

Global Agriculture and Food Security Program
Public Sector Window projects

Yemen Smallholder Agricultural Production Restoration and
Enhancement Project (SAPREP)

COVID-19 Response Additional Funding Request

August 2020

Smallholder Agricultural Production Restoration and Enhancement Project (SAPREP)

1. Basic Project Information

a. Project Name	Investment project: Smallholder Agricultural Production Restoration and Enhancement Project (SAPREP)
b. Current project development objective	Increase the use of productivity and nutrition-enhancing agricultural practices by smallholders in targeted project areas
c. Responsible Supervising Entity/ies (SE)	The World Bank
d. Investment SE Project Team Leader	Name: Rufiz Chirag-zade Title: Sr. Agribusiness Specialist Email: rchiragzade@worldbank.org
e. Project country	Republic of Yemen
f. Counterpart Government Ministry/ies and Department(s)	Ministry of Agriculture and Irrigation
g. Date of Project approval by the SE	July 31, 2017
h. Current Project closing date	February 28, 2021
i. Latest Project implementation rating by SE for investment project	Rating towards project development objective: Satisfactory Date: May 17, 2020 Rating on implementation progress: Moderately Satisfactory Date: May 17, 2020

2. Project Financial Information (as of June 30, 2020)

j. <i>Project Funding</i>	<i>Investment project: US\$36 million</i> <i>Of which GAFSP grant amount: US\$36 million</i>
k. <i>Disbursements</i>	<i>Investment project: US\$30.23 million</i> <i>GAFSP grant: US\$ US\$30.23 million</i>

3. Summary of Additional Funding Request

l. Additional Funding amount requested	Investment project: US\$ 7,000,000
m. Supplemental SE administrative fee request	Investment SE: US\$ 550,000
n. Costed list of proposed components and/or activities to be funded	<ul style="list-style-type: none"> • Component 1. Community subprojects and investments (US\$5,338,750) • Component 2. Capacity Building and extension (US\$ 381,000) • Component 3. Project administration, management, monitoring and evaluation (US\$ 946,917) • FAO fee (5%) (US\$333,333)

o. Revised Project Development Objective (if applicable)	n/a
p. Revised project closing date (if applicable)	May 31, 2022
q. Estimated number of direct and indirect beneficiaries (disaggregated by gender) (indicate if these are additional to the current project beneficiaries)	<p>Additional beneficiaries:</p> <p>25,000 direct beneficiaries (households), including 8,750 women and 16,250 men.</p> <p>150,000 indirect beneficiaries (members of beneficiary households).</p>

4. COVID-19 impact and Funding needs (25%)

Description of the impact and disruptions caused by COVID-19 in Yemen

Since the first Coronavirus case in Yemen was announced in mid-April, the country has faced one of the highest fatality rates globally according to the World Health Organization (WHO). As of August 1, 2020, the Yemen reported 1,730 cases with 494 fatalities. Since March, the Government has been enforcing movement restrictions and curfews to help slow transmission of the virus.

In a country already facing the world’s largest humanitarian crisis, the rapid spread of COVID-19 will have dire consequences on health and livelihoods systems, which have both been decimated after nearly six years of conflict. The compounded effects of displacements, disease outbreaks and damaged productive assets have crippled agriculture, one of Yemen’s most important economic sectors. Further endangering agricultural livelihoods is the presence of pests, such as fall armyworm and desert locust. Heavy rains and cyclones in late 2018 triggered a surge in desert locust populations, causing outbreaks in many countries including Yemen. While the impact of the COVID-19 pandemic on food security as well as food and livelihood systems is yet to be quantified, clear patterns have begun to emerge about the extent to which families will grapple with the long-term effects of the virus. An FAO assessment of the impact of COVID-19 on agriculture productive systems found that across all main livelihoods (crop, livestock and fisheries), disruptions in the food supply chain as well as pests and diseases are the main shocks faced by farmers. Market functionality in many areas have been hampered due to curfew and other prevention measures greatly affecting famers access to markets for their produce. This has particularly impacted horticulture farmers, mainly women, who rely on that income to sustain their families. Although farmgate prices did not change poor market access has resulted in high post-harvest losses of horticulture products.

The pandemic has not only impacted local economic activities but also the humanitarian space. Logistical challenges have resulted in delays in delivery of essential humanitarian services and containment measures have introduced multiple new layers of clearances translating to further delays in an already complex environment. For agriculture-dependent livelihoods, this translated to delays in delivery of essential assistance in particular extension services, seeds and tools as the containment measures coincided with the start of the agriculture season. As a result, farmers have resorted to traditional agricultural practices, borrowing seeds from other farmers and using lower-quality seeds in areas where seed access has been hampered. Farmers have also been exposed to unusually higher agriculture labor rates due to shortages, which has led greater expenses for producers.

