



Report Number: ICRR0022847

1. Project Data

Project ID

P164190

Project Name

RY: Integrated Urban Svcs Emergency CLOSED

Country

Yemen, Republic of

Practice Area(Lead)

Urban, Resilience and Land

L/C/TF Number(s)

IDA-D2450

Closing Date (Original)

31-Dec-2020

Total Project Cost (USD)

148,420,697.54

Bank Approval Date

02-Nov-2017

Closing Date (Actual)

30-Jun-2021

IBRD/IDA (USD)

Grants (USD)

Original Commitment

150,000,000.00

0.00

Revised Commitment

150,000,000.00

0.00

Actual

148,420,697.54

0.00

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2. Project Objectives and Components

a. Objectives

The Project Development Objective (PDO) was "***to restore access to critical urban services in selected cities within the Republic of Yemen***" (Financing Agreement page 1 and PAD paragraph 23).

b. Were the project objectives/key associated outcome targets revised during implementation?

Yes



Did the Board approve the revised objectives/key associated outcome targets?

Yes

Date of Board Approval

20-Apr-2020

c. Will a split evaluation be undertaken?

No

d. Components

The project had three components:

Component 1: **Service Restoration** (appraisal cost US\$130.0 million, actual cost US\$131.5 million). This component sought to support the restoration of critical urban services in selected cities in Yemen, covering five sectors: tertiary municipal services and solid waste management, urban water and sanitation, urban roads, electricity for critical services, and housing. Infrastructure investments under the project were based on the Build Back Better principle, reducing the restored assets' vulnerability to climate change-related hazards (including flooding and landslides).

Component 2. **Implementation Support and Capacity Development** (appraisal cost US\$20.0 million, actual cost US\$18.7 million). This component would provide funding for: (a) project implementation and management support; (b) technical assistance to support capacity building activities for the stakeholders involved in the project, as well as citizen engagement and communication activities; (c) third party monitoring of sub-projects funded under the project.

Component 3. **Contingent Emergency Response** (appraisal cost US\$0.0 million, actual cost US\$ 0.0 million). This component was expected to improve the country's response capacity in the event of an emergency, following the procedures governed by OP 10.00 paragraph 12 (Situations of Urgent Need or Capacity Constraints). The component was put in place to enable a rapid response to a major emergency in the country by reallocating funds from other project components for eligible emergencies to mitigate, respond to and recover from the potential harmful consequences arising from the emergency.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project costs: The project cost at approval was US\$150.0 million (PAD paragraph 49). The actual project cost at completion was US\$148.4 million (ICR datasheet). There is a discrepancy in the ICR, Annex 3 reports total project cost by component as US\$150.2 million.

Financing: The project was financed by IDA only. The credit amount at appraisal was US\$150.0 million. The actual disbursement was US\$148.4 million. The credit was fully disbursed.

Borrower Contribution: There was no planned or actual Borrower Contribution.

Dates: The project was approved on November 2, 2017, and became effective on November 15, 2017. The Mid-term Review (MTR) was conducted on November 21, 2019. The project's original closing date was December 31, 2020, which was extended, and the project closed on June 30, 2021. The project closing



date was extended in response to the challenges posed by COVID-19 and to complete all activities(ICR paragraph 69).

Restructuring: The project experienced two Level 2 restructurings:

- The first restructuring on April 20, 2020, updated the targets of the results framework to better reflect the type of interventions and their expected outcomes. The original end-targets were not reflective of the reality and were estimated quite modestly at the time of appraisal.
- The second restructuring on November 3, 2020, extended the closing date to June 30, 2021, to accommodate implementation delays caused by the COVID-19 pandemic. It further updated the targets of the results framework and added two new intermediate results indicators.

The two restructuring introduced a more ambitious end-target for the outcome indicator.

Split Rating: Although a PDO outcome indicator was revised, this review will not use the split rating methodology because its target value became more ambitious.

