

PROJECT DOCUMENT**Republic of Yemen****Project Title:** Yemen Stabilisation Programme**Project Number:** 00102437**Implementing Partner:** UNDP**Start Date:** 15 March 2017**End Date:** 15 March 2018**PAC Meeting date:** 8 March 2017**Brief Description**

The major southern port city of Aden, which has been free of major fighting since July 2015 has witnessed the consolidation of state authority, improved security and the return of key ministers from the internationally recognised government. Aden is regarded by many analysts and stakeholders as a test case for the concretization of post-conflict peace dividends and for the start of a post-conflict recovery phase. Yet the city's socioeconomic, political and security conditions remain fragile and the state is struggling to cement security and political advances. Aden and other non-active conflict areas require targeted additional support to help prevent negative setbacks that would dangerously delay peace and reconstruction and put citizens at risk of relapse in secondary conflicts. Livelihoods and basic services have not settled back to pre-conflict conditions, fuelling a terrain for extreme poverty, violence, further displacement and instability in general. The Yemen Stabilisation Programme will first target Aden and the growing returnee population, scaling up to other areas in need as resources expand to provide the following key service lines:

1. Generate knowledge on local stabilisation needs
2. Restore the disrupted livelihoods of crisis-affected populations
3. Strengthen community-based protection mechanisms with a focus on women and youth

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

CO_Outcome 027 - By 2015, 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

Indicative Output(s) with gender marker²: Stability in targeted areas is enhanced by increasing socioeconomic opportunities, improving service delivery and strengthening community-based protection – GEN 2

Total resources required:	USD 20 million	
Total resources allocated:	UNDP TRAC:	USD 300,000.00
	Government of Japan:	USD 934,027.15
	Other:	-
	In-Kind:	-
Unfunded:		

Agreed by (signature)¹:

United Nations Development Programme



Anne Looftsmä
Country Director

Date: 21 March 2017

¹ Note: Adjust signatures as needed

² The Gender Marker measures how much a project invests in gender equality and women's empowerment. Select one for each output: GEN3 (Gender equality as a principle objective); GEN2 (Gender equality as a significant objective); GEN1 (Limited contribution to gender equality); GEN0 (No contribution to gender equality)

UN Prevailing Official rate of exchange during the signature of this document USD 1.00 = YR 250.10

I. DEVELOPMENT CHALLENGE (1/4 PAGE – 2 PAGES RECOMMENDED)

CONTEXT

Yemen is facing an unprecedented political, humanitarian, and development crisis. Yemen post-Arab Spring transition did not conclude peacefully and spiralled into a full blown war in March 2015. Currently, there are more than 80% of Yemenis in need of humanitarian assistance putting severe strains on under-funded humanitarian and development agencies. Only 48% of the 2016 Humanitarian Response Plan received funding¹. Over **2 million people have been displaced since the war started and 1 million former IDPs have recently returned to their area of origin**². The conflict has so far resulted in USD 19 billion worth of damage to infrastructure and economic losses³. Since March 2015, at least 7,054 deaths and 36,376 injuries have been reported from health facilities in conflict-affected governorates⁴.

Prior to the recent conflict, Yemen was already the poorest 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 2015 from an average of 34.1 to 62 per cent⁵. Similarly, in 2015, the economy contracted by about 28 per cent of GDP and it is estimated to contract a further 20% in 2016. A limited survey led during December 2015 by ILO noted a rise of 15% in unemployment - a phenomenon affecting women and youth the most, possibly underestimated.

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.⁶ 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**⁷, **further reducing imports and driving the economy to black market cash operations outside banks**⁸. **The CBY is unable to offset this shortage of cash, severely slowing down and undermining operations in the banking sector.** The collapse of the last safety nets such as public salaries, commercial fuel and food imports, the collapse of public services⁹ and the difficulties faced by banks are weakening the already low confidence of citizens towards institutions.

¹ Yemen: Humanitarian Response Plan - Funding Status. Retrieved from <http://reliefweb.int/report/yemen/yemen-humanitarian-response-plan-funding-status-11-october-2016-enar>

² Task Force of Population Displacement 12th report

³ Preliminary Damage Needs Assessment, July 2016, UN, World Bank, EU, Islamic Development Bank

⁴ Figure as of 23 October 2016. The number of deaths is believed to be higher given that this report only captures health facility reported deaths www.emro.who.int/yem/yemeninfocus/situation-reports.html

⁵ Country Engagement Note for the Republic of Yemen for the Period FY17-FY18, The International Development Association, International Finance Corporation and Multilateral Investment Guarantee Agency, The World Bank Group, June 2016, P. 6

⁶ UNDP (United Nations Development Programme). 2013. Multidimensional Livelihoods Assessment in Conflict-affected Areas in Yemen.

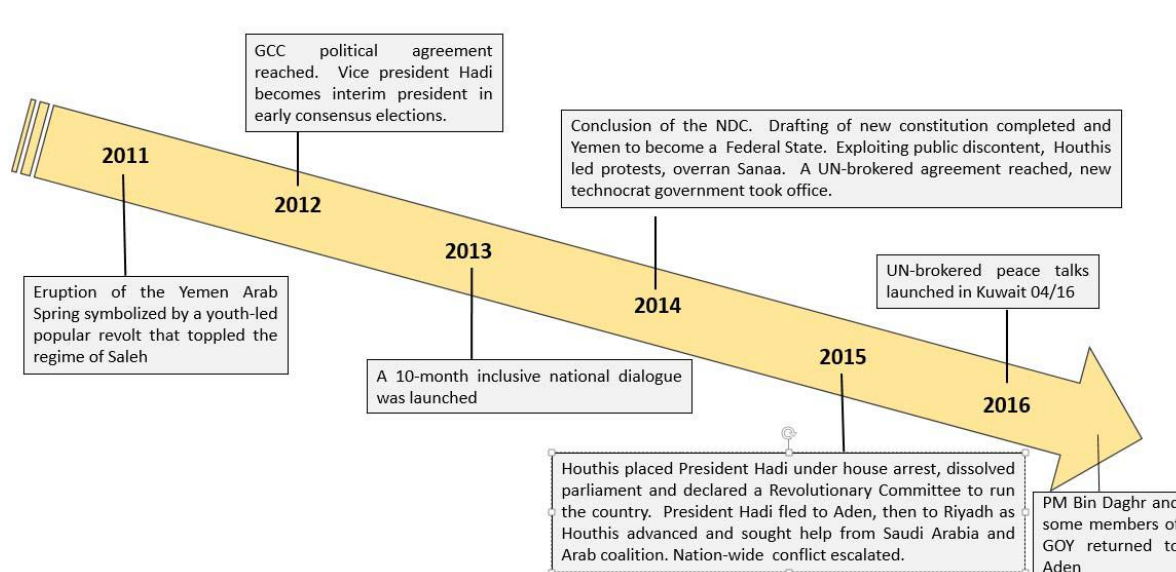
⁷ As of January 2017, black market exchange rate continues to rise around 340 YER/USD, significantly above the official rate of 250 YER/USD.