Although the local currency (Yemeni Real, YER) has been depreciating steadily even before COVID-19, the rate at which the overall economy is deteriorating since the onset of the pandemic is staggering. Foreign reserves are dwindling and with a constrained humanitarian funding space, the current worsening trajectory of the economy is likely to continue. As a highly import and foreign aid dependent country, any disruptions in the global industrial

supply chain or delays in foreign aid translate dramatically into higher costs of living. By June, the Minimum Food Basket (MFB), a proxy indicator for the cost of living, reached its second highest level in three years and increased by 8 percent since February (pre-COVID-19), and 15 percent compared to June 2019. All indicators are currently pointing a worsening economic crisis, further depreciation of the YER, reduced foreign direct investments from oil and gas exports, and delayed/reduced foreign aid and high importation costs, which can all lead to unaffordable MFB.

At the macro level, as Yemen is highly dependent on revenues from its relatively small oil and gas reserves, foreign direct support from Saudi Arabia and remittances from expatriates working in the Gulf States. The pandemic has significantly slashed remittances by between 50 and 70 percent as restrictions and containment measures in the Gulf States reduce Yemeni expatriates' earnings. Remittances are not expected to bounce back in the medium to long-term and the majority of households who depend on remittances may resort to negative coping strategies to meet essential needs. In light of increasing cost of living, access to cash will be an important mitigation measure. Foreign income from hydrocarbon reserves have fallen by more than half from 2019 levels, leaving foreign aid as the only remaining lifeline.

Likely evolution of the impacts of COVID 19 on food security

Given the current situation in Yemen and rapid spread of the virus it is foreseen that the food security and livelihoods will be further deteriorated. Continued restrictions can lead to further disruption of international and national trade. Movement of people may be further restricted as well, which puts significant stress on rural household whose livelihoods highly depend on access to the functional market, movement of goods across the country, and imported goods. If the health situation further deteriorates, many parts of the country may face fully dysfunctional markets, with serious impacts on local food production and soaring prices that poor households would not be able to absorb. This may further lead to further devaluation of the local currency and increase the already soaring MFB.

COVID-19 adds complexities for aid delivery, due to its impacts on access, the financial ecosystem, supply chains and market functioning, livelihoods, and the funding needed to manage the pandemic. The impact of COVID-19 on the global economy also affect the markets and financial systems in Yemen, on which humanitarian actors rely for cash transfers. This raises a real risk that aid delivery may be interrupted at the time it is needed most. It is concerning that the crisis could provide a guise for parties to the Yemeni conflict to impose new measures of control on humanitarian, such as access restrictions for fleeing populations and accessing remote project sites.

It is expected that an increasing number of people will not meet their food needs without engaging in negative and unsustainable coping mechanisms. While the reliance on negative coping strategies has improved slightly, 51% of households still use strategies such as limiting food portion sizes and relying on less expensive food. Large consumption gaps and acute malnutrition remain a serious concern for households in the worst-affected areas. Hajjah and Saada continue to be Integrated Phase Classification (IPC) Phase 4 hotspots. In the rest of the country, a large number of households are in IPC Phase 3, with ongoing humanitarian food assistance preventing more severe outcomes. Due to the crisis, however, these households face the risk to further regress to IPC 4 phase.

The coordination mechanism for COVID-19 food security, agriculture and livelihoods response at national level is through the Food Security and Agriculture Cluster (FSAC). FSAC is co-led by FAO and WFP, and currently compose of 102 national and international humanitarian and development partners coordinating to improve the timeliness and impact of humanitarian assistance on the lives of the crisis-affected population in Yemen. The FSAC provides a mechanism for continuous monitoring while at the same time a platform for learning from the local COVID-19 response.

SAPREP implementation progress and related impacts of COVID-19 on implementation

Despite the extraordinarily challenging environment, SAPREP has made good progress. The project has managed to expand some activities beyond the original targets. Overall, some 95,790 households have benefitted from the project activities. These include 59,640 households provided with startup packages of seeds, backyard poultry and small ruminants to resume crop and livestock production, which is 70 percent higher than the target for this key outcome indicator. The project beneficiaries continue to express high levels of satisfaction with the project investments which resulted in increased production, incomes and self-reliance.

Rehabilitation of community water infrastructure is fully deployed. Irrigation water supply improved in the area of 4,483 ha, some 17,000 farmers already benefit from rehabilitation works which include water infrastructure for production (terraces, on-farm water harvesting and check dikes/gabions) and water infrastructure for households/community consumption (shallow wells and springs, rooftop water-harvesting, and excavation of ponds). The activities improve climate resilience of the terrace agricultural system, spate agriculture in the lowlands and integrated watershed management in communities. Works are being implemented as labor-intensive subprojects either through community contracting or cash-for-work mechanisms which provide temporary work and additional income to households and help to mitigate additional hardship created by COVID-19.

