



IEG
INDEPENDENT
EVALUATION GROUP

CLR Review
Independent Evaluation Group

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1. CAS/ISN Data	
Country: Republic of Yemen	
CPS Year: FY09	CAS/ISN Period: FY10 – FY14
CLR Period: FY10-FY15	Date of this review: July 11, 2016

2. Executive Summary
<p>i. This is a validation of the Completion and Learning Review (CLR) for the World Bank Group's (WBG) engagement in Yemen covering the Country Assistance Strategy (CAS, FY10-FY13) and the Interim Strategy Note (ISN, January 2013-December 2014). Owing to data limitations and in line with the CLR, IEG's review does not rate the program's overall development outcome or the Bank Group's performance.</p> <p>ii. In tune with the CLR, this review assesses progress under the Bank program primarily against the ISN results framework. Yet, the ISN's three pillars—protecting the poor, growth, and governance and public service delivery—were largely derived from the existing CAS results framework, updated to reflect the new country context, and sectoral interventions under the CAS and ISN were similar. Therefore, both the CLR and this review also report on indicators from before the ISN. All indicators will be reported based on the latest information (FY15), as done in the CLR.</p> <p>iii. Yemen is one of the poorest and most fragile countries in the world, strategically located in the Arabian Peninsula. Poverty, malnutrition, and unemployment are widespread, and water resources are very scarce. High dependence on hydrocarbon resources exposes the economy to external shocks. Oil production declined sharply starting in 2011 owing to damage from sabotage to oil pipelines and infrastructure, and the social unrest and sabotage activities affected investment. Private sector activity suffered, public finances and official reserves came under pressure, and inflation surged.</p> <p>iv. The FY10-13 CAS program was derived from the government program as articulated in the Development Plan for Poverty Reduction (DPPR)¹ and the National Reform Agenda. Instead of a progress report, the World Bank Group (WBG) presented an ISN to the Executive Board in October 2012, outlining an indicative program of support for the period January 2013-December 2014. The ISN's three pillars correspond to the priorities of the government's transition program.² Implementation of the FY10-13 CAS was disrupted in 2011 by popular unrest—part of the so-called Arab Spring—and led to a temporary halt of Bank operations in Yemen and evacuation of all staff from Sana'a, the capital.</p>

¹ The DPPR focal areas were to help: (a) accelerate and diversify economic growth; (b) enhance governance; (c) foster human and social development; and (d) manage natural resource scarcity and natural risks.

² Yemen's 2012-2014 Transition Program for Stabilization and Development.

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v. The deteriorating security situation impaired the government's ability to continue implementing IDA-funded projects, and the Bank's ability to provide implementation support and oversight. As a result the Bank suspended disbursements under its program, except for the operating costs of six well-performing project implementation units that were exempted from the suspension. Informal dialogue continued to a limited extent with several project units to maintain institutional capacity. IFC also suspended its advisory service program.

vi. The temporary suspension of Bank-Group funded operations was lifted following the installation of a transitional government in late 2011. However, Bank missions were not allowed to go outside Sana'a, the capital, which limited access to project sites, reducing Bank capacity to provide support to project implementation. Third party monitoring arrangements—the International Relief and Development (IRD)³ was hired to conduct on-site visits—were put in place to enhance the Bank's supervision efforts and fiduciary oversight. This mechanism worked well until the end of 2014 when the conflict escalated, and the Bank suspended again its disbursements on most of its operations in the country on March 11, 2015. Such suspension remains in place. IEG understands that the current suspension of disbursements is more broad-based than the suspension of July 2011 under the CAS, but unfortunately the CLR does not discuss how the suspension exceptions under the CAS worked or provide lessons that could be useful under the ISN suspension or future Bank engagements, except for the need to continue supporting and strengthening resilient inclusive institutions (see paragraph x). In December 2015, given critical health needs, the Bank lifted on an exceptional basis the suspension of disbursements under the Schistosomiasis Control project (FY10) and the Health and Population project (FY13) to allow for an arrangement with the World Health Organization (WHO) and UNICEF for procurement and distribution of essential drugs, medical supplies, and related activities.

vii. During the period of this review the Bank program was always operating within some form of pre-conflict, open conflict, or post-conflict environment. Thus, in retrospect, both the CAS and ISN were too optimistic about local security conditions in Yemen given what was already known at the time of their preparation. Security has continued to deteriorate, and since FY15 the conflict environment has made it virtually impossible to implement or supervise projects. As political and security risks were not mitigated adequately—indeed, the security risks were quite difficult to mitigate—implementation of many operations could not proceed as planned and most expected results under the program were not achieved. Of the thirteen objectives, only the one to strengthen competitiveness in fisheries and agriculture showed solid progress. For the rest, results were mixed at best with few exceptions. In terms of the focus areas, area I on protecting the poor and improving basic service delivery showed some progress reflecting in some cases partnerships with other donors such as UN agencies. Area II on improving economic management generally showed little progress, and focus area III on local service delivery showed no progress at all.

viii. It is remarkable that in the midst of conflict IDA disbursements in Yemen during the ISN—averaging 26 percent in FY13-15—were significantly higher than averages for the MNA region and the Bank as a whole (see annex table 8). This is explained primarily by the ISN focusing on immediate macroeconomic stabilization through prompt disbursements under the Emergency Recovery grant (FY13) that financed cash transfers by the Social Welfare Fund (SWF), and the Labor Intensive Public Works project (FY13).

ix. A recent IEG evaluation on conflict, fragility and violence⁴ noted the importance of maintaining a presence (even nominal) in former conflict zones to help sustain peaceful development, have flexibility of project design and ability of management at project and country levels to take quick decisions, and develop institutional incentives for collaboration and strategic thematic guidance on partnering,

³ IRD is a nonprofit, nongovernmental organization responsible for implementing relief, stabilization, and development programs worldwide.

⁴ *World Bank Group Engagement in Situations of Fragility, Conflict, and Violence*, Independent Evaluation Group, World Bank Group, April 13, 2016, Washington, DC.



particularly with the United Nations but also with other partners. These lessons and recommendations are valid for Yemen and other conflict states.

x. Against this background, IEG agrees with the CLR lesson that helping resilient state institutions is essential to maintain service delivery. This is evidenced on some of the results in focus area I, and continued Bank support for enhancing inclusive institutions—such as the SFD⁵ and the Public Works Program⁶—would be well advised.

xi. Close collaboration with agencies such as UN's UNICEF and WHO allowed the Bank to lift suspension of disbursements under two Bank-funded health projects even in the midst of conflict, and may permit key social services to be delivered in an emergency. Project design of social sector interventions could promote mechanisms to sustain services in the event of emergencies through appropriate UN agencies.

xii. IFC cooperation with non-profit organizations contains positive lessons for future engagements. An example was the cooperation with the Yemen Education for Employment Foundation, whose mandate is to find unemployed youth and place them in jobs after they have been in an intensive training program.

xiii. As regards the Bank programs, the number of program objectives for both the CAS and ISN appears high for a conflict situation such as Yemen, and underscores the poor selectivity of the Bank program. Concentrating resources—both financial and for supervision—on fewer objectives would be appropriate. Selectivity needs to improve, and the Bank would do well to consolidate Yemen's portfolio around key priorities for the country, where the Bank can provide experience, insight, and implementation capacity.

xiv. More specifically, focusing on the program interventions, four lessons emerge from projects that performed well in a conflict environment:

- a. To improve the relevance of interventions, make use of participatory beneficiary involvement in the planning and design of activities. Project experience in agriculture⁷ demonstrated that beneficiary participation made projects more relevant to the needs of a specific community. It also led to easier transition to participatory beneficiary involvement during implementation. Simple project designs that promote active participation of the beneficiaries resulting in demand-based delivery systems are highly appropriate for fragile and conflict states.
- b. Where infrastructure investments and sector reforms are coupled in the same project,⁸ the infrastructure investments tend to outpace sector reforms, leading to completion of infrastructure investments before sector reforms are in place. In such cases, the Bank needs to find ways to tie disbursements for infrastructure with progress on sector reforms, to ensure that infrastructure investments and sector reforms move in parallel.
- c. Supervision and monitoring project implementation activities in a country experiencing social and political unrest are virtually impossible without an effective third-party monitoring firm. Such a firm can verify and report on implementation activities on the ground, identify deficiencies in civil works and equipment delivery, and make recommendations—including follow up with project management—to resolve implementation problems.

⁵ The SFD was established by law to contribute to achieve the goals of the national social and economic development plans for poverty reduction. It supports development through improving access to basic services, enhancing economic opportunities and reducing the vulnerability of the poor as well as building capacities at the national level, including local authorities and communities.

⁶ Public works programs provide temporary employment to unskilled and semi-skilled workers, while providing income support to the poor and contributing to build and rehabilitate public infrastructure.

⁷ GEF Agrobiodiversity and Adaptation (FY10) and Rain-fed Agriculture and Livestock project (FY07).

⁸ Fisheries Resource Management and Conservation project (FY06).



- d. During a conflict or political crisis that triggers the suspension of the Bank's and other development partners' disbursements, a proactive emergency implementation plan that identifies transition mechanisms, essential activities, negotiations with active contractors, and support to other development partners that remain in the country is an important tool that enables swifter revamping of activities in a post-crisis period.

3. Strategic Focus

Relevance of the WBG Strategy:

1. **Congruence with Country Context and Country Program.** Yemen is one of the poorest and most fragile countries in the world, strategically located in the Arabian Peninsula. Poverty, malnutrition, and unemployment are widespread, and water resources are becoming increasingly scarcer. Population growth is high, and gender inequality is one of the worst in the world. High dependence on hydrocarbon resources exposes the economy to external shocks. Implementation of the FY10-13 Country Assistance Strategy (CAS) was disrupted in 2011 by popular unrest—part of the so-called Arab Spring—and led to a temporary halt of Bank operations in Yemen, a suspension of disbursements, and evacuation of all staff from Sana'a, the capital. The 2011 political crisis aggravated the already difficult economic situation. Oil production declined sharply owing to damage from sabotage to oil pipelines and infrastructure, and the social unrest and sabotage activities affected investment. Private sector activity suffered, public finances and official reserves came under pressure, and inflation surged.
2. The FY10-13 CAS program was derived from the government program as articulated in the Development Plan for Poverty Reduction (DPPR) and the National Reform Agenda. Instead of a progress report, the World Bank Group (WBG) presented an Interim Strategy Note (ISN) to the Executive Board in October 2012, outlining an indicative program of support for the period January 2013-December 2014. The ISN three pillars (protecting the poor, growth, and governance and public service delivery) were largely derived from the existing CAS results framework, updated to reflect the new country context, and the sectoral interventions under the CAS and ISN were the same in substance.
3. **Relevance of Design.** The areas of engagement responded to the priorities of the authorities, with focal areas of growth and economic diversification, governance, human and social development, and managing natural resource scarcity and natural risks. In each of these areas the Bank proposed interventions from IDA financing, analytical work, and technical assistance, which on the whole were adequate to achieve program objectives. The program contemplated coordination with development partners, and assumed government commitment, capacity to implement the program, and a reasonable degree of political stability. The latter, in particular, was an assumption that did not hold in practice.
4. The ISN was aligned with the government's priorities articulated in the Transitional Program for Stabilization and Development, and informed by consultation with stakeholders. The focus of the ISN was to sustain performance of the ongoing portfolio rather than initiating new lending during the 24-month ISN period, but some outcome indicators were added to adapt the program to the 2011 crisis. The ISN addressed the key challenges facing the government: produce tangible results that stabilize the transition in the short term while laying the groundwork for medium-term reforms and sustainable longer-term benefits.
5. With just one trade financing investment initiated during the review period, IFC's relevance rested on its Advisory Services program. But during the review period covered by the ISN even the IFC advisory service program was severely curtailed because of limited IFC ability to operate in the



country. The IFC program was limited to seven AS projects.⁹ Of these, two focused on corporate governance, which had limited bearing on the ISN focus areas. The role of IFC's advisory services in support of the ISN was therefore limited essentially to two activities for investment climate related reforms through public sector entities, and two for improvements in service delivery to MSMEs through private financial institutions, all of which remain incomplete. Although there were no joint projects within WBG, both the Bank and IFC supported the same implementing agency, SFD.

Selectivity

6. The areas of WBG engagement intended to provide a core program—basically requested by the authorities—around which other development partners could coalesce. The Bank attempted to not dilute its effort by concentrating on certain thematic areas, selecting appropriate instruments for engagement (technical assistance, analytical support, trust-funded activities or financial support through IDA or IFC), and designing simple individual products that would facilitate implementation. At the same time, over the review period the active Bank portfolio included at least 23 projects at a time,¹⁰ including projects with commitments of less than US\$10 million. This suggests a fragmentation that stretched Bank implementation capacity and resources, and that also created significant challenges for the capacity of line ministries and project implementation units. Analytical work sought to understand the political economy of the country and prepare (in the case of the ISN) for the post-crisis period. As the CLR recognizes, the number of analytical work pieces appear high, reflecting the reality that many of them were supply driven. Trust fund grants were used appropriately to complement the IDA envelope to expand health and nutrition services, pilot a Climate Information System, and support Civil Society Organizations to enhance local service delivery. All in all, the lending projects and trust-funded activities under the Bank program were useful, but the effort spread too widely, undermining the need for a critical mass of resources concentrated in a few sectors, especially in light of a deteriorating security situation.

Alignment¹¹

7. The Bank Group program focused on areas that are important to end extreme poverty and boost shared prosperity in a sustainable manner. Both the CAS and the ISN focused on protecting the poor through creating short-term jobs, restoring basic services, improving access to social safety nets, and revitalizing livelihoods, promoting growth, and enhancing local service delivery.

4. Development Outcome

Overview of Achievement by Objective:

8. The World Bank Group's FY10-13 Country Assistance Strategy (CAS) main objective was to facilitate Yemen's further progress towards the Millennium Development Goals. Successful development efforts were considered likely to contribute to strengthening the prospects for the country's medium-term stability. The CAS was organized along the same focal areas as the DPPR: accelerate and diversify growth, enhance governance, foster human and social development, and manage natural resource scarcity and natural risks. The ISN proposed to support the government across three strategic areas: (a) achieving quick wins and protecting the poor; (b) promoting growth and improving economic management, and (c) enhancing governance and local service delivery.

