorate level.

B. Market Assessment

The assessment was conducted to support the livelihood activities and to determine the gaps in the market and services needed, the available opportunities for new micro businesses and the available institutes for providing vocational training to the beneficiaries. The assessment was disseminated among early recovery sub-cluster partners, which was of use with the shortage in information during the districts of Crater, Mualla, and Tawahi in the city of Aden. Moreover, the study also listed 25 innovative products (table 1) and services that are most in demand and are not being provided by the market and represent opportunities for youth and women.



In order to achieve the goals of the assessment, a common quantitative and qualitative approach was used, in addition to a participatory methodology. Thirty-one respondents have been interviewed with a wide range of backgrounds, including government representatives, the local councils, community leaders, civil society organizations and international and local NGOs, training services providers, and other concerned parties. Furthermore, nine discussions were organized for focus groups that were attended by 98 participants (41% female and 59% male). Three quantitative surveys were carried out, namely: i) survey of the demand of consumers, which surveyed 131 consumers (51% female and 49% male), ii) survey of market opportunities, which surveyed 127 businesses and service providers (39% female, 61% male), and, iii) survey of youth and women, which covered 158 youth and women in the targeted districts (52% female and 48% male). In addition, 9 field observation visits were carried out to local institutions and markets, as well as the most important transportation and business centers in these districts.

The methodology used is the pre-selection of the sample was based on certain determinants, such as geographic scope, on the income of the focus group, and a random sample, taking into account the defined weaknesses and gender. The actual sample exceeded what was planned in all tools.

Table 1

List of Innovative products and services
Repairing computer and providing technical support
Printing and design
Interior Design
Short film production
Photography
Installing and repairing solar panel systems
Web design
Programming mobile phone apps
Mobile cleaning services
Mobile phone accessories
Making boxes for jewelry and gifts
Decorating women's shoes and clothes and selling them

Making women's bags
Making care accessories
Making soap locally
Making fishing supplies
Recycling (plastics, clothes, metal, wood etc.)
Children's clothing shops
Children toys shops
Center for marketing women's products
Selling women's clothing with a traditional twist
Selling and raising birds and fish as pets
Selling flowers and garden supplies
Children nursery
Selling home cooked meals

[Link for market assessment:](#)

http://www.ye.undp.org/content/yemen/en/home/library/crisis_prevention_and_recovery/market-assessment-for-aden-governorate---2017

Activity result 2: Restore livelihoods of crisis-affected populations

The piloting communities in Mualla, Attwahi and Carter were targeted and have benefited from the various strands of the Yemen Stabilization Programme restoration of livelihoods, improved security and access. Communities have perceived and benefited from a comprehensive approach to rebuilding their communities and social cohesion, leading to increased confidence in their overall expectation of longer term stability.

The Programme has supported the reviving of livelihoods related activities, with a particular focus on vulnerable groups, and provided beneficiaries with skills development (technical, life and business skills) and supported in start-up capital (grants or start-up kits). As result of these activities, micro-enterprises such as agro-processing, bakeries, private educators and health providers, recycling etc have been established in targeted districts.

Summary of micro-enterprises sectors created

<i>Sectors</i>	<i>No. of beneficiary</i>	<i>No. of partnerships enterprises</i>
Photography	73	4
Sewing	38	0
Hairdressing	76	0
Cooling and conditioning	39	1
Electricity	47	1
Mobile maintenance	78	4
Plumbing	10	0

Women participation was strengthened through discrete strategies in the design and implementation of the livelihoods interventions, as conflict has burdened Yemeni women to often becoming the breadwinners of their families. These interventions were inspired from the lessons learnt of the Japan-funded Women Economic Empowerment project (2015-2016) which demonstrated the positive impact of engaging vulnerable women to achieve their economic aspirations of self-reliance.

Moreover, 420 beneficiaries (50% females) were engaged from three districts of Aden governorates, namely Mualla, Attwahi and Craiter (140 participants from each district). The districts have been selected based on following criteria's: i) most affected districts during crisis; ii) overload with returnees and; iii) destroyed buildings, schools, houses, governmental offices, markets and infrastructure.