Activities aimed at supporting animal husbandry and livestock production have been completed or are ongoing as planned. Completed activities so far include the provision of equipment to improve animal feeding practice to 124 producer groups, as well as the distribution of improved forage seeds and feed blocks to 10,500 farmers. In addition, 18 private sector operators are supported by the project to establish a manufacturing base for a feed block production model. The program to support recovery of livestock production was completed. On veterinary support activities, 84 Community Animal Health Workers (CAHWs) trained and equipped and provide veterinary services in remote areas. Farmers perceive CAHWs service them as the most readily available animal health care service providers in their villages. The animal vaccination campaign has been scaled down due to the changes in the implementation modalities, COVID-19 related restrictions and the vaccine expiration date.

80 percent of the targeted 10,000 dairy and horticulture farmers, and honey producers have been provided with equipment, production inputs and training as the project support to dairy, horticulture and honey value chains. SAPREP also started the establishment of greenhouses for seedling centers and post-harvest collecting centers, which is coupled with training provided through Farmer Field Schools (FFS). Notwithstanding these positive results, there have been some issues with distribution of seeds and livestock packages which require close follow up and improvements.

The operating environment remains extremely difficult. Some activities have experienced delays due to access constraints and security concerns. Due to this, the project has been extended by six months to ensure the satisfactory completion of the project. Overall, restrictions imposed in response to the COVID-19 pandemic in addition to existing challenges associated with the conflict affects some activities of the project, such as training, transportation of equipment, and Third-Party Monitoring visits. Movement between the north and the south is forbidden and some governorates are banning cross-border travel. Due to these restrictions, distribution of the remaining equipment and inputs and delivery of training would require additional time to be completed as planned. However, since most of the project activities have already been completed, COVID-19 pandemic doesn't pose any risks to achievement of the project.

SAPREP and the impact of COVID-19

The majority of activities implemented by SAPREP align well with COVID-19 response priorities. The support provided to project beneficiaries in the form of cash for work, improved veterinary services, horticulture and crop inputs and training, start-up seed packages, livestock restocking and inputs for enhancing animal husbandry, and dairy and honey production equipment, have indeed played a role on making a good share of beneficiary households more resilient and prepared to face hardships brought by COVID-19. However, since most of the SAPREP activities have been completed by now and the remaining funds are fully committed, the capacity of SAPREP to respond to COVID-19 related needs is limited.

To comply with procedures established by the authorities in Yemen to minimize the spread of COVID-19, FAO and its implementing partners have distributed masks and other PPE and have developed protocols for working in the field and for group activities such as training and delivery of project materials. These measures are precautionary rather than response measures to address the impact of COVID-19.

5. COVID-19 Response Activities (40%) Description of Additional Financing Activities

Building on the ongoing interventions, the proposed Additional Financing (AF) will focus on the selected activities aimed at protecting development gains from the negative impacts of COVID-19 and increasing resilience of the most vulnerable populations in areas already targeted by SAPREP and hardest hit by COVID-19. The additional resources will fund activities such as, cash for work for rehabilitation of water infrastructure; provision of training and inputs for resuming and increasing crop and horticulture production; and cash for training to assist women with incomes while also improving household nutrition knowledge. Most of the proposed activities have been implemented successfully under the ongoing SAPREP, while two additional ones have also been proved successful in other agricultural operations in Yemen. These interventions can greatly assist the households to cope with the impact of COVID-19. The proposed activities are as follows:

- **Cash for work (CFW) for rehabilitation of community infrastructure:** CFW beneficiaries will be engaged in the rehabilitation of three types of small-scale water infrastructure: i) irrigation or water harvesting; ii) check dikes and gabions to protect land; iii) household water harvesting and storage facilities. CFW activities have been very successful in SAPREP, benefiting a total number of 12,379 farmers (of which 25% are women) and supporting 7,120 households. Beneficiaries of CFW program are satisfied with the intervention and report that they spend the earned wages for household basic needs (food and health needs, etc.). Rehabilitated infrastructure has improved also household's access to water for irrigation and consumption, protected land from driftage, provided water for livestock, and saved time fetching water. A total of 4,050 people from about 2,430 household will directly benefit by CFW under the proposed Additional Financing. This in addition to the benefits of the rehabilitated infrastructures which will reach about 8,100 households;
- **Expand small-scale horticultural production:** continuing the SAPREP approach 400 horticulture producers will be supported with seeds, equipment (irrigation kits, water tanks and sprayers) and training to increase the productivity of horticulture production. Horticulture farmers – beneficiaries of SAPREP support already report sizeable increase in yields (50%-130% depending on the crop), area planted and farm profits. In order to maximize the impact of SAPREP activities, the project will link these 400 new producers with the seedling centers and the agricultural collecting centers that are currently being established under SAPREP. The latter will play a key role on helping farmers to have access to markets, especially considering the new challenges imposed by COVID-19;
- **Support crop small-scale farmers to increase crop productivity:** the mid-term productivity assessment showed that seed distribution under SAPREP have had substantial impact on yields. In average, yield of

