PROJECT INFORMATION DOCUMENT (PID)
APPRAISAL STAGE

Report No.: PIDA16045

Project Name	Yemen Smallholder Agricultural Productivity Enhancement Project (SAPEP) (P148747)
Region	MIDDLE EAST AND NORTH AFRICA
Country	Yemen, Republic of
Sector(s)	Crops (30%), Animal production (30%), Agricultural extension and research (20%), Irrigation and drainage (20%)
Theme(s)	Rural services and infrastructure (80%), Rural non-farm income generation (20%)
Lending Instrument	Investment Project Financing
Project ID	P148747
Borrower(s)	Republic of Yemen, Ministry of Planning and International Cooperation
Implementing Agency	Ministry of Agriculture and Irrigation (MAI)
Environmental Category	B-Partial Assessment
Date PID Prepared/Updated	04-Mar-2015
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Appraisal Review Decision (from Decision Note)	

I. Project Context

Country Context

Situated on the southwestern part of the Arabian Peninsula, Yemen is one of the poorest countries in the Arab region, with a per capita GDP of US$1,473 in 2013. Over half of the population of 25 million lives below the poverty line of US$2 a day. Poverty is especially high in rural areas, which is home to about 68 percent of the population and 84 percent of the poor. Yemen ranks 160 out of 187 countries in the 2013 Human Development Index, and its socio-economic indicators are alarming; Yemen is among the ten countries in the world with the highest rates of food insecurity (nearly 45 percent of the population in 2012), and the country has the third highest level of malnutrition in the world (almost 60 percent of children under the age of five have chronic malnutrition, 35 percent are underweight, and 13 percent have acute malnutrition). The problem of stunting is predominantly rural, affecting more than a third of children in rural areas. The country has one of the highest population growth rates in the world, placing increasing pressure on its limited institutional capacity and outreach of the government services, limited and rapidly depleting

water resources, poor infrastructure, significant rural-to-urban migration, and acute gender inequality.

Besides the extractive oil industry, Yemen is particularly reliant on its natural resources Yemen is one of the most water-scarce countries in the world, with only about 90 cubic meters of renewable internal freshwater resources available per capita - just 2 percent of the global average. Highly reliant on food imports, which account for 80% of cereal consumption (2012), the country is also very vulnerable to external shocks. The global food crisis of 2007-2008 led to sharp increases in the cost of food and causing stress on the balance of payments. With the average Yemeni only 300 calories above hunger, domestic price rises pushed many more Yemenis into food insecurity. In 2000, Yemen used 10% of its export earnings to import food; by 2012 it was using 35%, representing a significant deterioration in its macro-level food security.

As a result of the socio-political events of 2011, Yemen has embarked on a political transition based on an agreement brokered by the Gulf Cooperation Council (GCC). Presidential elections were held in February 2012, and the President of the Republic of Yemen, Mr. Abd Rabu Mansour Hadi sworn in soon afterward. The National Dialogue Conference (NDC), a key element of the GCC agreement and transition process, was launched in an atmosphere of much hope, trepidation, and protest. The NDC ended on January 25, 2014 with the signature of a series of agreements by the participating groups. Legislative and presidential elections are to be held under a new constitution, followed by the inauguration of a new president and formation of a new parliament. Yemen is to become a six-region federation, with decentralization being a major focus of the transition. The gains achieved through the NDC are fragile and important challenges lie ahead, and the implications of the transition on the territorial administration and governance at the federal, regional and local levels is yet to be determined.

Sectoral and institutional Context

Agriculture is a key sector in the Yemeni economy. The agriculture sector produced 19.5 percent of Yemen's GDP in 2012, is the main source of income for 73 percent of the population [either directly (33 percent) or indirectly through the services and industries connected to the agricultural economy], and employs more than half (54 percent) of the labor force.

