

MULTIANNUAL INDICATIVE PROGRAMME

(2007-2010)

Country:	Yemen
Budget Years:	2007-2010
Budget Line:	19 10 03 (Cooperation with East of Jordan developing countries)
Legal Base:	Development Cooperation Instrument
Cost of Order:	60 mn €
Programming Service:	RELEX F2
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1. SUMMARY OF THE MIP

As outlined in the SP, good governance and poverty reduction are the two strategic objectives of EC intervention in Yemen for the period 2007-2013. The two strategic objectives will be achieved through interventions in four priority areas: democracy, support for reforms and human rights, private sector development and human capital development.

Other important challenges identified in the SP which do not appear in this MIP are education and water. The Commission's humanitarian office has been funding operations focused on improving access to safe drinking water in the neediest rural areas; moreover, other main donors (Netherlands and Germany in particular) are already substantially involved in these two sectors. The Commission's programming under this MIP would not be able to offer added value, which explains the focus on other sectors. Nevertheless, education and water will be tackled through horizontal instruments such as the Social Fund for Development, targeting local communities, and in sectoral interventions e. g. in agriculture.

The environment will be also taken into account as a cross-cutting issue in different programmes. Possible actions at local community level to address environmental issues could also be envisaged as part of the EC's contribution to the Social Fund for Development.

The Commission's strategy is in line with the priorities identified by the GoY Development Plan for Poverty Reduction. The priorities identified in the Diagnostic Trade Integration Study carried out under the Integrated Framework Programme have also been taken into consideration. The MIP 2007-2010 is therefore designed in accordance with the guidelines and the objectives indicated in the SP, and will include interventions along all the identified priority axes. In order to ensure the programming follows the SP objectives, this MIP shall be subject to a mid-term review after the first two years.

Priority areas and concrete interventions under this MIP accord with the previous programmes and will guarantee the necessary continuity between existing projects and the new actions. They are defined in accordance with the objectives of the main Commission policies and instruments, in particular the Development Cooperation Instrument (DCI), the new Stability Instrument, the EIDHR, and the thematic programmes.

Strategic Objective 1: To assist the Yemeni government to promote good governance by:

Priority 1: Supporting democracy through strengthening of the electoral framework and institutions, the Parliament, groups of parliamentarians and political parties;

Priority 2: Supporting justice, the rule of law and human rights.

Strategic Objective 2: In line with the first Millennium Development Goals, to strengthen the Yemen government's capacities to fight poverty and hunger by:

Priority 3: Fostering private sector development through the sustainable development

- a) of the agriculture sector and the food processing industry;*
- b) of the fisheries sector*

Priority 4: Contributing to human capital development through:

- a) Support for the development of local communities*
- b) Support for population and reproductive health measures.*

2. INDICATIVE PHASING AND BUDGET

€million

Strategic Objective	2007	2008	2009	2010
I: To assist the Yemeni Government to promote good governance				
• <i>Priority 1: Support for the electoral framework and institutions, Parliament, groups of parliamentarians and political parties</i>	4.8 40%			
• <i>Priority 2: Support for justice, the rule of law and human rights</i>		7.5 50%		7.2 40%
II: To strengthen the Yemeni government's capacities to fight poverty				
• <i>Priority 3 a): Fostering private sector development through sustainable development in the agriculture sector and the food processing industry</i>			15 100%	
• <i>Priority 3 b): Fostering private sector development through sustainable development in the fisheries sector</i>				10.8 60%
• <i>Priority 4 a): Contributing to human capital development by supporting local community</i>	7.2 60%			
• <i>Priority 4 b): Contributing to human capital development by supporting population and reproductive health measures.</i>		7.5 50%		
Total	12 100%	15 100%	15 100%	18 100%

The total budget does not include **possible further contributions coming from the horizontal thematic programmes.**

3. CONTENT OF THE INDICATIVE PROGRAMME

3.1 Strategic objective 1: To assist the Yemeni Government to promote good governance

3.1.1 *Priority 1: Supporting democracy through strengthening of the electoral framework and institutions, the Parliament, groups of parliamentarians and political parties*

Background

Since unification, the Yemeni government has been engaged in a long and difficult process of democratisation. Some important achievements have been secured, since a multiparty system based on universal elections has been established and consolidated. However, some flaws still remain, given the strong power of the government, monopolised by the ruling party, compared with other institutions. Electoral mechanisms are an important instrument in supporting democratisation, but the development of democracy also needs more active participation by citizens in the political life of the country, and an effective role played by the elected members of the parliament and the political parties, as representatives of the citizens.