9. The FY13-14 ISN's main objective was to help the government produce tangible results that would stabilize the transition in the short term while laying the groundwork for medium-term reforms and

⁹ This includes the successful Business Edge project, which was still in the books for about 5 months of the ISN period.

¹⁰ This covers lending and trust-funded activities.

¹¹ The WBG twin goals were still not explicit corporate objectives when the CAS and ISN were prepared.



sustainable longer-term benefits. In light of country conditions, the ISN objectives were more appropriate, but neither of its two broad objectives was achieved owing to the security situation.

Focus Area I: Achieving quick wins and protecting the poor

10. This focus area had five objectives: (i) improving basic service delivery, including education and health, with a focus on poor communities; (ii) expanding access to social protection programs and improving targeting; (iii) strengthening dialogue with and participation of women, young people, and marginalized groups; (iv) improving management of water resources; and (v) increasing resilience to natural disasters and climate change. The multiplicity of objectives made this area unfocused, and most of the “objectives” were outputs or processes.

Objective 1: Improve basic service delivery, including education and health, with a focus on poor communities

11. Progress under this objective was mixed and in some cases difficult to assess in the absence of baseline information:

Education: More than 4,000 primary classrooms were constructed and rehabilitated by December 2015, of which 738 during the ISN period. Training was provided to 47,674 primary school teachers, more than 16,000 primary school headmasters, and nearly 3,000 Ministry of Education staff and 1,000 female teachers. Nearly 40,000 girls received conditional cash transfers for better attendance and performance in the governorates of Hodeidah and Lahe. As of December 2015, the gender parity index is the same as reported in September 2012 (0.8). New academic programs responding to labor market needs were implemented in eight public universities with support of the Yemen Higher Education Quality Improvement Project. Although a number of background studies were prepared for the National Education Vision, its policies were not implemented owing to the conflict in the country. Progress in education is difficult to assess because of absence of baseline values.

Health: The prevalence of schistosomiasis infection was reduced from 19.8 percent in 2013 to 7.5 percent in February 2015. Infants vaccinated with penta 3/polio 3 in target areas reached 98 percent in August 2014 but then declined to 87 percent by January 2015. Children immunized as of August 2014 reached 2,430,000. Health outreach services were launched in target areas, and people with access to a basic package of health, nutrition, or reproductive health services reached 1.2 million as of August 2014 (population around 24 million). About 57,000 children under five screened for malnutrition and reached by outreach nutrition services in 2015. In 2015, the number of women reached by maternal outreach services amounted to 220,000, and the number of pregnant women receiving antenatal care estimated at nearly 24,000. Owing to the conflict situation, health and nutrition deteriorated during 2015, although it is not possible to measure the impact on Bank project outcomes. Progress in health is difficult to assess owing to absence of baseline values.

12. Bank support was through the Basic Education Development projects (FY05, FY13), the Schistosomiasis project (FY10) and the Health and Population project (FY11). The two health projects are being implemented with the help of UNICEF and WHO, after the disbursement suspension was lifted partially in December 2015 for these two projects on an exceptional basis. IEG rated the closed education project as *Moderately Unsatisfactory*, and the latest management rating on the ongoing project in this area was also *Moderately Unsatisfactory*. IEG and management ratings reflected shortcomings in achieving the objective to expand the quality of basic education for all, with particular attention to gender equity. Both the Schistosomiasis project and the Health and population were rated as *Moderately Satisfactory* in the latest management supervision reports.

Objective 2: Expand access to social protection programs and improve targeting

13. Progress under this objective was mixed. Before the ISN, 141,000 person-months of employment were created through the Social Fund for Development (SFD) and a similar amount through a Bank



public works project,¹² and the bylaw to the Social Welfare law was adopted, standard methodology—enshrined in bylaw—adopted to improve the Social Welfare Fund's (SWF) targeting. A Household Budget Survey was completed with delay during the ISN, while the Social Fund for Development and Labor Intensive Public Works (LIPW) projects¹³ met targets for creation of short-term employment according to the CLR. However, the recertification of beneficiaries, including through proxy means testing, planned for 2015 is pending—interrupted by the suspension of disbursements under Bank-funded operations.

14. Bank support was through the Household Budget Survey project (FY10), and Bank projects that supported SFD and the government's public works program. The SFD projects were rated *Satisfactory* by IEG. The LIPW was rated *Moderately Satisfactory* by IEG, but the latest management supervision report for its successor project contains a rating of *Moderately Unsatisfactory* primarily because the Bank cannot supervise the project in light of the security situation, and disbursements have been suspended. The supervision report expresses concern that the resilience of the project is threatened by lack of Bank funding for the project management unit, and no alternative funding available.

Objective 3: Strengthen dialogue with and participation of women, young people, and marginalized groups

15. Progress under this objective was modest. A gender analysis study was completed but study dissemination was limited to an online platform because it was not possible to hold workshops in the midst of Yemen's conflict. Moreover, the ISN-envisaged stocktaking of youth issues was not initiated. IFC provided support in targeting women and youth through its Business edge program that trained 3,558 people, of whom 42 percent were women. The Small and Micro Enterprise Promotion Service—a body established in August 2013 with IFC support to develop the capacity of businesses—has been unable to expand its training outreach or partner with new trainers as planned. The project achieved its objectives, particularly in terms of women trained, but the number of MSMEs reached by the project was significantly below its target.

16. WBG support was through the Gender Challenges economic sector work (FY14) and IFC training programs.

Objective 4: Improving the management of water resources

17. Progress under this objective was mixed. Prior to the ISN, progress was made in water savings through improved irrigation efficiency, creation of user groups for irrigation and rural water supply and sanitation, and extension of access to water supply and sanitation in urban and rural areas including through rehabilitation work. During the ISN, the envisaged committee of basin users was not created owing to the security situation, but the groundwater irrigation system was enhanced, and water supply and irrigation extended in rural areas through Bank-funded projects as foreseen by the ISN. At the same time access to water supply and sanitation in urban areas failed to improve, and the rehabilitation of existing water supply services in rural areas was only partial.

18. Bank support was provided through several interventions including the Water sector Support project (FY09), and the GEF Agrobiodiversity and Adaptation to Climate Change (FY10). The latest management supervision report of the Water Sector project is *Unsatisfactory*, highlighting that in view of security difficulties the Bank's ability to communicate and coordinate with government counterparts has declined significantly, government counterparts have difficulties to perform their obligations, many project implementation areas are not accessible, and the security environment is inadequate for Bank presence and supervision. IEG rated the GEF Agrobiodiversity as *Moderately Satisfactory* after closure in FY15.

¹² Public Works Program III (FY04).

¹³ Both these projects supported the namesake government institutions and programs described in footnotes 4-5 (page 2).



Objective 5: Increase resilience to natural disasters and climate change

19. Progress under this objective was modest. Before the ISN, a Climate Mitigation and Adaptation Strategy was finalized, an advance warning system was put into place in the Hadramout, helping protect 1,200 hectares in Taiz and Hadramaout/Al Mhra, and 80 percent fewer businesses were affected by floods in Hadramout, Al Mahra, and Taiz. A pilot Program for Climate Resilience helped formulate a Strategic Program for Climate Resilience. The work is on hold, however, owing to the suspension of disbursements on Bank operations since March 2015. The assessment of technical systems and capabilities and improvement proposals were completed, and the assessment of the capacity, operation, and maintenance costs for the four partner agencies is under way.

20. Bank support came through the Climate Information System and PPCR Coordination project, a trust funded activity. The latest supervision report shows a rating of *Moderately Unsatisfactory* in progress towards achieving development objectives, as many targets of the project remain unfulfilled. According to the report, the project coordination unit remains active despite the difficult political situation and suspension of Bank disbursements.

Focus Area II: Improving Economic Management

21. This area contained six objectives: (i) strengthening analytical underpinnings for economic policy making; (ii) improving the analytical framework for expanding economic options; (iii) strengthening competitiveness in key sectors; (iv) enhancing public financial management capacity; (v) improving the enabling environment for medium and small enterprises; and (vi) improving infrastructure through expanding investments and strengthening management.

Objective 6: Strengthen analytical underpinnings for economic policy making

22. There was some progress on policy analysis and documentation prior to the ISN—for example, monthly socioeconomic updates by the ministry of planning—but the CLR reports that policy dialogue and developing options to gain fiscal space and alleviate fiscal distress were ineffective given an environment of open conflict since the last quarter of 2014.

23. The Bank supported this objective through the Joint Social and Economic Assessment and Emergency Recovery Grant (ERG—FY13), rated *Satisfactory* by IEG after closure in FY14. The aspects of the objective that were unsuccessful reflect mostly the unfavorable environment since the last quarter of 2014—after the ERG was closed.

Objective 7: Improve the analytical framework for expanding economic options

24. There was very little progress under this objective. Analytical work and dialogue on options for economic integration—as envisaged under the ISN—did not take place because for a year from early 2013 the government concentrated efforts on the National Dialogue Conference (NDC).¹⁴ Since mid-2014 the debate has been overtaken by open conflict in the country.

25. Bank assistance was provided by preparing a study on Unlocking Potential for Economic Growth (FY16) (Yemen Growth Report), which came late to have an impact on this objective.

Objective 8: Strengthen competitiveness in key sectors

26. Progress under this objective was good. A number of initiatives (fisheries sector restructuring, establishment of fisheries authorities, farm producer group associations or networks, rehabilitation of terrace walls) were carried out to help improve the activities in the fisheries and agricultural sectors

¹⁴ The NDC was a transitional dialogue process held at the Movenpick Hotel in Sana'a, Yemen from March 18, 2013 to January 24, 2014, as part of the Yemeni crisis reconciliation efforts.



through better infrastructure and services. In particular, as a result of new facilities and better services from a Bank fisheries project, fish sold at retail and auctions increased significantly.

27. Bank support provided through the Rain-fed Agriculture and Livestock project (FY07) which was rated as *Moderately Satisfactory* by IEG after closing in FY15. Another source of Bank support was the Fisheries Resource Management and Conservation project (FY06), also rated as *Moderately Satisfactory* by IEG after closure in FY14.

Objective 9: Enhance public financial management capacity

28. Little progress was made under this objective. During the ISN, implementation of activities to improve public financial management suffered significantly owing to the political and security situation in the country. The government was expected to implement measures to improve efficiency and transparency in the public finances by strengthening decision support systems and building capacity in finance institutions. As of end-2014 decision support systems were expanded to 24 ministries and 10 departments, but no governorate was covered. Commitment control and cash management systems were introduced for only 6 out of 30 ministries, and a single public procurement portal that was expected to be in place, had not been introduced by end-2014. Moreover a medium-term strategy for the organization on control and auditing was developed but not implemented.

29. The Bank supported through the Public Finance Modernization project (FY11) whose latest supervision report contains a rating of *Moderately Unsatisfactory* (check again in image bank).

Objective 10: Improve the enabling environment for medium and small enterprises

30. There were no indicators for this objective. The CLR reports that during the ISN period, Bank support for laying the groundwork for private-sector led growth, including through support for medium and small businesses, was envisaged primarily through IFC micro-finance advisory services and through support to the information and communication technology sector. The situation in the country has made work in this area extremely difficult. As an example, project management of a Bank pilot project to support training in small and medium enterprises informed firms hosting interns that it will no longer be able to cover the 50 percent stipend for interns beyond March 11, 2015. Beyond that date, in light of suspension of disbursements, firms participating in the pilot would have to make their own decision regarding keeping interns or letting them go.

31. A Microfinance Training Academy IFC AS project mentioned in the CLR was put on hold before implementation.

32. The Al Amal Bank 2 IFC AS Project was to help the institution diversify its product offering by supporting the development of a very small enterprise (VSE) product as well as a housing microfinance (HMF) product. The current project supervision report indicate that IFC lacks in-house expertise or is unable to identify consultants or firms with adequate skills or time to implement the project. Under the prevailing conditions, to date the project has not led to disbursement of loans in the above two areas.

33. The Al-Kuraimi Islamic Microfinance Bank IFC AS Project was to strengthen the institutional capacity of KIMB in key areas (HR, Strategy, MIS) and support KIMB to scale up outreach to micro- and small-enterprises. The project has led to improvements in practices and standards, and results related to deposits. However, in terms of lending, including lending to women, it has reached only 10-25 percent of targets.

34. IEG validates the CLR findings that corporate governance IFC AS projects led to delivery of several training workshops in collaboration with the Yemen Institute of Directors and that, during the ISN period, support to PPPs was put on hold after the PPP Program IFC AS project did not lead to desired results and was rated Unsatisfactory at completion in FY12.



35. Bank support came through the Enterprise Rehabilitation and Employment Pilot Project (FY13) which aimed to improve individual employability of graduate and the business capabilities of firms participating in a pilot implemented by the Small and Micro Enterprise Promotion Service, and IFC support was in the form of advisory services and support in the financial sector. The latest supervision of the enterprise rehabilitation project (September 2015) rating was lowered to *Moderately Unsatisfactory* because project activities were suspended owing to the escalating armed conflict in the country.

Objective 11: Improve infrastructure through expanding investments and strengthening management

36. Progress under this objective was modest. A Bank project that supported the improvement of road conditions in four governorates and was helping enhance asset management capacity by the Road Maintenance Fund, suspended disbursements owing to the security situation in the country. Most contractors agreed to suspend work until there is peace, and to restart work as soon as the Bank suspension is lifted. Adding to the problems on road maintenance created by the Bank suspension of disbursements, the government suspended transfer of 3 percent of the price of gasoline to the road fund after it decided to eliminate fully fuel subsidies. During the CAS, the Bank assisted the government by analyzing key issues and proposing actions to move the energy sector to fiscal sustainability, but there has been little progress in implementing recommendations. This poor outcome reflected in part a mismatch between the Bank strategy and the governance and institutional capacity in Yemen. During the CAS the Bank and IFC also promoted private and public sector liaison to put in place a Public Private Partnership (PPP) legal framework. Progress made in this area was marred by disputes over the role of the private sector and about the location of the PPP unit. Envisaged Bank and IFC support to PPPs during the ISN period did not materialize.

37. Bank supported through the Road Asset Management Project (FY13) which was rated as *Moderately Unsatisfactory* by the latest supervision report.