Selection of implementing partner:

Following internal rule and regulation on the selection of the implementing partner, UNDP has conducted a macro assessment to identify experienced and capacitated local NGOs to carry out this activity with high quality and low fiduciary risk. During the selection process three NGOs (Nahda Makers Organization, Solidarity Foundation for Development and For All Foundation) were identified as low risk. For All Foundation (FAF) NGO had technically strong proposal and, therefore the contract for this particular assignment has been awarded to this organization.

Partnership and Coordination:

UNDP along with FAF have conducted several coordination meetings with the local authorities, addressing the challenges and recommendations to facilitate implementation of programme activities. As well as there were also several coordination meetings with the vocational training centers and the individual trainers which have been selected to lead the business skills trainings. The partnership mechanism has been established between different parties as results of these meetings.



Coordination meetings with District Director

Selection of Beneficiary:

The selection of beneficiaries was based on registration announcements in the programme targeted locations, through local associations, street banners and social media to reach out to the most vulnerable groups. During the three days of announcements, 1,860 individuals have been registered. For the selection of potential candidates interview panel was established. The interview panel consisted of representatives from local



Interview of respondents

councils, technical education and vocational training centers, Ministry of Planning and International Cooperation (MoPIC), Ministry of Labour and Social Affairs (MoLSA), as well as UNDP and FAF as observers. Out 1,860 registries, 1,116 were contacted to join interviews as they were matching the first set of criteria (low income, etc.).

Selection criteria used by the Panel:

- Conflict-related displaced returnees with inclusion of host communities in a conflict-sensitive manner
- Preference towards candidate demonstrating no/low income, i.e. former beneficiary of Social Welfare Fund programme
- Candidate not targeted by aid organizations in the last six months
- 50% women
- 50% youth (18 – 35 years old)
- Sensitivity towards the inclusion of former combatants

After completing the interviews, 420 beneficiaries were selected according to the criteria above and were divided into groups according to preference on the type of Vocational Training they would like to join.

Vocational Training (VT)

Based on the market assessment that identified as demanding and urgent sectors in each district, a series of validation workshops were conducted to present the findings from the assessment. As per the beneficiaries' preferences, seven vocational training courses were selected and beneficiaries were divided into groups according to the following:



Sewing section- Vocational Training

VT type	Number of female beneficiary	Number of male beneficiary	Total
Photography	63	25	88
Sewing	38	0	38
Hairdressing	81	0	81
Refrigerating and conditioning	0	46	46
Electricity	0	54	54
Mobile maintenance	28	74	105
Plumbing	0	11	11
Total number of beneficiaries			420

The 420 beneficiaries have received 140 hours (over 35 days) of training and received a certified diploma from the Ministry of VT, which will enhance their chances in finding job opportunities in Yemen.

Business training

After completion of Vocational Training, the beneficiaries were provided with business skills training for 7 days with specialized trainers who have experience in micro businesses. The training aimed to help the beneficiaries design a business plan. Following these business plans have been submitted for reviews and consideration. Furthermore, the business plans were evaluated by special committee and as result of evaluation the 390 beneficiaries have been selected for the grants.

The business plan evaluation focused mainly on the following:

- The financial plan
- The sustainability plan
- The personal and business goal
- Details of the starting capital, including visits to the market and quotations collected for tools supplies, etc.