The Commission has already provided support for elector education as part of an UNDP programme for electoral support on the occasion of the parliamentary elections of 2003 and the Presidential elections of 2006; other EU Member States have also contributed to this programme (Netherlands, Italy). Furthermore, the Commission has sent an observation mission for the 2006 Presidential elections which has produced a detailed report on electoral situation in the country. In line with this previous approach and to follow-up to the recommendations made by the elections observation mission, the EC should continue with such work under the existing national strategies for the 2009 Parliamentary elections.

Besides this aspect, there is also a clear need to reinforce the role of the Parliament and the political parties as bodies and institutions representing the electors and controlling the activities of the government according to the principles of transparency, accountability and respect of democratic rules. In this regard, the Commission will provide assistance to members of parliament and to the political parties through a tutorial programme aimed at reinforcing the role of these institutions as guardians of democracy and as representatives of citizens' interests. Particular attention will be paid to the integration of women in political life and the promotion of their role in this context.

Objectives

The objective of the programme is the consolidation of democratic institutions through the support to the Supreme Election Committee, the improvement of elector education and the strengthening of political parties and parliamentary groups as representatives of citizens' interests. The programme will also aim at fostering women's participation in political life.

Expected results

- Increased participation by citizens in elections.
- Improved knowledge of democratic mechanisms and institutions.
- Improved capacity of the Supreme Elections Committee.
- Strengthened pluralism through a more active role played by MPs and greater civil society participation.
- Improved mechanisms of representation.
- Reinforced links between political parties and civil society.

Indicators

- Increased number of citizens affiliated to political parties and groups.
- Higher number of initiatives from members of parliament.
- Higher turnout of voters.
- Increased number and percentage of voting women.
- Increased number of women affiliated to political parties and groups.
- Increased number of elected women.

Programme description

The programme will have two components, one targeting the performance of the Supreme Election Committee and one addressing members of parliament and political parties. The first component aims at enhancing the capacity of the Supreme Election Committee to deliver credible free and fair elections, as a continuation of the project funded under the previous NIPs. The action will concentrate on voter education and raising citizens' awareness. It might be useful to consider implementing this component in conjunction with initiatives undertaken by other donors, as was the case with UNDP in occasion of the previous elections in 2002 and 2005, and to optimise the impact with a view to the 2009 Parliamentary elections. The implementation of the programme could draw on the lessons from the 2006 European elections observation mission.

The second component will provide capacity-building assistance to a selected group of members of parliament belonging to political parties covering the entire existing political spectrum and different sectors of the Yemeni community. This assistance will focus on the mechanisms regulating democratic institutions, with particular attention to the legislative process and the role of parliament as a counterweight to the power of the executive. The aim is to develop the capacity of members of parliament and political parties to represent citizens' interests and to link with civil society. This component will also raise awareness of the importance of environmental issues for local livelihoods. It will be coordinated with other donor activities, in particular with the project being carried out by the Netherlands.

Both components of the programme will pay particular attention to fostering the participation of women in elections and in the political groups operating in the country. The long-term objective is a substantial increase in the number of women elected to parliament.

Indicative budget for priority 1: €4.8 million

3.1.2 Priority 2: Supporting justice, the rule of law and human rights

Background

The Government of Yemen is engaged in a difficult process of political and economic reforms; it is widely agreed that these reforms are crucial for the future development of the country to provide security and stability and to attract both domestic and foreign investment, badly needed to improve future economic prospects. The judicial sector is a key institution for any democracy based on the rule of law, since it guarantees law enforcement. The situation of judiciary institutions in Yemen is seriously hampered by corruption and inefficiency, affecting the whole institutional system, governance and law enforcement. The court system also suffers from a lack of adequate resources, which hampers its ability to train and hire qualified judges and to implement its rulings. The proper operation of the judicial system is a requirement for a business environment capable of attracting investment and for the implementation of WTO rules and disciplines. This was also recognised in the Diagnostic Trade Integration Study. A specific problem in this area is the absence of a functioning commercial judicial system, which is one of the most important disincentives for private investment and the development of the private sector. Last but not least, the interference of tribal law with the judicial system further undermines the application of the rule of law.