3. Relevance of Objectives

Rationale

Country and sector context. The Republic of Yemen has been in the midst of a military conflict that has caused major loss of life, internal displacement, destruction of infrastructure, and disruptions in service delivery across the country's main sectors. The Yemen Disaster Need Assessment highlighted that more than 40% of water and sanitation facilities in major cities were damaged. and lost functionality due to conflict. Many cities in Yemen were seriously confronted with the risk of cholera outbreak. The local corporations responsible for service delivery faced many challenges, including financial difficulties to pay salaries and to repair or replace infrastructure.

Since the conflict, there has been a dramatic increase in the number of sewage system breakdowns and untreated sewage water overflow has also become a common occurrence.

Due to the conflict, the road sector incurred widespread damage affecting more than 60% of intra-urban roads. The roads damaged during the conflict remained unrepaired, impeding mobility and access.

Public electricity supply has been completely dysfunctional in large areas of the country with many electricity generation facilities damaged. As a result, only an estimated 10% of the population had access to reliable electricity. The impact on hospitals, water pumping and treatment stations, and other important facilities has been devastating (ICR paragraph 3).

Government Strategy. The government strategy is not mentioned in the PAD or ICR.

Bank Strategy. The PDO is fully consistent with the World Bank Group's Country Engagement Note (CEN) for the Yemen 2017-2018. It directly supports the first objective of CEN "Provide emergency support to preserve local service delivery capacity to support conflict-affected families and communities." This would



be done in full partnership with the United Nations (UN) institutions (CEN paragraph 39). The PDO is also in line with the new CEN for FY22-FY23. The Bank will “remain engaged” in Yemen during the conflict, providing sustained support to help deliver critical services, protect human capital and preserve Yemeni institutions (CEN paragraph 2).

The PDO is also aligned with IDA paper on “**IDA18 Towards 2030: Investing in Growth, Resilience, and Opportunity**” and its special theme on fragility, conflict and violence. This paper identified the World Bank’s comparative advantage in helping solve complex problems through multi-sectoral expertise. With its integrated approach towards service delivery restoration and activities across several sectors, the project will offer best-fit solutions that are adequate to the current complexities of operating in Yemen (PAD paragraph 20).

Previous Bank Experience. The project was designed to complement the ongoing World Bank emergency operations in Yemen. By restoring service delivery in urban settings, the project complemented the Emergency Crisis Response Project (P159053), which focused on improving livelihoods, infrastructure, and services primarily in rural areas. Moreover, the project was expected to coordinate closely with the Emergency Health and Nutrition Project (EHNP) (P161809) by complementing the infrastructure-heavy approach of the EHNP in the water and sanitation sector with targeted small-and medium-scale investments that aim to restore water at the city level (PAD paragraph 64). The ICR does not indicate if this coordination occurred.

The degree to which the PDO was pitched was at a very low level of the results chain. The PDO aimed at “restoring access to critical urban services in selected cities within the Republic of Yemen”. IEG finds this acceptable, however, given the conflict situation in the country and the destruction of infrastructure, and disruptions in service delivery. The PDO lacked clarity in terms of what type of services were to be restored.

On balance, the relevance of objectives is rated high.

Rating

High

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To restore access to critical urban services in selected cities within the Republic of Yemen.

Rationale

The project’s **theory of change** indicates that inputs such as small-scale investments in neighborhood-level tertiary municipal infrastructure would result in outputs such as: (i) restoration of urban water and sanitation services; (ii) improved solid waste collection and management; (iii) improved primary and secondary urban roads; (iv) restoration of electricity supply to critical urban services; and (v) capacity building activities for local



stakeholders. All these inputs would result in outputs such as restored access to critical urban services and strengthened institutional capacity of local partners. The longer-term outcomes envisaged were: (a) increased development opportunities for the residents; (b) improved living conditions for Yemenis; and (c) increased resilience to shocks and response capacity

Overall, the causal pathways from inputs to outputs were valid and direct, and the outputs achieved could be attributed to the project's intervention.