⁸ The estimated value of banknotes issued and currency outside banks rose by almost 70% between 2014 and 2016. Ministry of Planning and International Cooperation, Yemen Socio-Economic Update 18, September 2016.

⁹ UNDP study 'Measuring the impact of the public sector wage suspension on basic service delivery in the healthcare and education sectors' documents the impact of public salaries suspension on absenteeism and quality of services

POLITICAL DEVELOPMENTS

Non-exhaustive Timeline of Yemen conflict



During the nearly two years of fighting between a Saudi-led coalition backing the internationally-recognized government of President Abed-Rabbo Mansour Hadi¹⁰ and Huthi (Zaydi/Shiite) rebels, who are aligned with forces under the previous president, Ali Abdullah Saleh; UN-mediated peace talks have been collapsing while the population has been the primary victim, suffering from air bombardments, rocket attacks, ground fighting in localized hot-spots and economic blockades.

On 19 September 2016, President Hadi replaced the Central Bank governor and announced he would move the bank from the Huthi/Saleh-controlled capital, Sanaa, to the government's temporary base in the port city of Aden. It is expected this move will worsen the short term macroeconomic outlook, deepen the north-south political divide, making more difficult future efforts to negotiate a peaceful solution to the troubled relationship between these areas.

In January 2017, Special Envoy of the Secretary General Ismael Ould Cheikh briefed the UN Security Council and put forward a roadmap to resume the adjourned peace-talks. It is uncertain at the time of writing whether belligerent parties will positively consider renewed international efforts for mediation.

¹⁰ Security council resolution 2216, 14 April 2015 reaffirms its support for the legitimacy of the President of Yemen, Abdo Rabbo Mansour Hadi, and reiterates its call to all parties and Member States to refrain from taking any actions that undermine the unity, sovereignty, independence and territorial integrity of Yemen, and the legitimacy of the President of Yemen.

II. STRATEGY

THE CASE FOR STABILISATION

As a political solution to end the war and to rebuild the shattered country appears distant, the near-collapse of Yemeni households' livelihoods and of public institutions demands focus on securing and stabilizing territory and communities wherever possible. Quick impact solutions need to protect and empower local actors to mitigate disruptions to livelihoods and services, prevent the re-occurrence of conflict and create an enabling environment for longer-term recovery and reconstruction. Stabilisation requires a multifaceted approach, addressing the socio-economic needs of vulnerable communities as well as their physical security and enable them to uphold their rights. **Stabilisation also seeks to establish a space for citizens to build and/or renew trust in their institutions and for legitimate authorities to reaffirm their service delivery and protection mandates.**

In the context of Yemen, stabilisation is understood as a three-pronged undertaking that:

1. Protects conflict-affected populations
2. Promotes, consolidates and sustains the peace process
3. Prepares for transition to recovery and reconstruction

Stabilisation interventions needs to be flexible to adapt to a complex and fluid environment. The major southern port city of Aden, which has been free of major fighting since July 2015 has witnessed the consolidation of state authority, improved security and the return of key ministers from the internationally recognised government. Aden is regarded by many analysts and stakeholders as a test case for the concretization of post-conflict peace dividends and for the start of a post-conflict recovery phase. Yet the city's socioeconomic, political and security conditions remain fragile and the state is struggling to cement security and political advances. Aden and other non-active conflict areas require targeted additional support to help prevent negative setbacks that would dangerously delay peace and reconstruction and risk relapse to secondary conflicts. Livelihoods and basic services have not settled back to pre-conflict conditions, fuelling a terrain for extreme poverty, violence, further displacement and instability in general. Highlighting this fragility, in 2016, security incidents remained significant in Aden and included numerous occurrences of terrorism, crime, and social strife. Citizen discontent is manifesting more vocally about electricity and water disruptions together with unpaid or long-delayed salaries and low banking liquidity. In October 2016, an attack against the new Central Bank of Yemen premises narrowly failed.

UNDP has an established Sub-Office in Aden and has been delivering critical life-saving assistance to affected communities in Aden, Lahj and Abyan since June 2015, building on a pre-existing portfolio of interventions implemented by a trusted network of partners including local authorities, international and local NGOs. Aden and surrounding governorates are suitable for the delivery of an integrated stabilisation activities. The stakes are high to consolidate the peace dividends and make the post-conflict period resilient to security and socio-economic vulnerabilities.

The proposed stabilisation approach builds 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. The YSP aims at building on the foundations laid by the achievements of humanitarian aid in the areas targeted.

The project will also contribute to Goal 16 of the newly adopted Sustainable Development Goals – Global Goals – which seeks to “Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels”

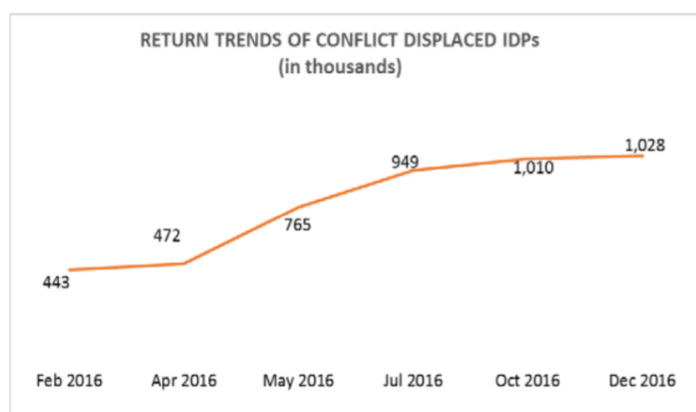
IDPs AND RETURNEES

2 million Yemenis have become internally displaced¹¹, placing an additional strain on dwindling public and private resources of host communities and aggravating local tensions. The level of tolerance towards internally displaced persons (IDPs) was low even at the onset of the crisis. A rapid assessment led by UNDP in mid-2015 found that more than 50 percent of respondents gave less priority to IDPs when jobs were scarce¹².

The same assessment reported that 41.3 percent of respondents had experienced changes in income-generating activities in the previous 90 days.

From February 2016, an overall steady increase in the number of IDP returnees has been observed. In

Return Trends of Conflict-Displaced IDPs Feb-Dec 2016. Source: Task Force on Population Movement 12th Report (October 2016)



July 2016, numbers increased by 125 percent.

The 12th TFPM survey found that 31 % of returnees place financial support (19%) or access to income (12%) as their top priority pointing out to dire living conditions and disrupted livelihoods.