The Yemeni government is encountering many difficulties in implementing the reform of the judicial system, and external support from international donors at this stage will be crucial.

The reform of the judicial system will also have a positive impact in the long term on other reforms and on the general process of democratisation, giving effect to some key principles such as accountability and transparency. Other donors, namely the UNDP, the UK and France, are already engaged in this sector, so Commission intervention should liaise and be coordinated with these existing activities.

The strengthening of human rights represents another important challenge for Yemen, a country which has made important efforts in recent years to improve its human rights record. Nevertheless, improvements are urgently needed if Yemen is to meet its international commitments and comply with its own domestic legislation, as demonstrated by a number of cases where the Union has had to act. In particular, some of the problems are connected with the bad functioning of the judicial system, which is sometimes unable to implement correctly the regulations protecting human rights and to enforce its own court judgements, and is in many cases biased in its judgments due to the interference of tribal laws. Moreover, the competences of administrative staff are rather weak, and there are no proper capacities for prosecution. Another aspect is the correct treatment of suspects during the prosecution phase and during detention. For this specific reason, human rights protection elements should be incorporated in the support programme for the judicial system, with a particular attention to women and vulnerable groups.

Objectives

The objective of the programme is to support the implementation of the rule of law and the protection of human rights and to reduce corruption, in order to help the Yemeni government to modernise the judiciary and improve its efficiency. Assistance shall be provided to revise and implement the current legal and regulatory framework, with a view to support institution strengthening.

Expected results

- Implementation of the principle of good governance through a more competent, efficient and effective judiciary.
- Improved general application of human rights and the rule of law.
- Improved transparency and accountability.
- Improved mechanisms for access to justice.
- Greater awareness among citizens of the rules and conditions for access to the courts.
- Mainstreaming of human rights issues into other policies (justice, security) and better coordination between the different Ministries involved.
- More effective application of human rights principles by institutions in the definition and implementation of main policies.
- Improved efficiency and work quality of the Ministry of Justice's civil servants, judges, prosecutors and court administrative staff, including reduced corruption in the judiciary;

Indicators

- Increased number of commercial courts.

- Establishment of training programmes for judges, with good participation.
- Increased number of citizens resorting to the judicial system (% compared with the tribal system).
- Decreased number of violations of human rights in the prosecution phase.
- Improved legal and regulatory framework.
- Increased execution rate of court sentences, reduction of the delays rate before trials.
- Number of judges, prosecutors, administrative staff trained.

Programme description

The UNDP is already supporting a project for two model commercial courts (Sana'a and Aden) with a view to training judges and implementing the court rules in a transparent manner, so as to facilitate access to the judiciary, to hold fair trials and to reduce the level of corruption by making the rules and proceedings public. The future programme will extend the successful aspects of the project to the six other commercial courts and/or to exemplary courts of the civil and penal judiciary, in the latter case linked in particular to the Commission's initiatives to improve Yemen's human rights record. The action will target different aspects of the reform, from the training of judges to the facilitation of citizens' access to justice. It will build on the UNDP project with two pilot courts to extend the experience to other courts. A particular focus will be on the reform of the existing commercial courts in order to enhance the application of the regulatory framework to facilitate foreign investment.

The project will also have a component aimed at mainstreaming human rights principles across the judicial system, targeting in particular the penal courts and the security forces. Building on the experience acquired, the project could focus on improving respect for human rights in the security forces and the public prosecution offices through capacity building, internal organisation and training, with a particular emphasis on dealing with suspects and interrogating them according to international standards. The treatment of detainees could also be targeted. The project will also link with the action supported by the EC and the French government for the training of the security forces.

Indicative budget for priority 2: €14.7 million

3.2 Strategic Objective 2: To strengthen the Yemeni government's capacities to fight poverty and hunger

3.2.1 Priority 3: Fostering private sector development

a) Sustainable development of the agriculture sector and food processing industry.