The business plans were distributed as follow across sectors:

Business Category	Type of Enterprise/Business	
	Males	Females
Service	<ul style="list-style-type: none"> • Mobile phone maintenance and technical support • Printing and design • Interior design • Short film production • Electronics repair • Repairing air conditioners • Car mechanics • Event photography • Installing and repairing solar power systems • Recycling waste • Buses that operate through mobile phone apps • Car decoration • Restaurants • Home catering • Cafeterias • Barbershops • Plumbers • Laundromats • Centers for music, films, computer games, and to download apps • Social sport clubs • Marketing centers • Mobile cleaning center • Mobile or stationery car cleaning center 	<ul style="list-style-type: none"> • Interior design • Mobile cleaning center • Organizing and planning events and special occasions • Web design • Printing and design • Programming mobile phone apps • Nursery and daycare • Photography and short film production • Mobile phone repair shop • Installing and repairing solar power systems • Tailor services for women's clothes • Hair dressers and beauty salons • Henna tattoo parlors • Small clinics • Centers for music, film, computer games, and to download apps • Computer repair shop • Marketing shop • Wedding dress shop • Nursing • Training in henna and hair dressing

Business Category	Type of Enterprise/Business	
	Males	Females
	<ul style="list-style-type: none"> Organizing and planning events or special occasions Web design Programming mobile phone apps and maintaining them 	
Industrial and Handicrafts	<ul style="list-style-type: none"> Making mobile phone accessories Making car accessories Repairing old goods and selling them Making pickled foods Making wooden and metal incense smokers for clothes Making sweets and cakes Recycling (plastic and clothes) Making jam Making soap 	<ul style="list-style-type: none"> Making boxes for jewelry or gifts Decorating shoes and selling them Drawing on glass Making picture frames Decorating clothes Making sweets and cakes Making incense and perfume Recycling (plastic and clothes) Making jam Making pickled foods Making mobile phone accessories Making wooden and metal incense smokers for clothes Making women's handbags
Commercial	<ul style="list-style-type: none"> - Ice cream shop - Book shop and stationery - Selling fishing supplies - Selling children's clothes - Selling and raising fish and birds as pets - Selling cooking gas - Distributing internet cards - Selling electrical supplies - Grocery store - Vegetables and fruit shop - Construction supplies shop - Fish shop - Clothes, shoes, and accessories shops - Mobile phone shop - Electronics shop - Selling cold water and ice - Selling sewing supplies - Selling fabric for women 	<ul style="list-style-type: none"> - Selling shoes, bags, and accessories - Women's clothing boutique - Selling household supplies - Selling incense and perfume - Selling cosmetics - Pharmacy - Selling sweets - Selling household agricultural supplies, garden supplies, and flowers - Gift shop - Selling traditional women's clothes.

Grant distribution

The grant officers have been appointed by oversight committee to be responsible and accountable for the distribution of the grants to beneficiaries. The amounts of grant was divided into 2 tranches to support easy process of buying materials and equipment to beneficiaries and reducing any potential financial risks.



During signature of grant document distribution



Beneficiary Micro-business

Establishment of the business associations

Ten business associations have been established in all piloted districts.

Key Results

- 420 beneficiaries received Vocational Training
- 420 beneficiaries received business training
- 390 beneficiaries received micro grants
- Over 2,000 HH improved their livelihoods
- 5 vocational training centers revived through running costs for providing vocational training services

Activity result 3: Community-based protection mechanisms strengthened with a focus on women and youth

Through SNOEA Report, UNDP could identify and collect list of formal/informal justice providers as a preparation step for launching the activity. The activity concentrated on protection mechanism with special focus on women and youth. Due to security situation, implementation of the activity was postponed as it was challenging to invite district managers and Sheikh Hara to attend designed trainings and workshops for protection mainstreaming.

Although the direct implementation of the activity did not start, there are considerable accomplishments through other activities and as a by-product of Activity Result 2, the Ministry of Vocational Training was supported by electric generator that will extend beyond the life of this project enabling more vocational trainings to take place in the dedicated Government institution, leading to sustain the resilience and recovery of an important State's institution, which has suffered heavily from the war (shelling and looting).

Activity Result 4: Project management effectively established to achieve project results

UNDP had implemented the YSP through its Sub-Office located in Aden Governorate and contributed to support staff and general operating expenses on a cost-recovery basis.

Project team have been established, management and coordination of the project succeeded in delivering all tasks with quality and within the timeframe of the project in all activities, except for Activity result 3, despite all challenges due to the security situation and was able to reach to many vulnerable HH through its activities. More than 75% of the fund have been recorded as expenditures as indicated in the interim financial statement attached to this report.

