

REPUBLIC OF YEMEN
Ministry of Water and Environment
Environment Protection Authority

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Subject: Yemen Strategic Program for Climate Resilience (SPCR)

Dear Patricia,

With reference to the decision of the PPCR Sub-Committee on its meeting on April 30, 2012, please find attached our response to the comments received on the Yemen SPCR until May 31, 2012.

Thank you for your cooperation and support

Sincerely yours,

Mahmoud M. Shidiwah

Chairman,

Environment Protection Authority

PPCR Focal Point



Yemen

Strategic Program for Climate Resilience (SPCR)

Summary of Written Comments Received from April 2012 Sub-Committee Meeting

Comments have been received from Germany BMZ (received on May 7, 2012) and UK (received on May 11, 2012)

(As of May 31, 2012 – no further comments received)

Response from the Government of Yemen

Comments	Response
Comments from Germany	
Overall Comments	
We would like to congratulate the Yemeni government for having succeeded in presenting a well-structured and elaborate SPCR. Considering the challenges Yemen already faces, we commend the effort made to develop no-regret climate adaptation projects that are designed to provide short-term development gains in addition to increasing climate resilience. The selection of the sectors most vulnerable to climate change risks (water, agriculture, coastal zone management) appears well justified, as does the aim of building a climate information system with strong links to the other investment projects.	Thank you. The Government of Yemen would like to thank the Government of Germany for all the support provided in preparing the SPCR document which was presented at the November 2011 and April 2012 PPCR Sub-Committee Meetings. Our colleagues from the German Development Cooperation have been actively involved through the stages of its development and the SPCR documents benefitted from the comments/support and guidance received – which allowed for further strengthening and finalization of the SPCR document. The Yemeni team notes with appreciation the active and helpful participation of the German colleagues in the development of the SPCR document and looks forward to a continued cooperation.
However, consistent with the PPCR decision of November 2011 not to provide loans to countries in high debt distress, Germany cannot support the loan element in the Yemen PPCR proposal, as was decided by the PPCR sub-committee meeting on 30.4.2012.	Yemen is one of the least developed countries in the world and one of the poorest in the region that is considered to be one of the most vulnerable to climate change. Erratic and variable rainfall is a dominant feature of Yemen's climate. Flash-flooding and droughts are frequent hazards. The floods of 2008, for example, claimed the lives of 180 people, displaced 10,000 and caused damage equivalent to 6% of Yemen's GDP. More recently a severe drought has caused displacement of thousands of residents in Al Mahwit Governorate, to abandon their mountainous villages and move to cities. Even with a full amount of US\$110 million, the PPCR could not address all of the key risks that have been identified, but would address the

Comments	Response
	<p>highest priority risks identified during the preparation process and through consultation with highly vulnerable communities. Yemen is a country with a high vulnerability to climate change in critical sectors which are pertinent for the survival of a most vulnerable country and its population. Yemen is at a critical time of its development, and climate change poses added burden for all of Yemen, with the poor and vulnerable populations unduly affected. Unless quick and strong measures are taken, it is likely that levels of rural poverty, currently nearing 50%, will drastically increase. The new Unity Government is committed to recognize and address climate resilience. Allow us to remind you, from 2009/10, we have voiced to go beyond the PPCR grant threshold and to further seek concessional financing which will allow us to have available the full scale of resources necessary to realize the required necessary transformations. Climate change is already impacting our economy; these risks are insidious and require additional resources which can only be provided through grants and/or concessional credit and assistance. Delaying action needed to addressing the risk of climate change on water resources and agriculture would likely result in increasing the cost of addressing challenges in terms of adaptation to these climate risks. Support for investments in adaptation measures that support the country in strengthening climate resilience in Yemen is critical for the country's economy. Although we would prefer additional grant funding (particularly as a Least Developed Country), but as sufficient grant funding is not available, access to highly concessional credit would help Yemen to strengthen climate resilience quickly thereby supporting the future development of our country.</p> <p>Given the importance of this matter, we welcome the discussion at the April 2012 Sub-Committee Meeting to review the question of access to highly concessional financing for Yemen.</p>
Regarding the technical specifics of the SPCR, we suggest elaborating on a number of points during the upcoming preparatory work, including how exactly the progress made in the investment projects will be monitored and how the projects are expected to be financed and maintained after	Thank you for this important point. The MDB requires that specific detailed monitoring and evaluation schedule be completed before the investment is ready for implementation and to summarize this in a detailed work matrix ("Results Framework and Monitoring") which includes important indicators for each