The country's diverse agro-ecological zones include the Highlands, the Tihama Plain along the Red Sea, the Eastern Plateau, and the Coastal Area of the Gulf of Aden. Cultivable area represents only 1.67 million ha or 3 percent) of the total country area with an average farm size of about 1ha. The poor mountainous agriculture areas of the highlands are a particular challenge, with two thirds of all Yemen's food insecure living in rainfed highland areas. About 75 percent of agricultural production comes from these highlands, which are home to 60 percent of the population. The Highlands' rainfed farming systems depend on traditional resource management systems (use of terraces, micro spate irrigation and pastures for livestock) and the main agricultural products are Qat , cereals (sorghum, wheat, barley) and livestock (sheep, goats and cattle). Households in rainfed areas also engage in seasonal migration as a livelihood strategy. The Eastern Plateau (20 percent of the population) is characterized by desert plateaux interspersed with seasonal rivers (wadis) where 3,000 years of flood control, through spate irrigation, has built up the land resource and made management of shallow aquifers possible. The main products from the wadis, where production, because of inadequate rainfall is dependent on spate irrigation, are cash crops (vegetables, fruits), and livestock. Livestock is particularly important across rural Yemen; more than 80 percent of

farms participate in livestock production and it is an important source of income for vulnerable households and in particular plays a more important role in poor districts, where it represents 22.6 percent of households' monetary income .

Nutritional status in Yemen is closely linked to agricultural performance. Yemen's nutritional status has deteriorated substantially, with the number of food insecure individuals almost doubling from 2009 to 2011. The primary driver of this deterioration of nutritional status, as reported by the households themselves, has been the rapid increase in the price of food stuffs resulting from a perceived reduction in the availability of nutritionally rich foods such as meat and dairy products and vitamin A rich fruits and vegetables. The proportion of households reporting insufficient food, or money to buy food, increased from 26% to 56% from 2009 to 2011, with most families coping through a combination of eating less diverse and smaller amounts of foods. The impact has been particularly serious amongst children, with 80% not consuming the minimum dietary diversity recommended by UNICEF and WHO, and increasing levels of underweight births by under-nourished mothers. Under-nutrition is particularly prevalent in rural areas where 56% of the population, compared to 26% in urban areas, are classified as undernourished, suggesting that enhanced, rural household-focused nutritional awareness, combined with improved, local production of meat, dairy, vegetables and fruits can have an important impact in improving nutritional outcomes.

In spite of the importance of the agriculture sector, agricultural productivity is low and there is room for improvement. Yemen's cereal yield (about 1 t/ha) is low relative to countries with similar agro-ecological conditions such as Ethiopia (1.7 t/ha), and also lower than several countries in MENA such as Jordan (1.2 t/ha), Morocco (1.3 kg/ha) and Tunisia (1.6 t/ha). For livestock as well, there is scope and potential for further improvement in livestock production, given the relevance of the contribution of livestock production to the incomes of rural communities.
Yemeni agriculture faces severe resource constraints that limit its productivity. Yemen is an arid country and agriculture accounts for some 90 percent of water use. Over the last thirty years, the rapid growth of demand for higher value products and the transformational role of groundwater have driven growth and employment in agriculture. More recently however, productivity has been stagnating and water availability is declining. This emphasizes the need to boost productivity whilst conserving water. Food security and the agriculture sector are closely linked in Yemen. The agriculture sector is also a key factor in efforts to reduce internal migration and related social and economic problems. The ground waters on which more than half of outputs now depend are fully exploited and reserves are being overdrawn and are dwindling fast. Particularly small and fragmented plots are another constraint that prevents the sector from making a larger contribution to rural incomes, national GDP, and addressing the trade imbalance in food items.

Yemen is also particularly vulnerable to climate change. Climate change in Yemen is expected to increase the variability and intensity of rainfall, resulting in increased flood risks and increased aridity . The threats to the water sector from a changing climate would have serious implications on agriculture. For example, agricultural yields are expected to change significantly .