Focus Area III: Enhancing local service delivery

38. This area contained two objectives: to enhance local service delivery, and accelerate implementation of anticorruption reforms.

Objective 12: Enhance local service delivery

39. There was no progress under this objective. There were no indicators for the objective, and no results reported by Bank projects in this area. One of the projects—Local Service Delivery—was dropped. The other two—on civil society organization and accountability enhancement—have shown no tangible results owing to the security situation in the country. The CLR reports that only knowledge services in the form of a Civil Society Assessment was completed and disseminated.

40. The Civil Society Organization Support project (FY14) was a channel of Bank support. Its latest supervision rating is *Moderately Unsatisfactory*. This is a temporary rating because the Bank cannot supervise adequately the project in light of the difficult security situation in the country. Actions under the Accountability Enhancement project (FY14)—the other Bank project—were agreed¹⁵ during a supervision mission in January 2015, but subsequent developments and the suspension of disbursements prevented any progress in project implementation.

¹⁵ To enhance the capacity of targeted accountability institutions, provide access to information, and improve enforcement of the anti-corruption law.



Objective 13: Accelerate implementation of anticorruption reforms

41. The three main indicators in this area—national strategy and action plan to combat corruption, decision support system for asset declaration unit, and management information system for complaints and investigations—were not accomplished.

42. Two Bank initiatives supported this objective: additional financing for the Public Finance Modernization project (FY13) and the Accountability Enhancement project (FY14). Both are on hold pending the unfreezing of Bank disbursements.

5. WBG Performance

Lending and Investments

43. **The portfolio of the WBG.** At the start of the review period, IDA had twenty ongoing operations totaling \$846 million. The portfolio included investment operations in water (including sanitation), energy, education, agriculture and fisheries, public works, social, municipal, and city development, and civil service reform. Seventeen trust funded activities for \$95 million provided complementary financing for basic and secondary education and training, social and urban development, health, agriculture and biodiversity, and governance.

44. The ISN contains a discussion of a portfolio restructuring proposed at end-2012, where ongoing underperforming projects—or projects that no longer aligned with current needs—were expected to be restructured including potential cancellations that would be recommitted to finance emerging new priorities. Estimates at the time as a result of potential cancellations were around US\$55 million.¹⁶ The CLR does not discuss the impact on the Bank program of these cancellations and restructurings.

45. During the review period, IBRD approved commitments totaling \$1 billion for twenty six operations.¹⁷ The new projects were spread over education, water, health, energy, institutional and public finance modernization, social and urban development, subsidy reform, and civil society support. In addition thirty one trust funded activities for over US\$154 million¹⁸ supported Bank projects for social protection, education, climate information, health, accountability enhancement, agro-diversity, water, civil society, and environment.

46. The disruption from the Arab Spring in early-2011 led to a temporary halt of Bank operations and disbursements under Bank projects in Yemen. The temporary suspension of Bank-Group funded operations was lifted following the installation of a transitional government in late-2011. However, Bank missions were not allowed to go outside Sana'a, the capital, which limited access to project sites, reducing Bank capacity to provide support to project implementation. Third party monitoring arrangements—the International Relief and Development (IRD) was hired to conduct on-site visits—were put in place to enhance the Bank's supervision efforts and fiduciary oversight. This mechanism worked well until the end of 2014 when the conflict escalated, and the Bank suspended again its disbursements on most of its operations in the country on March 11, 2015. Such suspension remains in place. In December 2015, given critical health needs, the Bank lifted on an exceptional basis the suspension of disbursements under the Schistosomiasis Control project (FY10) and the Health and

¹⁶ The cancellations or restructurings proposed were as follows. Second tranche of Institutional Reform Development Policy Grant (FY08) for US\$25 million; Basic Education project (FY05) restructured with a partial cancellation of US\$2.7 million; full cancellation of the Second Vocational Training project (FY07); Fisheries Resource Management & Conservation project (FY06) restructured with a partial cancellation of US\$2.7 million; and three urban development projects reconfigured with a view to consolidating them under one project implementation unit, resulting in the cancellation of US\$4-8 million. In addition a restructuring of two energy projects was planned.

¹⁷ Half of them were approved during the FY13-14 ISN period.

¹⁸ Includes activities approved in FY15.



Population project (FY13) to allow for an arrangement with the World Health Organization and UNICEF for procurement and distribution of essential drugs, medical supplies, and related activities.

47. IEG reviewed the ICRs of 22 projects that closed during the FY10-FY15 period, of which 13 are rated as moderately satisfactory or better, and eight as moderately unsatisfactory or moderately or worse. One project was not rated. Despite the conflict situation, 59 percent of the projects were rated Moderately Satisfactory or better, which is in line with the MNA region (62 percent), but lower than the Bank overall (72 percent).

48. As the security situation deteriorated, the supervision ratings on the ongoing IDA projects also worsened, and currently about three quarters of the active projects are rated as moderately unsatisfactory or lower. Moreover, the percentage of projects at risk in Yemen increased from 35 percent in FY14 to 83 percent in FY15 (see table 7).

49. The Bank managed to maintain disbursements going in Yemen through FY15. The disbursement ratio was 30 percent in FY14 and 24 percent in FY15, compared with about 21-22 percent in both years for the MNA region and the Bank as a whole. The CLR does not analyze why the disbursement ratio remained so high despite the significant number of problem projects and a deteriorating security situation. The Country Engagement Note¹⁹ indicates that all IDA17 resources were front-loaded to accelerate post-2011 crisis support, which may explain in part the high disbursement ratio. In particular, the high disbursement ratio during the ISN reflects a strong performance of the Emergency Recovery grant (FY13), as well as disbursements to the SFD and the Labor Intensive Public Works project (FY13).

50. At the start of the review period there were two IFC investment projects—with US\$90.0 million of net commitment—that remained active during the review period²⁰. They are in a cement company and in a hospital, and are not currently performing according to expectations. During the review period, IFC committed another US\$4.4 million in a new investment promoting trade finance through a commercial bank, but that facility is currently not being used (with zero outstanding balance reported since September, 2014). IEG has not reviewed any of the above investment projects.

Analytic and Advisory Activities and Services

51. The Bank also provided a significant number of knowledge services. Fourteen pieces of economic sector work and twenty five pieces of technical assistance were delivered during FY10-FY16, covering the program spectrum of interventions. The CLR notes that ESW and TA sought to understand better the political economy of challenges and prepare for the post-crisis period, but notes that some of them were supply driven and the number disproportionate. However, it does not elaborate on how AAA contributed to the Bank program in Yemen.

52. IFC had ten advisory service (AS) project approved before the review period—for US\$9.05 million—that were implemented during the review period. IFC approved nine new AS projects during the review period amounting to over US\$4.21 million of total funds. Of these 19 projects, six were terminated during implementation (five of them were started during the review period), ten have closed, and three are active. Of the ten closed projects, six were rated Mostly Unsuccessful or worse for Development Effectiveness, and four were rated Mostly Successful or better. IEG has validated five of the above ratings to date. The three active projects have progressed well in terms of outputs but at least two of them appear to be falling short in terms of outcomes.

¹⁹ Country Engagement Note for Yemen for the Period FY17-FY18, June 20, 2016.

²⁰ Investments classified by IFC as distressed assets before the review period are excluded.



Results Framework

53. The results framework was weak. It laid out national priorities, outcomes, progress to date, milestones, and Bank interventions supporting the envisaged outcomes. But the link between the outcomes and progress to date and milestones—which are supposed to be end of the ISN targets—was tenuous. Some objectives had no indicators—for example, enhance local service delivery and improve enabling environment for SMEs—and for the other objectives in many instances they were vague or referred to processes and outputs rather than outcomes. Moreover, most quantified targets did not contain explicit baseline values. The number of objectives appears high for a conflict situation such as Yemen and underscores the poor selectivity of the Bank program. Concentrating resources—both financial and for supervision—on fewer objectives would have been more appropriate for the Yemen program.

Safeguards and Fiduciary Issues

54. The CLR does not report on safeguards or fiduciary issues in the Bank portfolio.

Partnerships and Development Partner Coordination

55. During the ISN period the Bank group became an active member of the “Friends of Yemen,” a group of bilateral donors and multilaterals formed in 2010 to help bolster international support for Yemen and assist the government tackle the underlying causes of instability in the country. A multi-donor trust fund for US\$9 million (United States, UK, and Denmark) was established in 2012 to provide technical support to improve absorption capacity and fast-track the implementation of donor pledges. The Bank also helped Yemen access additional funding under the Deauville Partnership Transition Fund to support and Enterprise Revitalization and Employment project for US\$4.4 million and a Civil Society Organization project for US\$1.7 million. Moreover, the WBG coordinated with UN agencies and non-profit organizations to mitigate implementation issues in a very difficult setting. Arab countries—Arab Fund, Kuwait (KFAED), United Arab Emirates—were significant contributors to Yemen during the review period, but the CLR does not discuss Bank coordination with them.

WBG Internal Cooperation

56. IFC was a small player in the Yemen program, but implemented advisory services and investment activities that complemented well IDA interventions, especially in private sector and financial development. Both the Bank and the IFC supported the same implementing agency, the Social Fund for Development, and consequently, have coordinated at that level.

Risk Identification and Mitigation

57. The risks identified in the ISN—inadequate commitment or resistance by political elites, political instability and security risks, adverse external shocks, especially food price shock, poor governance, weak institutional capacity and fiduciary risks, and climate change effects on Yemen—were appropriate but mitigation measures were not adequate according to the CLR (indeed, some of them were quite difficult to mitigate). The risks that materialized during the program and undermined implementation of the ISN include: (a) political elites failed to agree on the recommendations of the National Dialogue Conference, and ultimately to implement them, which cause renewed instability and violence; (b) threats from Al-Qaeda in the Arab Peninsula and tribal dissent continued unabated to put pressure on an already fragile political situation, threatening the little political gains made in the transition period; (c) lack of sufficient progress in strengthening governance, particularly in improving the transparency and accountability of decision making, led to disillusionment; and (d) weak government ownership of reform agenda, and failure of the transition government to make progress on fuel subsidies and telecommunications reform.



Overall Assessment:

58. The 2011 political crisis led to a temporary suspension on Bank-Group funded operations in Yemen, which was lifted following the installation of a transitional government in late 2011. However, Bank missions were not allowed to go outside Sana'a, the capital, which limited access to project sites, reducing Bank capacity to provide support to project implementation. Third party monitoring arrangements—the International Relief and Development was hired to conduct on-site visits—were put in place to enhance the Bank's supervision efforts and fiduciary oversight. This mechanism worked well until 2014 when the conflict escalated, and the Bank suspended its disbursements on most of its operations in the country on March 11, 2015.

59. Following the 2011 crisis, the Bank supported a large international effort to back a transition program in Yemen.²¹ The ISN corresponded to the priorities of the transitional program and envisaged total financial assistance of US\$400 million, focusing on immediate macroeconomic stabilization through a large-scale Emergency Recovery grant financing cash transfers under the Social Welfare Fund (SWF). The Bank also provided support to education, health, transport, and the social safety net programs. Reflecting political and security risks that were not—and mostly could not have been—mitigated adequately, implementation of many operations could not proceed as planned starting in 2014 and most expected results under the program were not achieved. Of the thirteen objectives, only one objective to strengthen competitiveness in fisheries and agriculture showed solid progress. The rest of the objectives, results were mixed at best. In terms of the focus areas, area I on protecting the poor and improving basic service delivery showed some progress reflecting in some cases partnerships with other donors such as UN agencies. Area II on improving economic management generally showed little progress, and focus area III on local service delivery showed no progress at all. At the same time, it is remarkable that in the midst of conflict IDA disbursements in Yemen during the ISN—averaging 26 percent in FY13-15—were significantly higher than averages for MNA and the Bank as a whole (see annex table 8). This is explained primarily by the ISN focusing on immediate macroeconomic stabilization through prompt disbursements under the Emergency Recovery grant (FY13) that financed cash transfers by the Social Welfare Fund (SWF), and the Labor Intensive Public Works project (FY13).

6. Findings and Lessons

60. A recent IEG evaluation on conflict, fragility and violence noted the importance of maintaining a presence (even nominal) in former conflict zones to help sustain peaceful development, have flexibility of project design and ability of management at project and country levels to take quick decisions, and develop institutional incentives for collaboration and strategic thematic guidance on partnering, particularly with the United Nations but also with other partners. These lessons and recommendations are valid for Yemen and other conflict states.

61. Against this background, IEG agrees with the CLR lesson that helping resilient state institutions is essential to maintain service delivery. This is evidenced on some of the results in focus area I, and continued Bank support for enhancing inclusive institutions—such as the SFD and the Public Works Program—would be well advised.

62. Close collaboration with agencies such as UN's UNICEF and WHO allowed the Bank to lift suspension of disbursements under two Bank-funded health projects even in the midst of conflict, and may permit key social services to be delivered in an emergency. Project design of social sector interventions could promote mechanisms to sustain services in the event of emergencies through appropriate UN agencies.

63. IFC cooperation with non-profit organizations contains positive lessons for future engagements. An example was the cooperation with the Yemen Education for Employment Foundation, whose

²¹ The 2012-14 Transition Program for Transition and Development (TPSD), which had an overall investment plan of US\$20 billion.



mandate is to find unemployed youth and place them in jobs after they have been in an intensive training program.

64. As regards the Bank programs, the number of program objectives for both the CAS and ISN appears high for a conflict situation such as Yemen, and underscores the poor selectivity of the Bank program. Concentrating resources—both financial and for supervision—on fewer objectives would be appropriate. Selectivity needs to improve, and the Bank would do well to consolidate Yemen’s portfolio around key priorities for the country, where the Bank can provide experience, insight, and implementation capacity.