Comments	Response
the end of PPCR funding.	<p>component and procedures to monitor these indicators on periodical basis. Already now each proposed investment project submitted in the SPCR document includes a “Result and Performance Framework”. Investment I Climate Information System is supported by a preliminary Results and Performance Framework on page 81. Investment II “Improving Climate Resilience Water Sector” is supported by Results and Performance Framework on page 91. The results framework for Investment III “Improving Livelihood Through Adaptation in Rain-fed Agriculture” is on page 106 and the Framework for Investment IV “Climate Resilient Coastal Zone Management” is on page 121. These frameworks will be further elaborated upon with detailed definition of each indicator and how it will be monitored during implementation. This Framework will be further strengthened by the development of an ‘Operational Risk Assessment Framework’ which outlines all relevant mitigation measures. Both indicators for risk analysis and results and performance would be included in the draft documents to be agreed during negotiations.</p> <p>The issue of sustainability of funding after the completion of the project work is a serious challenge and given Yemen’s difficult economic and financial conditions the issue of sustainability would require careful assessment at appraisal and attention to the risks of sustainability should be made throughout the project life and beyond and would be detailed in the Risk Assessment framework. The Government aims to support the maintenance and will also reach out to other donors. One of the key elements for sustainability and continuity after the end of this programme is the mainstreaming of climate change activities into the national and sectoral development process which would allow addressing and taking into consideration its continuation beyond the project.</p>
<p>We appreciate the coherence between the proposed investment projects and the recommendations on adaptation activities put forth by Yemen’s NAPA. Similarly, we commend the intent to use the established institutional structure where possible and the links already identified on how the investment projects fit in with existing national policies.</p> <p>However, we would welcome further identification of, and</p>	<p>Coordination with existing donors’ projects is essential for the success of proposed investments. The consultation phase with the donor community allowed establishing good synergies and coordination with existing donor projects. Some examples are e.g. the Qat Dialogue, the Fisheries Resource Management and Conservation Project, the WSSP, Agro-biodiversity and Climate Adaptation Project, the Labor Intensive Program, etc.</p>

Comments	Response
<p>coordination with, existing donor projects (apart from the World Bank funded RALP project).</p>	<p>Overall we envisage also coordination and synergies not only with existing donor projects but also with planned initiatives. Particularly as the PPCR aims to mainstream climate resiliency into development planning at the strategic level, along with a ‘knowledge response’ and introduce adaptation measures to the risks and opportunities posed by climate variability and change.</p> <p>For each investment, this important dimension will be further detailed and elaborated during project preparation and appraisal and throughout project implementation.</p>
Investment I: Climate Information System and PPCR Program Coordination	
<p>Considering the scarcity of long-term meteorological data in Yemen and the difficulty this poses for benchmarking future climate variability and change, the investment project appears well justified. The focus on capacity building of agencies in collecting data, and of end-users in interpreting climate data and weather forecasts, seems appropriate, given the present limited capacity. In addition to this, however, we recommend including a step of monitoring and evaluation to determine whether the information provided to end-users is actually being correctly interpreted and used after the capacity building measures, and whether any information is perceived to still be needed and missing.</p>	<p>It is important to ensure that climate data and information generated by the proposed investment would be utilized in both policy planning and guiding development projects. The Results and Performance Framework mentioned above would add indicators related to data needed and degrees of data utilization by end users. The utility and usefulness to the end users would improve as the system of gathering and interpreting climate data matures, and as the data maintain locally relevant information to users and practitioners. The creation of a National framework for Climate Services linked to the Global Framework for Climate Services (GFCS) will also help train and educate stakeholders in the use of climate information in their respective sectors.</p>
<p>In terms of long-term planning, we recommend clarifying by whom the climate information system will be hosted and how it will be maintained after funding ends.</p>	<p>The host for climate information is the Civil Aviation and Meteorology Authority (CAMA), which should be responsible for climate observations and referred to as the executing agency in the SPCR. The PCU based in the Environment Protection Authority will provide implementation support and the EPA will also support in regards to knowledge and data sharing. A national framework for climate services will be established with the support of the PPCR. This will be linked to the Global Framework for Climate Services (GFCS), which is lead by the World Meteorological Organization (WMO). Within this framework, national stakeholders</p>