The other drivers of low agricultural productivity in Yemen include inadequate marketing systems, low human resources capacity, lack of infrastructure, insufficient availability of inputs (including high yielding, high nutritional content, and drought resistant, seed varieties), post-harvest losses and inefficient top-down agricultural research and extension services. For livestock production, the drivers of low productivity include low productivity of local breed, low availability of grazing and

supplementary feeding, low protein and mineral content of livestock feed, and diseases (lethal infections such as Plague of Small Ruminants (Peste des Petits Ruminants - PPR), rift valley fever, and sheep pox and Mouth Foot Disease (MFD) as well as non-lethal diseases such as infestations of internal parasites).

Existing agricultural potential and opportunities: In Yemen, unlike most of the world, economic dependence on agriculture in Yemen has been growing because of stagnating opportunities in the industrial and services sector since 2000. The sector does have potential, with annual growth of over 5 percent during 2005-2010, with grain, coffee and honey showing large increases. Livestock production, practiced by almost all farming households and particularly by the poorest, the landless and women, has potential to double value added, thus increasing households incomes, nutritional status and food security.

Historically, Yemeni women have lacked access to political, economic and social opportunities, but the political transition offers an opportunity for increasing the role of women in Yemen's development. Women in rural Yemen contribute significantly to agriculture, but their potential is limited by legal, economic, and cultural constraints. For example, women provide 60% of the labor in crop cultivation and more than 90% in tending livestock. Although women are heavily involved in the agricultural economy, they exercise few rights over land.
Qat is a particularly significant feature of Yemeni agriculture. Qat, a mild stimulant leaf chewed for recreation, and for which up to 40 percent of total water resource use is dedicated, makes up about 30 percent of Yemen's agricultural GDP; vegetables and fruits, make up another 30 percent; livestock production amounts to 20 percent; and cereals contributes the remaining 10 percent . Qat production is profitable but crowds out production of food crops or export crops, and its consumption can be a social and health problem. However, it is also a mainstay of the rural economy in the highland areas where it is grown, with over 25 percent of farmers, including very poor ones, growing the crop. There is broad recognition that qat plays a vital role in the rural economy but also of the need to factor in measures to reduce consumption, as a way to decrease and ultimately phase out, production by prom oting market-driven alternatives, modeled on recent isolated experiences which have led to replacement of qat stands by other high value crops such as coffee and almonds.

Weak public services have prevented the public sector from adequately addressing the constraints to achieving better productivity in agriculture. Following a decade of declining public expenditures in the sector, the role of government in the agriculture sector has also been decreasing and many common functions of a Ministry of Agriculture are absent. In spite of several successive agriculture development projects supported by external donors, agricultural services provided by the Ministry of Agriculture and Irrigation (MAI) have suffered from the lack of sustainability in the absence of adequate local financi ng of performance-based staff compensation. External factors such as social conflicts and lack of security are also having a significant impact on the agriculture sector. Addressing the institutional constraints to public service provision would require a shift from the past top-down approach to service provision towards a more participatory approach with MAI playing an effective facilitation ro le to encourage other service providers (such as NGOs and civil society groups) to undertake field-level implementation of agriculture operations. The role of the private sector as a provider of agricultural services has been limited. However, processing, marketing, and export or agricultural products are handled by the private sector.

National Food Security and Agriculture Sector Strategies

National Food Security Strategy: In response to Yemen's alarming food insecurity situation, the Yemeni government developed its National Food Security Strategy (NFSS), which was adopted by the Council of Ministers in February 2011. The NFSS key objectives are to reduce food insecurity by one third by 2015, to make 90 percent of the population food secure by 2020, and to reduce child malnutrition by 1 percent annually. The NFSS is multi-sectoral and includes measures for restructuring the national budget, promoting rapid economic growth, improving risk management, investing in agricultural development and natural resource management, strengthening service delivery particularly for health, family planning, nutrition, and promoting women's empowerment. Because of the prevalence of food insecurity in rural areas, and the strong linkages between agricultural production and food security, a large part of the implementation of the NFSS is through the investment program for agriculture. In particular, the agricultural sector is to contribute to several key elements of the action plan, including goals to: (a) increase incomes through higher productivity and development of value chains; (b) promote high value alternatives to Qat; (c) improve targeting of public investments and improved service provision for agriculture and poverty-reducing rural development; and (d) promote women's empowerment through better access to agricultural assets and services.

