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**Draft country programme document for the Republic of Yemen
(2007-2011)**

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1. Situation analysis

1. This document derives from the United Nations Development Assistance Framework (UNDAF), and was developed jointly by the Government of Yemen and the United Nations Development Programme (UNDP).

2. Although Yemen has improved its score on the human development index since 1990, it is still classified as a low human development country. Based on the Common Country Assessment (CCA) and the Millennium Development Goals (MDG) report, Yemen is unlikely to reach most MDGs by 2015 without substantial redirection of policies, injection of additional funds and capacity building. Even though per capita gross national product (GNP) rose to \$ 650 in 2004, generalized poverty exists, with 42% of the population below the poverty line as per the 1998 Household Budget Survey¹. The country's ability to expand job opportunities and social services to cater to its youthful population, which is expected to double in 23 years, is hampered by the declining oil production and unsustainably high rates of water use, which will lead to the exhaustion of assessed oil reserves within ten years, and threaten the very survival of many water scarce areas. Based on the assessment of progress against the MDGs, the only area where current rates of change at the national level offer hope of reaching the target by 2015 is universal primary education. However, given inter-governorate disparities, achievement of the desired 100% access to primary education across the whole country, especially for girls, is not assured.

3. The CCA has identified four underlying reasons for the poor outcome of development interventions in Yemen: (a) *Lack of transparency and participation*; (b) *Disempowerment of women and children*; (c) *Inequitable and unsustainable use of water resources*; and (d) *Jobless growth together with a growing population*.

4. (a) Governance failures contribute to lack of transparency and participation, gender inequality, inequitable use of water resources and jobless growth. Access to oil revenues has granted the State autonomy from the local economy. The delicate balance between the central government and a tribal society has led to a situation that gives substantial influence to tribal leaders and other socially influential persons. Respect for, and protection of human rights in general, and women's rights in particular, are yet to be institutionalized, despite some positive moves. The legal system lacks credibility in creating conditions for the full enjoyment of the rights granted to the Yemeni population by the Constitution.

¹ A new household budget survey is currently under way and results are expected by end 2006.

Responsive and capable local governance and effective participation of civil society in public life remain elusive, and corruption has proven to be an intractable problem.

5. (b) Even though Yemen has endorsed the Convention on Elimination of All Forms of Discrimination (CEDAW), and taken steps to remove inconsistencies with its provisions, the ability of the women to participate fully in development remains constrained.

6. (c) Yemen's water utilization rates substantially exceed the annual recharge of ground water tables. There are also concerns about the concentration of ever more limited and precious water resources in the hands of the wealthier and more influential segments of society.

7. (d) Yemen has followed an economic development path that is over dependent on the capital intensive oil sector, with little attention paid to job creation and equitable and sustainable growth. This has led to high youth unemployment rates which, if left unchecked, will exceed 40% within a decade, with the accompanying risk of social and political instability.

II. Past cooperation and lessons learned

8. This section draws on the findings of the "Country Evaluation: Assessment of Development Results", recently conducted by the Evaluation Office of UNDP.

9. The UNDP programme for 2002-2006 focused on (a) governance, including decentralization, justice, human rights, elections and mine clearance; (b) poverty issues such as the Poverty Reduction Strategy Paper (PRSP), the Poverty Reduction Strategy (PRS) monitoring and evaluation system, microfinance, community-based development and HIV/AIDS; and (c) sustainable natural resources development, including biodiversity protection, pollution control and water resource and natural disaster management.

10. Supported by the United Nations Capital Development Fund (UNCDF), UNDP advocated and raised resources for decentralization, and built the capacity of the Ministry of Local Administration (MoLA) to support nascent local authorities. UNDP became a trusted partner by providing quality technical assistance, substantive guidance and strong project management and oversight.

11. UNDP assisted with the 2003 election, i.e. how to manage the electoral system, train personnel and improve public information, voter registration and education. In 2006 the Supreme Commission for Elections and Referenda (SCER) will be supported to develop an effective outreach structure and encourage greater civil society organization (CSO) involvement.