Comments	Response
	will see a significant improvement in access to climate data and information. The operation and maintenance of this system will be borne by the Government. Nevertheless, the Government has already started to reach out for additional support to assist with maintenance.
<p>Given that this investment project aims to coordinate the whole PPCR Programme across various ministries and stakeholders, and that such coordination often requires building a relationship with key counterparts, the solution proposed to counter the risk of frequent changes in government personnel (“sustained engagement of government contacts and decision makers”) seems insufficient. We would welcome some more concrete thoughts on how to realistically counter this risk.</p>	<p>Thank you for this comment – as building and maintaining relationships is a core element to success for every project/program. As a first and important step, the Inter-Ministerial Committee on Climate Change (IMCCC) has been formally established, which is being supported by the Environment Protection Authority and its Climate Change Unit as Technical Secretariat. The above outlined national framework for climate services will be established which will be linked to the GFCS, which is also intended to increase sustainability of the entire climate information system. Normally changes in government personnel occurs at the decision level, IMCCC was established to continue where its membership based on positions of members (working with institutions), in addition, we believe that establishing relationships and coordination linkages at technical level among different institutions is an essential step for the continuation of coordination and relationships.</p>
Investment III: Improving Rural Livelihood through Adaptation in Rain-fed Agriculture (IRLARA)	
<p>We appreciate the rationale of using the existing RALP project as a base for scaling up and mainstreaming climate resilience in local development planning and implementation. In order to ensure IRLARA is also implemented in line with national strategies, we recommend considering the newly adopted National Food Security Strategy, which the SPCR does not mention.</p>	<p>This is a very useful suggestion. As mentioned in the National Food Security Strategy, food insecurity is far more widespread in rural areas than in urban areas and is highly vulnerable to climate change related shocks. One of the key issue for securing food in rural Yemen is the availability of and the access to water that is rapidly deteriorating due to the rapid depletion of groundwater. To address this challenge, Yemen has developed a National Water Sector Strategy and Investment Program (NWSSIP), which will complement the adopted National Food Security Strategy (NFSS). The implementation of IRLARA would be designed in line with the two strategies (NWSSIP and NFSS) with the objective to increase agricultural productivity in rain-fed areas (NFSS) and water resource sustainability and quality (NWSSIP) through improved watershed management, limitation of cultivation of</p>

Comments	Response
	qat and promotion of alternative cropping systems (non qat cropping systems) and economic activities in the watershed areas.
<p>While the development of lucrative value chains can be seen as a significant adaptation strategy (income diversification in a vulnerable environment), it must be analyzed critically in a context where the production of qat largely dominates. We recommend analyzing the role (in terms of income generation and job provision) that value chains such as coffee or honey can realistically play and to consider how to tackle the cultural barriers that may arise when convincing farmers to shift production away from qat</p>	<p>Thank you for this important comment – which will certainly be reflected when moving forward on IRLARA. In May 2009, the World Bank in cooperation with the Government carried out a comparative analysis of 5 value chains in Yemen (Fish, Honey, Coffee, Wheat and Qat). It clearly shows that one of the reasons why qat is popular among farmers is the excellent market organization that provides daily income to the farmers. IRLARA will benefit from RALP investments in improving market infrastructure and market information systems for a series of value chains, including coffee and honey. In addition, the PPCR will be benefitting from the ongoing Yemen Qat Dialogue. Which aims to, raise public awareness and education on qat consumption and its impacts on people’s lives, particularly children, youth and woman, and on the economy and natural resources, it includes undertaking of detailed assessment and documentation of good practices, as well as supporting research and help to address the overuse of pesticides.</p> <p>Nevertheless, the diversification process would require careful assessment of new crops and income generating opportunities based on market created options and advances in technologies. The role of coffee and honey production market would be realistic options for diversification from qat but with strong extension and education programs which should utilize important cultural dimensions suitable to local social dynamics dominating rural Yemen.</p> <p>We would like to point out that it is of use to conduct a baseline survey prior to implementation to assess the feasibility of proposed interventions including commercial viability, cost & benefit analysis, and private sector capacity. This assessment will help to identify implementation risks, barriers, and develop sustainable business models for the private sector.</p>
<p>Livestock management is proposed as another adaptation strategy, which also has a high poverty reduction potential. Here we recommend</p>	<p>You are right to mention the serious problems of overgrazing and its negative impact on biodiversity. As the value of both livestock and animal feed increases, the option</p>