80% of returnees are concentrated in Amanat Al Asimah (Sana'a Secretariat), Taizz, Lahj, Shabwah and Aden; Aden being the governorate hosting the largest number of

returnees. **Furthermore, when asked about their intentions in the next three months, 81% of IDPs indicate that they would return to their place of origin, which would likely significantly increase the scale of the returnee movements in the coming period¹³.**

TFPM Multi-Sectoral Location Assessment (Yemen Task Force on Population Movement, 2016) analysed the pull and push factors for returnees and IDPs and found that perceived security, access to income and the availability of services play a leading role for decisions over returning, and where to return to. Security and safety was ranked at the main crisis-related factor affecting community livelihoods in two-thirds of the surveyed locations. **In 83% of areas surveyed, longer-term intentions of IDPs were conditional upon the prevailing security situation. Similarly, security and safety represented the main factor affecting returnee livelihoods in 75% of areas, influencing over their decision to stay (75%). This points out to the potential pull factor and self-reinforcing nature of successful stabilisation in the areas of return.**

Food and access to livelihoods are the main needs of returnees, followed by psychosocial assistance. This indicates that an effective response targeting this segment must both address immediate concerns emanating from a year and more of displacement, and prepare the ground for recovery pathways that can sustain initial dividends transcending the humanitarian-development divide.

90% of former IDPs have returned to 33 districts forming clear “pockets of return”. The rate of return will also largely depend on the socio-economic conditions in these locations to guarantee safety, dignity, and effective reintegration. Four out of the five districts hosting the largest numbers of returnees are in Aden

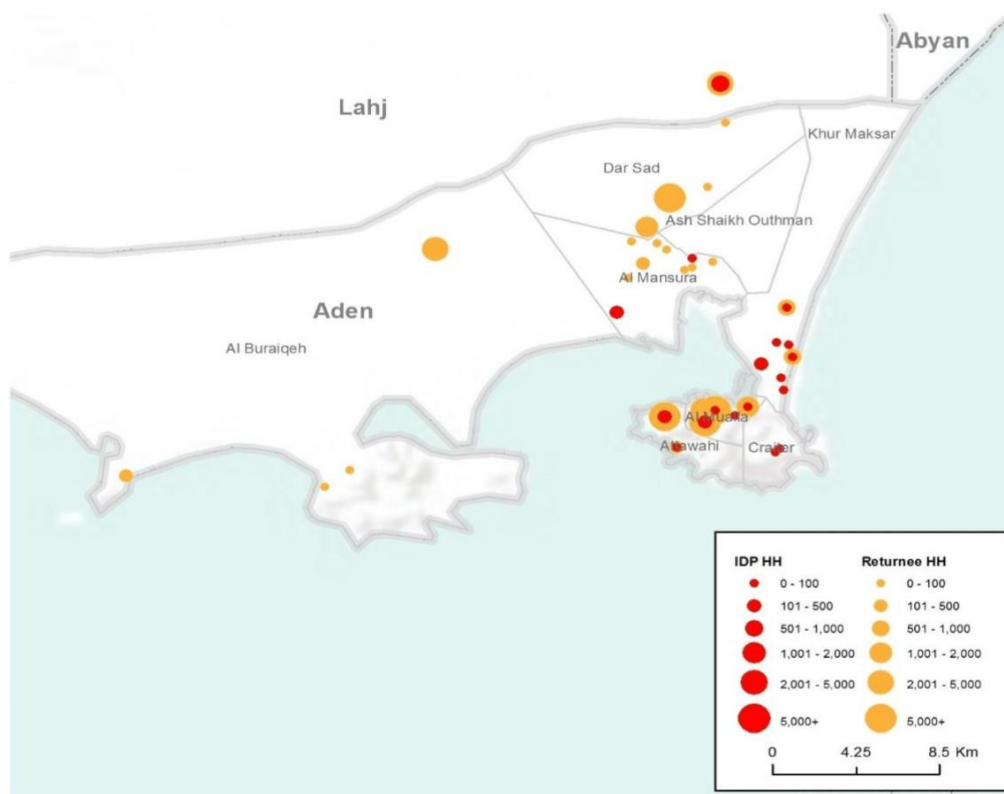
¹¹ 12th Report, Task Force on Population Movement, January 2017

¹² Yemen Resilience Monitor - Social Cohesion, UNDP Yemen, May 2016. Accessible http://www.ye.undp.org/content/yemen/en/home/library/crisis_prevention_and_recovery/yemen-resilience-monitor-communities-coping-with-con-flict/

¹³ 11th Report, Task Force on Population Movement

Governorate, namely: Craiter, Attawhi, Al Mualla and Dar Sad. This is where the Yemen Stabilisation Programme will prioritise its interventions, with planned scaled up to other areas in Aden and other affected governorates as resources expand.

Presence of IDPs and Returnees in Aden Governorate. Source: Task Force on Population Movement 12th Report



Recovery processes should be designed to increase interaction between tribal leaders, local administrations, militias and the population in a way that provides opportunities for them to engage in non-violent political and economic processes and to find consultative solutions on mitigating external threats. **The large number of former IDPs who have returned to Aden and other nearby governorates need to quickly find ways to stabilise livelihoods, reconnect with their communities, recover trust in institutions and feel safe.** The YSP will be implemented complementing humanitarian interventions for a graduation of aid beneficiaries, and adopting the principles set out in the future *Strategy for Transitional and Durable Solutions to Displacement* led by the Protection and Emergency Employment-Community Rehabilitation Clusters.

LESSONS LEARNED AND THEORY OF CHANGE

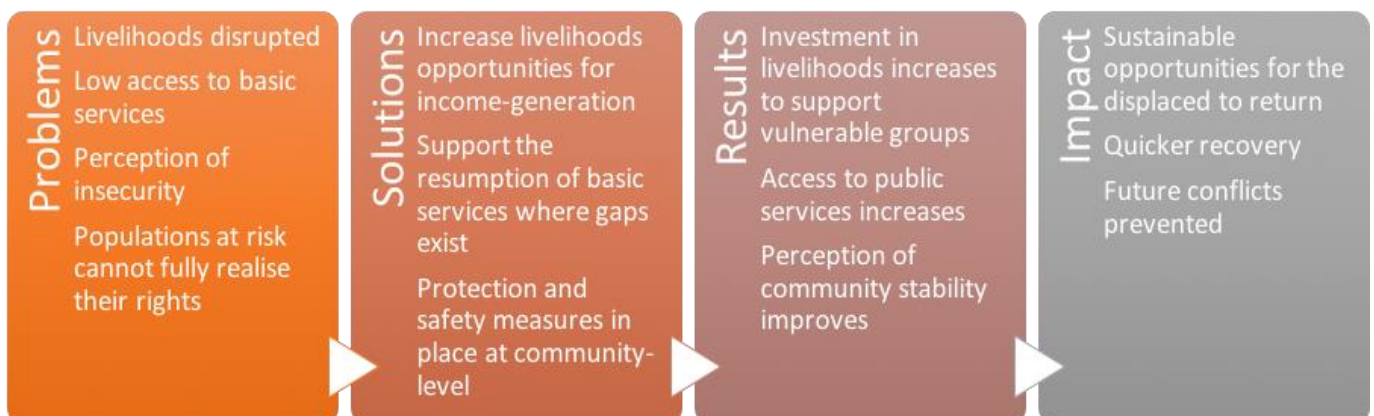
Previous UNDP experience implementing multi-sectoral early recovery projects in post-conflict communities demonstrated that although there may be little violence or grave conflicts inside community units (e.g. villages or neighbourhoods), these communities are unequipped with proper mechanisms to address security and protection concerns. They face difficulties in establishing a feeling of personal safety in the community, fencing off external actors and preventing the spillover of wider national, regional or sectarian conflicts. Through these projects, UNDP Yemen also learned that there is sound human and social capital available to jump-start livelihoods, efforts are needed to scale up the livelihoods benefits and complement them with protection actions against youth radicalization and sexual and gender based violence (SGBV), affecting their area.