Press release links

Representative selection of local media coverage of the project

<http://www.ye.undp.org/content/yemen/en/home/presscenter/pressreleases/2017/10/03/undp-in-yemen-launched-the-restore-the-disrupted-livelihoods-of-crisis-affected-populations-component-of-the-yemen-stabilization-programme-.html#.WdODwUvCjb4.facebook>

<http://adenalhadath.net/news/25253>

<http://www.adengd.net/news/273646/>

<http://www.akhbarlibya.net/Gulf-news/695546.html>

<https://www.facebook.com/UNDPYEMEN/posts/1724580510926692>

<https://youtu.be/nr9QKxD7YRA>

<http://www.yafa.news/archives/287375>

Cross Cutting Issues

Gender Mainstreaming: In the planning phase, emphasis has been placed on the gender and human rights issues by UNDP ensuring that the issues are addressed properly and in timely manner. In addressing gender mainstreaming and gender balance the project ensured that the capabilities, contributions, concerns and needs of women and men are acknowledged and addressed within the scope of its activities. The project strives to have equal representation of women and men with access and participation in Stabilization programmes as beneficiaries, employees and decision-makers. The project incorporates the principles of gender mainstreaming in UN development programmes in its activities.

- Working with Local Partners in the project aimed to address the gender mainstreaming in stabilization by ensuring that: a) information is collected from organizations and/or groups representing both males and females; b) survey data is disaggregated by sex and age; c) the distinct views and assessments of men, women, boys and girls by ensuring gender are collected; d) the sex and age group of interviewers and interviewees in all data analyses are specified.
- The stabilization activities in the country were carried out in partnerships with IOM and national NGOs.

Partnerships

UNDP's partnerships with national and international institutions that are perceived as fair and impartial in delivering services to communities regardless of their political affiliation, is essential as a stabilizing force in the current conflict and with political, social and economic grievances.

The project had local partnerships to expand the impact of its interventions through complementarity.

Partnerships had been sought with local authorities in the targeted areas, and other stakeholders using coordination channels such as the Emergency Employment and Community Rehabilitation Cluster, the Protection Cluster, amongst others. The project's partnership strategy was informed by an initial stakeholder mapping to be initiated at inception and periodically reviewed by the project implementation team to account for fluidity

Environmental Considerations

Climate change and population growth combined place more pressure on critical resources particularly water and food, exacerbated by conflict. Yemen is very vulnerable and ill-prepared to address these changes. The project does not carry any moderate to high risks with regards to social and environmental concerns as identified during the design phase through the Social and Environmental Screening Procedures (SESP).

Risk Analysis

Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner
State institutions are collapsing due to the liquidity crisis and service delivery is profoundly weakened for citizens	May 2017	Political	P = 4 I = 4	Examine the impact of the crisis on civil servant salaries and operational budgets, consider incentive payments	Project Manager
Donors earmark funding to specific YSP programmatic windows, limiting the comprehensive needs-based response	May 2017	Financial	P = 4 I = 4	Sensitise donors to the importance of non-earmarked funding in order to retain core flexibility viz changing needs and ground realities	Project Manager UNDP Management
The objectives of stabilization are not well understood by stakeholders	May 2017	Programmatic	P = 4 I = 3	Translate stabilization concept into a localized, context-specific, approach to Yemen. Develop SMART monitoring and evaluation tools	Project Manager UNDP Management

				to assess benchmark progress and measure stabilization outputs	
The security conditions in Aden impairs on staff deployment, mobility, and holding face to face consultations with stakeholders	May 2017	Security	P = 3 I = 4	Establish remote management systems, delegation of authority to national officers, review programme criticality	UNDP Programme UNDP Management
Without a peace agreement/settlement, the space for stabilization remains limited	May 2017	Strategic	P = 4 I = 3	Through expanded resources initiate local level mediation/conflict resolution initiatives, support UN advocacy for peace	Project Manager