Comments	Response
<p>considering the existing problem of overgrazing in many parts of Yemen, including the biodiverse island of Socotra, and designing livestock management in such a way as to ensure its long-term sustainability.</p>	<p>to select high yielding fodder crops becomes essential for this component. Range management will be an important component of the watershed management approach as; in general, the upstream of the watershed is used as range and fodder production. IRLARA (with the full range of funding available) would develop innovative methods for range management integrated in watershed development to provide for more efficient integration of livestock within prevailing farming systems which will improve biodiversity. IRLARA aims to be implemented in the 5 Governorate where RALP is implemented: Al-Mahweet, Hajjah, Al-Hodeidah, Lahej and Sana'a.</p>
<p>The labor intensive work program appears to be a promising way to inject money into the resource poor rural areas, make use of women's potential in the workforce, and help to maintain ecosystem services. We would appreciate concrete ideas of how this program is designed to last and how it will be funded and maintained after the end of PPCR funding.</p>	<p>The labor intensive work program is designed to rehabilitate local productive infrastructures such as terraces rehabilitation, water tank constructions, improvement of range land through gabion construction, plantation of trees, traditional spate irrigation in wadis, etc. The degradation of these local productive infrastructures was due to important migration of rural labor into the GCC countries. These migrations have stopped and some of the migrants are back in their villages. The MDB in cooperation with the Government carried out a series of studies to identify the type of local productive infrastructures that could be rehabilitated with the objective to generate enough income to add revenues or food or fodder to the farmers and that will cover the cost of the maintenance of the infrastructures. Involvement of local communities from the beginning and at all steps, in addition to the possibility of their in kind contribution would also assist to enhance ownership, so when PPCR funding ends we believe that rehabilitated infrastructures will continued to be maintained by local communities.</p>
Participation	
<p>We highly appreciate the substantial efforts made during the preparation of the SPCR to ensure broad-based stakeholder participation in identifying key vulnerabilities. We also commend Investment Project 1's ambition of continuing this participatory approach in the implementation phase, by aiming to "improve coordination between all agencies involved in climate services through sharing of data, knowledge and know-how." Given the large number of actors that need to be involved in this and</p>	<p>This is a good recommendation. Special efforts are already being undertaken under Phase 1 which is developing a comprehensive framework for the development and implementation of the Climate Information System Investment. This activity is also identifying in detail all the key stakeholders, both at national, regional and local level (including international focusing on the Arabian Peninsula), and map their potential roles in the proposed information system and assess data, technical, and management requirements for participation in a centralized information sharing</p>