National Agriculture Sector Strategy: To tackle the persistent challenges of the Yemeni agriculture sector, the Government adopted in March 2012 a National Agriculture Sector Strategy (NASS) for 2012-2016. In line with the overall objectives of the NFSS, the NASS aims to increase growth, sustainability, and equity by raising agricultural output, and to increase rural incomes, particularly for the poor. Four specific goals are outlined: i) increase domestic food production through improving input supply, increased farmer awareness, and greater availability of agricultural credit; ii) fight rural poverty through increasing income of farmers, especially women, and continued promotion of rural development; iii) preservation of the environment and natural resources, and act ivating the role of community participation to ensure sustainability; and iv) improving market efficiency, lessening post-harvest losses and developing the capacity to export.

A NASS update (2013-2017) completed in 2013 provides for new emphasis in production on: (a) improving productivity in rainfed agriculture; (b) more efficient agricultural water management; (c) an increased recogniti on of the role of rural women in meeting food needs, improving nutrition and protecting the environment; (d) a strong focus on improving productivity and sustainability of livestock production (as livestock is the principal asset and economic activity of the poorest and landless); and (e) diversification of cropping patterns into new or revived cash crops and into more nutritious foods. The NASS update also promotes for a new institutional emphasis on: (a) demand-driven and participatory approach factoring in the needs and views of the farmers, particularly the poorest from the bottom up, (b) a decentralized approach; (c) increased reliance on the private sector and on public/private partnerships wherever feasible, and (d) efficient use of scarce public finances. The NASS update is also consistent with the National Water Sector Strategy and Investment Program (NWSSIP, 2008-2015), which has its goal for agricultural water to maintain a profitable, economically efficient, equitable and sustainable agriculture.

Linkage with NASS goals: The SAPEP would contribute to the goals of the National Agriculture Sector Strategy (NASS) of: (i) increasing production, food security and climatic resilience by raising productivity in both crop and livestock production, through integrated management of land and water resources, and through more efficient use of water in both rainfed and irrigated agriculture; and (ii) fighting rural poverty and malnutrition by promoting employment-intensive and

commercial agriculture and by encouraging community participation, the role of women and household dietary diversity.

Contribution to sectoral investment plan: A revised agriculture investment program prepared as an integral part of the 2013 NASS update puts the indicative cost of the full implementation of the NASS at around US$2.2 billion, of which $1.6 billion for agricult ure programs under MAI and $630 million for broader agriculture, rural development and environmental programs under other agencies. Given current absorptive capacities, existing and prospective financing commitments and the government's budget availability, a "priority investment plan" (totaling around US$530 million over the coming five years and of which a commitment of around $200 million have been secured leaving a gap of around $330 million) has been prepared which, if financed and implemented would move Yemen towards key NASS targets. SAPEP would cover about 10 percent of the financing gap of the "priority Plan". This "Priority Plan" reflects and builds upon past and current successful implementation and results of investment operation supported by various donors including USAID, JICA, IFAD and IDA. Responsibility for implementation of the NASS lies with the Ministry of Agriculture and Irrigation (MAI), in coordination with the Ministry of Water and Environment (MoWE), and with other agencies responsible for rural development, rural water supply, health and nutrition.

Synergies with past and ongoing operations: The project builds upon and incorporates lessons from recent and ongoing initiatives including the recently closed Rainfed Agriculture and Livestock Project (RALP) supported by IFAD and the World Bank, the Agro-biodiversity and Climate Adaptation Project (ACAP), supported by the World Bank, the IFAD-funded Rural Growth Program, and support to the fisheries sub-sector through funding from IFAD and the World Bank, and to the water sector through the Bank-funded Water Sector Support Project (WSSP). In addition, as part of the proposed Climate Resilience of Rural Communities (CRRC) Project , the Government is promoting natural resource management techniques, such as water-harvesting, as part of efforts to build climate-resilience of vulnerable households. Past projects such as the Groundwater and Soil Conservation Project (GSCP), the Dhamar Participatory Rural Development Project (DPRDP) and the Al Dhala Community Resource Management Project (ADCRMP) provide valuable lessons for scaling up successful examples while designing future interventions such as the SAPEP.