SAPREP seeds recipients were 23% higher than non-recipients for sorghum, and 35% higher in the case of millet. About 9,600 small-scale crop farmers will be supported with training on good agricultural and post-harvest practices, and a variety of high-yielding improved seeds. A total of 1,600 farmers will receive wheat seeds, 5,500 sorghum seeds, 2,500 millet seeds, while all the 8,000 farmers that received sorghum or millet seeds will also receive cowpeas seeds;

- **Improve home-based food production (new activity):** about 7,000 vulnerable households will be supported to improve their capacity to produce a variety of nutritious food for self-consumption. FAO has successfully implemented this in other countries, and in Al-Hodeyda governorate in Yemen, with the objective to improve households' food security and nutrition. The proposed AF will distribute quality seeds (onions, tomatoes, okra, mallow, beans, and cowpeas) and agricultural tools, which will also be combined with training on good home-stead production and post-harvest practices. About 1,080 hectares of home food production will be supported through this activity;
- **Enhance household awareness about nutrition (new activity):** through the provision of conditional cash to attend nutrition training (cash for training – CFT), 7,000 women will receive a training which will sensitize the women and their household on healthy diets and nutritional practices, while also receiving some incomes to cope with the economic hardships brought by COVID-19. The nutrition training will target the female members of households that benefit from the home-based food production activity. Given the key role played by women in production, preparation and distribution of food – as well as in household reproduction – special attention will be paid to existing gender and power relations and roles, ensuring equitable participation and benefit of both women and men.

How the additional funds will address COVID-19 issues

In wake of COVID-19 crisis, it is critical to ensure continuity in humanitarian and development assistance to vulnerable groups, and that programs are not hindered and adapt to address COVID-19 impacts. Cash-based interventions, and CFW in particular, empower communities by revitalizing local economies, and create secondary economic benefits, while also providing vulnerable households with greater choice and control over how they will rebuild their lives and restore livelihoods. CFW is considered a critical part of an effective response, in addition to the direct impact of rehabilitated infrastructure on water supply, which is key for crop and livestock production, and other related livelihoods. As the most water constrained country in the world, Yemen has only 3% of arable land due to low rainfall and depletion of ground water, the lack of water for irrigation, and lack of investment in agriculture-related infrastructure.

To increase the availability of staple as well as vitamin and mineral-rich foods at, the AF would provide seeds and training in vegetable, cereals and legume production. A keyway of ensuring access to a better variety and diversity of food for vulnerable families is to promote their production in home gardens and in proximity of villages. This is especially important in rural areas where people have limited income-earning opportunities and poor access to markets. Home gardens, with their low-input technology and convenient access, have the potential to supply non-staple foods that a family needs every day, including vegetables and legumes. Households will receive agriculture inputs (vegetable and legume seeds as well as tools) to shore up home-based food production, enhancing access and availability of nutritious food.

Females from households receiving vegetable packages will have the opportunity to attend nutrition trainings that aim at improving the nutrition knowledge and utilization of products from their home gardens. Attendance at the nutrition training will be incentivized through cash assistance (cash for training). This support has multiple objectives, including optimizing the use of vegetable production and nutrition status of households; and

empowering the women attendees to contribute their earnings from participation to the family budget. The combination of agriculture support to improve availability of mineral and vitamin-rich foods, increased knowledge of nutrition, and cash availability will help households facing impacts of COVID-19 to improve their food and nutrition security.

The activities in the proposed intervention aim at consolidating and protecting the improved livelihood conditions achieved by the SAPREP project in light of COVID-19. To complement the provision of inputs, the project will provide trainings on agriculture good practices to ensure the optimal use of the supplied inputs and to maintain adequate production levels. With increased access to water, adoption of improved practices, access to production assets and better nutrition of household members, households will be more prepared and resilient to the continuing impacts of COVID-19 and other shocks.

Proposed activities to complement the local COVID-19 response

The Food Security and Agriculture Cluster produces a monthly 4W (Who does What, Where and When) report that facilitates information sharing and provides better coverage of response gaps, thus avoiding duplication and/or overlap. The mechanism provided by the FSAC will ensure that the COVID-19 response is informed by: (a) a prioritization of locations and households according to COVID-19 impacts; (b) key needs based on the impacts of COVID-19 on food security, livelihoods, and agriculture; (c) key gaps (based on needs), and; (d) what capacities exist to be used in support of the prioritized response needs/activities.