Background

In the context of the fight against poverty, the high unemployment represents a major problem. The creation of job opportunities is, accordingly, a top priority for the Yemeni government, and this can be achieved only through faster economic growth and development of the private sector. Considering the current depletion of oil resources, it is extremely urgent to develop other economic sectors; in this regard, agriculture represents one of the most

promising in view of the potential in terms of production and market opportunities, both domestically and on foreign markets (notably in the region). In this regard, we should recall that Yemen, as a Least Developed Country, is a beneficiary of the Everything but Arms (EBA) scheme and, as such, has duty- and quota-free access to the EU market for its agricultural exports. Support to strengthen its marketing and exporting potential should result in better take-up of EBA preferences. Problems with quality standards are typically an obstacle to the export of agricultural products, so particular attention should be paid to this area. Actions in the agricultural sector were also identified as priorities by the Diagnostic Trade Integration Study.

Yemen is both one of the Least Developed Countries and a net importer of food commodities. It remains a predominantly rural country, with almost 75% of the population still living in the countryside. Agriculture continues to be the mainstay of the national economy, still contributing significantly to GDP, accounting for 53% of employment and securing the livelihoods of more than two thirds of the population. Agricultural-sector growth averaged 2% per year during the late 1990s — well below the population growth of 3.1%. In 2003, around 60% of the national food supply was imported. More than 40% of the rural population are poor, and food insecurity, while not strictly correlated with poverty, is mainly found in rural areas. Within 20 years, the rural population is expected to increase from 16 to 23 million. Without targeted socio-economic intervention, rural poverty is poised to increase, together with food insecurity.

Yemen has a large population likely to double within twenty years. The domestic market for agricultural commodities will therefore expand rapidly. As urbanisation progresses and incomes steadily rise, the demand for quality and processed products is also likely to increase. Within the non-oil industrial sector (13.6% of GDP), the food processing and beverages industry occupies a prominent place with about 49% of all industrial establishments. The vast majority of food businesses are classified as small and employ between 1 and 4 workers. Their output remains limited, however, and a handful of large and well-established companies dominate the sector. The project should aim at linking the development of the agriculture sector with the development of the food processing industry, in order to enhance the potential for growth, exports and job creation in these sectors.

Objectives and expected results

The objective of the programme is to foster economic development and job creation and to improve the livelihoods of the rural population, through the sustainable development of the agriculture sector and the food processing industry and through increasing the potential and opportunities for exports in these sectors.

Expected results:

- Expanded domestic market and export potential.
- Links developed between farmers and the food processing industry.
- Technical and organisational capacities of the food processing industry strengthened.
- Increased competitiveness of the agriculture sector and food processing industry.
- Creation of job opportunities.
- Upgrading of human resources skills in the relevant sectors.

- Improved systems for quality control.
- Food security policy mainstreamed into the poverty reduction strategy and relevant sector policies.
- Improved technical capacities of line ministry officials and community representatives.
- Institutional and organisational capacities of line ministries and private sector organisations strengthened.
- Productivity and sustainability of irrigated agriculture improved.
- Productivity and sustainability of rain-fed / livestock systems improved.
- Services offered to farmers developed (including community-based services).

Indicators

- Increased productivity and overall production in the agriculture and food processing sectors.
- Decreased level of utilisation of water resources.
- Increased level of employment in the agriculture and food processing sectors.
- Increased share of products processed by national companies on the domestic market.
- Improved quality standards for agro-food products.
- Increased number of companies obtaining ISO certification.
- Increased number of agreements signed between farmer representations and food-processing companies.
- Increased exports of agro-food products.
- Efficiency of irrigation systems.

Programme description:

The programme will provide support to the Ministry of Agriculture and to the Ministry of Industry and other business-related institutions to implement their strategy in the field of rural development, food processing, marketing, distribution and exports. The programme will also aim to link the development of the agriculture sector to that of the food processing industry in order to enhance the potential for growth, exports and job creation in these sectors. The environmental impact will be carefully considered, especially as regards the utilisation of water resources: here, particular attention will be given to enhancing the efficiency of irrigated production systems.

The programme will therefore have a comprehensive approach, providing support for the different phases from production, through transformation, to marketing and export. The Diagnostic Trade Integration Study will provide an important reference at the identification stage of the programme. Commission support will be provided in the form of technical assistance to the governmental and public institutions involved. The programme will focus on

some particular aspects such as the utilisation of sustainable methods of production, the development of quality control systems, and assistance in securing access to domestic and foreign markets.