Comments	Response
<p>the weak institutional structures, we recommend developing a strategy on how their smooth and active participation and contribution can be ensured.</p>	<p>system for climate data gathering, processing, and dissemination. The activity will also assess institutional capabilities to manage climate change information systems. This capacity assessment includes formal and informal community-based institutions such as Water User Associations, private sector etc. The activity also includes an assessment of the necessary specialized training needs for managing the climate information system. This will be accompanied by a training/capacity building plan for how to address each of the needs mentioned in the assessment recommendations. The outcome of this activity will inform the preparation and implementation of this investment.</p>
<p>Gender</p>	
<p>Women have been identified as particularly vulnerable to the negative impacts of climate change in Yemen. Gender aspects have been widely taken into account in the analytical parts of the SPCR and are included in an indicator of Investment Project 1. We recommend developing gender-sensitive impact indicators in the preparation phase for the remaining Investment Projects, as women will be both key target groups and crucial stakeholders for a successful implementation.</p>	<p>Thank you for this important comment. Indeed gender was a key theme during SPCR preparation. Extensive consultations were undertaken including among gender-disaggregated groups at the community level. This resulted in the development of the “<i>Gender Smart Management Framework</i>”.</p> <p>In addition Phase 1 of the PPCR is preparing an assessment on how to include gender aspects across all investments of Phase 2, as well as developing a gender monitoring framework to monitor and evaluate on a regular basis the gender inclusion through clearly identified indicators of gender participation, and identify targeted training aimed at female which will further inform the preparation of the investments. Furthermore, during the detailed preparation and appraisal of each component, especial effort will be made to design dedicated investment activities for local women groups to facilitate income generation and better health and child nutrition especially in components of the proposed rural livelihood and rain-fed agriculture and improving water services to rural households. Also investment in the improvement of selected coastal zone governorates will also support strong participation of community based organizations especially women groups in the proposed development activities.</p>

Comments	Response
	<p>The Government has demonstrated strong commitment to gender issues and each investment in the country's SPCR includes gender issues. For example, Investment I, the dual Project Development Objective of which is: i) to deliver hydro-meteorological and climate services to end users effectively; and ii) to maintain Program Coordination of the PPCR; is placing emphasis to include specific integration and capacity-building support for gender sensitive approaches and awareness activities in overall PPCR implementation. Reference is made to the Results and Performance Frameworks, page 80ff. Particularly as it is understood that women are often the most important beneficiaries of early warning services.</p> <p>Furthermore, Investment II and by the devolution of water management authority to the level of the communities, WUAs, and the drainage basin is expected to improve the effective management of the resource because it places the capacity to act closest to the resource itself and to its users. This in turn makes it possible to harness local knowledge and increase participation of communities in the management of the resources on which they depend. The benefits of devolution aims to strengthen measures to ensure women's representation and participation at the community level, and would have a positive influence on gender balance in the communities in question to reflect the importance of the role of women as key players.</p> <p>In addition Investment III makes specific reference to gender in the design of the investment by mainstreaming gender in the project design as well as specific gender initiatives such as income generation activities and mobilization of women farmers. Also Investment IV emphasizes to promote strong participation of coastal communities (e.g., through women societies and fishers' cooperatives) in the implementation of some prioritized on-the-ground activities identified.</p> <p>Lastly, emphasis will be given that this suggestion would be reflected in the Results and Performance Framework of each Investment. Special gender sensitive indicators would be introduced in each framework to ensure appropriate monitoring of the impact on women as both stakeholders and beneficiaries of the proposed investment.</p>

Comments	Response
Learning	
<p>We appreciate the explicit sections on knowledge management and capacity development, and their inclusion in the SPCR Results and Performance Framework. We welcome the re-introduction of traditional knowledge and skills, as those can often be effective and relatively cheap adaptation measures. Considering the SPCR's aim to develop and disseminate a range of knowledge products, we strongly recommend that the SPCR conducts an analysis of the learning needs of stakeholders and end-users so as to tailor the knowledge products to the actual needs (both in terms of content and presentation).</p>	<p>It is important that the PPCR should support learning activities based on locally relevant communication strategies which would rely on careful assessment of information needs, skills required. These assessment would help develop and design appropriate learning programs suitable to the various stakeholders especially women and poor rural households. An analysis is being presently carried out under the Phase 1 of the PPCR to identify learning gaps, requirements and exact needs based on lessons learned through accumulated knowledge and experiences; this will further inform the preparation and implementation of the investments.</p>
Donor coordination	
<p>Due to the unstable security situation in Yemen, German development cooperation had temporarily halted its ongoing development projects in the country. Once regular development cooperation work has been fully resumed in Yemen, the following ongoing projects should be considered in the SPCR implementation phase.</p> <p>While German development cooperation has no explicit climate change program in Yemen, it closely supports the Yemeni partner institutions in implementing Integrated Water Resources Management. This work seems relevant for Investment Project 2 (Improving Climate Resilience of the Water Sector).</p> <p>In addition, the Federal Institute for Geosciences and Natural Resources (BGR) supported the development of a database (NWRIS – National Water Resources Information System), which includes water-relevant data from different stakeholders (National Water Resources Authority, Geological Board, Ministry of Agriculture). This work can be useful both for developing the Climate Information System and for improving climate resilience in the water sector.</p>	<p>Thank you for these helpful comments. The team will continue the close dialogue and consultation with the donors and is looking forward to the cooperation with the Water Program of the KfW and the GIZ (including CIM/DED) and the colleagues from the BGR. The teams responsible for the preparation and appraisal of the proposed investment components would be advised to build strong operational links and where possible to plan joint field activities with the listed operations being funded by the German development cooperation.</p>