The theory of change for the proposed programme is as follows: ***If livelihoods, basic services, protection and safety measures are in place at the community level, sources of insecurity are identified and mitigated, then people's perception of community stability improves, investment in livelihoods and public services increases, more sustainable opportunities for the displaced to return occur, recovery is quicker, and future conflicts are prevented.*** This addresses all expected programming windows of the Yemen Stabilisation Programme, beyond the initial Japan grant focusing on livelihoods and protection measures.

The theory of change has the following underlying assumptions:

- The security situation in the project locations is conducive;
- It is critical to assess context-specific needs of community and to address them comprehensively;
- Enough financial resources are available to provide both empowerment and protection measures to respond to communities' comprehensive needs;
- Internal community capacity to respond to such needs exists (i.e. self-help and community capacity to mobilise, etc.);
- Civil servants' salary will continue to be paid and the governmental institutions have intentions to provide protection, linking as relevant with complementary programming restoring critical basic services through emergency incentives payment;
- Rehabilitated community assets and infrastructure will not be damaged by airstrikes and fighting on the ground; and
- Conflict sensitivity will be mainstreamed to ensure preventive orientation;
- Complementary activities help address community security and basic services

It will provide "quick impact" results to (re)build confidence and support the peace process and reconstruction.



Resource mobilisation

To minimise the funding gap for the present project, a resource mobilisation plan will be developed identifying key potential donors for direct and parallel support to the achievement of the proposed results. At the time of writing, a number of bilateral exchanges were taking place with donors which require additional time for concretisation. Possible partners include donors already operationally supporting Yemen's humanitarian and recovery efforts, as informed by the UNOCHA Financial Tracking System and regular donor meetings in or outside Yemen including non-traditional donors such as foundations, the private sector and civil society. The resource mobilisation plan will be updated and reviewed quarterly by the project manager. It is assumed that during the lifespan of the project, the support to an enabling environment for sustainable return and reintegration will foster opportunities for donor engagement seeking to transition beyond humanitarian assistance and particularly seek reaching out to regional Arab partners.

III. RESULTS AND PARTNERSHIPS

The Yemen Stabilisation Programme will focus on the achievement of the following results with the present grant from the Government of Japan, to be expanded as additional resources are mobilised:

Activity Result 1: Knowledge generated to analyse and prioritise stabilisation needs

Rapid integrated assessments will be conducted in the targeted areas as an initial entry point for the identification of community stabilisation needs and priorities. Where UNDP already collected baseline information in 2015 in districts that may geographically overlap with the proposed programme, the assessments will be updated accordingly. The quantitative design will be complemented by a community-based conflict analysis and other qualitative tools in order to enrich the analysis. Conflict analyses undertaken at the national level such as in 2013 and 2015 could not explain correlations and dynamics amongst conflict drivers at the community level. For instance, this may include how lack of services or livelihoods opportunities can evolve during a conflict, as well as identifying spoilers contributing to negative spirals. Therefore, other qualitative methodologies may be designed to assess complex situations by collecting stories (qualitative information) and providing open-ended space for respondents to express their views more freely, useful to detect weak signals including monitoring social cohesion.

The combination of quantitative and qualitative assessments will inform the planning, implementation, monitoring and evaluation phases of the project, for a context-specific design. The same communities will be targeted and benefit from the various strands of the Yemen Stabilisation Programme *inter alia* restoration of livelihoods and improved security and freedom of movement. In this way the communities will perceive and benefit from a comprehensive approach to rebuilding their communities and social cohesion, leading to increased confidence in their overall expectation of longer term stability.

Activity Result 2: Restore livelihoods of crisis-affected populations

Livelihoods have been severely disrupted with the ongoing crisis, compounded by lengthy periods of displacement. The YSP will promote the reviving of livelihoods, with a particular focus on vulnerable groups, to link participants with skills development (technical, life and business skills) and access to finance (grants or start-up kits) to support the establishment of micro-enterprises in socially significant sectors such as agro-processing, bakeries, private educators and health providers, recycling etc.

Women participation will be promoted through discrete strategies in the design and implementation of the livelihoods interventions, as conflict has granted new economic opportunities for Yemeni women to access, often becoming the breadwinners of their families. This will be inspired from the lessons learnt of the Japan-funded Women Economic Empowerment project (2015-2016) which has demonstrated the positive impact of engaging vulnerable women to achieve their economic aspirations for self-reliance.

Activity Result 3: Protection mechanisms of conflict affected communities is strengthened with a focus on women and youth

The continuation of conflict has pushed more people at risk including IDPs, host communities and other affected communities. While economic security assistance will be provided under Activity Result 2, Activity Result 3 will build on Result 2 and UNDP's past support of community-based psychosocial, justice and human rights, and safety interventions to protect and empower survivors. While specific activities will be adjusted based on the identified needs under Activity Result 1, main service lines provided will be as follows:

- Referral to psychosocial service providers (cited as second highest need for returnees after access to financial support¹⁴). This is particularly important to mitigate the traumatic consequences of the conflict, restore victims' dignity and achieve re-socialisation.
- Light infrastructural upgrade of local protection/safety institutions to support their service delivery mandate to the population (i.e. provision of solar energy)
- Capacity building of formal and informal justice and mediation providers mechanisms to respond to increasing demand for protection, redress and legal services. UNDP will provide training to informal arbitrators and mediators on normative human rights standards. Fixed/rotational and mobile legal aid clinics will be established to provide victims and vulnerable populations with legal counselling, as well as the issuance of legal documents. Such support was recommended by UNDP's Formal and Informal Governance Assessment¹⁵. All actions will ensure gender consideration and focus on to address specific needs of women and girls given the context of Yemen.

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

The project will establish its implementation team and lead the achievement of results in accordance with UNDP Rules and Regulations.