Higher Level Objectives to which the Project Contributes

Ending extreme poverty. The Project would target poor and landless farmers, especially poor women-headed households, which are under the poverty line, in selected districts where low agricultural productivity and unsustainable natural resources management is partly to blame for the poverty and food insecurity.

Promoting shared prosperity. The Project would promote shared prosperity in the short term through the community-based participatory approach and in the long term through creating business opportunities on agriculture value chains in rural areas.
Improving food security. The Project woul d focus on rural areas where food insecurity is prevalent and would contribute to food security through sustainableproductivity enhancement, strengthening of gender focus and integration with the National Food Security Strategy.
Reducing vulnerability to climate change. The project would reinforce the linkages to the National Adaptation Program of Action for climate change (NAPA) thr ough increasing the climate resilience of terrace agriculture in the Highlands, with integrated watershed management.

Consistency with the Country Strategy. The Project is fully consistent with the FY13-14 World Bank Interim Strategy Note (ISN, October 2012), isparticularly relevant for the ISN Program's strategic pillar I – Achieving Quick Wins and Protecting the Poor. The ISN identifies food insecurity as one of the main threats to economic development and recognizes the severe challenges posed by water scarcity and land degradation. The Global Agriculture and Food Security Program (GAFSP) approved SAPEP funding on September 6, 2013, as a major vehicle for implementing the priority investment plan of the NASS update.

II. Proposed Development Objectives

TThe project development objective is to increase the use of productivity and nutrition-enhancing crop and livestock practices by smallholders in targeted project areas.

III. Project Description

Component Name

Component 1: Community Sub-Projects and Investments

Comments (optional)

This component will finance priority sub-projects and investments to increase smallholders' productivity, income and nutrition through; (i) strengthening of the terrace agriculture system in the Highlands and improving spate irrigated agriculture in the lowlands; (ii) protecting livestock assets and increase productivity and income from livestock; (iii) increasing agriculture and livestock productivity and nutrition value; and (iv) increasing the smallholder farmers' share of the value-added for key value chains. The component will finance civil works (mostly community work), goods, consulting services, training and capacity building. Subprojects and investments will be selected and implemented through a community-based and participatory approach and in accordance with the Project Manual.

Component Name

Component 2: Capacity Building and Institutional Strengthening

Comments (optional)

This component will finance capacity building activities (consultant services, training and capacity building, and study tours -South-South exchanges) for community based organization, local and central government and key stakeholders involved in service provision in the project areas.

Component Name

Component 3: Program Administration, Monitoring and Evaluation

Comments (optional)

This component will support to the Agriculture Improvement Program (AIP) of MAI as implementing agency of SAPEP through financing of goods, consultant services, training, non-consultant services, and incremental operating costs associated with the coordination, project management, implementation, monitoring and evaluation and audits of the project. Incremental costs to be financed include office equipment, software, consultants (including M&E officer, Social Mobilizers and Environmental safeguard specialist), financial audits, baseline study, mid-term review, independent impact evaluation, and recurrent costs (office utilities, transportation, and performance-based staff allowances).