Outputs

Overall, 378 subprojects were completed in 11 cities: Aden, Taiz, Al Dhale'e, Al Hodeidah, Al Mukalla, Amran, Sada'a, Dhamar, Lahj, Sana'a, and Zinjibar:

1. To address urgent community priorities in tertiary municipal services and solid waste management, 146 sub-projects for tertiary municipal services in 8 cities were completed (original target 90, revised target 130):
 - **Solid waste management.** Before the project intervention, as a result of conflict related collapses in local municipal service provision, people used to dump garbage on the road and street corners, and vacant spaces, which caused annoyance and increased health risks ranging from the spread of unpleasant odors to pests that spread diseases. The project carried out 10 waste collection campaigns (no target) in these cities and successfully collected over 1.5 million cubic meters of accumulated waste (no target), delivered service contracts to restore collection and transfer of solid waste to the landfill sites; developed environment and social safeguards mitigation measures for landfill sites; provided weighing stations for landfill sites and waste collection bins for the residents. In addition, a total of 7 landfill assessments (no target) were carried out and action plans produced for the cities of Sana'a, Aden, Mukalla, Dhamar, Sa'adah and Zinjibar.
 - **Rainwater drainage.** The project helped address urban flooding through investments in stormwater flood protection, through provision of box culverts, stormwater pumps and the suctioning of stagnant flood water from urban areas. It provided a total of 79 km rainwater/flood drainage (no target) in 5 districts of Amran, 2 districts of Sana'a, and 5 districts in Sa'adah.
 - **Rehabilitation of public parks.** The project revamped local parks: 7 in Sana'a, 5 in Dhamar, 3 in Aden (no target). It funded paved pathways, provided sitting spaces and shades, planted greenery, provided fencing, and created children's play areas. The rehabilitation of local parks and green spaces provided a significant social benefit for the beneficiary communities (ICR paragraph 34).
 - **Neighborhood sanitation.** The project helped repair and expand sanitation network and its connection to treatment and disposal systems: 14 in Sana'a, 9 in Aden, 8 in Mukalla. It also repaired inspection chambers and manholes (no target).
 - **Neighborhood stone pavement.** The project also made stone pavements in the neighborhood, particularly on pedestrian sidewalks. Stone pavements have been done in 19 districts in Aden, 16 in Sana'a, 14 districts in Mukalla, 5 each in Zinjibar and Dhamar, 3 in Al Dhale's, and 2 districts in Amran (no target).
2. To address the urgent community priorities in **urban roads**, 266 km of primary and secondary urban roads were rehabilitated in the target cities, exceeding the target of 240 km. This included spot and pothole repairs, crack sealing, patch works, asphalt resurfacing, road safety improvement works and intersection rehabilitation.



3. To address urgent community priorities in **urban water and sanitation**, the project implemented a total of 74 subprojects (no target) in 11 cities. It financed rehabilitation of 129 water wells with a production of 1,879,200 m³/month; supplied and installed 8 large Solar Photovoltaic (PV) systems for municipal water wells and 40 solar PV systems for rural communities' water wells; provided 50 diesel generators; established an analytical system for water quality control; rehabilitated 7.7 km of water network and 176 km of sewer network (no target).
4. To address urgent community priorities in **energy**, the project funded a total of 108 subprojects in ten cities. It installed and rehabilitated solar PV-based electricity supply systems and diesel generators in 205 health and education facilities, 104 water wells in the target cities. The project interventions resulted in:
 - Generation of 106,572 Megawatt hour (MWh) energy, exceeding the target of 60,000 MWh.
 - 10,460 tons of CO₂ emissions were avoided, exceeding the target of 10,000 tons.
5. The project provided 110 ton of emergency Personal Protective Equipment, safety equipment, hygiene, and sterilization materials for Covid-19 response.
6. To build **institutional capacity of local service providers** (which was eroded as a result of conflict), the project provided trainings to 239 participants (no target was set) on technical design, contract management, project monitoring, occupational health, and safety (OHS), implementation of the E&S mitigation measures, and COVID-19 prevention.