Other activity windows:

As project resources expand, the YSP will consider other core activity windows to respond to the complex and changing stabilization needs of communities. These would be further developed and included as part of the YSP to offer a needs-based programmatic approach and maximize existing capacities and implementation structure already in place. Additional activity windows may include:

- Repair/Upgrade community infrastructure: i.e. lead rubble and debris removal in areas of high-conflict, upgrade infrastructure with significant importance to facilitate reviving livelihoods and public service delivery such as the provision of alternative energy sources and equipment to primary health care centres, markets, community centres, schools and other infrastructure carrying a social mandate, to support communities' socio-economic recovery.
- Consolidating core government functions: i.e. improving the capacities of local authorities (district and governorate level) to assess and prioritise the needs of their constituents, resume public service delivery and local revenue collection, uphold transparency and accountability towards citizens.
- Strengthening community security and improving citizen's trust in the police: i.e. implementation of consultative Community Security and Safety Plans based on participatory community security assessments, establish and facilitate community policing forum, etc.

¹⁴ 12th Report, Task Force on Population Movement, January 2017

¹⁵ Badwa Ak-Dawsari, Dr. Adel Al Sharjabi, UNDP "Assessment on Formal and Informal Governance in Yemen," July 2014

- Youth and civil society engagement: i.e. support to youth-led initiatives and civil society civic engagement such as informal dialogues, awareness-raising campaigns on core issues to the YSP (peace, stability) to support community mobilisation and self-help projects.

Resources required to achieve the expected results

The project is estimated to require a total of USD 20 million over a two-year period to meet its ambitious scope and to maximise impact on the lives of targeted populations. Managerial capacity, as well as technical expertise will be needed to ensure programming quality.

Partnerships

The YSP will seek local partnerships to expand the impact of its interventions through complementarity. Partnerships will be 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 will be informed by an initial stakeholder mapping to be initiated at inception and periodically reviewed by the project implementation team to account for fluidity.

Risks

Six main risks were identified which could negatively impact the project achievements and there are summarized in the Annex 4: Risk Log. One social risk was further identified (Annex 2). Management response is drafted for all risks, which are rated low/medium, and risks will be reviewed and updated on a quarterly basis by the project team and quality assurance.

Stakeholder Engagement

Main institutional stakeholders will be identified during the project initiation phase and engaged in the Local Project Appraisal Committee, to advise on quality and relevance of the project design. A stakeholder mapping will be part of first undertakings, in a participatory and inclusive manner, to ensure the representation of all groups including youth, women, marginalized and civil society actors. Stakeholders will be itemised in primary and secondary categories to devise specific engagement strategies for each, including individuals that may be indirectly affected by the project, i.e. wider district residents.

South-South and Triangular Cooperation (SSC/TrC)

The project will seek lessons learnt from other stabilisation programming taking place in the region, such as in Iraq and Libya. Where possible, sharing of experiences and other forms of cooperation will be sought with countries/locations similar to Yemen's context.

Knowledge

The Stabilisation Needs Opportunities Engagement Assessments (SNOEA) will be core knowledge products prepared by the project team to inform decision-making in a risk-informed and conflict-sensitive manner. The project will also cater for regular monitor and evaluation which may feed into existing, and new knowledge products from UNDP or other organisations such as OCHA.

Sustainability and Scaling Up

UNDP will seek to consolidate national systems and partners as much as possible. Institutional partnerships with districts authorities and local councils will be formed, as well as the Aden Chamber of Commerce to link economic stabilisation beneficiaries with wider business networks for sustainability. Scaling up will largely depend on mobilising additional resources as government structures remain fragile in the fluid context of post-crisis Aden.

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

The project builds on the early recovery programming undertaken by UNDP in Yemen since the 2015 crisis, and regional experiences piloting a multidimensional stabilisation approach. UNDP will seek to use a portfolio management approach to improve cost effectiveness by leveraging partnerships and activities within the Yemen Stabilisation Programme.

Project Management

UNDP will implement the YSP out of its Sub-Office located in Aden Governorate and contribute to support staff and general operating expenses on a cost-recovery basis. Additional management arrangements can be found in section VIII.

V. RESULTS FRAMEWORK

Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework:

CO_Outcome 027 - By 2015, 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

Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:

TBC

Applicable Output(s) from the UNDP Strategic Plan: Early recovery and rapid return to sustainable development pathways are achieved in post-conflict and post-disaster settings

Project title and Atlas Project Number: Yemen Stabilisation Programme, Project ID: 00102437

EXPECTED OUTPUTS	OUTPUT INDICATORS ¹⁶¹⁷	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)	DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 and Year 2	

¹⁶ A detailed M&E framework will be developed by the project implementation team as resources expand to include qualitative and transformational targets, such as and not limited to: increase in community members responding that their sense of belonging to the community has improved, increase in community members indicating that livelihood opportunities have improved, increase in community members indicating that key security/safety parameters in the community have improved.

¹⁷ For the specific 2016 Japan Supplementary Budget (JSB) contribution from the Government of Japan to the YSP, 400 vulnerable individuals will directly benefit from selected stabilization measures, including 50% of women.

Output 1 <i>Stability in targeted areas is enhanced by increasing socioeconomic opportunities, improving service delivery and strengthening community-based protection</i>	1.1 Number of conflict analyses and assessments produced to inform programming	<i>Project Progress Reports</i>	0	2017	1.1. 100 percent conflict analysis/needs assessments conducted in the target communities and used for programming	<i>Attendance Sheets, Participants' Lists, published reports, business registration documents, spot-check visits, pre and post-training questionnaires</i>
	1.2 Number of micro-businesses supported		0	2017	1.2. 100 percent of micro-businesses agreed by the project board supported through cash/in-kind assistance, including 50% of women-owned enterprises	
	1.3 Capacities of formal/informal protection providers strengthened to improve perception of community-based security and justice		To be assessed in project baseline	2017	1.3. At least 80% of targeted formal/informal providers reporting improved capacity to fulfil their protection mandate	
	1.4 Capacities of local administration strengthened to improve delivery of public basic services		To be assessed in project baseline	2017	1.4. Priority capacity gaps of local administration mitigated to improve delivery of public basic services in areas targeted by the YSP	
	1.5 Youth and civil society civic and peacebuilding engagement initiatives supported		0	2017	1.5. At least two youth and civil society-led civic and peacebuilding initiative supported in each area/district targeted by the YSP	

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 Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Quarterly, or in the frequency required for each indicator.	Slower than expected progress will be addressed by project management.	UNDP	
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.	UNDP and Project Board	
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	UNDP and Project Board	
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	UNDP	
Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	UNDP	
Project Report	A progress report will be presented to the	Annually, and at the		UNDP	

	Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period.	end of the project (final report)			
Project Review (Project Board)	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	Specify frequency (i.e., at least annually)	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	UNDP	