Assistance to the agriculture sector will follow a two-pronged approach, in line with the strategy of the government. On the one hand, more effort will be devoted to traditional rain-fed or livestock systems, as they support the poorest rural households and are the most sustainable in the long term. On the other hand, irrigated systems will be targeted as they offer prospects for market development and vertical integration with domestic food processing industries. Their importance also stems from their contribution to the depletion of water resources and the potential they offer in the long run to substitute *qat* production. Further needs in terms of water resource management will be assessed according to the evolution of the overall situation.

A prerequisite here is the strengthening of the institutional framework and of the organisational capacities of the Ministry of Agriculture and private sector organisations. To this end, the Commission will build on assessments made by other donors to engage in a policy dialogue with the government and with other national and international stakeholders.

To realise the full industrial potential of certain products (cotton, fruit for processing) farmer/industry linkages should be developed and quality control systems strengthened. Support will be provided on the basis of the existing organisation of selected food commodity chains and will aim to foster the development of small and medium-sized enterprises. An export promotion strategy will be formulated for niche markets. Additionally, technical assistance will be provided to the Ministry of Industry, the Chambers of Commerce and Yemen Standardisation, Metrology and Quality Control so that they can play a fully supportive role for the business sector. The programme will focus on particular aspects such as the development of quality control systems and assistance to secure access to domestic and foreign markets.

Particular attention will be paid to food security aspects in order to facilitate the access of less favoured rural communities to food. Some of the actions carried out under past programmes can be taken on board as part of the present programme. The environmental impact will be carefully considered, especially as regards the utilisation of water resources, where particular attention will be given to enhancing the efficiency of irrigated production systems.

Indicative budget for priority 3a: €15 million

b) Sustainable development of the fisheries sector

Background

Fisheries constitute, after oil and water, the most important natural resource available to the Yemenites. With a coastline of around 2,230 km, fisheries is a major contributor to rural livelihoods and currently provides livelihoods for some 60 to 70 thousand artisanal fisherman, directly supporting about 400,000 members of their families, a number that has increased 7% per year since 1990. The fisheries has gone through considerable change over the past five years, including the virtual cessation of licensed industrial fisheries in the Yemen 200 nautical mile Exclusive Economic Zone (EEZ) that has resulted in a rapid increase in artisanal fisheries efforts and catches, especially on the Hadramout and Red Sea coasts. Artisanal fishermen utilise about 14,000 fishing boats and produce an average annual catch of 228,000 metric tons, of which about 65% is from Gulf of Aden and 35% from the Red Sea. Exports of fresh fish (mainly to Saudi Arabia) increased from 12,000 to 24,000 t over 2001 - 2003 worth

€65 million and high value tuna loins (mainly to the EU) from 339 t to 2,300 t over the same period, worth around €8 million.

The recently drafted Third Five Year Plan for Fish Wealth Development and Poverty Reductions based on the Millennium Development Goals sees fisheries as a key sector in which to ensure that the national economic growth remains at least at 8% in order to bring the proportion of the poor (i.e. those earning less than US\$ 1 per day), down from 19% in 1998 to 9.5% in 2015. Actions in the fisheries sector were identified as a priority in the Diagnostic Trade Integration Study carried out under the Integrated Framework Programme. The development of the sector in a sustainable manner is crucial from the perspective of the integration of Yemen in the multilateral trading system.

The Commission is already involved, in parallel with ongoing activities by the World Bank, in supporting the fisheries sectors promoting sustainable exploitation of resources. Coherently with existing actions, and in the light of the growth and trade potential offered by the sector, but also as important source of livelihoods and food security, the Commission's action over the upcoming programming period shall build on the experiences made in the extension of Community assistance on quality control, marketing and export facilities.

The details of this priority will be refined during the mid-term review of the MIP, based on the results of the ongoing activities under the current financial agreement.

Objectives and expected results

The objective of this programme is expected to be twofold: to increase income for coastal communities by maximising the revenues available from fish catches, while at the same time lowering health risks for Yemeni and European consumers and reducing the pressure on fish stocks; to support sustainable fisheries management and development through informed decision-making.