65. More specifically, focusing on the program interventions, four lessons emerge from projects that performed well in a conflict environment:

- a) To improve the relevance of interventions, make use of participatory beneficiary involvement in the planning and design of activities. Project experience in agriculture²² demonstrated that beneficiary participation made projects more relevant to the needs of a specific community. It also led to easier transition to participatory beneficiary involvement during implementation. Simple project designs that promote active participation of the beneficiaries resulting in demand-based delivery systems are highly appropriate for fragile and conflict states.
- b) Where infrastructure investments and sector reforms are coupled in the same project,²³ the infrastructure investments tend to outpace sector reforms, leading to completion of infrastructure investments before sector reforms are in place. In such cases, the Bank needs to find ways to tie disbursements for infrastructure with progress on sector reforms, to ensure that infrastructure investments and sector reforms move in parallel.
- c) Supervision and monitoring project implementation activities in a country experiencing social and political unrest are virtually impossible without an effective third-party monitoring firm. Such a firm can verify and report on implementation activities on the ground, identify deficiencies in civil works and equipment delivery, and make recommendations—including follow up with project management—to resolve implementation problems.
- d) During a conflict or political crisis that triggers the suspension of the Bank’s and other development partners’ disbursements, a proactive emergency implementation plan that identifies transition mechanisms, essential activities, negotiations with active contractors, and support to other development partners that remain in the country is an important tool that enables swifter revamping of activities in a post-crisis period.

²² GEF Agrobiodiversity and Adaptation (FY10) and Rain-fed Agriculture and Livestock project (FY07).

²³ Fisheries Resource Management and Conservation project (FY06).

Annex Table 1: Summary of Achievements of CPS (2009-2013) and ISN (2013-2014) Objectives

Annex Table 2: Lebanon Planned and Actual Lending, FY10-15

Annex Table 3: Analytical and Advisory Work for Yemen, FY10 - FY15

Annex Table 4: Grants and Trust Funds Active for Yemen, FY10-15 (in US\$ million)

Annex Table 5: IEG Project Ratings for Yemen, FY10-FY15

Annex Table 6: IEG Project Ratings for Yemen and Comparators, FY10-15

Annex Table 7: Portfolio Status for Yemen and Comparators, FY10-15

Annex Table 8: Disbursement Ratio for Yemen, FY10-15

Annex Table 9: Net Disbursement and Charges for Yemen, FY09-15

Annex Table 10: List of IFC Investments in Yemen

Annex Table 11: List of IFC Advisory Services for Yemen

Annex Table 12: IFC Net Commitment Activity for Yemen

Annex Table 13: Total Net Disbursements of Official Development Assistance and Official Aid for Yemen

Annex Table 14: Economic and Social Indicators for Yemen 2010 – 2015



Annex Table 1: Summary of Achievements of CPS (2009-2013) and ISN (2013-2014) Objectives

	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures	1. CPS Objective: Improve basic service delivery, including education and health, with a focus on poor communities		
	<p><u>Education sector</u></p> <p>Indicators: Before ISN</p> <p>(i) Primary classrooms constructed and rehabilitated;</p> <p>(ii) Teachers trained;</p> <p>(iii) Girls' enrollment in basic education increased;</p> <p>(iv) Gender Parity Index improved in the 10 governorates;</p> <p>ISN</p> <p>(v) Secondary schools in 5 governorates rehabilitated;</p> <p>(vi) New academic programs responding to labor market needs implemented;</p> <p>(vii) National Education Vision for Yemen endorsed by the Government</p> <p>Baseline: (i) n/a; (ii) n/a; (iii) n/a; (iv) 0.7 (2009); (v) n/a; (vi) n/a; (vii) No</p> <p>Target: (i) 3,400; (ii) 90,000; (iii) 17.5%; (iv) 0.77; (v) 44; (vi) 8; (vii) Yes</p>	<p>(i) CLR reports that as of December 2015 4,138 primary classrooms constructed and rehabilitated (3,400 by October 2012) Progress towards this target was supported through Basic Education Development project (P076185)(ICR:MS)</p> <p>(ii) CLR reports that training was provided to 47,674 primary school teachers. 16,186 primary school headmasters, 2,867 Ministry of Education (MoE) staff, and 976 female teachers. Progress towards this target was supported through Basic Education Development project (P076185)(ICR:MS)</p> <p>(iii). Basic Education Development project (P076185)(ICR:MS) assisted in reaching this target. ICR (P076185) reports that as of December 2012, Girls enrollment in grades 1-9 in 10 project governorates increased from 783,454 (2009) to 932,761.</p> <p>The CLR reports that 38,039 girls in grades 4–9 benefited from Conditional Cash Transfers (CCTs). ISR Sequence 7 P130853 reports that 39791 girls received CCT incentives for better attendance and performance in the governorates of Hodeidah and Lahe</p> <p>(iv) ISR Sequence 7 P130853 reports that as of December 2015, gender parity index is the same as it was reported .80 in September 2012. Progress towards this target was supported through Basic Education Development project (P076185)(ICR:MS) and Second Basic Education Development Project (P130853).</p> <p>(v) CLR reports that 738 out of 4,138 classrooms were constructed or rehabilitated during the ISN period.</p>	<p>Source: CLR, ISN, ICR P076185, ISR Sequence 11 P117949, ISR Sequence 7 P130853</p>



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
		<p>(vi) The CLR reports that new academic programs responding to labor market needs were implemented in 8 public universities with the support of the Yemen Higher Education Quality Improvement Project.</p> <p>(vii) National Education Vision was recommended through joint World Bank/UNESCO TA. It was not completed due to the conflict in the country though a number background studies have been drafted.</p>	
<p>Major Outcome Measures</p>	<p><u>Health sector</u> Indicators: Before ISN</p> <p>(i) Recommendations on integration of reproductive health and nutrition within outreach services;</p> <p>(ii) Nationwide schistosomiasis prevalence reduced;</p> <p>(iii) Contribution to the nationwide immunization polio campaigns</p> <p>ISN</p> <p>(iv) Health outreach services launched in project target areas;</p> <p>(v) Second nationwide drug distribution campaign against schistosomiasis and soil-transmitted helminths completed;</p> <p>(vi) Maternal health services delivery model for contracting private sector providers delivered;</p>	<p>(i) The CLR reports that the recommendations were adopted.</p> <p>(ii) The CLR reports that decline in prevalence of either form of schistosomiasis (from 16.7% in 2010 to 7.5% in 2014) reaching the target. Progress towards this target was supported through the Yemen Schistosomiasis project (P113102). ISR Sequence 11 reports the reduction of Prevalence of infection from 19.8% in 2013 to 8.3% in July 2014 and 7.5% in February 2015.</p> <p>(iii) Progress towards this target was supported through the Progress towards this target was supported through the Yemen Health & Population project (P094755). ISR Sequence 9:</p> <ul style="list-style-type: none"> • Infants vaccinated with penta 3/polio 3 in Project target areas as of August 2014: 97.7% (87% as of January 2015) • Children immunized as of August 2014: 2,430,000 (106,510 as of January 2015) <p>(iv) The CLR reports that health outreach services were launched in the health and population project target areas (Sana'a, Ibb, Reimah, Al Dahla'a, Al Baydah, and urban slums in Aden). Progress towards this target was supported through the Yemen Health & Population project (P094755). ISR Sequence 9:</p>	<p>Source: CLR, ISN, ISR Sequence 9 P094755, ISR Sequence 11 P113102</p>



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
	<p>(vii) Community Management of Acute Malnutrition launched;</p> <p>(viii) Output-based Maternal Health Services launched in project target areas</p> <p>Baseline: (i) No; (ii) n/a; (iii) n/a; (iv) No (v) No; (vi) No; (vii) No</p> <p>Target: (i) Yes; (ii) by 10%; (iii) Yes; (iv) Yes; (v) Yes (vi) Yes; (vii) Yes; (viii) Yes</p>	<ul style="list-style-type: none"> • People with access to a basic package of health, nutrition, or reproductive health services as of August 2014: 1.2 million people <p>(v) Progress towards this target was supported through the Yemen Schistosomiasis project (P113102). ISR Sequence 11 confirms the drugs availability as of January 2015.</p> <p>(vi) Not Achieved.</p> <p>(vii) The CLR reports that about 57,000 under-5-year-old children have been screened for malnutrition and reached by outreach nutrition services in 2015. Progress towards this target was supported through the Yemen Health & Population project (P094755). ISR Sequence 9:</p> <ul style="list-style-type: none"> • Number of targeted U5 children reach by outreach services as of August 2014: 30,000 (143,741 as of January 2015) <p>(viii) The CLR reports that the number of women who have been reached for maternal outreach services has reached 220,000 in 2015, while the number of pregnant women who received antenatal care was estimated at 23,767 in 2015. Progress towards this target was supported through the Yemen Health & Population project (P094755). ISR Sequence 9:</p> <ul style="list-style-type: none"> • Number of pregnant women and those of reproductive age vaccinated against tetanus (TT2) in target area as of August 2014: 4,500 (58,036 as of January 2015) • Number of women receiving modern contraceptives in target areas as of August 2014: 11610 (29,599 as of January 2015) 	



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
2. CPS Objective: Expand access to social protection programs and improve targeting			
	<p>Indicators: Before ISN</p> <p>(i) Employment created through the Social Fund for Development (SFD);</p> <p>(ii) Bylaw to the Social Welfare law adopted;</p>	<p>The CLR reports on progress made Before ISN:</p> <p>(i) 140,966 person-months of employment created through the SFD;</p> <p>(ii) Bylaw to the Social Welfare law adopted;</p> <p>(iii) Standard methodology adopted to improve the SWF's targeting, which is enshrined in its bylaw through DPG;</p> <p>(iv) 140,340 person months of short-term employment created through PWP III</p>	<p>Source: CLR, ISN, ISR P143819, ISR P117949, ISR P117608, P122594</p>
	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures	<p>(iii) Standard methodology adopted to improve the Social Welfare Fund (SWF) targeting;</p> <p>(iv) Short-term employment created through Public Works Program III (PWP)</p> <p>ISN</p> <p>(v) Household budget Survey (HBS) conducted;</p> <p>(vi) Additional employment created through the SFD;</p> <p>(vii) Short-term employment created through the Labor Intensive Public Works Program;</p> <p>(viii) SWF beneficiary phasing-out/graduation strategy drafted</p> <p>(ix) Beneficiary households recertified using the Proxy-means test (PMT) method</p>	<p>Progress made during ISN:</p> <p>(v) The CLR reports that the HBS was delayed by several months and completed in December 2014. It is the first comprehensive nationwide survey conducted in Yemen, Rep., since 2004/2005. It contains rich information on the demographic and socioeconomic characteristics of the Yemeni population and is representative at the level of the governorate and each of the four quarters of the year in which the data were collected. Progress towards this target was supported through the HBS project (P143819). Yemen Household Budget Survey ISR Sequence 3 reports:</p> <ul style="list-style-type: none"> • Produce datasets and final documentation including a statistical abstract of the data as of August 2014: No; • Governorates with high quality data on household income, expenditure and living standards produced as of August 2014: 90% (0% baseline); • HBS tabulation reports made publicly available as of August 2014: No; • Finalize the household and community questionnaires (in Arabic and in English) as of August 2014: Yes; 	<p>Source: CLR, ISN, ISR P143819, ISR P117949, ISR P117608, ISR P122594</p>



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
	<p>Baseline: (i) No; (ii) No; (iii) No; (iv) No (v) No; (vi) No; (vii) No; (viii) No; (ix) No</p> <p>Target: (i) 140,966 person-months; (ii) Yes; (iii) Yes; (iv) 140,340 person months; (v) Yes (vi) 30,000 person-months; (vii) 55,000 person-months; (viii) Yes; (ix) 100,000</p>	<ul style="list-style-type: none"> Develop the data entry program for the survey and arrange for data cleaning and entry as of August 2014: Yes; Finalize a sampling plan that is representative at the national and sub-national levels as of August 2014: Yes <p>(vi) Progress towards this target was supported through the Social Fund for Development and Labor Intensive Public Works Projects (P117949). Social Fund for Development IV Sequence 11 reports:</p> <ul style="list-style-type: none"> Person-days employment created as of December 2015: 19,000,000 <p>The CLR reports that the outcomes of creating short-term employment through the SFD and the Labor Intensive Public Works Program were achieved;</p> <p>The CLR reports that implementation of the SFD and Labor Intensive Public Works Program created 353,000 person-months of employment by September 2015, including more than 40,000 during the ISN period.</p>	
	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
		<p>(vii) Progress towards this target was supported through the Labor Intensive Public Works project (P122594). Labor Intensive Public Works Project ISR Sequence 7 reports:</p> <ul style="list-style-type: none"> Number of person-months of generated short-term employment as of June 2014: 151,000 (112,712 as of April 2015) <p>The CLR reports that implementation of the PWP has exceeded the expected results of creating about 55,000 person-months of short-term employment during the ISN period, as 112,712 person-months</p>	Source: CLR, ISN, ISR P143819, ISR P117949, ISR P117608, ISR P122594



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures		<p>of short-term employment were created from June 2012 to April 2015</p> <p>(viii) The CLR reports that the outcomes of recertifying SWF beneficiary households to improve efficiency of the SWF program were not achieved and the SWF beneficiary phasing-out/graduation strategy wasn't drafted. The bylaw of the SWF to improve efficiency has been adopted, as well as an improved targeting method by the SWF. However, recertification of beneficiaries is still pending. It was planned to be completed in 2015 but was interrupted by the suspension of disbursements on Bank-funded operations.</p> <p>(ix) The CLR does not report on this indicator.</p>	
	3. CPS Objective: Strengthen dialogue with and participation of women, young people, and marginalized groups		
	<p>Indicators: ISN</p> <p>(i) Gender analysis completed and disseminated;</p> <p>(ii) Youth stocktaking exercise completed, recommendations discussed with the Government</p>	<p>(i) CLR reports that during ISN period a study "The Status of Yemeni Women: From Aspiration to Opportunity" was completed. It provided details on the gender challenges and proposed policies and actions needed to create a more equal opportunity for women. The study gives perspectives on terms of accessing health, education, political and civic life. However, the study dissemination was limited to an online platform, as it was not possible to hold workshops in the Republic of Yemen because of the conflict. IFC provided support in targeting women and youth through its Business Edge training program. The program delivered training to 3,558 people—of whom 42% were women. Due to the extreme market circumstances, the SMEPS has been unable to expand its training outreach or partner with new trainers as was planned during the previous period.</p>	<p>Source: CLR, ISN, Gender challenges in Yemen, Report on IFC AS Operations in the MENA</p>
	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
	<p>Baseline: (i) No; (ii) No Target: (i) Yes ;(ii)Yes</p>	<p>Progress towards this target was supported through the Gender challenges in Yemen (AAA)</p>	