12. The mine action programme, covering mine awareness and care of mine victims, completed a mine impact survey, helped clear 30 percent of mined areas and built the capacity of the Yemen Mine Action Center.

13. The PRS Monitoring Unit produces annual reports on progress in poverty alleviation and the MDGs. A common database of socio-economic indicators has been established and the second Household Budget Survey, to be completed in March 2006, has been initiated. The Government's leadership role in the PRSP process has been strengthened via capacity-building, coordination and advocacy efforts, with the Government now leading several of the five PRSP thematic groups.

14. Microfinance institutions (MFIs) are now able to reach beneficiaries, particularly women, and assist them on a sustainable basis. Community credit societies have strengthened self-help capacities of communities and set-up lending windows for social and economic development, mobilizing over \$ 2 million for basic social infrastructure. Social indicators in target areas have risen, and the average household has seen a 32% increase in income

15. UNDP targeted some programmes towards women, but there was no overall strategic approach to gender equality. The Micro-Start initiative supported women's empowerment. However, gender mainstreaming was not rigorously incorporated into the first PRSP process.

16. UNDP efforts raised awareness of environmental challenges and prompted changes, such as establishment of the Ministry of Water and Environment, drafting of the National Environment Action Plan (NEAP), and approval of a Water Strategy and Investment Plan. Disaster management plans are being prepared to deal with natural disasters, including earthquakes, floods, droughts, desertification, and landslides.

17. UNDP facilitated both the publication of the first Human Rights report by the Ministry of Human Rights and the training of security personnel in human rights.

18. The use of Information Communication Technologies for Development (ICTD) in the Debt Management Financial Accounting System (DEMFA) and Automated Systems for Customs Data (ASYCUDA) have been promoted. The ASYCUDA system has increased customs collection and improved governance in the Customs Authority.

III. Proposed programme

19. The UNDAF reflects the priorities of the National Development Plan for Poverty Reduction and

Reform (NDPPRR). It was developed in collaboration with the Government, donors and civil society.

20. The UNDAF has identified the following four areas of cooperation between the United Nations agencies and the Government of Yemen: (a) governance; (b) gender equality and women's empowerment; (c) population and basic social services; and (d) pro-poor growth.

21. Within the UNDAF, UNDP focuses on governance and pro-poor growth. UNDP will also foster gender equality and women's empowerment by supporting gender mainstreaming. This will be done by building national capacity for inclusive and equitable development, while undertaking selected activities directly targeting women's needs and rights.

22. UNDP will promote an enabling environment for transparent, equitable and accountable policies and decision making. To that end, UNDP will work with the legislative and judicial entities in the country, in addition to its traditional work with the executive branch.

23. Tackling poverty requires a dual approach of improving governance and equipping the poor with necessary skills and access to resources to avail of economic opportunities. UNDP will support reform of economic governance in areas such as competition policy and banking, and improving access of youth and women to skills, markets and credit through vocational training, micro-enterprise development and micro-finance.

Governance

24. The UNDAF priorities for fostering democratic governance are grouped in four major outcomes, namely:

(a) improved institutional capacity within the government of Yemen and civil society to ensure implementation of ratified human rights treaties in a systematic manner; (b) enhanced national capacities to demand and deliver transparency and accountability of public officials; (c) improved government structures and mechanisms at both centralized and decentralized levels responding to citizens' needs and rights; and (d) institutionalized rule of law and equal access to justice.

25. The process for institutionalizing a democratic culture will be supported by UNDP. Informed debate on use of public resources will be promoted, as well as capacity building of civil society for public debates on major issues of concern to society. UNDP will also ensure that legislatures have the capacity to effectively discharge their oversight functions over the executive branch.

26. In cooperation with the Office of the High Commission on Human Rights (OHCHR) and CSOs, support will be provided for the establishment of an

independent human rights body, harmonization of national laws with ratified human rights obligations, strengthening the capacity of authorities and civil society to protect, promote, monitor and disseminate human rights and equal access to justice.

