



Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 11-Oct-2022 | Report No: PIDA33959



BASIC INFORMATION

A. Basic Project Data

Country Yemen, Republic of	Project ID P178439	Project Name AF Yemen Food Security Response and Resilience Project	Parent Project ID (if any) P176129
Parent Project Name Yemen Food Security Response and Resilience Project	Region MIDDLE EAST AND NORTH AFRICA	Estimated Appraisal Date 11-Oct-2022	Estimated Board Date 07-Nov-2022
Practice Area (Lead) Agriculture and Food	Financing Instrument Investment Project Financing	Borrower(s) Food and Agriculture Organization, International Committee of the Red Cross, United Nations Development Programme, World Food Programme	Implementing Agency Food and Agriculture Organization, International Committee of the Red Cross, United Nations Development Programme

Proposed Development Objective(s) Parent

The Project Development Objective is to improve the availability of and access to food and nutritious diets, both in the short and medium term, for targeted households in the Project Area, and to enhance Yemen's capacity to respond to food insecurity.

Components

- Improving agricultural production infrastructure and building climate resilience
- Increasing domestic food production and market development
- Improving nutritional status and incomes of vulnerable households
- Capacity building for food security management
- Project management

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	150.00
Total Financing	150.00
of which IBRD/IDA	150.00
Financing Gap	0.00



DETAILS

World Bank Group Financing

International Development Association (IDA)	150.00
IDA Grant	150.00

Environmental and Social Risk Classification

Substantial

B. Introduction and Context

Country Context

- Yemen has been experiencing severe political, societal, economic, and security shocks driven by 8 years of violent conflict.** Multiple crises over the last years, including rising prices, food insecurity, floods, the COVID-19 pandemic, a cholera epidemic, and a locust invasion, have all exacerbated pre-existing vulnerabilities for Yemeni households. As the UN-brokered truce reached on April 2, 2022 was not extended after October 2, 2022, the situation remains highly fragile and the operating environment difficult.
- The protracted conflict has led to enduring food insecurity, with 19 million people in need of assistance as of August 2022 (IPC 3 and above),** representing 60 percent of the population currently considered acutely food insecure. Since March 2022, the entire country has been categorized as being in crisis or worse (IPC 3+) with acute food insecurity, meaning that 100 percent of the population lives in districts categorized as IPC 3+. This extreme situation has led to the country being listed as one of the countries with the highest number of people in IPC3+ conditions.¹
- In addition to conflict and the resulting economic crisis, several external shocks have emerged which are worsening food security outcomes.** The economic impacts of the war in Ukraine are compounding the already severe and lingering impacts of the COVID-19 pandemic. The main impacts include: (i) sudden and significant increases in global food and fuel prices starting in March 2022; (ii) steep reductions in food imports, especially imports of wheat (a major staple food for the country); and (iii) recent and substantial financing gaps with regards to humanitarian assistance, driven by increasing humanitarian priorities in other countries. Those impacts have been further exacerbated by more frequent natural disasters (e.g. floods) and have further affected food affordability and availability.
- While Yemen's pressing needs require short-term immediate interventions, these needs also reflect longer-term developmental issues which must be addressed now to bolster resilience and break the vicious cycle of heightened vulnerabilities.** There is not going to be a better time to build medium- to long-term resilience, and

¹ Global Network Against Food Crises. April 5, 2022. 2022 Global Report on Food Crises.

http://www.fightfoodcrises.net/fileadmin/user_upload/fightfoodcrises/doc/resources/GRFC_2022_FINAL_REPORT.pdf.



this is recognized by the recent World Bank guidance note on responding to crises.² Maintaining a focus on longer term priorities is critical to avoid setbacks on development objectives and to achieve the World Bank's Twin Goals in Yemen of eliminating extreme poverty and promoting shared prosperity.