Comments	Response
Comments from the UK	
Overall comments	
<p>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.</p>	<p>Thank you. The Government of Yemen would like to thank the Government of the United Kingdom for all the support provided through DFID/Embassy in preparing the SPCR document which was presented at the November 2011 and April 2012 PPCR Sub-Committee Meetings. Our colleagues from the United Kingdom have been actively involved through the stages of its development and the SPCR documents benefitted from the comments/support and guidance received – which allowed for further strengthening and finalization of the SPCR document. The Yemeni team notes with appreciation the active and helpful participation of the UK colleagues in the development of the SPCR document and looks forward to a continued cooperation.</p>
<p>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.</p>	<p>Yemen is one of the least developed countries in the world and one of the poorest in the region that is considered to be one of the most vulnerable to climate change. Erratic and variable rainfall is a dominant feature of Yemen's climate. Flash-flooding and droughts are frequent hazards. The floods of 2008, for example, claimed the lives of 180 people, displaced 10,000 and caused damage equivalent to 6% of Yemen's GDP. More recently a severe drought has caused displacement of thousands of residents in Al Mahwit Governorate, to abandon their mountainous villages and move to cities. Even with a full amount of US\$110 million, the PPCR could not address all of the key risks that have been identified, but would address the highest priority risks identified during the preparation process and through consultation with highly vulnerable communities. Yemen is a country with a high vulnerability to climate change in critical sectors which are pertinent for the survival of a most vulnerable country and its population. Yemen is at a critical time of its development, and climate change poses added burden for all of Yemen, with the poor and vulnerable populations unduly affected. Unless quick and strong measures are taken, it is likely that levels of rural poverty, currently nearing 50%, will drastically increase. The new Unity Government is committed to recognize and address climate resilience. Allow us to remind you, from 2009/10, we have voiced to</p>

Comments	Response
	<p>go beyond the PPCR grant threshold and to further seek concessional financing which will allow us to have available the full scale of resources necessary to realize the required necessary transformations. Climate change is already impacting our economy; these risks are insidious and require additional resources which can only be provided through grants and/or concessional credit and assistance. Delaying action needed to addressing the risk of climate change on water resources and agriculture would likely result in increasing the cost of addressing challenges in terms of adaptation to these climate risks. Support for investments in adaptation measures that support the country in strengthening climate resilience in Yemen is critical for the country's economy. Although we would prefer additional grant funding (particularly as a Least Developed Country), but as sufficient grant funding is not available, access to highly concessional credit would help Yemen to strengthen climate resilience quickly thereby supporting the future development of our country.</p> <p>Given the importance of this matter, we welcome the discussion at the April 2012 Sub-Committee Meeting to review the question of access to highly concessional financing for Yemen.</p>
<p>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.</p>	<p>Reference is made to the Decision reached at the PPCR- Sub-Committee Meeting which reads: [...] <i>reconfirms its indicative allocation of USD 50 million in PPCR grant resources and takes note of the requested funding of USD 39 million in grant funding for projects 1 and 4; <u>further it reads:</u> provide revised project concepts for the remaining USD 11 million in grant resources under its indicative PPCR allocation for approval by mail;</i></p> <p>A revised project concept for a consolidated investment in rural Yemen will be prepared to include pilot development activities to improve the resilience of both agriculture and water delivery services to the rural poor who are vulnerable to climate change, is being prepared and will be submitted for approval by mail.</p>