27. Decentralization and local governance are important areas of support, encompassing the review and reform of legislation and policies, capacity development for local government planning and fiscal management. Support to the Ministry of Local Administration will continue, with focus on the development and implementation of a national decentralization strategy, strengthening capacity of local authorities and civil society to plan and implement the local development agenda, strengthening national capacities for effective fiscal decentralization, and institutionalization of a system of participatory national and local development planning. UNDP will continue its strong partnership with UNCDF in introducing local governance schemes.

28. UNDP will, in collaboration with the United Nations Electoral Assistance Division, support the SCER to ensure sustainable, transparent and participatory electoral processes and expand democratic participation, particularly for under-represented segments of society, notably women, by facilitating greater civic, democratic and voter awareness. In cooperation with civil society and local government, women's leadership skills will be built, to ensure more meaningful participation of women in decision making positions at national and local levels.

Gender equality and women's empowerment

29. UNDP will contribute to the UNDAF outcome of *improved institutional and human capacity to promote gender equality and empower women in social, political, economic and legal spheres*. In addition to the areas of gender mainstreaming, access to justice, political participation, violence against women, gender budgeting, and improving the social position of women, there is a strong focus on women's empowerment in the areas of governance and pro-poor growth.

Pro-poor growth

30. Economic growth with equity is the engine for alleviating poverty. Therefore, expanded internal and external investment is crucial for addressing unemployment and underemployment in the country.

31. UNDP will support efficient and sustainable use of resources for equitable, job-creating growth, with a focus on youth and women.

32. UNDP, with potential partners including the United Nations System agencies, will contribute to the following results:

- (a) Strengthened and supportive economic policy, institutional framework and operating environment;
- (b) Enhanced scope for the participation of youth and women in economic activities;
- (c) Improved productivity of small enterprises and rural households, and access by food-insecure households to food through equitable and sustainable access to resources; and
- (d) Sustainable and equitable use of natural resources.

33. Special attention will be paid to achieving the MDGs and reducing human poverty through pro-poor policy reform and local poverty initiatives. Access by the working poor to decent work will be facilitated. Private sector development will be supported to create economic opportunities for all, including youth and women, and thus also deal with the potentially explosive youth unemployment problem and address gender disparities in access to opportunities.

34. UNDP will work with partners, including the World Bank, to improve the business environment, and to enable the private sector to flourish. The translation of sectoral and overall economic policies and strategies into action will be supported. National capacity to negotiate global and regional trade agreements that provide for diversifying the export base and increasing employment will be built, while continuing to strengthen national capacity for monitoring progress against MDGs and the NDPPRR.

35. The capacity of Yemeni institutions will be built to equip new entrants to the labour force, especially youth and women, with the requisite skills and package of support services to either enter formal employment or engage in self-employment activities. The productivity of youth and women will be improved by upgrading their technical and managerial skills, thus promoting a wider empowerment agenda.

36. UNDP will use its global experience to support small and medium enterprises (SMEs) in order to allow greater numbers of the poor to engage in self-employment activities. It will also help existing SMEs to grow by working to remove some of the constraints they face in accessing government contracts and formal credit.

37. With the majority of Yemenis living in rural areas and dependent on the use of natural resources, poverty and environmental degradation are closely interrelated. Therefore, the ability of the poor to derive their livelihood and income from these resources in a sustainable and equitable manner will be built up. This will be done by integrating the principles of sustainable natural resource management into national planning frameworks and promoting community participation,

with priority attention to gat, tobacco and other water-intensive crops.

38. Yemen has rich biodiversity, which can be used to develop eco-tourism. This biodiversity, however, is declining, and its effective management is hampered by institutional weaknesses and lack of awareness among the stakeholders. UNDP has an established a competitive advantage in this field, and can contribute to:

- (a) Strengthened capacity at the central and local levels to develop and implement environmental strategies;
- (b) Enhanced national capacities for the management of protected areas; and
- (c) Enhanced environmental awareness in civil society.

39. The mainstreaming of disaster risk reduction into national development planning processes, and improved emergency preparedness and response capacity will be supported by promoting community based mechanisms for disaster management. Mine clearance work will continue, and a fully functioning national institution for this purpose will be promoted through technical capacity building, legislation and the setting of national standards.