Sectoral and Institutional Context

5. **Agriculture sector is very important for Yemen's economy.** It is the main source of livelihood and food security for a significant portion of Yemeni households. Before the conflict, the agriculture sector produced 19.5 percent of Yemen's GDP in 2012. Agriculture is the primary source of employment for rural people, including women.
6. **For the agriculture and food sector it is essential to support resilience and livelihood restoration now, to help sustain domestic food production – at least at household level.** However, weak provision of public services during the period of the war, as well as in the decades preceding the war, has resulted in a severe reduction of crop yields and livestock productivity. The sector now suffers from critically low access to agricultural inputs and services and lacks the skills necessary to restore domestic food production. For example, good quality foundation cereal seeds are estimated to be sufficient to only cover 2,000 to 3,000 hectares of production, very little compared to domestic needs (current domestic production of various cereals (millet, sorghum and wheat) is estimated at least 75,000 to 80,000 hectares). In addition, due to the lack of animal health services, livestock productivity and health has deteriorated significantly, reducing households' access to high quality domestic protein supply.
7. **With the proposed approach, the Additional Financing (AF) aligns critical short-term responses with medium-term resilience and livelihood restoration support to counteract setbacks to long-term development goals.** In this context, four design adjustments are proposed. First, the AF streamlines and augments resilience-focused interventions by focusing on improving community-based critical water infrastructure to support agricultural production (Component 1), and by scaling up service delivery for improved and increased staple cereal and livestock production (Component 2). Second, the AF takes the project from provision of nutrition assistance to treat and prevent malnutrition (ex-sub-components 3.2 and 3.3 of the Parent Project) to supporting vulnerable smallholder farm households through provision of tools and inputs to maintain or kick-start household-level food production (consolidated Component 3). Third, the AF scales up selective interventions nationwide (e.g. animal health), by strengthening the implementation arrangements. Fourth, AF emphasizes targeted national institutional capacity building to directly support project-level interventions, and to lay the groundwork for future development assistance.
8. **AF design also adjusts the implementation arrangements to better serve the focus on resilience and livelihood restoration.** Adjustments are made based on the lessons learned in the Parent Project. UNDP and FAO remain as Implementing Institutions, each continuing the implementation of the streamlined and scaled-up activities under the same components as per the Parent Project. As the AF moves beyond provision of nutrition assistance, activities implemented by WFP under sub-components 3.2 and 3.3 of the Parent Project will not be scaled up under the AF. To strengthen the service delivery of the animal health programs, including carrying out a nationwide small-ruminant vaccination campaign, the AF brings in a new Implementing Institution – International Committee of Red Cross (ICRC), which will use its nationwide access and coverage to deliver essential services for

² World Bank. 2022. Navigating Multiple Crises, Staying the Course on Long-term Development: The World Bank Group's Response to the Crises Affecting Developing Countries. Washington, DC. World Bank. <https://openknowledge.worldbank.org/handle/10986/37826> License: CC BY 3.0 IGO.



the animal health sector. ICRC will also carry out and scale up a number of other activities focused on agricultural production in areas where ICRC has superior access and experience in service delivery. In addition, the AF emphasizes the role of the three national Implementing Institutions, namely Social Fund for Development (SFD), Public Works Project (PWP) and Small and Micro Enterprise Promotion Service (SMEPS).

C. Proposed Development Objective(s)

Original PDO

The Project Development Objective is to improve the availability of and access to food and nutritious diets, both in the short and medium term, for targeted households in the Project Area, and to enhance Yemen's capacity to respond to food insecurity.

Current PDO

The Project Development Objective is to improve the availability of and access to food and nutritious diets, both in the short and medium term, for targeted households in the Project Area, and to enhance Yemen's capacity to respond to food insecurity.

Key Results

9. **During the first year of implementation, the Parent Project laid the foundation for effective support to livelihood restoration and resilience combining short-term livelihood support interventions with medium- to long-term resilience support interventions.** Specifically, nutrition support has been implemented in all 59 target districts, assisting 614,601 beneficiaries in total: 329,256 children under the age of five and 285,345 pregnant and lactating women. In addition, more than 71 sub-projects supporting small-scale agricultural production infrastructure rehabilitation with labor-intensive works have been launched in 47 districts and are in various stages of implementation. They include land protection, rehabilitation of agricultural terraces, supplemental irrigation, rehabilitation and improvement of rural roads and rainwater harvesting. Additionally, essential agricultural production support and capacity building activities are ongoing for smallholder farm households, fishing households, and community animal health workers.
10. **The implementation of the Parent Project is contingent on having well vetted geographic targeting and site selection in agreement with in-country partners and local authorities.** The Implementing Institutions have agreed on the selection of 59 districts across 11 governorates distributed between North and South, covering areas primarily affected by crisis (IPC3) and emergency (IPC4) levels of acute food insecurity.³ The total population in these districts is 5,940,000, of which an estimated 560,476 are targeted by the Parent Project as direct or indirect beneficiaries of resilience and livelihood restoration activities.

