USAID Yemen Strategic Framework
2023-2026
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COUNTRY AND MISSION CONTEXT

Yemen’s civil war began in 2014 and to date has resulted in an estimated 150,000 people killed directly and an additional 227,000 indirectly (due to famine, lack of healthcare, and other negative consequences related to the conflict). The conflict has damaged and destroyed public infrastructure, interrupted essential services, and reduced commercial imports to a fraction of the levels required to sustain the Yemeni population. Although a United Nations-brokered truce between the internationally recognized Republic of Yemen Government (ROYG) and the de facto authorities (the Houthis) held from April to October of 2022, it was not subsequently renewed. In the absence of a comprehensive political settlement, widespread displacement and economic deterioration continue. An estimated 4.5 million people, or 14 percent of the population, are currently displaced, many of whom have been displaced multiple times over a number of years.

Yemen ranks 183rd out of 191 countries on the UN Human Development Index. The conflict has rendered most institutions incapable of delivering essential services to the population of approximately 32 million Yemenis. The country’s economic output has contracted by an estimated 40 percent since the start of the conflict, significantly reducing employment opportunities, income, and purchasing power. An estimated 2.5 million children are out of school and approximately 20 percent of schools are closed or have been so severely damaged that they are non-functional. Only 55 percent of Yemen’s health facilities are still able to provide some services, but most lack specialists, equipment, and medicines. There are dire shortages of health workers, with most personnel not having received a regular salary in more than four years. Approximately 15.3 million Yemenis need access to basic water and sanitation services.

Between January and May 2023, 3.2 million people in Yemen (one third of the population) were in Integrated Food Security Phase Classification (IPC) Phase 3 or above (Crisis and Emergency). Imported food accounts for about two-thirds of the total available volume of food in Yemen, about four-fifths of total available calories and almost 90 percent of total available cereals. This high level of imported food leaves Yemen highly vulnerable to external shocks and global dynamics. Since the beginning of Yemen’s war, the cost of the Minimum Food Basket – that includes wheat flour, sugar, rice, and vegetable oil – has increased by 483 percent in ROYG areas and by 188 percent in Houthi areas due to currency depreciation, inflation, and global

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3 Country Insights | Human Development Reports (undp.org); accessed May 01, 2023.
4 International Monetary Fund, Informal Session to Brief Executive Directors, December 14, 2022.
market price developments. As a result, millions of Yemenis are unable to meet their basic caloric needs. Approximately 21.6 million people are in need of humanitarian assistance, including approximately 13.4 million people in acute need. It is estimated that 46.4 percent of Yemeni children under 5 years of age are stunted while 16.4 percent are affected by wasting. Political volatility, conflict, and access impediments across the country have impeded relief agencies from obtaining accurate, comprehensive demographic data on conflict affected populations.

Despite these challenges, Yemen may be on the cusp of a major positive change, and the United States has a vested interest in a secure, economically viable, and politically pluralistic Yemen that contributes positively to regional stability. Recent promising developments have created an opportunity to advance a Yemeni-Yemeni peace process, under UN auspices, that would lead to a durable ceasefire and ultimately to a comprehensive political settlement of the conflict.

USAID/Yemen works in five development assistance sectors: economic growth, health, education, water, sanitation and hygiene (WASH), and governance, peace and stability. While investment in these sectors is currently modest, the work complements and strengthens USAID’s significant humanitarian investments, making them more effective. Thanks to our many years of engagement, thought leadership among the international donor community, and close working ties with key ROYG ministries, USAID has built trust and relationships that ensure influence and a seat at the table where development policies are determined. These relationships will be especially important post-conflict. Also considering that Yemen’s economic, health, education, WASH and governance indicators tend to be the worst in the Middle East region and among the worst in the world, it is critical that USAID maintain its presence and continue investing in these sectors. In short, the USAID mission to Yemen is preparing for peace.

Five kilometers away from the frontlines, Yemeni communities are rebuilding their institutions, economic output is stabilizing, and USAID resources are being effectively deployed to address the complex crisis facing Yemen. A 2022 final performance evaluation of USAID/Yemen’s Communities Stronger Together activity showed a 28 percent increase in community members’ level of trust in local institutions and a 48 percent increase in beneficiary participation in community groups and activities. Since 2018, USAID has helped more than 1.5 million vulnerable Yemenis access clean water, improved sanitation services, and hygiene awareness sessions. With USAID support, new textbooks have been developed for grades 1, 2, and 3. 100,000 Yemeni children will benefit from these new textbooks, while 23,000 children have been enrolled in literacy and numeracy non-formal education classes and 18,000 in remedial education programs. Over one million Yemenis were vaccinated against COVID-19, over 600,000 women were reached with family planning methods, and 11,000 children under five were treated for diarrhea. The Central Bank of Yemen established a Foreign Exchange auction,
facilitating the conversion of $300 million of International Monetary Fund resources to crucial foreign currency.