HIV/AIDS

40. Yemen is a low HIV/AIDS prevalence country, and there is limited institutional capacity to monitor and respond to a pandemic, should it occur. UNDP, as part of the HIV/AIDS Thematic Working Group, will focus on legal issues, capacity building and public awareness. Particular attention will be paid to enhancing government coordination capacity, while breaking the silence surrounding the disease. Priority will be given to institutional capacity building, particularly in the area of needs assessment and resource planning.

IV. Programme management, monitoring and evaluation

41. The new UNDP results management guide will be used to improve programme and project management across all outcomes and outputs. Monitoring and evaluation of the country programme document will be carried out by means of a two-pronged strategy – the UNDAF Monitoring and Evaluation Task Force to be institutionalized as part of the United Nations Country Team monitoring and evaluation framework, and targeted monitoring and evaluation within UNDP. A senior level programme advisory board composed of UNDP and government will review results and the direction of the UNDP programme, and provide regular and systematic oversight.

42. The country office works with the Ministry of Planning and International Cooperation to improve national capacity in monitoring and evaluation through

the development of PRSP monitoring and evaluation processes. As part of its support to the pro-poor Growth UNDAF outcome, the country office helps carry out data and statistical analyses to allow for improved planning and policy making. UNDP will also support capacity-building on aid coordination and harmonization, in order to improve monitoring and coordination of donor activities in Yemen.

43. The national execution modality will continue as the preferred implementation strategy, with assessments made to evaluate the ability of new partners to effectively manage national execution operations. National execution implementation will allow for greater government ownership and human and institutional capacity-building. However, in order not to overburden limited government capacities and leverage efficiencies introduced by UNDP systems, direct payments will be considered as a main working method.

44. UNDP will work to improve government counterparts' programme and project management skills through training on Prince 2. This will assist national partners to cope with all aspects of programme/project management, including monitoring and evaluation, using an internationally recognized standard. In addition, UNDP will establish a Transfer of Knowledge Through Expatriate Nationals (TOKTEN) programme to assist national efforts across all sectors, and also enhance the utilization of national and international United Nations Volunteers. Both these modalities will provide needed expertise at reasonable cost to their associated programmes, and with respect to the TOKTEN programme it will also provide a means for expatriate Yemenis to assist in the development of their country.

45. Resource mobilization will be strengthened by using the UNDP resource mobilization toolkit to develop an effective and focused resource mobilization strategy, promote stronger donor relations at the field level and develop a healthy programme/project pipeline. Cost-recovery will be pursued to more fully recover the cost of services provided by UNDP to other United Nations organizations.

46. The country office will restructure the programme team to ensure that it can properly address the country programme document outcomes and outputs.

Annex. Results and resources framework for the Republic of Yemen (2007-2011)