	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures		<p>Report on IFC Advisory Service Operations in the Middle East and North Africa reported that as of January 2015, in Yemen, 29% of all trainees (or 1,515 people) were women.</p> <p>(ii) The CLR reports that there was not stocktaking of youth issues initiated during the ISN period.</p>	
	4. CPS Objective: Improve management of water resources		
	<p>Indicators: Before ISN</p> <p>(i) Annual water savings through improved irrigation efficiency increased;</p> <p>(ii) Small and medium spate irrigation schemes improved;</p> <p>(iii) New water user groups established each year for irrigation and rural water supply and sanitation</p> <p>(iv) Rural access to water supply and sanitation services extended;</p> <p>(v) Urban access to water supply extended;</p> <p>(vi) Additional people in rural areas received improved access to water services as a result of rehabilitation work;</p> <p>(vii) An additional people in rural and in urban areas received improved access to water services as a result of rehabilitation work;</p> <p>ISN</p>	<p>The CLR reports on progress made Before ISN:</p> <p>(i) Annual water savings through improved irrigation efficiency increased from 40 to 55 million m³;</p> <p>(ii) Small and medium spate irrigation schemes improved on about 2,171 ha;</p> <p>(iii) 100 new water user groups established each year for irrigation and rural water supply and sanitation;</p> <p>(iv) Rural access to water supply and sanitation services extended to an additional 11,000 and 500 people, respectively;</p> <p>(v) Urban access to water supply extended to 41,000 people;</p> <p>(vi) Additional 28,000 people in rural areas received improved access to water services as a result of rehabilitation work;</p> <p>(vii) An additional 28,000 people in rural areas and 50,000 in urban areas received improved access to water services as a result of rehabilitation work</p> <p>Progress made during ISN:</p> <p>(viii) The CLR reports that there was no committee of basin users formed between 2012 and 2014 as the insecure situation did not allow the consultation to take place or the basin committees to be formed.</p> <p>(ix) The CLR reports that groundwater irrigation registered progress, as by March 2015, 10,000 ha (as against 5,000 ha</p>	Source: CLR, ISN, ISR P107037, ICR P005906



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
	(viii) Basin committees formed and functional based on International Water Resource Management principles;	targeted during the ISN period) were covered by groundwater improved irrigation system. Progress towards this target was supported through the Yemen-Water Sector Support project (P107037).	
	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures	<p>(ix) Groundwater irrigation systems improved in priority basins;</p> <p>(x) Rural access to water supply and sanitation services extended;</p> <p>(xi) Urban access to water supply extended; (xii) Additional improved access to water services in rural and urban areas</p> <p>Baseline: (i) 40 million m3; (ii) No; (iii) No; (iv) No; (v) No; (vi) No; (vii) No; (viii) No; (ix) No; (x) No; (xi) No; (xii)</p> <p>Target: (i) 55 million m3 ;(ii) 2,171 ha; (iii) 100; (iv) 11,000 and 500 people, respectively; (v) 41,000 people; (vi) 28,000 people; (vii) 28,000 people in rural areas and 50,000 in urban areas; (viii) 5; (ix) 5,000 ha; (x) 15,000 and 5,000 people; (xi) 4,000 people; (xii) 50,000 people in rural areas and 15,000 in urban areas</p>	<p>Yemen-Water Sector Support Sequence 14 reports that:</p> <ul style="list-style-type: none"> • Groundwater use for agriculture has reduced by 10 MCM per year by 2014 in critical basins of Sanaa, Dhamar and Amran as of December 2014: 16.18 • Area provided with improved groundwater irrigation services as of December 2014: 9,663 (11,256 as of November 2015) <p>(x) The CLR reports that access to water supply and sanitation improved in rural areas as a result of Bank-funded projects in the sector, as by March 2015, 5,640 households had access to water supply, that is, about 28,000 people and 2,500 latrines had been constructed, serving about 10,000 people. Progress towards this target was supported through the Yemen-Water Sector Support project (P107037).</p> <p>Yemen-Water Sector Support Sequence 14 reports that: Improved latrines constructed under the project as of December 2014: 1000</p> <p>(xi) The CLR reports that in urban areas, access to water supply and sanitation did not expand during the ISN period (work was planned in Sana'a but could not take place due to insecurity).</p> <p>(xii) The CLR reports that rehabilitation of water supply did not improve much rural access to water services, as only 14,325</p>	Source: CLR, ISN, ISR P107037, ICR P005906

	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
		<p>people received access to water service through water supply rehabilitation—the focus has been on new turnkey system for rural areas with a good analysis on water resources to have some sustainability. In urban areas, progress was higher, as 43,500 people received access to water supply through water supply rehabilitation.</p> <p>Progress towards this target was supported through the Yemen-Water Sector Support project (P107037).</p> <p>Yemen-Water Sector Support Sequence 14 reports that:</p>	
	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
		<ul style="list-style-type: none"> • People provided with access to “improved water sources” under the project increased by 400,000 persons for Rural and 100,000 for Urban: 222,540. 	
5. CPS Objective: Increase resilience to natural disasters and climate change			
	<p>Indicators: Before ISN</p> <p>(i) Climate Change Mitigation and Adaptation Strategy finalized; (ii) Advanced warning system in Hadramout Governorate in place; (iii) Area protected in Taiz and Hadramout/Al Mahra; (iv) Businesses affected by floods in Hadramout, Al Mahra, Taiz;</p> <p>ISN</p> <p>(v) Climate Information System (CIS) developed</p>	<p>The CLR reports on progress made Before ISN:</p> <p>(i) Climate Change Mitigation and Adaptation Strategy finalized; (ii) Advanced warning system in Hadramout Governorate in place; (iii) 1,200 ha protected in Taiz and Hadramout/Al Mahra; (iv) 80% fewer businesses affected by floods in Hadramout, Al Mahra, Taiz</p> <p>(v) The CLR reports that the pilot Program for Climate Resilience Project PPCR I assisted the formulation of a Strategic Program for Climate Resilience and identification of priority investments to cope with climate change.</p> <p>Initial assessment for developing a CIS has been conducted under the PPCR I Project. During the second phase, under the CIS and PPCR Coordination Project, the system integrator was hired to conduct detailed analysis and design of the CIS. However, the work is on hold due to suspension of disbursements on Bank operations</p>	Source: CLR, ISN, ISR P132116



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures	<p>Baseline: (i) No; (ii) No; (iii) No; (iv) No; (v) No</p> <p>Target: (i) Yes ;(ii) Yes; (iii) 1,200 ha; (iv) <80%; (v) Yes</p>	<p>since March 2015. So far the assessment of existing technical systems and capabilities and proposal for improvement has been completed, and the assessment of the capacity and operation and maintenance costs for the four partner agencies (EPA, CAMA, NWRRA, and MAI) is under way.</p> <p>The Climate Information System and PPCR Coordination project (P132116) supported the target.</p> <p>Climate Information System and PPCR Coordination Sequence 4 reports:</p> <ul style="list-style-type: none"> • Improved quality of weather information Skill (0-1) of weather forecasts of 24 hours lead time for main administrative centers as of October 2014: 0.65 (same as in May 2015); • National Climate Service Framework Program implemented as of April 2014: 0% (same as in May 2015); • Information sharing materials on program initiatives made public as of October 2014: 0 (same as in May 2015); • CAMA/YMA puts the climate and weather data on the website public as of October 2014: No open access (same as in May 2015) 	
	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
	6. CPS Objective: Strengthen analytical underpinnings for economic policy making		
	<p>Indicators: Before ISN</p> <p>(i) Macroeconomic advice provided on a regular basis to adjust to global economic developments;</p>	<p>(i) The CLR reports that while some technical progress could be maintained with regard to policy analysis and documentation (for example, the monthly MOPIC socioeconomic updates, and the biannual Bank economic update), the policy dialogue and the ultimate objective of rationalizing fiscal choices were compromised by the open conflict in the country since mid-2014.</p>	Source: CLR, ISN, ICRR P133811



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 1: Achieving quick wins and protecting the poor	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures	<p>(ii) Standard macro framework developed and used by the MOPIC, MOF, and CBY;</p> <p>(iii) Enhanced national accounts developed (with IMF TA) pending final discussion;</p> <p>ISN (iv) Options to gain fiscal space and alleviate fiscal distress developed</p> <p>Baseline: (i) No; (ii) No; (iii) No; (iv) No Target: (i) Yes; (ii) Yes; (iii) Yes; (iv) Yes</p>	<p>Progress towards this target was supported through the Joint Social and Economic Assessment and Emergency Recovery Grant (P133811)</p> <p>(ii), (iii) & (iv) The CLR reports that Yemen, Rep., successfully implemented a reform program supported by a US\$100 million IMF Rapid Credit Facility provided in April 2012. The Emergency Crisis Recovery Project aimed to help Yemen, Rep., mitigate the impact of the 2011 crisis by providing cash benefits to eligible poor households.</p> <p>The macroeconomic situation weakened from early 2014, with increased disruption of oil facilities, leading to a decline in oil revenue and, therefore, deterioration in the fiscal and external positions and severe fuel and electricity shortages. The current conflict put a halt on reforms implementation.</p> <p>Progress towards this target was supported through the Emergency Recovery Grant (P133811)</p>	

	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
	7. CPS Objective: Improve analytical framework on expanding economic options		
	<p>Indicators: Before ISN</p> <p>(i) General Investment Authority (new investment law) restructured;</p> <p>(ii) Key tax incentives consolidated;</p> <p>ISN</p>	<p>The CLR reports that the economic integration topic could not be tackled, partly because the policy debate concentrated initially on the NDC, not leaving space for political agreement building on economic policy choices, and since mid-2014 the debate has been overtaken by the open conflict in the country.</p> <p>This outcome was not achieved, partly because from early 2013 to February 2014, the policy debate concentrated on the National Dialogue Conference (NDC); this did not leave space for political</p>	Source: CLR, ISN, ESW P147059



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
Major Outcome Measures	<p>(iii) Analytical work on economic integration options completed:</p> <p>Baseline: (i) No; (ii) No; (iii) No Target: (i) Yes; (ii) Yes; (iii) Yes</p>	<p>consensus building on economic policy choices. Since mid-2014, the debate has been overtaken by the open conflict in the country. However, the new study “Economic Memorandum on Yemen - Unlocking the Potential for Economic Growth” underpins economic expansion questions again and will add to the future dialogue on this topic.</p> <p>Assistance was provided through the Unlocking the Potential for Economic Growth study (P147059).</p> <p>The Country Economic Memorandum reports that legislative and institutional reforms have not been undertaken. The reforms would allow the upstream and downstream integration of state enterprises to manage resources more efficiently and with greater transparency. The delay in adopting these and other reforms has arisen, as industry officials widely acknowledge, because, although the oil sector directly provided 65%t of state revenue between 2002 and 2012, the elites push up the cost of producing oil in the country to above the international average.</p>	
	<p>8. CPS Objective: Strengthen competitiveness in key sectors</p>		
	<p>Indicators: Before ISN</p> <p>(i) Proposal for fisheries sector restructuring ratified and approved by cabinet;</p> <p>(ii) Presidential decrees for establishment of Fisheries Authorities (FA) for coastal governorates issued;</p> <p>(iii) Rural farm producer groups, associations, or networks in place and functioning;</p>	<p>Progress towards this target was supported through the Rainfed Agriculture and Livestock Project (P089259) (RALP) (IEG:MS)</p> <p>The ICRR (P089259) reports following results on:</p> <p>Soil, water, and rangeland:</p> <p>1) 17,150 revenue/capital per beneficiary (group's members) from production subprojects (Target was 20,000. Achieved 86% of target)</p> <p>2) 26,750 revenue/capital per beneficiary (group's members) from processing subprojects was (Target was 20,000. Achieved 134% of target).</p> <p>3) 20,300 revenue/capital per beneficiary (group's members) from marketing subprojects (Target was 20,000. Achieved 102% of target)</p>	<p>Source: CLR, ISN, ICRR P089259, ISR Sequence 14 P108037, ICR (P086886)</p>



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
<p>Major Outcome Measures</p>	<p>(iv) Terrace walls rehabilitated;</p> <p>ISN</p> <p>(v) FAs in coastal governorates operational;</p> <p>(vi) Rural farm producer groups, associations, or networks in place and functioning;</p> <p>(vii) Terrace walls rehabilitated.</p> <p>Baseline: (i) No; (ii) No; (iii) No; (iv) No; (v) No; (vi) No; (vii) No</p> <p>Target: (i) Yes; (ii) 4; (iii) 1,400; (iv) 30 km; (v) Yes; (vi) 800; (vii) 60 km</p>	<p>Improve production, processing, and marketing systems: 417 Ha sustainable land management practices adopted as a result of the project (Target was 140 Ha. Achieved: 297.9%) 213,443 meters (M) of terraces rehabilitated /reused (- Target was 90,000 M. Achieved: 238.3%) 29.5 Ha of upper catchments re-vegetated (Target was 45 Ha. Achieved: 65.6%) 52,000 M of wadi banks protected</p> <p>Seeds: Project is estimated to have improved the yields of 60,000 farmers who used improved seeds and seed technology on a total of 24,000 ha among farmers in Sanaa, Hodaidah, Mahwit and Hajjah Governorates.</p> <p>Progress towards this target was supported through the Fisheries Resource Management and Conservation Project (P086886) (ICR: MS)</p> <p>The ICR reports that as of December 2013, governance functions undertaken by local Fisheries Authorities:</p> <ul style="list-style-type: none"> • FAs established and key staff appointed; • Fisheries sector awareness program on roles and responsibilities conducted and operating manuals for FAs, FRA and MFW prepared; • Statistics on catch and value at Project sites provided periodically; • The new fisheries law which will include licensing has been delayed so the licensing system has not yet been initiated. In addition to establishing FAs, non-functioning and duplicate entities have been rolled into FAs (CFC, NCSFM, MFW branch offices) including assets/staff <p>Fisheries Authorities established and undertaking governance activities:</p> <ul style="list-style-type: none"> • Four FAs established through Presidential Decrees, FAs staffed and trained; 	<p>Source: CLR, ISN, ICRR P089259, ISR Sequence 14 P108037, ICR (P086886)</p>