³ The Integrated Food Security Phase Classification (IPC) is an innovative multi-partner initiative for improving food security and nutrition analysis and decision-making. By using the IPC classification and analytical approach, Governments, UN Agencies, NGOs, civil society and other relevant actors, work together to determine the severity and magnitude of acute and chronic food insecurity, and acute malnutrition situations in a country, according to internationally-recognized standards. IPC measures and classifies acute food insecurity according to a 5-phase scale, namely: IPC 1 (minimal), IPC 2 (stressed), IPC 3 (crisis), IPC 4 (emergency), and IPC 5 (catastrophe / famine) conditions. (source: www.ipcinfo.org)



11. **Under the Parent Project, the Food Security Crisis Preparedness Plan for Yemen (FSCPP) has been prepared and its draft has been adopted by a working group of donor and development partner representatives.** The FSCPP was prepared as a requirement of the Crisis Response Window Early Response Financing (CRW ERF) window under IDA19. It was discussed and broadly agreed during a technical consultation workshop in Amman, Jordan on May 25-26, 2022. As an operational plan developed based on the CRW ERF requirements, the FSCPP seeks to mitigate the impacts of acute shocks that can significantly worsen food security conditions in Yemen. The FSCPP (a) details how emerging food security crisis risks are proactively monitored and collectively recognized; (b) develops procedures for convening a dedicated group of programmatic food security focal points across humanitarian and development partners to review this information and consider options for scaling up responses; and (c) sets forth protocols for escalating critical needs and funding gaps to senior decision makers to promote collective and early action.

D. Project Description

12. **The component descriptions, including changes are summarized below for each component.**
13. **Component 1: Improving agricultural production infrastructure and building climate resilience (US\$ 38 million).** To improve smallholder farm households' resilience to food insecurity and climate crises, and to improve household-level food production, the AF will scale up the Parent Project's activities that focus on improving climate-resilient agricultural production infrastructure, with increasing emphasis on water infrastructure. The Component will finance the following activities: (a) agricultural land improvement, (b) irrigation improvement, (b) water harvesting, and (c) rural road improvement.
14. **Component 2: Increasing domestic food production and market development (US\$51 million).** The focus of this component is to increase domestic food production focusing at smallholder farm household-level food production, in response to the food crisis induced by the conflict, the COVID-19 pandemic and exacerbated by the war in Ukraine. Climate-induced food insecurity and long-term impacts of climate change will be addressed by the Component activities. The component aims to restore agricultural production at the level of smallholder farm households (including staple crops, livestock, and beekeeping) through improvements in the delivery of public goods and services and through facilitation of commercial rural activities and improved links to markets. The component activities under the AF will scale up the number of beneficiaries in the target districts. In addition, there will be improved targeting of activities to facilitate better overlap between Component 2 activities with the rehabilitation of community assets, in particular land and water infrastructure improvements foreseen in Component 1, thus allowing the smallholder farm households to benefit from complementary activities which may further enhance their productive capacities and increase their resilience to crises and climate shocks.
15. **Component 3: Improving the nutritional status and incomes of vulnerable households (US\$27.0 million).** As part of the renewed focus on resilience and livelihood restoration, the consolidated Component 3 will provide immediate support to vulnerable smallholder farm households through scaling-up the provision of horticulture production kits and feed for livestock. The beneficiaries will include families with malnourished children, women-headed households, and displaced households in districts classified IPC 4 or above.
16. **Component 4: Capacity building for food security management (US\$ 27.5 million).** The AF will scale-up and introduce new capacity-building efforts, particularly to strengthen national institutions relevant to the



implementation of Components 2 and 3. This component builds on the SAPREP⁴ and Parent Project approach that combines physical investments with capacity-building. An institutional capacity needs assessment (ICA) will be conducted in the North and South at the commencement onset of the implementation of the AF to adjust priorities. FAO will be the recipient of funds of the IDA grant and will implemented component activities.

- 17. **Component 5: Project Management (US\$ 6.5 million).** The AF will cover the additional costs associated with project management, including financial management (including audits), procurement, environmental and social aspects, communication and stakeholder engagement, third party monitoring and monitoring and evaluation.

Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Assessment of Environmental and Social Risks and Impacts

E. Implementation

- 18. **Implementation arrangements.** The implementation arrangements will be broadly in line with the Parent Project, although there will be greater emphasis on embedding activities in the national implementing partners (SFD, PWP and SMEPS). The recipients of financing of the IDA grant under the AF will be the two of the Implementing Institutions under the Parent Project, namely UNDP and FAO, plus a new Implementing Institution with an active program in Yemen, the International Committee of the Red Cross Yemen (ICRC). For the implementation of activities, FAO and UNDP will sign relevant partnership agreements with the Implementing Partners: SFD, PWP and SMEPS, and other national contractors, based on terms and conditions acceptable to the World bank.

Institutional and Implementation Arrangements

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⁴ Yemen Smallholder Agricultural Production Restoration and Enhancement Project financed by the World Bank and Global Agriculture and Food Security Program in 2017-2021.



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