This proposal is largely informed by the FSAC, which assesses that emergency livelihoods activities are currently grossly underfunded in 2020, especially because of the COVID-19 pandemic. The proposed interventions will fill the gaps (people in need not reached) left in activities (such as CFW) currently implemented by other cluster partners and will also implement COVID-19-related livelihood activities which are not covered by any partner. The *Annex 3* provides more information on activities that mitigate the effects of COVID-19 in the target area.

Expected impact of the additional funding and beneficiaries.

The proposed interventions will positively affect the livelihoods and resilience of about 25,000 households. They will target the most food insecure households in five out of the seven SAPREP governorates, namely Abyan, Al-Hodeyda Lahj, Haijah, and Shabwah. The project team analysed information from the IPC acute food security analysis carried out in December 2018/January 2019¹, the Global Acute Malnutrition (GAM) rates² (from most recent 2019 Nutrition SMART), and importantly, accessibility to the project sites. This confirmed as indicated in *Annex 4* the above-mentioned governorates and their respective districts as priority for the AF. Access is currently a major issue in Saada and Taiz governorates, and in one of the original SAPREP districts in Al-Hodeyda. Thus, these governorates and the one district in Al-Hodeyda are not considered a priority under the AF.

Some districts, such as Nisab in Shabwah, which have been of difficult access, and where the issues with distribution of inputs are still considered for the AF support given their dire needs. In these districts CFW assistance will be provided through the Social Fund for Development which can secure the proper implementation of the activities. In any case, a thorough mapping of the proposed activities to be implemented in each district will be developed depending on needs, accessibility and experience of the ongoing SAPREP, and not all activities will be implemented in every governorate/district. This mapping will consider the expansion the proposed activities to new beneficiaries in the selected SAPREP districts, while also allowing for some activities

¹ The IPC is an internationally recognized set of protocols and tools used to classify both the severity and magnitude of food insecurity in the world.

² GAM rates according to WHO classifications- <5% Minimal/acceptable, 5-9.9% Serious, 10-14.9% Critical and >15% Emergency

(cash for nutrition training for women, etc.) to also benefit the current SAPREP beneficiary farmers. Together, the fourteen selected districts account for 95,620 agricultural households of the target governorates.

Besides of the critical situation that these governorates have been facing, COVID-19 has brought additional challenges (*Section 4*), which have affected these governorates and districts. For example, Abyan, Lahj and Shabwah are amongst the governorates with the highest cost of the minimum food basket (MFB), and among the governorates with highest increase in the cost of MFB due to COVID-19.

The project beneficiary poor and food-insecure households will be drawn from the following target groups: (a) casual workers; (b) sharecroppers and landless farmers; (c) small-scale farmers with less than 1.3 ha of land; (d) women-headed households; and (e) conflict affected households, returnees, or IDPs. About 25,000 households (about 175,000 people) would directly benefit from the interventions of which approximately 35 percent are women. Activities such as home food production and the nutrition training through CFT, and CFW will particularly target women and youth, which are often largely neglected as a target group in the context of Yemen. The interventions also benefit vulnerable small-scale horticulture producers (400) and 9,600 crop farmers.

The revised Results Framework of SAPREP including the revised targets due to the AF is provided in *Annex 2*. No new indicators have been proposed. The Result Framework will be finalized if the proposal is accepted for additional financing.

6. Project readiness to utilize additional funds (35%)

Alignment of the additional funding activities with SAPREP

The proposed interventions strongly align with the attainment of SAPREP's project development objective (PDO), which is to *increase the use of productivity and nutrition-enhancing agricultural practices by smallholders in targeted project areas*. Alike SAPREP's original activities, the interventions proposed hereby will provide investments to increase agriculture production and marketing, as well as strengthening the livelihoods and nutrition of households. In particular, the activities proposed will, on one hand, contribute to increase smallholders' production, incomes and nutrition through the following interventions:

- Strengthening community water management through rehabilitation and construction of water infrastructures using CFW methodology will continue to remain a priority and will be implemented with SFD support;
- Improving livelihood, nutrition and increasing value-added of selected agriculture products will be addressed through horticulture activities, seed distribution to resume crop production, vegetable gardening and improved irrigation systems.

On the other hand, they will contribute to the improvement of technical knowledge and skills of SAPREP beneficiaries through:

- Capacity building for beneficiaries involved in crop and livestock productions to introduce more effective and climate resilient irrigation techniques and to protect animals and increase productivity will be continued;
- Training for horticulture producers through FFSs. In SAPREP, FFSs demonstrated to be a valuable tool to improve technical knowledge on pulses and cereals production, and they will continue to be used as key training tool for the proposed horticulture activities;
- Promotion of nutrition awareness and healthy diet knowledge. Nutrition training will aim at improving household nutrition knowledge, with a focus on female members of households that are already part of the home food production activities. Training participants will also receive cash to contribute to the household income and compensate them for the time invested in the learning sections.