	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
		<ul style="list-style-type: none"> • Sector Management Adjustment and Restructuring Team (SMART) Proposal on sector reform/restructuring prepared and Cabinet Endorsed; • Governance not fully addressed due to sociopolitical crisis, institutional restructuring delays and changes in institutional priorities. 	
	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
9. CPS Objective: Improve capacity for effective public financial management			
Major Outcome Measures	<p>Indicators: Before ISN (i) Use of Accounting and Financial Management Information System (AFMIS); (ii) Use of the Loans and Grants Management Information System (LGMIS); (iii) Systems for cash flow management and commitment control introduced; (iv) Institutional capacity for implementation of procurement law introduced; (v) Medium-term strategy for the higher authority on tender control developed; (vi) Capacity of Central Organization for Control and Auditing (COCA) to conduct external audit in AFMIS environment enhanced</p> <p>ISN (vii) Use of AFMIS expanded; (viii) Use of LGMIS expanded;</p>	<p>The CLR reports that during the ISN implementation of activities to improve capacity for effective public financial management suffered has not achieved most of the expected results, due to the political and security in the country.</p> <p>Progress towards this target was supported through the Public Finance Modernization Project (P117363)</p> <p>(vii) ISR Sequence 6 (P117363) reported that:</p> <ul style="list-style-type: none"> • #. of Central Government Ministries in which AFMIS is operational as of December 2013: 24 (vs. 30 planned); • # of Central Government Departments in which AFMIS is operational as of December 2013: 10 (vs. 11 planned); • # of Governorates in which AFMIS is operational as of December 2013: 0 (vs. 18 planned). <p>(viii) ISR Sequence 6 (P117363) reported that:</p> <ul style="list-style-type: none"> • # of PMUs in which LGMIS is operational as of December 2013: 45 (vs. 36 planned) <p>(ix) CLR reports that Commitment Control and Cash Management System was not introduced in AFMIS as planned, as only 6 out of 30 ministries were able to use that platform.</p>	Source: CLR, ISN, ISR Sequence 6 P117363



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
	<p>(ix) Commitment Control and Cash Management System introduced in AFMIS; (x) Single public procurement portal developed for publishing bids and awards; (xi) Medium-term strategy for COCA developed</p> <p>Baseline: (i) No; (ii) No; (iii) No; (iv) No; (v) No; (vi) No; (vii) No; (viii) No; (ix) No; (x) No; (xi) No</p> <p>Target: (i) covers 17 ministries and 3 departments; (ii) covers 23 PMUs; (iii) Yes; (iv) Yes; (v) Yes; (vi) Yes; (vii) 30 ministries, 11 departments, and 18 governorates; (viii) to 36 PMUs; (ix) Yes; (x) Yes; (xi) Yes</p>	<p>ISR Sequence 6 (P117363) reported that:</p> <ul style="list-style-type: none"> Number of 30 Central Government Ministries in which Cash Management System is operational 2013: 6 (vs. 30 planned) <p>(x) The CLR reports that the development of a single public procurement portal for publishing bids and awards did not materialize.</p> <p>(xi) The CLR reports that medium-term strategy for COCA was developed as envisaged.</p>	

	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
	<p>10. CPS Objective: Improve enabling environment for MSMEs</p> <p>Indicators:</p>	<p>The CLR reports that During the ISN period, the Bank's support for laying the groundwork for private sector-led growth, including through support for the MSME sector, was mainly envisaged through IFC microfinance advisory services and support to the information and communication technology (ICT) sector, as well as through the Enterprise Revitalization and Employment Pilot Project (EREP).</p> <p>The CLR reported that the Information and Communication technology (ICT) assessment was expected to support policy</p>	<p>Source: CLR, ISN, ISR Sequence 4 P143715</p> <p>There are no indicators reported neither in CLR nor ISN. What has been measured?</p>



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
		<p>dialogue and provide inputs to the Broadband Governance and Competitiveness Project. The assessment of the telecommunications policy, legal, and regulatory framework has been completed. Due to the current political and security situation, dialogue on this topic has been paused.</p> <p>Microfinance advisory Corporate Governance Project (IFC) completed study for a Microfinance Training Academy. But because of the ongoing conflict, the finding presenting to key stakeholders were suspended due to the security situation. In addition, IFC provided advisory services to the Al Kuraimi Islamic Microfinance Bank (KIMB) to develop Sharia-compliant small and medium enterprise (SME) products and helped Al Amal Microfinance Bank develop new SME products.</p> <p>Assistance was provided under Enterprise Revitalization and Employment Pilot (EREP) (P143715) project. The CLR reported that the project aimed to improve the individual employability of graduates and the business capabilities of firms participating in a pilot scheme implemented by the SMEPS.</p> <p>ISR Sequence 4 (P143715) reported that:</p> <ul style="list-style-type: none">• Direct project beneficiaries as of December 2014: 4242;• Participating youth employed as of December 2014: 40% (vs. 20% planned);• Female beneficiaries as of December 2014: 11% (vs. 5% planned)	



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
11. CPS Objective: Improve infrastructure through expanding investments and strengthening management			
	<p>Indicators:</p> <p>Before ISN</p> <p>(i) Intermediate rural roads paved in accordance with acceptable industry standards;</p> <p>(ii) Formulation of strategies and programs to improve efficiency in key areas of the transport sector are completed;</p> <p>(iii) Study on renewable energy completed;</p> <p>ISN</p> <p>(iv) Study on assessing impact of energy pricing reform initiated</p> <p>(v) Dialogue on the PPP in infrastructure initiated</p> <p>Baseline: (i) No; (ii) No; (iii) No; (iv) No; (v) No</p> <p>Target: (i) 200 km; (ii) Yes; (iii) Yes; (iv) Yes; (v) Yes</p>	<p>Expected results in improving infrastructure have not been achieved.</p> <p>Assistance was provided under RY-Road Asset Management Project (P125135). The CLR reported that improve road conditions in four governorates (Al-Hodeidah, Ibb, Taiz, and Lahj) and to strengthen the Road Maintenance Fund (RMF) capacity in road asset management. Before suspension of disbursements, almost all contracts were under active execution. Most contractors have agreed to suspend the works until there is peace and to restart works as soon as the suspension by the Bank is lifted. Road maintenance remains an issue, as the GoY has suspended transferring 3% of the price of diesel and gasoline to the RMF after the Government decided to fully eliminate fuel subsidies.</p> <p>(iv) The CLR reports that the Bank Group's recent interventions in the energy sector have been mostly unsuccessful, in part due to what turned out to be a mismatch between the Bank's strategy and the governance and institutional capacity in Yemen, Rep. During the three-year period before the political crisis in early 2011, the Bank assisted the Government in analyzing key issues and proposing actions needed to move the sector toward fiscal sustainability. There has been limited progress by the GoY and the Bank in implementing the recommendations.</p> <p>(v) The CLR reports that Bank and IFS support to PPPs did not materialize during the ISN period. During the CAS period, support to PPPs was primarily focused on assisting the private sector in closely liaising with the public sector with regard to the development of a PPP legislative framework. A draft legislation was completed, but many of its details were then hugely disputed by different stakeholders in Yemen, Rep., particularly with regard to the role of the private sector and where the PPP Unit was to be</p>	<p>Source: CLR, ISN, ISR sequence 6 (P125135)</p>



	CPS FY09 – FY13 and ISN FY13-14 Focus Area 2: Improving Economic Management	Actual Results (as of current month/year)	IEG Comments
		located. During the ISN period, support to PPPs was put on hold due to ongoing political unrest. No activities were envisaged implementable between early 2012 and late 2014.	
	12. CPS Objective: Enhance local service delivery		
	Indicators:	Assistance was provided under Yemen Civil Society Organization Support Project (P146312) – approved in February 2014. The latest ISR Sequence 3 doesn't report on any results achieved. The CLR reported that other projects, aimed to support activities under this indicator: Local Service Delivery Project and The Accountability Enhancement Project were not achieved results as well. The CLR noted that only Civil Society Assessment (AAA) was completed and fully disseminated with the counterparts.	Source: CLR, ISN, ISR Sequence 3 P146312 There are no indicators reported neither in CLR nor ISN
	13. CPS Objective: Accelerate implementation of anticorruption reforms		
<u>Major Outcome Measures</u>	Indicators: Before ISN (i): National strategy and action plan to combat corruption finalized ISN (ii) Decision Support System for Asset Declaration Unit established; (iii) Management Information System for Complaints and Investigations established Baseline: (i) No; (ii) No; (iii) No Target: (i) Yes; (ii) Yes; (iii) Yes	The CLR reported that two projects: Public Finance Modernization Additional Financing (PFM) and Accountability Enhancement Project were launched to support activities toward achieving progress. The CLR reported that there was no assessment has been made to quantify the results in regards to PFM project, but it is assumed that those results have likely not been achieved, given that conditions prevailing in the country were not favorable to reforms. Implementation of the Accountability Enhancement Project (has not achieved much so far as well. In particular, the project has yet to help establish a Decision Support System for Asset Declaration Unit, or a Management Information System for Complaints and Investigations established.	Source: CLR, ISN

Annex Table 2: Lebanon Planned and Actual Lending, FY10-15

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Approved IDA Amount	Outcome Rating
Project Planned Under CPS / ISN FY10-15							
P088435	Port Cities Development Project II	2010	2010	2015	35.0	35.0	LIR: MU
P146055	Mocha Wind Park Project	2010	2014	2019	20.0	20.0	LIR: MU
P110733	Higher Education Project II	2010	2010	2018	10.0	13.0	LIR: MU
P113102	Schistosomiasis Project	2010	2010	2016	20.0	25.0	LIR: MS
P117949	Social Development Fund Project IV	2010	2010	2017	55.0	60.0	LIR: S
P117363	Public Finance Modernization Project	2011	2011	2016	10.0	12.0	LIR: MU
DROPPED	Integrated Urban Development Project	2011			30.0		DROPPED
P094755	Health and Population Project	2011	2011	2018	30.0	35.0	LIR: MS
P113357	Subsidy Reform DPG	2011			30.0		DROPPED
DROPPED	Basic Education Development Project (AF)	2012			40.0		DROPPED
P122594	Public Works project IV	2012	2012	2018	40.0	61.0	LIR: MU
DROPPED	Rural Access Project (AF)	2012			40.0		DROPPED
DROPPED	Water Sector Support Project (AF)	2013			90.0		DROPPED
DROPPED	Agriculture Development Project	2013			30.0		DROPPED
P133811	Emergency Recovery Grant AF SFD - LIW for Youth and Food Security	2013	2013	2014	100.0	100.0	IEG: S
P133699	AF Health & Population Project - OBA for Maternal and Child Health	2013	2014	2020	10.0	10.0	LIR: MU
P133637	AF PFM Project - Support to CSOs & SNAAC	2013	2013		5.0	5.0	NA
P130853	Basic Education I	2013	2013	2019	65.0	66.0	LIR: MU
P125135	Road Asset Management	2014	2013	2019	40.0	40.0	LIR: MU
DROPPED	PPCR Funded Projects	2014			50.0		DROPPED
DROPPED	Institutional Modernization and Capacity Development Program	2014			TBC		DROPPED
P146312	Civil Society Support Project	2014	2014	2019	20	8.0	LIR: MU
DROPPED	Local Service Delivery Project	2014			TBC		DROPPED
Total Planned					795.0	515.0	
Unplanned Projects during the CPS and ISN Period						Approved IDA Amount	Outcome Rating
P107050	RY-Integrated Urban Development		2010	2015		22.0	LIR: MU



Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Approved IDA Amount	Outcome Rating
P117408	RY-RURAL ACCESS II ADDITIONAL FINANCING		2010			40.0	NA
P117608	RY SWF Institutional Support Project		2010	2017		10.0	LIR: MU
P122414	RY Private Sector Growth & Social Protec		2011	2012		70.0	IEG: U
P132311	RY-Financial Infrastructure Project		2014	2020		20.0	LIR: MU
P145361	RY - Corridor Highway Project		2014	2019		133.5	LIR: U
P148366	RY: AF-Labor Intensive Public Works		2015	2018		50.0	LIR: MU
P148474	Additional Financing II for SFD IV		2015	2017		50.0	LIR: S
P150129	RY HEQIP- AF		2015	2018		3.0	LIR: MU
P151923	Emergency Support to Social Protection		2015	2017		90.0	LIR: MU
Total Unplanned						488.5	
Total Planned and Unplanned during FY10-15						1,003.5	
On-going Projects during the CPS and ISN Period			Approval FY	Closing FY		Approved IDA Amount	Outcome Rating
P092211	RY-Rural Energy Access Project		2009	2017		25.0	LIR: MU
P107037	RY-WATER SECTOR SUPPORT		2009	2017		90.0	LIR: U
P089761	RY Sec. Educ. Dev. and Girls Access		2008	2015		20.0	LIR: MS
P101453	RY-INSTITUTIONAL REFORM DPG		2008	2012		50.9	IEG: U
P086308	RY-Second Vocational Training Project		2007	2013		15.0	IEG: NA
P089259	RY Rainfed Agriculture and Livestock		2007	2015		20.0	IEG: MS
P085231	RY- Second Rural Access Project		2006	2016		40.0	LIR: MU
P086865	RY-Power Sector		2006	2015		50.0	LIR: U
P086886	RY-Fisheries Resource Mgt & Conservation		2006	2014		25.0	IEG: MS
P076185	RY-Basic Education Development Program		2005	2013		65.0	IEG: MU
P074413	RY-Groundwater & Soil Conserv Proj		2004	2012		40.0	IEG: MS
P082498	RY-SOCIAL FUND FOR DEVELOPMENT III		2004	2010		60.0	IEG: S
P082976	RY-THIRD PUBLIC WORKS		2004	2012		45.0	IEG: MS
P057602	RY URBAN WTR SUPPLY & SANITATION APL		2003	2011		130.0	IEG: MU
P064981	RY-SANA'A BASIN WATER MGMENT		2003	2010		24.0	IEG: MU



Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Approved IDA Amount	Outcome Rating
P065111	RY-PORT CITIES DEVELOPMENT PROGRAM		2003	2010		23.4	IEG: MS
P043254	RY-Health Reform Support Proj (HRSP)		2002	2010		27.5	IEG: MS
P070092	RY TAZI MUNICIPAL DEV & FLOOD PROTEC		2002	2015		45.2	IEG: MU
P005906	RY-RURAL WATER SUPPLY & SANITATION		2001	2011		20.0	IEG: MS
P050706	RY-CIVIL SERVICE MODERN		2000	2010		30.0	IEG: U
Total On-going						846.1	

Source: Yemen CPS, ISN and AO as of 5/31/16

*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.