Outcomes

- Access to critical services, as measured by the PDO indicator “the number of beneficiaries with restored access to urban services” was achieved. The project reached 3.05 million beneficiaries, compared to the target of 3.0 million. Total female beneficiaries were 1.4 million, lower than the target of 1.48 million. According to the beneficiary surveys carried out by the United Nations Office for Projects Services (UNOPS) in the cities of Aden and Sana’a: (a) in terms of access to improved services, 98 percent (97 percent in Aden and 98 percent in Sana’a) of the respondents felt that project investments fully reflected their needs, as these subprojects corresponded to the priorities identified in verified in consultation with the communities; (b) 98 percent (96 percent in Aden and 100 percent in Sana’a) assessed the situation after the project intervention to be better than before; and (c) 94 percent of the beneficiaries (92 percent in Aden and 96 percent in Sana’a) attributed the improvements to project's support. In addition, 93 percent of the surveyed beneficiaries mentioned that the project contributed towards “reviving optimism” among the residents; and 81 percent of surveyed beneficiaries stated that the project helped protect local environment (ICR paragraph 29).
- 1.2 million people were provided access to rehabilitated water and sanitation services, achieving the revised (1.2 million people) and original target (0.6 million people). All beneficiaries reported that the improvement of urban water enhanced their living conditions status by saving money, because they now pay less compared to the situation before the project interventions. The ICR reported (paragraph 37) that owing to solar energy and submersible pumps provided by the project, the managers of the local water supply companies in Sana’a and Aden were able to continue providing water to citizens at lower costs than the commercial water tankers.
- As a result of solid waste management interventions, 84% of the beneficiaries (no target) reported cleaner areas and reduced sewer clogging. As reported, the residents noted the positive impact of solid waste interventions on their health and livelihood (ICR's Annex 6-D. Beneficiary



Testimonials). 73 percent of beneficiaries testified that the situation has very much improved, because there is no longer sewage floating in streets and backup.

- The beneficiaries reported that that the energy support improved the quality of learning environment in various ways such as: using the air fans during extreme heat in Aden and access to and use of the lab and computer room for practicing various school's activities. This boosted morale among students and teachers and provided conducive learning environment.
- The ICR reports (paragraph 34) that the rehabilitation of local parks and green spaces provided a significant social benefit for the beneficiary communities and helped the target communities in coping with some of the effects of conflict and Covid-19 pandemic.
- The project generated more than 1.6-million person person-days temporary employment (target was 1.5 million person-days).

The project fully achieved its PDO of restoring access to critical urban services of selected cities within Yemen. Efficacy is rated **high**.

Rating
High

OVERALL EFFICACY

Rationale

The Project fully achieved its PDO of restoring access to critical urban services of selected cities within Yemen. Efficacy is rated high.

Overall Efficacy Rating

High

5. Efficiency

Economic Analysis. At appraisal, the PAD estimated Economic Rate of Return (ERR) to be 94.3 percent of investment. It noted that due to uncertainties and lack of data, the tertiary municipal service and solid waste management sector was estimated to yield a neutral ERR. The project activities in all other targeted sectors yielded a positive ERR: water and sanitation (237.5 percent), roads and transport (57 percent), and energy (40 percent). The ERR was significantly influenced by the activities in the water and sanitation sector, namely its



high positive impact on health, nutrition, and combating cholera and other water-borne diseases (PAD paragraph 75).