Comments	Response
<p>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).</p>	<p>Thank you.</p>
<p>Institutional Capacity and coordination</p>	
<p>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.</p> <p>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.</p> <p>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)</p>	<p>Thank you for this comment. Capacity building is a very important element. The investments include substantial allocations for institutional strengthening and capacity enhancement of professionals and policy makers at national and governorate levels as well as local formal and informal community representatives. Support has been included in defined capacity building components in the proposed investment in strengthening climate data and related information services as well as in supporting the sustainable management of coastal zones and investment proposed to enhancing the resilience of both water and agriculture for poor rural households. Furthermore, Phase 1 of the PPCR is at present carrying out an assessment of the institutional capabilities to manage climate change information systems. This capacity assessment includes formal and informal community-based institutions such as Water User Associations, private sector etc. The activity also includes an assessment of the necessary specialized training needs for managing the climate information system. This will be accompanied by a training/capacity building plan for how to address each of the needs mentioned in the assessment recommendations. The outcome of this activity will inform the preparation and implementation of this investment.</p> <p>The risks posed by political and institutional instability is real and every effort would be made during project preparation and appraisal to engage the stakeholders in the design and implementation of each component. The political risks and</p>

Comments	Response
<p>transition plan once it's available, early after endorsement.</p>	<p>associated institutional interruption are likely to prevail for a while. Every effort would be made to encourage community based organization and formal and informal leaders to take active role in the design and implementation and monitoring of project activities.</p> <p>Reference is made to the Inter-Ministerial Committee for Climate Change, the composition of which is outlined in Box 6. The Council is being chaired by the Minister of Planning and International Cooperation. Reference is also made to the presentation provided by the Government during the April PPCR Sub-Committee Meeting which outlined the additional consultations carried out since November 2011, including with the IMCCC. The SPCR was formally submitted to the CIF Admin Unit through the Chair of the IMCCC as well as the PPCR Focal Point. Reference is made to Annex 7 and 8 of the SPCR document. The overall objective of the PPCR needs to be re-emphasized is to mainstream climate resilience and promote synergies on the various risks facing Yemen.</p> <p>Reference is made to the decision of the April 2012 Sub-Committee Meeting which states, [...] <i>requests the Government of Yemen and the World Bank to take into account all comments received during the meeting and any written comments submitted by Sub-Committee members by May 30, 2012, in the further development of projects.</i>” Consequently, no revision of the SPCR was requested or decided upon.</p>
Risk management	
<p>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 characterized 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 ‘minimize reliance on central government’.</p>	<p>The issues related to risks of security and political change and corruption have been given high priority. The MDB requires that specific detailed monitoring and evaluation schedule be completed before the investment is ready for implementation and to summarize this in a detailed work matrix (“Results Framework and Monitoring”) which includes important indicators for each component and procedures to monitor these indicators on periodical basis. This Framework will be further strengthened by the development of an ‘Operational Risk Assessment</p>

Comments	Response
	<p>Framework’ which outlines all relevant mitigation measures. Both indicators for risk analysis and results and performance would be included in the draft documents to be agreed during negotiations. The preparations will take cognizance of the lessons from ‘Programmatic Multi-Donor Trust Funds in Fragile and Conflict-Affected Situations’ that provides recommendations for effective utilization of donor resources. These include, informing the modalities for actual timely procurement and disbursement under the investments planned for the PPCR.</p> <p>As mentioned in the above comment, reference is made to the decision of the April 2012 Sub-Committee Meeting which states, [...] <i>requests the Government of Yemen and the World Bank to take into account all comments received during the meeting and any written comments submitted by Sub-Committee members by May 30, 2012, in the further development of projects.</i>” Consequently, no revision of the SPCR was requested or decided upon.</p>
Qat production	
<p>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 program, there should be strengthening/mainstreaming of the issue of Qat into the various SPCR strands during initial implementation.</p>	<p>The issue of Qat would be addressed where possible or feasible through support for agricultural diversification. This is a commitment taken by local communities when they will engage in a program supported by the project (SFD), not to grow qat. IRLARA aims to assist with marketing infrastructures and better connection to market for alternative crops grown. IRLARA will build upon and benefit from the RALP/SFD experience in this domain. Qat issue will also be part of adult education and active engagement of local leaders in addressing the environmental and social and cultural challenges posed by this crop. It will be carefully designed campaign in response to local social and cultural dynamics to be supported by financial incentives through crop diversification and efficient management of water resources at the local level. Detailed support can be considered if more grant funding becomes available. Overall the investments will be benefitting from the ongoing Yemen Qat Dialogue, as referred to in footnote 38. Which aims to, raise public awareness and education on qat consumption and its impacts on people’s lives, particularly children, youth and woman, and on the economy and natural resources, it includes undertaking of detailed assessment and documentation of good practices, as well as</p>