Annex Table 3: Analytical and Advisory Work for Yemen, FY10 - FY15

Proj ID	Economic and Sector Work	Closing Fiscal year	Output Type
P102789	ESSD RY Land Tenure study	FY10	Not assigned
P106257	RY-Adaptation to Climate Change	FY10	Not assigned
P106776	Coping strategies in Rural Yemen	FY10	Not assigned
P107708	RY Education Country Status Report	FY10	Not assigned
P124164	DeMPA Assessment - Yemen	FY11	General Economy, Macroeconomics, and Growth Study
P113257	RY-Investment Climate Update	FY12	Not assigned
P122911	RY-GENDER CHALLENGES IN YEMEN	FY14	Sector or Thematic Study/Note
P124992	RY-Sana'a Water Situation	FY14	Sector or Thematic Study/Note
P130602	Yemen Social Economic Assessment	FY14	Sector or Thematic Study/Note
P147732	RY-Water and Agriculture ESW	FY15	Sector or Thematic Study/Note

Proj ID	Technical Assistance	Closing Fiscal year	Output Type
P112919	RY-Energy Subsidy Reform TA	FY10	Not assigned
P114431	RY-Inst Framework for Energy Efficiency	FY10	Not assigned
P117422	RY Public Sector and Governance Program	FY10	Not assigned
P119537	RY Macro Capacity TA	FY10	Not assigned
P110551	GFDRR: RY-Strengthening National System	FY11	Not assigned
P116900	Yemen Telecom sector reform	FY11	Not assigned
P122064	Yemen Saada Comprehensive Needs Assess	FY11	Not assigned
P122914	RY-Anti-corruption TA	FY11	Not assigned



Proj ID	Technical Assistance	Closing Fiscal year	Output Type
P117811	Yemen QSDS	FY12	Not assigned
P119084	RY Financial Sector Strategy	FY12	Not assigned
P129806	RY-Political Economy Stakeholder Mapping	FY12	Not assigned
P106896	RY- Gas Development	FY13	Not assigned
P131490	Yemen AML legislation	FY13	Not assigned
P132542	Yemen SABER WfD	FY13	Not assigned
P143633	RY- Yemen Civil Society Assessment	FY13	Not assigned
P122591	RY-Renewable Energy Framework	FY14	Not assigned
P130810	RY HRITF Knowledge and Learning	FY14	Not assigned
P143950	Transparency and Anti Corruption TA	FY14	Not assigned
P145883	RY-Customs Administration Assessment	FY14	Not assigned
P144291	Yemen AML/CFT Capacity Building	FY15	Not assigned
P145786	Yemen Energy Sector Strategy	FY15	Not assigned
P147304	Aden Development	FY15	Not assigned

Source: AO Table ESW/TA 1.4 as of 6/6/16

Annex Table 4: Grants and Trust Funds Active for Yemen, FY10-15 (in US\$ million)

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount	Outcome Rating *
P151923	Emergency Support to Social Protection Project	TF 18196	2015	2016	28,465,000	LIR: MU
P148288	Yemen Accountability Enhancement Project	TF 17651	2015	2017	6,000,000	LIR: MS
P144522	Maternal and Newborn Voucher Project	TF 16529	2014	2020	10,000,000	LIR: MU
P144522	Maternal and Newborn Voucher Project	TF 14940	2014	2014	400,000	
P145338	Support to Executive Bureau for the Acceleration of Aid Absorption and Implementation of the Mutual Accountability Framework (SEBAA)	TF 15070	2014	2015	4,000,000	
P144665	Gov't and Civil Society Organization Partnership	TF 15953	2014	2015	1,000,000	
P132116	Climate Information System and PPCR Coordination	TF 15095	2014	2019	19,000,000	LIR: MU
P123984	RY - Improving Corporate Financial Reporting	TF 14556	2014	2017	300,000	
P145434	Yemen: Preparation of SREP Investment Plan	TF 14632	2014	2015	300,000	
P131236	Emergency Targeted Nutrition Intervention	TF 13573	2013	2017	2,730,000	



Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount	Outcome Rating *
P143819	Yemen Household Budget Survey	TF 14367	2013	2015	2,163,117	
P143715	SME Revitalization and Employment Pilot Project	TF 14977	2013	2016	3,720,000	
P144607	MNXTA: Yemen Enhancing Governance through Procurement	TF 14501	2013	2015	302,400	
P131007	Procurement Reform and Capacity Building	TF 12129	2012	2015	300,000	
P119160	RY-Biogas Digesters: An Integrated Solution for Poverty Alleviation and Climate Change Mitigation in Yemen	TF 99469	2012	2014	2,481,720	
P122687	Yemen: Pilot Program for Climate Resilience Phase I (PPCR I)	TF 97544	2011	2014	1,500,000	
P121430	Yemen Industrial Stones Community Project	TF 98246	2011	2015	2,450,000	
P119963	Household Budget Survey 2010	TF 97318	2011	2012	1,745,370	
P123122	RY-Leopards and Landscapes: Using a flagship species to strengthen conservation	TF 97824	2011	2012	130,000	
P117608	Social Welfare Fund Institutional Support Project	TF 98403	2011	2012	2,000,000	
P111757	Yemen Water for Urban centers- Output-based service provision by private operators	TF 96519	2010	2014	5,000,000	LIR: U
P110733	RY Higher Education Quality Improvement	TF 93102	2010	2011	570,000	
P103922	Agro-biodiversity and Adaptation	TF 98754	2011	2015	2,775,700	IEG: MS
		TF 96330	2010	2015	4,000,000	
P115192	RY-IDF Capacity Building on Legal Aspects of WTO Accession (TF094514)	TF 94514	2010	2014	427,650	
P110603	RY-LOSS REDUCTION PROJECT (Clean Development Mechanism-CDM)	TF 96567	2010	2015	1,575,000	
P117038	Emergency Social Safety Net Enhancement (EC Food Facility Grant)	TF 95879	2010	2012	23,277,777	IEG: S
P118211	RY: Strengthening the Powerless Groups through a Family-Community Led Programs	TF 95278	2010	2013	2,738,700	
P116110	Healthy Motherhood JSDF	TF 94846	2010	2013	2,850,000	
P114253	Education for All Fast-Track Initiative Catalytic Fund Phase III	TF 95158	2010	2014	20,000,000	IEG: S



Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount	Outcome Rating *
P115673	Yemen Employment for At-Risk and Marginalized Youth	TF 93567	2010	2014	1,849,400	
P094755	Yemen Health & Population	TF 93103	2009	2012	350,000	
P107050	RY-Integrated Urban Development Project (IUDP)	TF 92824	2009	2011	950,000	
P089761	Secondary Education Development and Girls Access Program	TF 94223	2009	2014	14,025,000	LIR: MS
P111414	Avian Influenza Prevention and Control Project	TF 92693	2009	2011	1,080,100	
P112345	Additional Financing for Third Social Fund for Development Project	TF 92343	2009	2010	10,000,000	NR
P088435	Second Port Cities Development Project	TF 90647	2008	2010	550,000	
P104946	Yemen Safe Motherhood Voucher Program	TF 92181	2008	2014	6,232,100	IEG: MS
P106017	Yemen: Extractive Industries Transparency Initiative Implementation	TF 91467	2008	2014	350,000	
P104621	Yemen: Monitoring & Evaluation of Benefit Streams in Mineral Resources Op	TF 90905	2008	2011	297,000	
P103946	Monitoring & Evaluation of the PRSP and Reform Programs	TF 90447	2008	2011	250,000	
P086308	RY-Second Vocational Training Project	TF 57637	2007	2009	250,000	
P076185	Yemen: Basic Education Development Program	TF 53721	2005	2013	48,415,847	IEG: MU
P074413	Groundwater and Soil Conservation Project	TF 54230	2005	2009	1,078,200	
P082498	RY-SOCIAL FUND FOR DEVELOPMENT III	TF 53450	2005	2009	10,217,088	IEG: S
P043254	Health Reform Support Project (HRSP)	TF 54611	2005	2009	199,840	
Total					248,297,009	

Source: Client Connection as 6/2/16

*IEG Validates RETF that are more than 5M

NR - Not Yet Validated by IEG

Annex Table 5: IEG Project Ratings for Yemen, FY10-FY15

Exit FY	Proj ID	Project name	Total Evaluated (\$M)	IEG Outcome	IEG Risk to DO
2010	P050706	RY-CIVIL SERVICE MODERN	31.7	UNSATISFACTORY	HIGH
2010	P082498	RY-SOCIAL FUND FOR DEVELOPMENT III	77.4	SATISFACTORY	MODERATE
2010	P064981	RY-SANA'A BASIN WATER MGMNT	26.8	MODERATELY UNSATISFACTORY	SIGNIFICANT



Exit FY	Proj ID	Project name	Total Evaluated (\$M)	IEG Outcome	IEG Risk to DO
2010	P043254	RY-Health Reform Support Proj (HRSP)	33.6	MODERATELY SATISFACTORY	SIGNIFICANT
2010	P065111	RY-PORT CITIES DEVELOPMENT PROGRAM	26.1	MODERATELY SATISFACTORY	SIGNIFICANT
2011	P122414	RY Private Sector Growth & Social Protec	68.9	UNSATISFACTORY	HIGH
2011	P057602	RY URBAN WTR SUPPLY & SANITATION APL	125.7	MODERATELY UNSATISFACTORY	HIGH
2011	P005906	RY-RURAL WATER SUPPLY & SANITATION	41.5	MODERATELY SATISFACTORY	MODERATE
2012	P101453	RY-INSTITUTIONAL REFORM DPG	27.0	UNSATISFACTORY	HIGH
2012	P114253	RY:EFA-FTI Catalytic Fund III	20.0	SATISFACTORY	SIGNIFICANT
2012	P117038	RY-Emergency Social Safety Net Enhancem	23.3	SATISFACTORY	MODERATE
2012	P074413	RY-Groundwater & Soil Conserv Proj	53.8	MODERATELY SATISFACTORY	HIGH
2012	P082976	RY-THIRD PUBLIC WORKS	76.1	MODERATELY SATISFACTORY	SIGNIFICANT
2013	P086308	RY-Second Vocational Training Project	0.4	NOT APPLICABLE	NOT APPLICABLE
2013	P076185	RY-Basic Education Development Program	60.0	MODERATELY UNSATISFACTORY	MODERATE
2014	P133811	RY Emergency Crisis Recovery Project	99.2	SATISFACTORY	HIGH
2014	P086886	RY-Fisheries Resource Mgt & Conservation	23.8	MODERATELY SATISFACTORY	SIGNIFICANT
2014	P104946	GPOBA W3 - Yemen Health-Safe Motherhood	62.3	MODERATELY SATISFACTORY	HIGH
2015	P070092	RY TAIZ MUNICIPAL DEV & FLOOD PROTEC	103.5	MODERATELY UNSATISFACTORY	HIGH
2015	P107050	RY-Integrated Urban Development	13.8	MODERATELY UNSATISFACTORY	HIGH
2015	P089259	RY Rainfed Agriculture and Livestock	21.1	MODERATELY SATISFACTORY	SIGNIFICANT
2015	P103922	RY:GEF Agrobiodiversity and Adaptation	6.8	MODERATELY SATISFACTORY	HIGH
Total			991.1		

Source: AO Key IEG Ratings as of 6/30/16

Annex Table 6: IEG Project Ratings for Yemen and Comparators, FY10-15

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	RDO % Moderate or Lower Sat (\$)	RDO % Moderate or Lower Sat (No)
Yemen	1,022.8	22	55.2	59.1	19.7	18.2
MNA	6,436.1	121	55.2	61.9	22.3	21.7
World	143,926.2	1,614	83.3	71.6	62.6	50.1

Source: AO IEG Bank and Borrower Performance as of 6/30/16

* With IEG new methodology for evaluating projects, institutional development impact and sustainability are no longer rated separately.

Annex Table 7 Portfolio Status for Yemen and Comparators, FY10-15

Fiscal year	2010	2011	2012	2013	2014	2015	Average FY11-15
Yemen							
# Proj	31	32	26	29	34	24	29.3
# Proj At Risk	8	13	20	15	12	20	14.7
% Proj At Risk	25.8	40.6	76.9	51.7	35.3	83.3	52.3
Net Comm Amt	1,068.0	954.7	705.0	931.9	1,003.9	964.8	938.1
Comm At Risk	376.2	405.2	536.2	421.7	408.7	918.3	511.0
% Commit at Risk	35.2	42.4	76.0	45.2	40.7	95.2	55.8
MNA							
# Proj	159	164	151	160	169	159	160.3
# Proj At Risk	40	44	54	47	39	61	47.5
% Proj At Risk	25.2	26.8	35.8	29.4	23.1	38.4	29.8
Net Comm Amt	8,720.5	9,450.1	8,532.3	9,082.0	12,335.1	13,628.7	10,291.4
Comm At Risk	1,913.2	1,478.6	1,839.9	1,817.0	2,284.4	2,931.5	2,044.1
% Commit at Risk	21.9	15.6	21.6	20.0	18.5	21.5	19.9
World							
# Proj	1,990	2,059	2,029	1,964	2,048	2,022	2,018.7
# Proj At Risk	410	382	387	414	412	444	408.2
% Proj At Risk	20.6	18.6	19.1	21.1	20.1	22.0	20.2
Net Comm Amt	162,975.3	171,755.3	173,706.1	176,202.6	192,610.1	201,045.2	179,715.8
Comm At Risk	28,963.1	23,850.0	24,465.0	40,805.6	40,933.5	45,987.7	34,167.5
% Commit at Risk	17.8	13.9	14.1	23.2	21.3	22.9	18.8

Source: BI Projects at Risk by Year as of 6/7/16

Annex Table 8: Disbursement Ratio for Yemen, FY10-15

Fiscal Year	2010	2011	2012	2013	2014	2015	Average FY10-15
Yemen							
Disbursement Ratio (%)	25.61	15.49	9.52	23.55	29.98	23.90	21.34
Inv Disb in FY	124.45	95.43	49.67	122.49	182.25	135.39	118.28
Inv Tot Undisb Begin FY	485.88	616.19	521.58	520.16	607.91	566.52	553.04
MNA							
Disbursement Ratio (%)	24.05	14.16	15.56	18.58	21.23	21.60	19.20
Inv Disb in FY	1,088.32	795.34	890.18	1,090.02	1,250.88	1,333.97	1,074.79
Inv Tot Undisb Begin FY	4,524.81	5,615.28	5,722.23	5,866.73	5,892.44	6,176.22	5,632.95
World							
Disbursement Ratio (%)	26.91	22.38	20.79	20.60	20.79	21.78	22.21
Inv Disb in FY	20,928.83	20,933.36	21,048.24	20,510.39	20,756.98	21,852.73	21,005.09
Inv Tot Undisb Begin FY	77,760.85	93,516.54	101,234.29	99,588.04	99,852.72	100,343.74	95,382.70

* Calculated as IBRD/IDA Disbursements in FY / Opening Undisbursed Amount at FY. Restricted to Lending Instrument Type = Investment.