Implementation arrangements

The proposed activities will all be implemented in the same geographical areas covered by SAPREP (five out of seven governorates), and within the objectives and components of the ongoing project. The home food production and cash for nutrition training activities could be considered new, however they respond to the same components and sub-components of SAPREP, and just represent minor adjustments required given the experience acquired during the implementation of SAPREP and other FAO projects in Yemen. The adjustments will certainly ensure better achievement of the project objectives, and FAO has the experience and mechanisms in place to implement these activities in the context of the additional funds.

The AF will be implemented under the same implementation arrangements of SAPREP. Field activities will be done directly by staff and consultants of the FAO Representation in Yemen, and through contracting with implementation partners. The Social Fund for Development (SFD) will be the FAO main implementing partner. Partnerships with local institutions, organizations and other stakeholders will be particularly critical to enable preserving national capacity for rapid response. FAO Yemen will be responsible for the implementation of the project (including the component that will be implemented by SFD) in terms of the day-to-day operations, management, coordination, technical assistance and backstopping, and reporting on project activities. The operational and budget holder responsibility for the project will also be handled by FAO Yemen.

Investments for strengthening community water management through CFW mechanisms will be implemented by SFD in line with the SFD targeting procedures and protocols currently used. Frontline services will be carried out by the local service providers sub-contracted through standard FAO Letters of Agreement. FAO will select Service Providers in a competitive process outline within the FAO Manual Section 507, and contractual arrangements will be extended according to geographical and operational needs of the proposed intervention.

Timeline for deployment of additional funds and implementation the proposed COVID-19 activities.

In order to ensure rapid response to COVID-19 impact and continuity of the ongoing SAPREP, it would be optimal if funds were deployed by the end of the year 2020, but not later than the end of Feb, i.e. before the extended closing date of SAPREP. Despite the challenges on the ground, FAO and SFD have an established mechanism in place to have a relatively rapid delivery of activities and achieving the expected results timely. The AF have been designed to be implemented in a period of 15 months, along which the project will be able to show significant results from infrastructure rehabilitation, CFW, CFT, horticulture, and home-food production. Refer to the project's tentative implementation schedule in *Annex 5*.

The updated budget by components, subcomponents and activities is included in *Annex 1* below. This table shows SAPREP's actual levels of disbursement as of end June 2020 (US\$ 30.23 million), the remaining funds available for implementation within the remaining timeframe (US\$ 5.76 million), and the additional funds requested under this proposal (US\$ 7 million). It is clear that the original budget of US\$ 36 million has been almost exhausted, allowing a limited support to address the impact of COVID-19 in SAPREP target areas. FAO Yemen has developed a response plan to address the impacts of COVID-19, which considers additional financial support as well as re-orientation of some activities under the ongoing projects. To date the additional financial support from donors have been extremely limited and not sufficient to address the increasing need due to COVID-19. As of early July 2020, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) reports that aid agencies required \$180 million (of which only US\$49.1 were received) for the COVID-19 response.

The Aide-Memoire for the last SAPREP supervision mission (April 2020) is attached to the submission.

Annex 1: Updated project budget³

Components/Sub-components	Activities	Original Budget (US\$)		Additional Funding (US\$)	Total Budget (US\$)
		Disbursed (as of June 2020)	Available		
Component 1. Community subprojects and investments		25,120,745	4,943,715	5,338,750	35,403,210
Sub-component 1.1. Strengthening community land and water management	1.1.1: Water infrastructure for production	12,637,044	3,434,956	3,460,500	19,532,500
	1.1.2: Water infrastructure for household/community consumption				
	1.1.3: Rangeland rehabilitation				
Sub-component 1.2. Improving animal husbandry, livestock production and animal health services	1.2.1: Improving vet services	310,482	-	-	310,482
	1.2.2: Animal disease control program	1,569,648	189,500	-	1,759,148
	1.2.3: Enhancing animal husbandry	561,996	50,000	-	611,996
	1.2.4: Animal nutrition	329,402	275,259	-	604,661
	1.2.5 Support to recovery of livestock production	2,687,193	32,000	-	2,719,193
Sub-component 1.3. Improving livelihoods and adding value to agriculture	1.3.1: Support to recovery of crop production	1,422,731	-	628,000	2,050,731
	1.3.2 Dairy production	2,699,063	-	-	2,699,063
	1.3.3 Horticulture production	2,603,186	760,000	602,000	3,965,186
	1.3.4 Honey production	300,000	202,000	-	502,000
	1.3.5. Support households on home food production (trainings and inputs)	-	-	648,250	648,250
Component 2. Capacity Building and extension	2.1. FFS training for crop and livestock farmers	52,500	122,500	-	175,000
	2.2. Training women on nutrition topics (cash for training)	-	-	381,000	381,000
Component 3. Project administration, management, monitoring and evaluation	Project Management and M&E	3,499,000	90,254	785,917	4,375,171
	TPM	122,000	143,000	161,000	426,000
	Project impact assessment	-	142,000	-	142,000
	Implementation Completion Report	-	50,000	-	50,000
Subtotal		28,794,245	5,491,469	6,666,667	40,952,381
FAO (5%)		1,439,712	274,573	333,333	2,047,619
TOTAL BUDGET FOR ALL COMPONENTS		30,233,957	5,766,042	7,000,000	43,000,000