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	supporting research and help to address the overuse of pesticides.
Vulnerable groups and Gender	
<p>The investment projects target those most vulnerable to climate change which we believe are highly justified. The extensive participatory process is 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.</p>	<p>Thank you. This is an important point. Phase 1 of the PPCR is carrying out relevant rapid risks assessments which are giving specific attention to vulnerable groups especially women and children. All of which will further inform the preparation of the investments.</p>
<p>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</p>	<p>Extensive consultations were undertaken including among gender-disaggregated groups at the community level. This resulted in the development of the “<i>Gender Smart Management Framework</i>”.</p> <p>In addition Phase 1 of the PPCR is preparing an assessment on how to include gender aspects across all investments of Phase II, as well as developing a gender monitoring framework to monitor and evaluate on a regular basis the gender inclusion, and identify targeted training aimed at female which will further inform the preparation of the investments. Furthermore, during the detailed preparation and appraisal of each component, especial effort will be made to design dedicated investment activities for local women groups to facilitate income generation and better health and child nutrition especially in components of the proposed rural livelihood and rain-fed agriculture and improving water services to rural households. Also investment in the improvement of selected coastal zone governorates will also support strong participation of community based organizations especially women groups in the proposed development activities.</p> <p>The Government has demonstrated strong commitment to gender issues and each investment in the country's SPCR includes gender issues. For example, Investment I, the dual Project Development Objective of which is: i) to deliver hydro-</p>

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	<p>meteorological and climate services to end users effectively; and ii) to maintain Program Coordination of the PPCR; is placing emphasis to include specific integration and capacity-building support for gender sensitive approaches and awareness activities in overall PPCR implementation. Reference is made to the Results and Performance Frameworks, page 80ff. Particularly as it is understood that women are often the most important beneficiaries of early warning services.</p> <p>Furthermore, Investment II and by the devolution of water management authority to the level of the communities, WUAs, and the drainage basin is expected to improve the effective management of the resource because it places the capacity to act closest to the resource itself and to its users. This in turn makes it possible to harness local knowledge and increase participation of communities in the management of the resources on which they depend. The benefits of devolution aims to strengthen measures to ensure women's representation and participation at the community level, and would have a positive influence on gender balance in the communities in question.</p> <p>In addition Investment III makes specific reference to gender in the design of the investment by mainstreaming gender in the project design as well as specific gender initiatives such as income generation activities and mobilization of women farmers. Also Investment IV emphasizes to promote strong participation of coastal communities (e.g., through women societies and fishers' cooperatives) in the implementation of some prioritized on-the-ground activities identified.</p> <p>In addition, emphasis will be given that this suggestion would be reflected in the Results and Performance Framework of each Investment. Special gender sensitive indicators would be introduced in each framework to ensure appropriate monitoring of the impact on women as both stakeholders and beneficiaries of the proposed investment.</p>

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	<p>Reference is made to the decision of the April 2012 Sub-Committee Meeting which states, [...] <i>requests the Government of Yemen and the World Bank to take into account all comments received during the meeting and any written comments submitted by Sub-Committee members by May 30, 2012, in the further development of projects.</i>” Consequently, no revision of the SPCR was requested or decided upon.</p>
Co-Benefits	
<p>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.</p>	<p>Where applicable, efforts would be made to integrate the proposed activities in agriculture and water with on- going initiatives in climate-smart agriculture and natural resources management.</p>
Other	
<p>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.</p>	<p>More detailed indicators would be articulated to guide the project design in terms of qualitative transformation at the local level and in enhancing the local level human and institutional capital. These indicators would be finalized in consultation with community based organizations and local leaders and inform where applicable the further development of the investments.</p>