Source: BI as of 6/7/16



Annex Table 9: Net Disbursement and Charges for Yemen, FY09-15

Period	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
Jul 2008 - Jun 2009	140,920,191	38,906,742	102,013,448	-	15,638,578	86,374,870
Jul 2009 - Jun 2010	114,025,789	42,773,211	71,252,578	-	16,466,941	54,785,637
Jul 2010 - Jun 2011	144,337,982	49,285,926	95,052,055	-	16,124,529	78,927,526
Jul 2011 - Jun 2012	43,195,872	53,900,227	(10,704,355)	-	16,728,582	(27,432,937)
Jul 2012 - Jun 2013	123,010,783	57,709,544	65,301,238	-	15,693,697	49,607,541
Jul 2013 - Jun 2014	178,815,768	61,372,931	117,442,837	-	15,498,955	101,943,881
Jul 2014 - Jun 2015	145,215,140	61,018,909	84,196,232	-	14,336,999	69,859,233
Report Total	889,521,524	364,967,491	524,554,033	-	110,488,281	414,065,752

Annex Table 10: List of IFC Investments in Yemen

Investments Committed in FY10-15

Project ID	Cmt FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
33197	2014	Active	Finance & Insurance	4,397	4,397	-	4,397
Sub-Total				4,397	4,397	-	4,397

Investments Committed pre-FY10 but active during FY10-15

Project ID	CMT FY	Project Status	Primary Sector Name	Project Size	Net Loan	Net Equity	Net Comm
25824	2007	Active	Health Care	110,878	20,000	-	20,000
25919	2007	Active	Manufacturing	250,000	70,000	-	70,000
Sub-Total				360,878	90,000	-	90,000
TOTAL				365,275	94,397	-	94,397

Source: IFC-MIS Extract as of end 12/31/15

Annex Table 11: List of IFC Advisory Services for Yemen

Advisory Services Approved in FY10-15

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds, US\$
599813	Public Credit Registry Yemen	2014	2018	TERMINATED	FAM	152,059
600058	Corporate Governance Yemen II	2014	2017	ACTIVE	ESG	227,631
600245	Al Amal Bank 2	2014	2017	ACTIVE	FIG	477,000
599449	Al Kuraimi Islamic Microfinance Bank	2013	2017	ACTIVE	FIG	1,647,689
571268	Al Amal Microfinance Bank - Yemen	2011	2012	CLOSED	A2F	232,861
575847	Yemen Special Economic Zones - Investment Generation	2011	2012	TERMINATED	IC	165,538
569727	SME PPD Yemen (Ventures)	2010	2011	TERMINATED	IC	31,271
571768	Yemen Bus Start-Up Phase 2	2010	2016	TERMINATED	TAC	965,110
574947	Tourism Investment Generation Yemen	2010	2012	TERMINATED	IC	313,820
Sub-Total						4,212,979



Advisory Services Approved pre-FY10 but active during FY10-FY15

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds, US\$
562747	Yemen PPP Prog	2009	2012	CLOSED	IC	481,438
564229	Saba Islamic Bank BAS	2009	2013	CLOSED	A2F	732,836
568167	Yemen Corporate Governance Project	2009	2013	CLOSED	SBA	402,926
568227	Mining Policy Reform Yemen Phase II	2009	2012	CLOSED	SBA	556,010
568707	Business Edge Yemen Phase II	2009	2013	CLOSED	CAS/BE	802,588
557605	Yemen Mining-Inv	2008	2012	CLOSED	IC	449,999
560846	Yemen Investment Generation Program	2008	2012	CLOSED	IC	1,142,232
560926	Yemen Tax Simplification Rollout 1	2008	2016	TERMINATED	TAC	3,237,867
561528	Yemen Leased Asset Registry	2008	2013	CLOSED	A2F	243,756
562748	Yemen IPPs	2008	2011	CLOSED	PPP	998,009
	Sub-Total					9,047,661
	TOTAL					13,260,640

Source: IFC AS Data as of December 31, 2015

Annex Table 12: IFC Net Commitment Activity for Yemen

Investments							
US\$, 000	2010	2011	2012	2013	2014	2015	Total
Trade Finance (TF)					4,397		4,397
Manufacturing							-
Health, Education, Life Sciences							-
Total	-	-	-	-	4,397	-	4,397

Source: IFC MIS as of 6/7/16

Annex Table 13: Total Net Disbursements of Official Development Assistance and Official Aid for Yemen

Development Partners	2010	2011	2012	2013	2014
Austria	1.85	5.17	3.72	2.47	1.84
Belgium	0.02	0.25	0.24	0.09	0.12
Canada	0.34	..	..	..	..
Czech Republic	2.55	5.58	14.78	14.09	14.32
Denmark	1	0.31	0.48	0.61	0.26
Finland	3.49	3.02	6.05	15.88	6.25
France	3.64	4.32	4.46	5.12	5.35
Germany	6.95	4.55	3.39	2.35	2.97
Greece	82.14	100.81	71.45	124.08	124.71
Iceland	0.02	0.05	0.04	0.01	0.01
Ireland	0.07	0.02	..	..	..
Italy	0.09	0.28	0.54	0.27	0.66
Japan	4.28	1.34	0.1	0.17	1.23
Korea	26.74	12.81	24.67	41.61	25.38
Luxembourg	0.45	1.16	1.65	3.76	0.43
Netherlands	0.53	0.42	..	0.27	0.33
New Zealand	26.52	10.66	25.33	25.37	20.82
Norway	0.36	..	..	..	..
Poland	0.37	1.51	2.31	6.12	3.75



Development Partners	2010	2011	2012	2013	2014
Slovak Republic	..	0.01	0.03	0.04	0.05
Spain	..	..	0.01	0.01	0.01
Sweden	1.11	2.12	..	-0.99	..
Switzerland	7.23	14.49	17.79	23.86	22.01
United Kingdom	4.08	7.07	5.07	8.19	8.65
United States	63.92	62.61	62.69	148.76	135.2
	47.7	73.97	156.88	226.97	161.41
DAC Countries, Total	285.45	312.53	401.68	649.11	535.76
Arab Fund [AFESD]	9.72	-0.53	-2.6	17.63	209.16
EU Institutions	40.73	53	64.27	76.09	71.26
Food and Agriculture Organisation [FAO]	..	..	..	0.7	..
Global Alliance for Vaccines and Immunization [GAVI]	17.33	23.79	27.52	23.41	44.5
Global Environment Facility [GEF]	0.9	-0.01	0.18	0.44	2.65
Global Green Growth Institute [GGGI]	..	..	..	..	..
Global Fund	9.04	1.82	12.25	8.91	4.86
International Atomic Energy Agency [IAEA]	0.57	0.65	0.4	0.75	0.65
International Bank for Reconstruction and Development [IBRD]	..	..	..	..	..
International Development Association [IDA]	128.75	-23.23	18.53	150.56	111.54
IFAD	9.27	1.98	11.32	8.95	3.56
International Finance Corporation [IFC]	..	..	..	..	..
IMF (Concessional Trust Funds)	26	-24.87	93.24	..	74.09
Islamic Development Bank [IsDB]	26.26	17.56	-1.66	-2.07	4.65
OPEC Fund for International Development [OFID]	-0.62	-2.22	-1.56	5.81	1.3
UNAIDS	0.25	..	0.23	0.22	0.14
UNDP	7.64	5.98	5.68	8.62	4.92
UNFPA	2.25	2.58	2.24	2.48	3.53
UNHCR	2.71	5.84	8	..	3.16
UNICEF	7.16	7.39	6.36	6.87	8.86
UN Peacebuilding Fund [UNPBF]	..	..	2.18	0.91	3.89
WFP	8.55	19.34	10.11	13.07	7.6
World Health Organisation [WHO]	..	1.85	1.75	1.88	1.49
Multilateral, Total	296.51	90.92	258.44	325.23	561.81
Cyprus	0.46	..	0.42	..	..
Estonia	..	0.07	..	0.11	0.03
Hungary	0.08	0.12	0.08	0.07	0.15
Israel	0.01	..	..	..	..
Kuwait [KFAED]	10.95	2.72	4.35	2.5	-2.91
Romania	0.02	0.03	0.03	0.01	0.01
Russia	..	1	1.04	..	0.36
Thailand	0.01	..	..	..	..
Turkey	6.01	0.45	4.52	7.81	10.05
United Arab Emirates	67.02	68.4	38.64	54.62	58.97
Non-DAC Countries, Total	84.56	72.79	49.08	65.12	66.66
Development Partners Total	666.52	476.24	709.2	1039.46	1164.23

Source: OECD Stat, [DAC2a] as of 6/8/16

Annex Table 14: Economic and Social Indicators for Yemen 2010 – 2015

Series Name	2009	2010	2011	2012	2013	2014	2015	Yemen	MENA	World
								Average 2011-2015		
Growth and Inflation										
GDP growth (annual %)	4.1	3.3	-15.1	2.5	4.2	..	..	-0.2	3.3	2.0
GDP per capita growth (annual %)	1.3	0.5	-17.3	-0.2	1.5	..	..	-2.8	1.2	0.8
GNI per capita, PPP (current international \$)	4,050.0	4,050.0	3,360.0	3,540.0	3,650.0	..	..	3,730.0	16,852.3	13,577.1
GNI per capita, Atlas method (current US\$) (Millions)	1,260.0	1,250.0	1,060.0	1,180.0	1,300.0	..	..	1,210.0	7,538.5	9,994.6
Inflation, consumer prices (annual %)	5.4	11.2	19.5	9.9	11.0	..	..	..	3.1	3.2
Composition of GDP (%)										
Agriculture, value added (% of GDP)	..	..	..	..	..	..	..	..	5.8	3.1
Industry, value added (% of GDP)	..	..	..	..	..	..	..	..	50.0	26.7
Services, etc., value added (% of GDP)	..	..	..	..	..	..	..	..	44.2	70.3
Gross fixed capital formation (% of GDP)	..	..	..	..	..	..	..	..	24.6	21.9
Gross domestic savings (% of GDP)	..	..	..	..	..	..	..	..	37.2	22.4
External Accounts										
Exports of goods and services (% of GDP)	..	..	..	..	..	..	..	..	48.7	28.8
Imports of goods and services (% of GDP)	..	..	..	..	..	..	..	..	38.6	28.7
Current account balance (% of GDP)	-8.9	-3.4	-1.7	-1.0	-4.3	..	..	-3.9	..	..
External debt stocks (% of GNI)	24.6	22.9	22.2	24.5	22.0	..	..	23.2	..	..
Total debt service (% of GNI)	1.0	0.9	1.0	0.8	0.8	..	..	0.9	..	..
Total reserves in months of imports	7.4	5.6	4.1	4.8	4.3	..	..	5.2	28.0	13.7
Fiscal Accounts ^{1/}										
General government revenue (% of GDP)	25.0	26.1	25.3	29.9	23.9	23.6	13.2	26.1	..	..

Series Name	2009	2010	2011	2012	2013	2014	2015	Yemen	MENA	World
								Average 2011-2015		
General government total expenditure (% of GDP)	35.2	30.2	29.8	36.2	30.8	27.8	24.0	32.5		
General government net lending/borrowing (% of GDP)	-10.2	-4.1	-4.5	-6.3	-6.9	-4.1	-10.8	-6.4		
General government gross debt (% of GDP)	49.8	42.4	45.7	47.3	48.2	48.7	68.6	46.7		
Social Indicators										
Health										
Life expectancy at birth, total (years)	62.5	62.8	63.1	63.3	63.6	63.8	..	63.0	72.3	70.9
Immunization, DPT (% of children ages 12-23 months)	86.0	87.0	81.0	82.0	88.0	88.0	..	84.8	90.9	85.2
Improved sanitation facilities (% of population with access)	52.3	52.7	53.0	53.3	..	..	..	52.8	89.3	65.9
Improved water source (% of population with access)	46.5	46.5	46.5	46.5	..	..	..	46.5	85.7	82.1
Mortality rate, infant (per 1,000 live births)	44.7	42.4	40.3	38.4	36.7	35.1	33.8	40.5	21.6	35.0
Education										
School enrollment, preprimary (% gross)	..	1.2	1.4	..	1.3	..	..	1.3	28.1	51.1
School enrollment, primary (% gross)	..	90.8	94.9	94.4	97.5	..	..	94.4	107.9	108.2
School enrollment, secondary (% gross)	..	43.4	45.4	46.2	48.6	..	..	45.9	78.5	72.4
Population										
Population, total (Millions)	22,954,226.0	23,591,972.0	24,234,940.0	24,882,792.0	25,533,217.0	26,183,676.0	..	24,239,429.4	397,167,201.5	7,049,238,088.5
Population growth (annual %)	2.8	2.7	2.7	2.6	2.6	2.5	..	2.7	2.1	1.2
Urban population (% of total)	31.2	31.7	32.3	32.9	33.5	34.0	..	32.3	63.0	52.2

Source: DDP as of 6/1/16

*International Monetary Fund, World Economic Outlook Database, April 2016

** IMF estimates starts on 2014