³ The rows in green indicate new activities not implemented in this form in SAPREP

Annex 2: Updated results framework

Indicator Name	Baseline	End Target of parent SAPREP Feb 28 th , 2021 ⁴	New Target (for SAPREP with AF)
Project Development Objectives Indicators			
1. Farmers adopting improved agricultural technology (Number)	0	<i>10,000</i>	<i>16,000⁵</i>
1.a. Farmers adopting improved agricultural technology – Female (Number)	0	<i>3,000</i>	<i>4,800</i>
1.b. Farmers adopting improved agricultural technology – Male (Number)	0	<i>7,000</i>	<i>11,200</i>
2. Households supported to resume crop and livestock production (Number)	0	<i>35,000</i>	<i>65,000</i>
Intermediate Results Indicators			
1. Farmers reached with agricultural assets or services (Number), Corporate Results Indicator)	0	<i>110,000*</i>	<i>130,000</i>
1.a. Farmers reached with agricultural assets or services – Female (Number, Corporate Supplement)	0	<i>27,000</i>	<i>35,000</i>
2. Number of HHs with strengthened land and water management (Number, Custom Breakdown)	0	<i>26,000*</i>	<i>33,000</i>
3. Number of HHs with improved animal husbandry, livestock production and animal health services (Number, Custom Breakdown)	0	<i>34,000</i>	<i>34,000</i>
4. Number of HHs with strengthened capacity and enhanced extension services (Number, Custom Breakdown)	0	<i>38,000</i>	<i>38,000</i>
5. Area provided with new/improved irrigation and drainage services (Hectare (ha), Corporate Result Indicator)	0	<i>5,400*</i>	<i>5,950</i>
6. Area provided with irrigation and drainage services- Improved (Hectare (ha), Corporate)	0	<i>2,400*</i>	<i>2,400</i>
7. Area protected by wadi works Hectare (ha), Custom Breakdown)	0	<i>1,800*</i>	<i>1,950</i>
8. New on-farm water storages Hectare (ha), Custom Breakdown)	0	<i>24</i>	<i>55</i>
9. Terraces rehabilitated Hectare(ha), Custom Breakdown)	0	<i>70</i>	<i>75</i>
10. Increased milk production (Percentage)	0	<i>10</i>	<i>10</i>
11. Additional hectares with adopted technology being promoted Hectare (ha), Custom)	0	<i>700*</i>	<i>900</i>
12. Households benefitting from rooftop water harvesting (Number, Custom)	0	<i>2,000</i>	<i>2,800</i>
13. Vaccination against PPR and sheep & goat pox (Percentage, Custom)	0	<i>50</i>	<i>55</i>
14. Farmers benefitting from vaccination of their livestock (Number, Custom)	0	<i>130,000*</i>	<i>130,000</i>
15. Households benefitting from improved animal feed (Number, Custom)	0	<i>25,000</i>	<i>25,000</i>
16. People receiving nutrition training/awareness (Number, Custom)	0	<i>3,000</i>	<i>9,000</i>
17. Client days of extension services provided to farmers, community members etc. (Days)	0	<i>2,400</i>	<i>2,800</i>
17.a. Of which women (Days)	0	<i>720</i>	<i>840</i>

⁴ Extended closing date. Extension approved on Aug 6, 2020

⁵ Target values in Italic are for the indicators relevant to the activities of the proposed Additional Financing.