Expected results:

- Improved quality control in the fisheries sector.
- Increased awareness of preservation and handling of fish.
- Improved earnings ratios through delivery of better quality fish.
- Higher turnover, better sanitary conditions, improved management at landing and auctions sites.
- Improved margins for sector participants.
- More active involvement of ministry's staff in support to sector participants.
- Increased knowledge on factors such as fish boat design, product and waste handling.
- Improved information systems on fisheries catch and stock available.
- Increased use of fisheries information systems for resources planning and management purposes.
- Annual fisheries plans at governorate level.

- Establishment of data capture networks at landing sites and of a standard database at governorate level for onward transmission.
- IT literate core staff capable of directing, maintaining, upgrading statistical data.

Indicators

- Number of coastal communities trained.
- Number of results of applied research to close fundamental knowledge gaps.
- Number of critical facilities improved.
- Higher margins for sector participants.
- Number of ministries staff trained in support to sector participants.
- Established annual fisheries plans.
- Number of landing sites having a data capture network.
- Number of standards databases as governorate level.
- Number of core staff trained at local and governorate level.

Programme description:

It may be expected that the current focus on quality control and fisheries information systems would need some follow-up. The details of the programme will be designed in detail depending on the results available at the moment of the mid-term review of this MIP. It will be assessed, as well, in which way the ongoing cooperation with the Fisheries Ministry should develop, in accordance with the World Bank's planning for its support project to wider institutional development of the Fisheries Ministry.

Indicative budget for priority 3b: €10.8 million

3.2.2 Priority 4: Contributing to human capital development

a) Support for the development of local communities

Background

The social emergency in Yemen persists: local communities are widely affected by several serious problems, such as widespread illiteracy, poor health services, limited and inefficient delivery of services, very poor basic infrastructure and water scarcity. Created by the World Bank to offset the effects of macro-economic reforms on the living conditions of the population, the Social Fund for Development is a demand-driven programme that finances various development projects targeting rural and urban communities. Its development objectives are to reduce poverty by improving living conditions and providing income-generation opportunities to the poor. The EC has already contributed to the previous phases of the programme by providing a grant of €15 million and a second grant of €8 million. Due to the poor state of government social services and the economy as a whole, there is a need to

continue the activities of the Social Fund, since it improves social services and is also a catalyst for income-generating activities. The Social Fund has proved to be a very efficient instrument in implementing social and employment policies and channelling international aid.

Objectives

The objective of the programme is to reduce poverty by improving living conditions through the delivery of basic services and the provision of income-generating opportunities.

Expected results

- Poverty reduction through income generation.
- Implementation of the new TVET strategy at community level
- Improved capacities to create or upgrade ad hoc technical and entrepreneurial skills
- Provision of and improved access to health and education services for the poor population, with a particular attention to women and children in rural areas.
- The capacity of health and educational facilities to address basic needs is durably improved, in poor rural areas in particular;
- Increased understanding of the participatory approach and the planning and monitoring of activities.
- Creation of income-generating activities through project credit financing.

Indicators

- Increased household income.
- Enhanced involvement of the community in their own socio-economic development.
- Increased number of small infrastructures developed.
- Increased number of small enterprises and income-generating activities created.
- Upgrading of human resources' skills
- Improvement in the quality of health and education services at community level, with increased number of people having access.

Programme description

The programme will continue to support activities financed during the previous phases, and includes poverty alleviation, local capacity building, and community development through the sustainable delivery of basic services and small enterprise credit development, as well as through formal and non formal training for employment. Capacity building relates to the regional structures of the Social Fund, health care structures, NGOs, co-operatives and community-based organisations. Community development will be directed towards social services as well as productive infrastructures. As indicated in the SP, it will build on the capital provided by EC humanitarian aid such as infrastructure, training and capacity building in the health and water sectors. Local authorities, with the Government's support, will

contribute to the lasting impact of aid at the community level. A credit scheme will include credit guarantees and the establishment of the necessary financial institutions to support the creation of income-generating activities.