The ICR noted that it did not use the PADs economic analysis methodology, since the PAD did not fully capture the intended results due to lack of data (ICR footnote 12, page 11). Annex 4 presents efficiency by comparing the actual project achievements to its targets. As discussed in the efficacy section 5 of the review, the targets were largely met. The ICR does not provide ex-post ERR because of the high number of subprojects and the lack of knowledge of the exact starting point (baseline). For the purposes of the efficiency analysis, sectors are grouped in two categories: (i) roads and Tertiary Municipal Services (TMS); and (ii) water and Energy for critical Services (ECS).

The roads and TMS - are labor intensive and entailed significant cash transfers towards poor segments of the population (24% of the project component costs). Assuming a poverty rate of 75 percent, the minimum benefit-cost ratio (BCR) required for labor intensive projects was 0.68 for a uniform cash transfer and 0.76 for a targeted (to poor households) cash transfer (ICR page 38). A conventional project should have a BCR above one.

On the other hand, water and ECS - are less labor intensive (only 3% of the project component costs are expected to directly flow towards poor people) but entails a strong social impact. The ICR conducted a probabilistic modelling of the opportunity cost for "water for critical services". The benefits included savings of the costs that would otherwise be incurred to access water, i.e., water trucking and time savings only. The average BCR) was 2.4, with only 8.9% of probability to fall below the requested threshold of 0.96. With a probability of 90%, the BCR would range between 0.96 and nearly 6 (5.97), while the remaining 1% outcomes are above – the best-case scenarios (ICR page 40).

The projects efficiency was also reported in terms of the wider FCV context, in which the project activities were implemented. The project contributed to business opportunities to about 350 contractors by injecting US\$18.5 million.

Administrative efficiency. The ICR states (paragraph 51) that there was an efficient management of resources and no procurement/fiduciary irregularities were reported. The project closed 6 months behind the schedule.

On balance, efficiency is **substantial**.

Efficiency Rating

Substantial

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal	✓	94.30	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable



* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The project's relevance of objectives is rated high. The Project fully achieved its PDO of restoring access to critical urban services of selected cities within Yemen. Efficacy is rated high, and its efficiency is rated substantial. The project's overall outcome is rated highly satisfactory

a. Outcome Rating

Highly Satisfactory

7. Risk to Development Outcome

The following pose risks to development outcomes:

- **Political Risk.** The main risk to the development outcomes relates to political risk. Given the uncertain security situation, there is high risk that the development outcome would be difficult to maintain. There is a high risk that the infrastructure build might be damaged again in the violent conflict.
- **Institutional Risk.** This risk is substantial. Although the project integrated operations and maintenance arrangement to ensure that the assets built with project financing were properly maintained; due to prolonged instability, a complex political economy, the buildup of public sector wage arrears, and lack of transparency, institutional capacity remains low. Moreover, since the project was operated entirely by UNOPS, it did not contribute to any strengthening of local government structures.
- **Financial Risk.** Due to prolonged conflict and instability, there is a high risk that the financial resources needed for operations and maintenance of the infrastructure may not be available on time and in adequate amount.
- **Stakeholder ownership risk.** This risk is low as the investments under the project were selected based on community priorities identified through citizen engagement mechanisms and the community validation of investment options.

8. Assessment of Bank Performance

a. Quality-at-Entry

The PDO was clearly set and was appropriately ambitious given the challenging context of conflict, high poverty rates, and extremely limited access to basic urban services. The project introduced an integrated,



multi-sector, participatory approach to the reconstruction of urban centers in Yemen based on good practices and lessons from other post-crisis reconstruction efforts. The project integrated the Country engagement note lessons on the need for simple and realistic design, as well as the focus on local level service delivery modalities that have proven to deliver results despite the conflict.

The overall risk to achieving the PDO was appropriately rated as High. The main risks were correctly identified as political and governance risks; macroeconomic risks; technical design risks; safeguards, fiduciary, and stakeholders' risks. Safeguards were adequately identified.