*Revised targets to better reflect the project progress and expected outcomes. Revisions approved on Aug 6, 2020 through the project restructuring

Annex 3: Organizations involved in livelihood activities to mitigate the effects of COVID-19 in the target area

Governorate	District	Conditional and season specific cash transfers		Enhanced livestock production		Enhanced crop production		Asset restoration (IGAs, dist. of drip irrigation kits, bee-keeping kits, etc.)	
		FSAC Partner	Caseload (HHs)	FSAC Partner	Caseload (HHs)	FSAC Partner	Caseload (HHs)	FSAC Partner	Caseload (HHs)
Abyan	Rusad	CARE; SFD	935	None	N/A	None	N/A	None	N/A
	Mudiyah	WFP/CARE	467	None	N/A	None	N/A	None	N/A
	Ahwar	None	N/A	None	N/A	None	N/A	ADRA	2380
Al-Hudaydah	Al Garrahi	None	N/A	None	N/A	None	N/A	ADRA	2380
	As Sukhnah	None	N/A	None	N/A	None	N/A	None	N/A
	Bayt Al Faqiah	None	N/A	None	N/A	None	N/A	UNICEF/YLDF	840
	Bayt Al Faqiah	UNDP/SFD; WFP/SCI; IRY;	18,119	None	N/A	None	N/A	None	N/A
	Wadhrah	None	N/A	None	N/A	None	N/A	None	N/A
Hajjah	Ku'aydina	WFP/RI; CARE	1810	CARE, YRCS	557	YRCS	299	YRCS	100
	Khayran Al Muharraq	WFP/RI; RDP; UNDP/SFD	1201	None	N/A	None	N/A	None	N/A
Lahj	Al Milah	ACTED; ADRA; OXFAM; SCI; UNDP	442	TYF	2300	OXFAM; TYF; FMF	410	None	N/A
	Radfan	None	N/A	TYF	2600	TYF; FMF	750	ADRA	931
	Tuban	IRY	7,000	None	N/A	FMF; TYF	2500	FMF; ADRA	9237
Taiz	Al Ma'afar	OXFAM; UNDP/SFD	774	SI	59	OXFA; SCI	2604	N/A	N/A
	Dimnat Khadir	None	N/A	None	N/A	None	N/A	None	N/A
	Maqbanah	UNDP/WWP; WFP/SCI	1579	IMC	556	None	N/A	None	N/A

Annex 4: Target governorates and districts for SAPREP's additional funds

Governorate	Target District	Phase Classification- 2018/2019 analysis	Population (2019) Individuals (CSO)	Physical Access Constraint (Feb 2020) - Yes if accessible (OCHA)	Nutrition (GAM) - (2018/2019)	% Agric. HHs 2020 (Agric. statistics)	Agric. HHs 2020
Abyan	Mudiyah	Phase 3	47,465	Yes	5.3%	60%	4,084
	Rasad	Phase 4	74,068	Yes	5.3%	81%	8,546
	Ahwar	Phase 3	34,393	Yes	11.2%	85%	4,162
Hajjah	Khayran Al Muharraq	Phase 4	133,462	Yes	15.8%	63%	12,073
	Ku'aydinah	Phase 4	118,833	Yes	17.1%	63%	10,749
	Wadhrah	Phase 4	17,499	Yes	8.9%	63%	1,583
Al-Hudaydah	Az Zaydiyah	Phase 4	153,759	Yes	25.2%	52%	11,345
	As Sukhnah	Phase 4	125,070	Yes	25.2%	52%	9,228
Shabwah	Nisab	Phase 4	59,628	Yes	6.2%	72%	6,165
	Ar Rawdah	Phase 4	38,807	Yes	6.2%	58%	3,230
	Mayfa'a	Phase 3	58,932	Yes	5.9%	57%	4,821
Lahj	Radfan	Phase 4	62,123	Yes	9.7%	61%	5,454
	Al Milah	Phase 4	40,094	Yes	19.8%	81%	4,614
	Tuban	Phase 4	144,544	Yes	19.8%	46%	9,565
Total							95,620

Annex 5: Implementation schedule for additional funds

Components/Activities	Months														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Component 1. Community subprojects and investments															
Sub-component 1.1. Strengthening community land and water management															
1.1.1: Water infrastructure for production															
1.1.2: Water infrastructure for household/community consumption															
1.1.3: Rangeland rehabilitation															
Sub-component 1.2. Improving animal husbandry, livestock production and animal health services															
1.2.1: Improving vet services															
1.2.2: Animal disease control program															
1.2.3: Enhancing animal husbandry															
1.2.4: Animal nutrition															
1.2.5 Support to recovery of livestock production															
Sub-component 1.3. Improving livelihoods and adding value to agriculture															
1.3.1: Support to recovery of crop production															
1.3.2 Dairy production															
1.3.3 Horticulture production															
1.3.4 Honey production															
1.3.5. Support households on home food production															
Component 2. Capacity Building and extension															
2.1. FFS training for crop and livestock farmers															
2.2. Training women on nutrition topics (cash for training)															
Component 3. Project administration, management, monitoring and evaluation															
Project management and M&E															
TPM															
Project impact assessment															
Implementation completion report															