Indicative budget for priority 4a: €7.2 million

b) Reproductive health

Background

As also underlined by the Yemeni government in its Development Plan for Poverty Reduction, population growth is a major factor holding back social and economic development and reducing the impact of economic growth. With 3.1%, Yemen has one of the highest population growth rates, higher than in all the other Arab countries. At the present rate, the population could almost double in the next twenty years, with predictable dramatic effects in terms of development, living conditions and the environment. Though falling off in recent years, the fertility rate still remains very high (5.8%). For these reasons, reproductive health represents an emergency rather than a priority, and EC efforts to intervene in this area are fully justified. Other donors are also active in this sector (Germany, Italy, UNICEF, UNFPA). The programme will follow on from and complement previous EC's intervention in this field, in particular the new project on reproductive health to be launched in 2006.

Objectives

The objective of the programme is to reduce the population growth rate and the fertility rate per woman in Yemen, and to improve the health status of mother and child in Yemen.

Expected results

- Improve the accessibility, efficiency and quality of reproductive health services.
- Reproductive health care providers reoriented to users' needs and expectations.
- Increased awareness and support of the effective utilisation of reproductive health care services.
- Potential of basic education fully exploited for improving reproductive health.
- Effective leadership of the government in reproductive health.

Indicators

- Increased number of citizens accessing and using reproductive health services.
- Decreased population growth rate.
- Full implementation of the Yemeni government's population and reproductive health policies, in line with the priorities defined in the DPPR.

Programme description:

The programme will support a multi-sectoral plan for population and reproductive health issues, within the general framework of health system development. The programme will be based on the implementation of Yemeni national population and reproductive health policies, and will take into account the results of previous actions: in particular, the programme should use the results from the analysis of the barriers to the utilisation of reproductive health care services, to be carried out as part of the reproductive health project to be launched in 2006.

The project design, the appropriate mix of demand- and supply-oriented measures, and the institutional set-up of the programme will be decided in the light of this pre-feasibility study. One of the options to be examined for future EC support will be the continuation of direct support to local government structures and to SFD as main implementing partners.

Indicative budget for priority 4b: €7.5 million

4. ANNEXES:

4.1 Annex 1: Consultation on SP/MIP

The preparation of the SP Yemen 2007-2013 has been characterised by a wide consultation with other stakeholders (EC services, Government of Yemen, EU Member States, other donors, NGOs). The result of this exercise can be summarised as follows:

EC services

Other interested Commission services were identified from the very start of the drafting process; considering the limited volume of our co-operation with Yemen and the limited political implications of our bilateral relations with this country, only few services have been consulted directly, namely RELEX/B, AIDCO, ECHO, TRADE, ENV, ENTR, AGRI and JAI, as of summer 2005. A second consultation round was made in October 2005, after a programming mission in Yemen, and a third round was launched in late November 2005, specifically on the MIP. Substantial comments have been formulated by TRADE, ENV and AIDCO. The formal interservices consultation on the SP took place in March 2006, with a subsequent second consultation on the revised MIP 2007-2010 in October 2006.

Government of Yemen

The SP and MIP have been shared with the GoY at very early stages, followed by a meeting in occasion of a programming mission (October 2005). GoY (Ministry of Planning and International Co-operation) agreed substantially with the objectives and the priorities identified in the document; minor comments have been incorporated in the text. Further exchanges took place at the February 2006 Joint Cooperation Council in Sana'a and during a further mission to Sana'a in June 2006. .

EU Member States

A wide consultation with EU MS representatives took place in Sana'a. A preliminary meeting was held in July 2005. A first draft was delivered in September 2005, and a second round of consultation took place in October. Reaction from Member States was in general positive, the SP objectives could be agreed upon. The analysis is also fully shared by the Member States, although some elements needed to be further clarified. MS provided written comments in October 2005. Contributions were incorporated in a new version which has been re-submitted on mid-November 2005, followed by the MIP. Further consultations on the revised MIP 2007-2010 took place in June 2006.

Other donors (US-AID, Japan, UNDP, UNICEF, World Bank)

Other donors were consulted in the same way (separate meeting in October 2005). All donors shared the SP analysis and illustrated their priorities of intervention in Yemen. They also provided their specific written comments on the SP, comments which have been taken into consideration in the redrafting of the document.

NGOs

In November 2005, the Commission Delegation in Sana'a held a meeting with some major NGOs, to illustrate the SP and to collect their comments; the document had been previously distributed to them by e-mail. No major objections were formulated by NGOs on the strategy document.