IV. Financing *(in USD Million)*

Total Project Cost:	41.30	Total Bank Financing:	0.00

Financing Gap:	0.00	

For Loans/Credits/Others	Amount
Borrower	5.30
Global Agriculture and Food Security Program	36.00
Total	41.30

V. Implementation

Institutional and Implementation Arrangements

Implementation agency: On behalf of the Government of Yemen, the Ministry of Agriculture and Irrigation, (MAI) will be the implementing agency for SAPEP responsible for providing strategic oversight, coordinating flows of funds, coordinating with other partner agencies and stakeholders, and monitoring and reporting on results. Project administration and coordination will be carried out through the Agricultural Improvement Program (AIP) –established by Ministerial Decree No 49 dated December 11, 2014— with the technical support of relevant existing and specialized structures or services of the ministry. AIP will be staffed at the central and regional levels by regular personnel of MAI appointed on the basis of required qualification and competencies and financed by the regular national budget of the GOY. The core staff of AIP will be supported, as needed, by incremental consultants, selected in accordance with World Bank guidelines, and financed by the GAFSP grant (see Annex 3 for details).

The functions of the AIP include, inter alia: preparation of SAPEP annual programs and budgets, day to day management and coordination of the project activities; fiduciary responsibility (financial management, procurement); review and approval of community sub-projects proposals; preparation of TORs and technical specifications; environmental and social safeguards reviews; technical supervision of sub-project implementation; monitoring and evaluation; and reporting to the National Steering Committee and IDA. Modeled on the exiting National Irrigation Program (NIP) of MAI which is implementing irrigation investments under the Water Sector Support Program/WSSP also funded by the Word Bank), the MAI's vision is for the AIP to serve as its implementation arm not only for SAPEP but also for future operations related to horticulture, crops and livestock production in support of the NASS.

At governorate level, the AIP will implement project activities through the existing MAI Agricultural Offices, whose relevant specialists (land and water, plant production, livestock, marketing, surveyors, accountant, etc.) and office support staff will be appointed to AIP and compensated, through performance-based allowances. MAI Governorate Offices will be strengthened by Social Mobilization Teams, each consisting of male and female Community Mobilizer consultants. The land and water activities will be implemented, when feasible, with the technical support of existing and functioning NIP Field Units (NIP/FUs). The livestock activities will be implemented in collaboration with the General Directorate of Veterinary and Animal Production (GDVAP) and the Yemen Veterinary Association (YVA). The adding value activities will be implemented in collaboration with MAI Marketing Department and other projects involved in adding value to agriculture: EOP, SFD Small and Micro Enterprise Development (SMED) Unit, and the USAID financed Competitive Agriculture Systems for High Value Crops Project (CASH). Activities under the community-based research and extension subcomponent will be implemented with the assistance of relevant partners such as AREA, Sana'a and Hadramout Universities and local

NGOs. Activities under components 2 and 3 will be implemented by the AIP staff with the support of local and international consultants.

Beneficiary communities: The participatory approach adopted by SAPEP is promoting the central role and active participation of communities and beneficiaries in the development and implementation of investments proposals under the project. Beneficiary communities are the population of settlements or villages in the targeted districts of the project areas who share a common interest and joint subproject, and are organized in associations or groups (meaning any group of eligible individuals who have come together to implement an activity or have a common interest –these can be formally registered Community level organizations, cooperatives or informal groups which may in future register formally) will have actively involved in the identification, selection, implementation , monitoring and operation and maintenance of community investments under SAPEP. Proposals for sub-projects under component 1, will be submitted to AIP by the communities, through the MAI/AIP Agricultural Offices and Field Units. MAI/AIP Agricultural Offices and FUs will have adequate staff and consultants to facilitate the mobilization of communities and assist communities to form committees that will develop and review proposals and contribute in the implementation for sub-projects in a participatory and inclusive way. Final approval of proposals for community sub-projects and investments will be the responsibility of the AIP. This will be done in accordance with the Project Implementation Manual that includes detailed guidelines to ensure the openness, inclusiveness and fairness of the process to reduce the risk of elite captures. The Project will target poor households in selected villages and communities in twenty targeted districts among the poorest across four selected governorates (five per governorate). The selected governorates are: (i) Hajjah, (ii) Sana'a, (iii) Shabwa and (iv) Abyan (with Hadramout as a possible replacement for in case of security concern). Together, they account for 19 percent of Yemen's population. The GOY selected districts where poverty is severe and where institutional structures are in place for rapid scaling up of delivery of services to the poor. Final project sites will be selected at the District-level based on clear and transparent criteria including poverty levels, population density, opportunities, vulnerability to climate impacts, and implementation capacity.