The project used the procedures already in place for implementation with UNOPS. The Bank provided funding and technical expertise, and specialized UN agencies contributed operational experience for in-country project supervision.

The project's design was flexible to respond to evolving developments and needs on the ground during implementation. For example, the first-year program focused on interventions that could quickly restore the delivery of the most critical services, while investment plans for the subsequent years were prepared during implementation to address the most critical and emerging needs. Given the multisectoral design of the project, each sector had its own designated team leader, and all worked collaboratively to support implementation.

Quality at entry was **satisfactory**.

Quality-at-Entry Rating Satisfactory

b. Quality of supervision

The ICR notes (paragraph 88) that diligent supervision was maintained throughout the project implementation, with implementation status and results reports (ISRs) submitted on time, and corresponding Aide Memoires capturing the key issues and next steps in detail. A total of six implementation support missions, comprising core team members, were conducted over almost four years of implementation. From March 2020 until project closure (during the COVID-19 pandemic), virtual meetings were held with UNOPS. The Bank effectively worked through UN partners in this complex FCV environment.

The project experienced staff continuity with just two TTLs, most of the team members remained during the course of the project. The Bank team was proactive in quickly responding to challenges and coming up with possible solutions. To ensure the robust implementation support throughout the project implementation the task team adequately addressed challenges through project restructurings (as outlined in Section 2 D above).

Due to COVID-19 pandemic, the task team could not conduct Reverse missions (i.e., with the Third-Party Monitoring Agents) and held virtual missions, which allowed the task team to maintain oversight of the project. The last ISR filed in the Bank's portal was dated January 2021.



Quality of supervision was **satisfactory**.

Quality of Supervision Rating

Satisfactory

Overall Bank Performance Rating

Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

According to the PAD - UNOPS was responsible for results monitoring through field visits to implementation sites, regular follow-up with its local partners, and progress towards the results indicators in accordance with the results framework. In addition, UNOPS would also engage a Third-Party Monitoring (TPM) agent to undertake independent results verification of subprojects funded under the project (PAD paragraph 60).

The results framework included one PDO indicator "number of beneficiaries with restored access to critical urban services" and seven intermediate results indicators. This indicator was adequate to measure achievement of the PDO, as the PDO level was low, - and number of people with increased access to urban services is a relevant indicator to the PDO. There were additional sectoral level indicators, not included in the results framework, but part of the UNOPS project tracker that supported monitoring outcomes and achievement of the PDO (ICR para 74). These were: (i) energy supply to critical urban infrastructure restored; (b) urban water and sanitation restored; and (c) solid waste management services improved.

The institutional responsibility was clearly established at appraisal with UNOPS given overall responsibility to collect information and maintain the reporting. The PAD (paragraph 59) indicated that as part of the reporting process, UNOPS would provide updated GIS maps of the project areas to help monitor progress towards infrastructure-related activities, in addition to its regular monitoring and evaluation activities.

b. M&E Implementation

The ICR reports that M&E implementation was satisfactory. Semi-annual M&E reports were received on time, and the annual progress reports contained the required details on progress of the project in field. As required by the PAD, UNOPS provided updated GIS maps of the project areas to help monitor progress towards infrastructure-related activities. In addition, throughout implementation, local partners prepared quarterly progress reports, which were reviewed by UNOPS and shared with the World Bank. An innovative tool, FieldSight, was used by UNOPS to monitor implementation progress, take photos of the project sites, carry out physical spot checks using site coordinates to ensure remote monitoring. All implementing partners were trained to use this innovative tool, particularly its mechanism of capturing data during supervisory field visits (ICR paragraph 44).



The end-targets for a number of indicators were upgraded to reflect a more realistic scenario. The original end-targets were not reflective of the reality and were estimated quite modestly at the time of project appraisal.