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
Final Project Evaluation	UNDP	TBC	TBC	March 2018	Project Board	USD 20,000 (TRAC)

VII. MULTI-YEAR WORK PLAN ¹⁸¹⁹(2017-2018)

EXPECTED OUTPUTS	PLANNED ACTIVITIES	RESPONSIBLE PARTY	PLANNED BUDGET		
			Funding Source	Budget Description	Amount
Output 1: Stability in targeted areas is enhanced by increasing socioeconomic opportunities, improving service delivery and strengthening community-based protection	Activity 1: Knowledge generated to analyse and prioritise stabilisation needs	UNDP	Japan	Local Consultants - 71300	17,000
		UNDP	TRAC	Local Consultants - 71300	22,222
		UNDP	Japan	International Consultants – 71200	4,000
	<ul style="list-style-type: none"> Define rapid stabilisation assessment methodology Prepare TORs and launch procurement process Contract company/individuals Organise validation workshops Publish rapid stabilisation assessment findings 				
	Total Activity 1:				
	Activity 2: Livelihoods of crisis-affected populations restored	UNDP	Japan	Contractual Services-Companies 72100	412,218
		UNDP	Japan	Travel - 71600	3,000
		UNDP	Japan	Contractual Services - Individ 71400	29,400
		UNDP	TRAC	Contractual Services - Individ 71400	10,000
		UNDP	TRAC	61300 Salary & Post Adj Cst-IP Staff	80,000
	Total Activity 2:				
	Activity 3: Community-based protection mechanisms	UNDP	Japan	Training, Workshops and Confer- 75700	10,000

¹⁸ Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

¹⁹ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

	strengthened with a focus on women and youth	UNDP	Japan	Contractual Services - Individ 71400	21,000
	▪ Map local actors providing psychosocial assistance in Aden	UNDP	Japan	Travel - 71600	2,000
		UNDP	Japan	72200 Equipment and Furniture	60,000
	▪ Refer participants to psychosocial providers	UNDP	TRAC	72200 Equipment and Furniture	27,000
		UNDP	TRAC	Contractual Services - Individ 71400	10,000
	▪ Procure renewable energy to selected local protection institution(s)	UNDP	TRAC	International Consultants – 71200	10,000
	▪ Define and implement capacity building programme for formal and informal justice and mediation providers				
	Total Activity 3:				140,000
	Activity 4: Project management effectively established to achieve project results	UNDP	Japan	61300 Salary & Post Adj Cst-IP Staff	150,000
		UNDP	Japan	71400 Contractual Services - Individ	15,000
	▪ Establish project implementation team and project board	UNDP	Japan	71600 Travel (Security-related)	30,000
		UNDP	Japan	Reporting and Partnership 1.5%	14,013
	▪ Develop standard operating procedures, procurement plans, and workplans according to periodically updated risks and issues	UNDP	Japan	74500 Miscellaneous Expenses	3,098
		UNDP	Japan	71200 International Consultants (Japan Visibility)	3,000
	▪ Monitor and evaluate project results, document lessons learnt	UNDP	Japan	Dispensary	3,500
		UNDP	Japan	Security contribution	18,600
		UNDP	Japan	Hospitality (hotel) -Secured Accommodation	69,000
		UNDP	TRAC	64398 – Salaries	63,535
		UNDP	TRAC	74598 - General Operating Expenses	46,567
		UNDP	TRAC	71600 Travel (Security-related)	10,675
	Total Activity 4:				426,988
	Sub-Total for Output 1				1,144,828
<i>Gender marker: GEN2</i>					
Evaluation	EVALUATION	UNDP	TRAC	Local Consultants - 71300	15,000
		UNDP	TRAC	International Consultants – 71200	5,001
	Total Activity Evaluation:				20,001
General Management Support					
	Japan 8%				69,198.15
TOTAL					1,234,027.15

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The proposed project will be implemented by UNDP through DIM. In the DIM modality, which takes into account the institutional capacities, the legal setting and evolving situational context, UNDP is responsible for project implementation and works in partnership with national and local authorities, civil society, the private sector, the international community and UN sister agencies. The capacity of potential implementing partners and contractors will be assessed through standard UNDP procedures.

In accordance with the decisions and directives of UNDP's Executive Board, the contribution shall be charged 8% cost recovery for the provision of general management support (GMS) as well as Direct Project Costs (DPC) for implementation support services provided by UNDP and/or an executing entity/implementing partner.

Interest income and unspent balances from the contribution will be handled in line with the policies and procedures of Japan-UNDP partnership fund.

RISK MITIGATION MEASURES

UNDP will use risk-analysis and conflict-sensitive parameters throughout the implementation of the programme. In the likely scenario of protracted, complex and volatile conflict, the project will be adjusted according to risk and varying conditions across geographical area. Critical risks to be monitored include: a) political context, b) security situation, c) programmatic and operational risks. Basic principles and criteria will include:

- Political: Any support funded by the project will adhere to the principles of international human rights and humanitarian law (especially non-discrimination and impartiality)
- Security: Permissive security conditions and access to target areas and assurances that activities will not endanger the lives of partners and of UNDP staff
- Programmatic: Presence of implementing partners
- Operational: operational capacity to do financial payments and operational feasibility to monitor programme implementation.

PLANNING AND MANAGEMENT OF ACTIVITIES

UNDP will assign a Stabilisation Project Manager who will be responsible for day-to-day management and decision-making for the project. The Project Manager's principal responsibility is to ensure that the project produces the results specified in the project document to the required standards of quality and within the specified work plan and budget. In order to ensure effective implementation and progress monitoring, the Project Manager will be assisted by one Economic Stabilisation Coordinator based in Aden, and one Human Rights and Justice Coordinator also based in Aden. Overall quality assurance will be led by the Governance and Peacebuilding Unit. A support team will consist of Administrative and Finance Assistant. The UNDP Aden Sub-Office will also provide operational support to the implementation of the project.

UNDP also leads the Emergency Employment and Community Rehabilitation (EECR) cluster coordination at the area level in Aden, which oversees non-agricultural livelihoods opportunities and capacity building activities for national NGOs and local authorities. Activities will be coordinated with local actors to optimize synergies and provide additional visibility to the Government of Japan's contribution.

PROJECT OVERSIGHT AND ASSURANCE

A Project Board will be established to undertake project oversight and assurance. The Project Board is responsible for making management decisions for the project when guidance is required by the Project Manager, including recommendations for approval of project revisions. Project reviews by the Board are made at designated decision points during the duration of the project, or as necessary when raised by the Project Manager. The Board will be consulted by the Project Manager for decisions when project tolerances (i.e. constraints normally in terms of time and budget) need to be revised. The Project Board will convene quarterly. The Project Board consists of representatives from following:

- Executive: UNDP, representing the project ownership to chair the group (Country Director or Deputy Country Director),
- Senior Supplier: International partners providing resources for project implementation
- Senior Beneficiary: to ensure the realization of project benefits from the perspective of project beneficiaries (representatives from the Government, local authorities).

