

May 11, 2012

Comments from the United Kingdom on the Strategic Program for Climate Resilience for Yemen

General Comments

The SPCR is comprehensive and well written. The selection of sector interventions is well justified considering Yemen's dependency on agriculture, water and fisheries, and the main climate risks Yemen is facing, namely droughts and floods, and increased water scarcities. The selected interventions would provide solid development and poverty reduction benefits regardless of climate change. The project's strong focus on enhancing climate information, institutional capacity and adaptive capacity from the watershed to the national level, presents long-term opportunities to strengthen resilience of vulnerable groups to climate change.

However, consistent with the PPCR sub-committee decision of November 2011 not to provide loans to countries in high debt distress, the UK cannot support the loan element of the Yemen PPCR proposal as decided at the sub-committee meeting on 30.4.2012.

In addition also consistent with the sub-committee decision we request that Yemen submit a full costed proposal for the \$11m in remaining grant resources not approved at the committee meeting.

The comments below reflect written comments submitted to the CIF Admin Unit on 15th November 2011 which unfortunately did not reach the Yemen World Bank team. We would like to take this opportunity to thank the Yemen team for their written responses to these concerns provided at short notice before the sub-committee meeting. While these address the issues we have raised to some extent we would still like to see specific actions in response to these in the SPCR itself (see below for details).

Cross cutting issues

Institutional Capacity and coordination

Rapid population growth, economic instability, political unrest, and high risk of natural disasters and environmental change present a challenging context for Yemeni agencies to respond to climate change. Institutional strengthening through capacity enhancement activities will be a crucial element for project effectiveness and should be prioritised.

The project has an appropriate focus on enhancing climate information, institutional capacity and adaptive capacity at all levels, which we fully support and believe presents long term opportunities to strengthen resilience of vulnerable groups to climate change. However given the importance of these interventions we are concerned that the risks posed by political and institutional instability are not adequately mitigated. Frequent personnel and administrative changes are likely to make these activities more

challenging. We would like to see an active stakeholder engagement plan going forward to mitigate this risk.

The plan only briefly acknowledges the political and administrative changes that have taken place in Yemen since it was previously submitted, we would like to see these addressed to facilitate effective mainstreaming and capacity building. We are concerned that there is a lack of evidence on whether the various Ministers of the new National Unity Government (NUG) have been consulted on the strategy. In addition the SPCR is aligned to an old government development plan (the DPPR). It should be aligned to the National Unity Government's (NUG) transition plan once it's available, early after endorsement.

Risk management

We are concerned about the weak mitigation of risks relating to security, conflict, political change and corruption. Security risks threaten project success, particularly in coastal areas characterised by lack of political stability and security. The SPCR needs to give more detail on arrangements to manage these risks. Currently this section only states that implementing activities are to 'minimise reliance on central government'.

Specific technical issues

Qat production

- The issue of Qat production is still not substantively addressed despite the significant importance to Yemen's water and food security and the resulting environmental impacts associated with the drug's production cycle. Whilst it is agreed that this wide-ranging issue is beyond the scope of this programme, there should be strengthening/mainstreaming of the issue of Qat into the various SPCR strands during initial implementation,

Vulnerable groups and Gender

- The investment projects target those most vulnerable to climate change which we believe are highly justified. The extensive participatory process is a strength of the SPCR and should be maintained. There are however opportunities to enhance social benefits by understanding the secondary impacts of climate change and the interventions proposed on vulnerable groups, such as women and children.
- The SPCR needs to address gender issues more prominently by expanding the range of outcome indicators that reflect women's empowerment and their participation in decision making, including gender specific criteria during the review of investments and including gender analysis in subsequent steps in the design and implementation process.

Co-benefits

- The SPCR could take a more integrated approach regarding adaptation and mitigation initiatives, particularly in the agricultural sector. Overall, the SPCR would benefit from harnessing co-benefits in on-going initiatives in low carbon development and climate smart agriculture.

Other

- In terms of transformational qualities, the SPCR could focus more upon local level capacity building, as the current baselines for physical and human capacity at local level are quite weak.