An beneficiary survey was carried out at the end of the project implementation. As described by the ICR (Annex 6-D), the methodology used a combination of quantitative and qualitative methods, which included semi-structured interviews with beneficiaries and key informant interviews with various stakeholders: service providers, district sector managers, community leaders, and NGOs representing disadvantaged groups. The total sample size was 515 beneficiaries. The assessment measured beneficiary satisfaction and provided important and useful feedback to complement the results framework. The detailed methodology and scope of the beneficiary survey is provided in Annex 6-D.

c. M&E Utilization

The ICR reports (paragraph 44) that the M&E system was used for tracking progress and making necessary course corrections. It allowed the project team to adjust activities as needed throughout the implementation stage. It was also used to design the future project.

As planned that UNOPS engaged a TPMA to undertake independent results verification of subprojects funded under the project, and then carried out surveys at project completion. The ability to measure the project results in FCV context is notable. Overall, M&E quality is **high**.

M&E Quality Rating

High

10. Other Issues

a. Safeguards

The project was assigned a Category B since the potential environmental and social impacts were deemed to be minor, site-specific, and manageable. The project triggered two safeguard policies: Environmental Assessment (OP/BP 4.01), and Involuntary Resettlement (OP/BP 4.12).

An Environmental and Social Management Framework (ESMF) and a Resettlement Policy Framework (RPF) were prepared and approved by the Bank, disclosed during implementation in May 2018. The ESMF included an environmental and social screening tool for subprojects in order to: exclude all Category A interventions; identify subprojects that require the preparation of a safeguards instrument; and the type of instrument needed. Following the project's ESMF, a total of 152 site specific Environmental and Social Management Plans (ESMPs) were prepared for different types of interventions under the project.

The PAD (paragraph 90) stated that project would not involve any land acquisition and/or physical resettlement as it would support the rehabilitation and reconstruction of damaged infrastructures, and that all activities were planned to take place on existing footprints. However, project activities could have an impact on livelihoods, mainly to informal businesses and waste pickers on landfill sites, which were to be compensated for the loss of their income. If there were encroachers or squatters within the location or



proposed area of any activities who would need to be relocated, the activities would not be implemented. For these reasons, the Bank Policy on Involuntary Resettlement OP 4.12 is applied for precautionary purposes to the entire project.

A permanent environmental and social officer based in United Nations Office for Project Services (UNOPS) Yemen office oversaw the overall implementation, monitoring, and reporting of safeguards aspects. In addition, each local partner had a safeguards focal point for ensuring on-site compliance with environmental and social mitigation measures and health and safety requirements. The ICR reports (paragraph 81) that the environmental safeguards performance was rated satisfactory throughout project implementation.

The UNOPS' office in Yemen was responsible for managing GRM system. During implementations, there were several grievances relating to damages occurred to people's assets. The Bank team monitored the full resolution by UNOPS. The ICR reports (paragraph 82) that the social safeguards performance was rated satisfactory throughout the project implementation.

b. Fiduciary Compliance

Financial Management (FM). The project's financial management arrangements (similar to other 3 emergency projects of Yemen) were governed by the Financial Management Framework Agreement (FMFA). The FMFA provided for the use of UNOPS's Financial Rules and Regulations. A dedicated international finance specialist supported by two finance officers at UNOPS' FM unit in Yemen were assigned to work on the project. The UNOPS regional office in Amman provided the UNOPS Yemen Office with technical support, advisory services, and oversight. The ICR reports (paragraph 83) that UNOPS maintained all of relevant, original supporting documentation related to the project expenditures. An independent auditor carried out the audit and had unqualified clean auditor's opinions. The unaudited Interim Financial Reports (IFRs) and Project Financial Statements (PFS) were acceptable and provided on time. FM performance was rated satisfactory and moderately satisfactory throughout the life of the project. At project closure, FM was moderately satisfactory due to delays in project audit. The audit was received and there were no outstanding FM issues.