The project board makes decisions on a consensus basis. Final decision making on project activities and accountability however rests with UNDP in accordance with its applicable regulations, rules, policies, and procedures.

UNDP Japanese staff may be invited to contribute to project activities as applicable.

VISIBILITY

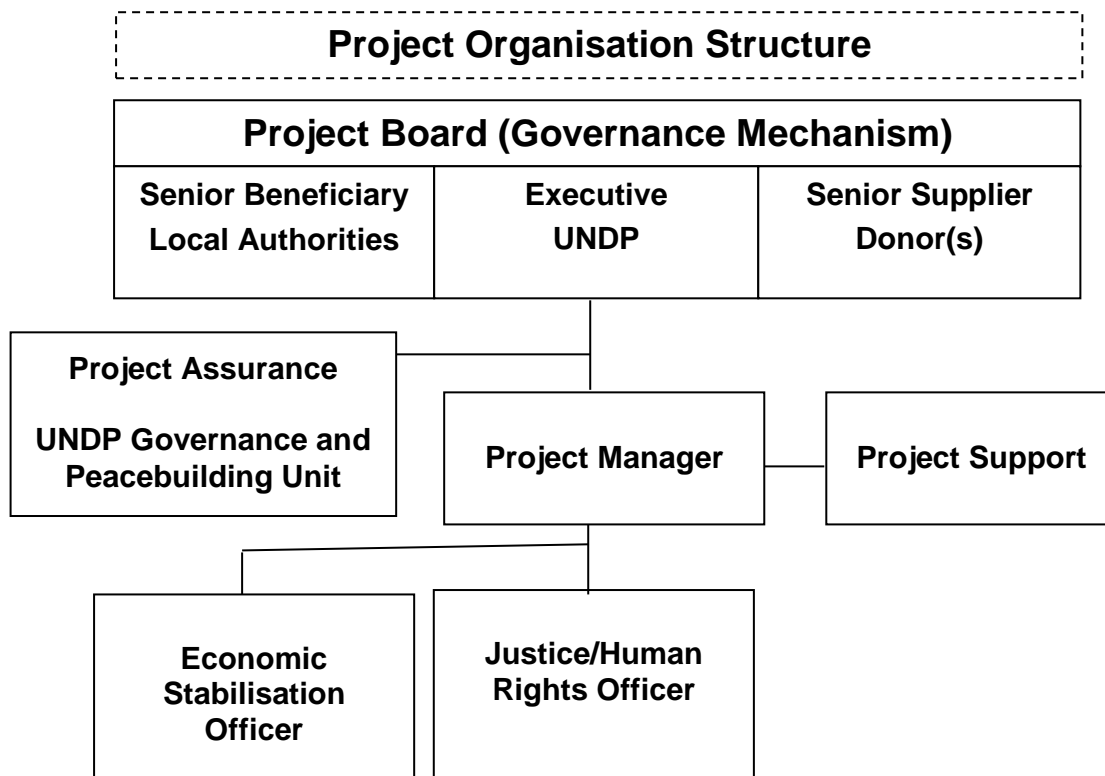
- Press release (both English and Arabic), upon the approval of the programme and initiation of major steps in the implementation of activities, use of social media for dissemination
- Success story with main results disseminated on UNDP's corporate website and social media
- Usage of Japanese logos on equipment and printing materials supported by Japan (in consultation with Embassy where security risks exist)
- Production of brochures and videos regarding the project's achievements and Japan's contribution
- Information sharing with national counterparts about Japan's support
- Arrangement of joint field visits if the security situation permits
- Participation of Japanese staff (UNDP officers, consultant, project members, etc.) to the project when applicable
- Participation of Japanese NGOs to the project when applicable
- Partnership with other Japanese development projects (e.g. JICA projects) when applicable
- Partnership with Japanese companies when applicable

AUDIT

The contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial regulations, rules and directives of UNDP.

UNDP will submit a written request to the Government of Japan for prior approval in case (1) the extension of the project is required, and/or (2) the re-deployment of funds between approved project budget components is required, if more than 20% increase or decrease is expected. For any fund balances at the end of the project, UNDP will consult with the Government of Japan on its use.

The interest income should be treated in accordance with the Japan-UNDP agreement on Arrangement for the Interest Income derived from Japan-UNDP Partnership Fund.



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 Yemen and UNDP, signed on 11 April 1977. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by UNDP (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

X. RISK MANAGEMENT

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 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 UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability 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, 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 party’s, 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 sub-recipient 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 sub-recipients') 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.

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 sub-recipient 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.

- g. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient 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 Document²⁰.

²⁰ 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 sub-contracts or sub-agreements entered into further to this Project Document.

XI. ANNEXES

- 1. Project Quality Assurance Report**
- 2. Social and Environmental Screening**
- 3. Risk Analysis**
- 4. Disposal of assets, goods and equipment**
- 5. Roles and Responsibilities of Project Manager and Project Board**

**Annex 1: Project Quality Assurance Report
(attached)**

Annex 2: Social and Environmental Screening

Project Information

Project Information	
1. Project Title	Yemen Stabilisation Programme
2. Project Number	00102437
3. Location (Global/Region/Country)	Yemen

Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?
Briefly describe in the space below how the Project mainstreams the human-rights based approach
The project will directly support a human-rights based approach as this is part of the core component of stabilization: empowerment and protection of conflict-affected populations. Capacities of national actors in human rights mainstreaming will be developed as it related to the formal and informal justice sector. The restoration of livelihoods for returnees also enhances their dignity and access to decent work, and income to sustain the basic needs of their families. A conflict-sensitive programming lens will be adopted, and participants given the opportunity to voice any concerns in line with Accountability to Affected Populations (AAP) best practices.
Briefly describe in the space below how the Project is likely to improve gender equality and women's empowerment
The project will design its interventions to ensure that the specific needs and vulnerabilities of women in the targeted populations are understood, reflected and addressed. Furthermore for its livelihoods restoration window, the Yemen Stabilisation Programme will include 50% of women in its participants, thus directly contributing to women's economic empowerment.
Briefly describe in the space below how the Project mainstreams environmental sustainability
The project will adopt do-no-harm principles, and promote a respectful attitude towards the environment. Where possible, the intervention will prioritise green jobs and link infrastructure upgrade with the provision of solar energy, for instance.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? <i>Note: Describe briefly potential social and environmental risks identified in Attachment 1 – Risk Screening Checklist (based on any “Yes” responses). If no risks have been identified in Attachment 1 then note “No Risks Identified” and skip to Question 4 and Select “Low Risk”. Questions 5 and 6 not required for Low Risk Projects.</i>	QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 6</i>			QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?
Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.
Risk 1: The project could indirectly lead to malpractice of ILO conventions with regards to employment as participants establishing their microbusinesses may have little interest in applying labour regulations	I = 3 P = 3	Low	To include dedicated session on the Yemeni labour legislation as part of the business training and post-business establishment spot-checks for compliance	
	QUESTION 4: What is the overall Project risk categorization?			
	Select one (see SESP for guidance)			Comments
	Low Risk	<input checked="" type="checkbox"/>	The project does not carry any moderate to high risks with regards to social and environmental concerns as identified during the design phase.	
	Moderate Risk	<input type="checkbox"/>		
	High Risk	<input type="checkbox"/>		
	QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?			