National Steering Committee (NSC): MAI will establish a NSC for the project to provide general oversight, and to ensure coordination and accountability during the implementation of the project and coordination with other agricultural projects in Yemen. The Committee will be chaired by the Minister of Agriculture and Irrigation and will comprise representatives from MOPIC, MOF, MWE, Technical Secretariat of the Supreme Committee for Food Security, AREA, as well as key MAI departments. Representatives of other projects involved in food security and donors will also be invited on an ad hoc basis. The NSC will meet at least once every six months. AIP Director will serve as a Secretary to the Steering Committee. The functions of the Steering Committee include, inter alia: ensure consistency of activities with the achievement of Project development objectives; approve annual work plan and budgets; technical advice on project implementation issues; review project reports and audits to validate recommendations for improvement and take appropriate actions review; coordination with other agricultural projects in Yemen (including projects not implemented through the MAI); all in accordance with the Project Implementation Manual (PIM). To ensure coordination of SAPEP activities with other projects and programs contributing to the National Food Security Strategy, the NSC will report to the SCFS, which will receive SAPEP half-year and annual reports and review SAPEP activities on a yearly basis.

Governorate Coordination Committee (GCC): In each Governorate a GCC will ensure coordination of SAPEP activities with other projects with agricultural components operating in the governorate.

The GCC will be chaired by the Governorate MAI Director and will involve representatives of the Local Councils and projects active in SAPEP districts. The GCC will meet at least quarterly.

Sustainability

Sustainability of project activities and investments is planned and would be pursued through the following interventions:

While Yemen's political tra nsition is in progress, insecurity in some parts of the country continues to affect delivery of agricultural. In addition, the Government remains largely contingent on external funding as a result of the prolonged political and economic crisis which had a negative impact on the country's fiscal sustainability. Despite these challenges, the Government of Yemen has continued to demonstrate solid commitment to reducing poverty and improving food and promoting rural development as demonstrated by the priority axes of the National Food Security Strategy (NFSS) and the National Agricultural Sector Strategy (NASS).

At the project level, the MAI has demonstrated a high level of commitment to the project through accelerated project preparation mobilizing its own resources. Sustainability of the proposed project will ultimately depend on the successful integration of the participatory approach in local and regional development plans and the continuing financing and maintenance of productivity and nutrition-enhancing subprojects, and by the proper implementation and operation of the proposed project. The active participation of the local communities in the selection and prioritization of investment subprojects will ensure a buy-in by the communities and their commitment to provide the necessary in-kind contribution in the construction as well as the operation and maintenance of structures. The creation and/or re-enforcement of the community associations and groups and the empowerment of women will ensure the long-term sustainability of these investments. The enhanced capacity of the local communities, as well as of the MAI, in participatory planning and development would empower local communities to actively pursue community-based development activities with the support of the Government and development partners.

The sustainability of SAPEP achievements will be enhanced given the prospects for scaling up of project activities to other geographic areas of the country, particularly if the results are encouraging, as part of the broader better coordinated implementation of the NASS. Funding for scaling up could be mobilized from donors who are already active in the rural areas (such as IFAD, the European Union), as well as from other donors who have shown interest in supporting the sector in Yemen.

VI. Safeguard Policies (including public consultation)

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	×	
Natural Habitats OP/BP 4.04		×
Forests OP/BP 4.36		×
Pest Management OP 4.09	×	
Physical Cultural Resources OP/BP 4.11		×
Indigenous Peoples OP/BP 4.10		×
Involuntary Resettlement OP/BP 4.12		×

Safety of Dams OP/BP 4.37		x
Projects on International Waterways OP/BP 7.50		x
Projects in Disputed Areas OP/BP 7.60		x

Comments (optional)

VII. Contact point

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