Procurement. The procurement was carried out in accordance with UNOPS' procurement procedures. This Alternative Procurement Arrangements was allowed by the World Bank's new Procurement Framework Policy. The day-to-day implementation of procurement activities was carried out by the UNOPS' procurement team, which was led by an experienced international procurement specialist, and supported by 3 national procurement experts. A total of 152 contracts for works, goods and consultancy services were procured and successfully implemented. The ICR reports (paragraph 83) that the procurement supervision carried out by the Bank team found that procurement processing and contract management were overall satisfactory.

c. Unintended impacts (Positive or Negative)

d. Other



11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Highly Satisfactory	Highly Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	High	High	
Quality of ICR	---	High	

12. Lessons

The ICR (pages 21 - 23) identified several lessons, of which the main ones are presented below with paraphrasing from IEG:

For projects implemented in the midst of conflict and where the Bank lacks field presence, it might be useful to leverage partnership with the United Nations (UN) agencies working in the country. The Bank's lack of staff field presence and the deteriorating security environment are challenges common to many FCV countries. The World Bank Group has the resources, the technical capacity, and the ability to come up with innovative solutions, and to deliver them even under the most challenging conditions. To respond to the devastating consequences of the conflict in Yemen the Bank reengaged through an innovative strategy under OP 2.30 (the operational policy on "Development Cooperation and Conflict") at strategic and operational levels. This operational partnership ensured that the Bank contributed financing as well as technical and operational expertise, and the UN agencies carried out on-the-ground project implementation in coordination with national institutions and provided supervision of project implementation.

An integrated area-based approach can be effective in responding to the needs of populations, especially in urban contexts. This approach is particularly appropriate if residents in an affected area face complex, inter-related and multisectoral needs. This approach was at the core of the project and proved to be highly appropriate, effective, efficient, and impactful in providing critical basic services of multisectoral nature, to support Yemen during the conflict. Furthermore, this approach allowed the project to be responsive, selective, and pragmatic. The project chose to put an emphasis on prioritizing and sequencing activities to respond to immediate needs in the first year of implementation and then gradually enlarging the span of support based on community consultations for subsequent years of implementation. Through this approach, the project activities were prioritized if they achieved inter-sectoral and spatial linkages. For instance, for power and water supply restoration to a hospital, priority was given to repairing the access road to the hospital to make it a functional facility. The approach to clustering of small-scale investments helped maximize the development impact for beneficiaries, as confirmed by beneficiary survey results, whilst achieving value for money.

Use of a Third-Party Monitoring Agent (TPMA) in the absence of an on-the-ground presence may help ensure proper monitoring and verification. The project relied on the TPMA for



supervision and monitoring of project activities to offset difficulties in access and supervision by Bank staff and complement the efforts of the task team. The TPMA's services were procured by the UNOPS, with the Bank's approval of the TOR, to carry out visits to project sites to verify implementation in accordance with the project objectives and the signed contracts.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR is well written, candid, and follows the OPCS's ICR guidelines. The ICR provides an excellent presentation of evidence in support of the achievement of the PDO reporting on different aspects of service delivery. It describes in sufficient level of detail the level of public services prior to the project and draws heavily on evidence from the surveys of multiple beneficiaries, discusses O&M arrangements, and institutional capacity. The ICR provided details of the methodology and scope from the beneficiary perception survey in Annex 6-D. The ICR is internally consistent and it provides lessons learned that are of broader relevance to similar projects in FCV context.

There are a few minor discrepancies: (i) the total actual project cost - ICR datasheet reports US\$148.4 million, while Annex 3 reports total project cost by component as US\$150.2 million; and (ii) the ICR should have referred to the 'beneficiary surveys' rather than calling them the 'impact assessment'. It would also have been useful to reflect on the role of the World Bank investments and prioritizing specific geographic areas over others at the design stage- in terms of ensuring impartiality. These issues, however, do not detract from the overall high quality of the ICR.

Overall, the quality of the ICR is **high**.

a. Quality of ICR Rating

High