	Check all that apply		Comments
	<i>Principle 1: Human Rights</i>	<input checked="" type="checkbox"/>	
	<i>Principle 2: Gender Equality and Women's Empowerment</i>	<input checked="" type="checkbox"/>	
	<i>1. Biodiversity Conservation and Natural Resource Management</i>	<input type="checkbox"/>	
	<i>2. Climate Change Mitigation and Adaptation</i>	<input type="checkbox"/>	
	<i>3. Community Health, Safety and Working Conditions</i>	<input checked="" type="checkbox"/>	
	<i>4. Cultural Heritage</i>	<input type="checkbox"/>	
	<i>5. Displacement and Resettlement</i>	<input type="checkbox"/>	
	<i>6. Indigenous Peoples</i>	<input type="checkbox"/>	
	<i>7. Pollution Prevention and Resource Efficiency</i>	<input type="checkbox"/>	

Final Sign Off

<i>Signature</i>	<i>Date</i>	<i>Description</i>
QA Assessor		UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have “checked” to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have “cleared” the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental <u>Risks</u>	
Principles 1: Human Rights	Answer (Yes/No)
1. Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2. Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? ²¹	No
3. Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4. Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5. Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
6. Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7. Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8. Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Principle 2: Gender Equality and Women's Empowerment	
1. Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2. Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3. Have women's groups/leaders raised gender equality concerns regarding the Project during the	No

²¹ Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

	stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	
4.	<p>Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?</p> <p><i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i></p>	No
Principle 3: Environmental Sustainability: Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management		
1.1	<p>Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services?</p> <p><i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i></p>	No
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	No
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	<p>Does the Project involve significant extraction, diversion or containment of surface or ground water?</p> <p><i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i></p>	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or	No

	<p>planned activities in the area?</p> <p><i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i></p>	
Standard 2: Climate Change Mitigation and Adaptation		
2.1	Will the proposed Project result in significant ²² greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	No
2.3	<p>Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)?</p> <p><i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i></p>	No
Standard 3: Community Health, Safety and Working Conditions		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No

²² In regards to CO₂, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	Yes
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
Standard 4: Cultural Heritage		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
Standard 5: Displacement and Resettlement		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions? ²³	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Standard 6: Indigenous Peoples		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No

²³ Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

6.3	<p>Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)?</p> <p><i>If the answer to the screening question 6.3 is “yes” the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i></p>	No
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
Standard 7: Pollution Prevention and Resource Efficiency		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	<p>Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs?</p> <p><i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i></p>	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

Annex 3: Risk Analysis

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner
1	The security conditions in Aden impairs on staff deployment, mobility, and holding face to face consultations with stakeholders	January 2017	Security	T P = 3 I = 4	Establish remote management systems, delegation of authority to national officers, review programme criticality	Project Manager
2	The objectives of stabilisation are not well understood by stakeholders	January 2017	Programmatic	Text P = 4 I = 3	Translate stabilisation concept into a localised, context-specific, approach to Yemen. Develop SMART monitoring and evaluation tools to assess benchmark progress and measure stabilisation outputs	Project Manager
3	Donors are primarily funding humanitarian activities and there are no additional resources to expand the pilot YSP	January 2017	Financial	P = 3 I = 5	Prepare resource mobilisation strategy, advocate for the importance of stabilisation to graduate out of humanitarian plans, seek support of non-traditional donors	Project Manager
4	Donors earmark funding to specific YSP programmatic windows, limiting the comprehensive needs-based response	January 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

5	Without a peace agreement/settlement, the space for stabilisation remains limited	January 2017	Strategic/Political	P = 4 I = 3	Through expanded resources initiate local level mediation/conflict resolution initiatives, support UN advocacy for peace	Project Manager UNDP Management
6	State institutions are collapsing due to the liquidity crisis and service delivery is profoundly weakened for citizens	January 2017	Political	P = 4 I = 4	Examine the impact of the crisis on civil servant salaries and operational budgets, consider incentive payments	UNDP Programme UNDP Management

Annex 4: Disposal of assets and equipment

Equipment and goods to be purchased in the Annual Work Plan of the present Project Document will be identified and prioritised through a consultative participatory process with key stakeholders. This is in line with the national ownership approach that the Yemen Stabilisation seeks to support. Equipment, goods and assets purchased will be disposed of at project closure in line with UNDP's rules and regulations.

Annex 5: Roles and Responsibilities of Project Manager and Project Board²⁴

Project manager

- a. Plan the activities of the project and monitor progress against the approved workplan;
- b. Mobilize personnel, goods and services, training and micro-capital grants to initiative activities, including drafting terms of reference and work specifications, and overseeing all contractors' work;
- c. Monitor events as determined in the project monitoring schedule plan, and update the plan as required;
- d. Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments or reimbursement using the fund authorization and certificate of expenditures;
- e. Monitor financial resources and accounting to ensure the accuracy and reliability of financial reports;
- f. Be responsible for preparing and submitting financial reports to UNDP on a quarterly basis;
- g. Manage and monitor the project risks initially identified and submit new risks to the project board for consideration and decision on possible actions if required; update the status of these risks by maintaining the project risks log;
- h. Capture lessons learned during project implementation; a lessons learned log can be used.
- i. Perform regular progress reporting to the project board as agreed with the board;
- j. Prepare the annual review report, and submit the report to the project board and the outcome group;
- k. Prepare the annual workplan for the following year, as well as quarterly plans if required; and
- l. Update the Atlas Project Management module if external access is made available.

Project board

- a. Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;

²⁴ As per UNDP POPP.

- b. Address project issues as raised by the project manager;
- c. Provide guidance on new project risks, and agree on possible countermeasures and management actions to address specific risks;
- d. Agree on project manager's tolerances as required;
- e. Review the project progress, and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- f. Review combined delivery reports prior to certification by the implementing partner;
- g. Appraise the project annual review report, including the quality assessment rating report; make recommendations for the workplan; and inform the outcome group about the results of the review;
- h. Provide ad hoc direction and advice for exceptional situations when the project manager's tolerances are exceeded; and
- i. Assess and decide to proceed on project changes through appropriate revisions.