UNDAF outcome Enhanced transparency and accountability of public institutions, as well as participation of all constituencies in systemic national and local decision-making within scope of international treaties ratified by Republic of Yemen					
Programme component	Programme outcomes	Programme outputs	Output indicators, baseline and targets	Role of partners*	Resources by goal (\$ thousands)
Multi-year funding framework goals Fostering democratic governance: Justice and human rights Elections	Improved institutional capacity within the Government of Yemen and civil society to ensure implementation of ratified human rights treaties Institutionalized rule of law and equal access to justice with a focus on women and children	Strengthened legal/ institutional capacities for promotion/ protection of human rights; capacity to meet international treaty obligations; increased capacity of public, CSO/NGOs/ Media to advocate for rights enshrined in international treaties. Increased application of fair/efficient justice system in a timely, child and women friendly manner. Complementarities of traditional and formal justice systems enhanced. Legal and institutional frameworks for ensuring fair and free multiparty elections strengthened.	No. of trained human rights (HR) staff and no. of publications produced / meeting HR reporting requirements / no. of laws harmonized with HR instruments / no. of CSOs/NGOs/media trained in HR-based development. Functioning juvenile courts increased by 10; 50% of courts have automated archive systems; definition of areas of competence for traditional justice system. Reporting electoral violations to courts by 2011; Adjustments in election law provisions.	UNDP, UNHCR, UNICEF, OHCHR DFID, Dutch, Ministries of Justice/Interior/ Human Rights, SCER, National Democratic Institute, CSOs, Media	Total: 7,866 Core: 935 Non-core: 6,931
Fostering democratic governance: Parliament development Decentralization local governance and urban/rural development	Enhanced national capacities to demand and deliver transparency and accountability of public officials. Improved government structures and mechanisms at both centralized and decentralized levels responding to citizens' needs and rights.	Parliamentary capacity for monitoring/ensuring accountability of executive / Strengthened civil society participation in use of public resources. National Decentralization Strategy operational/ strong engagement of local authorities/civil society in managing local development; participatory national and local development planning; effective fiscal decentralization; increased participation of youth /women as decision makers.	3 parliamentary committees conduct investigation of Govt./corruption /communicate with media; transparent information sharing; improved accessibility to information on public finance management. 20% annual increase in districts with participatory local plans/budgets; linkage of budgeting process with DPPR (MTEF) and MDGs at national level/selected districts; 2/3 of donor assistance harmonized with the national/ local plans; 30% of elected positions women/ youth. 30% local gov't employees women.	UNDP, World Bank, DFID, Germany, Dutch, COCA Parliament, Shoura council, Ministry of Finance, CSO. UNCDF in collaboration with UN agencies/line ministries, local government, private sector and NGOs	Total: 18,864 Core: 3,594 Non-core: 15,270
UNDAF outcome Institutional and human capacity to promote gender equity and empower women in social, political and legal sectors improved					
Achieving MDGs and reducing human poverty: Gender mainstreaming	Institutional framework improved to ensure that women and girls receive the benefits of their rights. Increased reflection of gender concerns in the allocation of public financial resources. Social perception and attitude towards status and roles of women and men improved.	Improved access of women to justice systems; monitoring gender mainstreaming/gender indicators for all UN programmes; increased participation of women in decision making, in political and social sectors; increased action to eliminate violence against women. Line ministries' capacity to apply, assess, and monitor gender differentiated budgets; increased capacity of women's organizations to monitor gender budgeting in development activities. Media/CSO networks mobilized to change gender role-perceptions; religious/political/traditional leaders/advocates promote status of women.	60 female judges and 60 help desks for women in courts. # of women voters increased by 50%; ten fold increase in female candidates; 15% of Parliament/ Shura/local council members women; 5 centres for victims of domestic violence. All social sector ministries/ two economic ministries use gender budgeting; 10 CSOs/ women's organizations monitor gender budgeting. 5 weekly programmes on gender issues; % of married 15-19-year-old women halved; society leaders/advocates promoting awareness campaigns.	UNDP, UNFPA, WFP, UNICEF, UNHCR, Dutch, GTZ, Denmark, Japan, Women's National Committee (WNC), Oxfam, WHO, FAO, ILO.	Total: 7,324 Core: 2,824 Non-core: 4,500

UNDAF outcome Improved policy framework, resource allocation, and implementation capacity to bring growing population needs and rights in line with development options and enable equitable access to quality basic social services					
Programme components	Programme outcomes	Programme outputs	Output indicators, baseline and targets	Role of partners	Resources by goal (\$ thousands)
HIV/AIDS: Leadership capacity development to address HIV/AIDS	Improved capacities of authorities to meet obligations and of the public to demand their rights; better delivery of/access to quality social services including health, education, water/sanitation and social protection.	High-risk groups and vulnerable children and adolescents reached with health life-skills services, with a focus on reproductive rights and health, STIs, HIV/AIDS, qat and tobacco use in targeted areas.	50% increase in high risk groups/children/ adolescents reached by life skills and counselling by 2011; % smoking adolescents halved; % population chewing <i>qat</i> decreased by 10%	UNICEF, working with UNDP, WHO, UNFPA	Total: 757 Core:257 Non-core: 500
UNDAF outcome Enhanced environment for efficient sustainable use of resources leading to equitable, job creating growth in promising sectors, with strengthened focus on youth & women					
Achieving MDGs and reducing human poverty: Pro-poor policy reform to achieve MDG target	Strengthened and supportive economic policy, institutional framework and operating environment.	Policies/ programmes for implementation of macro and sectoral economic strategies agreed upon in 3 key areas, population dynamics/employment/private sector development. Improved data sources/statistical systems/monitoring and evaluation procedures; providing gender disaggregated data linked to planning/implementation of interventions.	A well functioning poverty monitoring system, integrated into public policy-making and implementation process. Doubling of the number of areas receiving coordinated donor support.	FAO, ILO, WB, UNIDO, UNDESA, IMF, USAID, EC, Dutch, DFID, Cent. Bank Yemen, Finance, Plng./Int'l. Coop./ other Min., Ag. and Indus. Dev. Banks, MFIs, Chamb.Commerce	Total: 11,324 Core: 2,824 Non-core: 8,500
Achieving MDGs and reducing human poverty: Gender mainstreaming	Enhanced scope for the participation of youth and women in economic activities.	Vocational, technical, entrepreneurship and management training; improved livelihoods for women through skill enhancement and participation in income-generating activities and micro-enterprises.	Number of people trained; number of women participating in income-generating schemes or heading micro-enterprises; increase in disposable incomes as demonstrated by household expenditure surveys.	UNIDO, ILO, WFP, IFAD, line ministries, private sector and NGOs	Total: 3,070 Core: 770 Non-core: 2,300
Achieving MDGs and reducing human poverty: Local poverty initiatives including microfinance	Improved productivity of small enterprises and rural households and access by food insecure households to food, through equitable and sustainable access to resources and services of micro, small and medium enterprises (MSMEs).	Improved food security through reduction of post-harvest losses/ promotion of crops reducing water demand/increased food availability and access. Improved access to credit and marketing in rural households and MSMEs; focused support to enterprise development, though business incubators and trade capacity building.	1. Increase in crop yields by 5% 2. Reduction in crop loss by 20%	UNIDO, ILO, WFP, IFAD, UNCDF, UNHCR, WTO, ITC, UNEP, UNFPA, EC, USAID, DFID, Dutch, Cent. Bk Yemen, MFIs, Ag. Dev. Bank	Total: 4,520 Core: 770 Non-core: 3,750
Energy and environment for sustainable recovery Crisis prevention and recovery	Sustainable and equitable use of natural resources improved.	Enhanced national and local capacities for sustainable and equitable management of natural resources, including water. Reduced risk from impact of natural and man-made disasters to enhance national security and stability of economic growth	Triple number of operational protected areas by 2011. National disaster management system is operational; zero land mine victims by 2010; 33% of high and medium risk areas and 27% of low impact areas cleared by 2010.	GEF, UNEP, Japan, UNICEF, FAO, EC, UNIDO, DFID, Italy, Dutch, USA, NGOs, ministries, water user assoc., WHO, Demining Authority	Total: 4,808 Core: 2,568 Non Core: 2,240

*Abbreviations in this column not encountered earlier in the text are written out in full on the following page.

Abbreviations

Ag.	Agricultural	UNDESA	United Nations Department of Economic and Social Affairs
Chamb.	Chamber	UNEP	United Nations Environment Programme
COCA	UK based charity working on drug usage	UNFPA	United Nations Population Fund
Coop.	Cooperation	UNHC	United Nations High Commission for Refugees
DFID	Department for International Development	UNICEF	United Nations Children's Fund
EC	European Commission	UNIDO	United Nations Industrial Development Organization
FAO	Food and Agricultural Organization	USAID	United States Agency for International Development
GEF	Global Environment Facility	WB	World Bank
GTZ	German Aid	WFP	World Food Programme
IFAD	International Fund for Agricultural Development	WHO	World Health Organization
ILO	International Labour Organization	WTO	World Trade Organization
IMF	International Monetary Fund		
Indus.	Industrial		
Int'l	International		
ITC	International Trade Centre		
Plng	Planning		
UN	United Nations		