DEVELOPMENT HYPOTHESIS

The overarching goal of USAID engagement in Yemen is to advance Yemen’s transition towards stability. Foundational to this stability is the imperative to continue providing lifesaving humanitarian assistance to the most vulnerable populations to reduce the risk of famine and severe malnutrition, reduce communicable disease outbreaks, and mitigate the other life-threatening effects of Yemen’s conflict and economic crises. While this humanitarian assistance continues as needed, the theory of change for USAID/Yemen’s longer term development investment in Yemen is that if Yemen’s economic growth is accelerated, if access to essential services is improved, and if governance and reconciliation are strengthened, then Yemen’s transition towards stability will advance. USAID/Yemen progresses towards this goal via four complementary Development Objectives (DOs): 0) Risk of Famine is Reduced; 1) Inclusive Economic Growth is Accelerated; 2) Access to Essential Services is Improved; and 3) Governance and Reconciliation are Strengthened. Six underlying principles support these DOs: 1) Gender Equality and Women’s Empowerment; 2) Interagency and Donor Coordination; 3) Climate Change Mitigation; 4) Localization; 5) Conflict Sensitivity; and 6) Continuous Learning.

Approved for Public Release
DEVELOPMENT OBJECTIVES

DO 0. RISK OF FAMINE IS REDUCED
Providing life-saving humanitarian assistance is foundational to all other USAID assistance to Yemen. As the largest provider of humanitarian assistance, USAID carefully targets assistance to the most food insecure populations and effectively delivers it to reduce the risk of widespread famine. The food security situation in Yemen is precarious. While projected food insecurity levels in the later part of 2022 were not as severe as anticipated, gains are fragile and could be lost without constant vigilance, monitoring, and inputs from donors. Approximately 70 percent of USAID’s humanitarian assistance is food assistance, largely provided through the Title II program which facilitates procurement of U.S. food commodities. In addition to emergency food assistance, USAID’s humanitarian assistance prevents and treats severe malnutrition, provides lifesaving health assistance and significant protection programming for vulnerable communities, provides support for Internally Displaced Persons (IDP) camp coordination and management, and provides rehabilitation of water systems largely for IDP communities.
DO 1. INCLUSIVE ECONOMIC GROWTH IS ACCELERATED
Yemen’s economy has been ravaged, with the UNDP estimating that Yemen has lost a cumulative $126 billion in potential gross domestic product (GDP) since 2015.15 Approximately 15.6 million people suffer extreme poverty. Exports fall far short of covering Yemen’s food imports. The UN estimates at least 55 percent of the workforce has been laid off since the civil war began and more than a quarter of businesses have closed. USAID’s economic growth portfolio is focused on stabilizing Yemen’s macro economy through improved monetary and fiscal policy and facilitating international trade. Mission economic growth programs focus on building community resilience by improving the performance of micro, small and medium-sized enterprises to increase household incomes and increase food security.

DO 2. ACCESS TO ESSENTIAL SERVICES IS IMPROVED
Yemen has some of the world’s worst health and education outcomes. The under-five mortality rate is 62/1000, and neonatal mortality is at 28/1000.16 Every two hours in Yemen, one woman and six newborns die from complications during pregnancy and childbirth.17 Lack of access to potable water is an underlying cause of malnutrition, while deteriorating WASH infrastructure has contributed to a cholera outbreak and the spread of COVID-19 and other communicable diseases. Approximately eight million school-age girls and boys are at risk of leaving the education system. Many children have also been exposed to serious psychological trauma, which hinders their ability to learn. USAID’s health, WASH, and basic education portfolios improve access to and utilization of quality services so as to reduce morbidity and mortality and improve the life outcomes of vulnerable Yemenis. Health programs help vulnerable Yemenis access essential health care, including reproductive, maternal and child health needs, bolster a sustainable response to COVID-19, improve nutrition for children, pregnant women and their families, and strengthen the health care system. WASH programs improve access to safe and adequate water and sanitation systems for vulnerable populations and increase their knowledge of hygiene practices; increasing safety, security, privacy, and dignity for women and children by improving access to sanitation facilities; and build the institutional capacities of water and sanitation service providers to improve service delivery. Education programs improve early grade reading, numeracy, and writing skills, support non-formal learning centers for out of school children and a remedial/accelerated curriculum, and support the educational needs of vulnerable children such as girls and children with disabilities.

DO 3. GOVERNANCE AND RECONCILIATION ARE STRENGTHENED
Nearly eight years of war in Yemen have severely weakened governance structures, resulting in a government that is ill-prepared to lead constructive peacebuilding efforts that might drive forward a lasting peace. Weak rule of law and limited government capacity particularly at the sub-national level undermines public confidence in the authorities and fuels instability. The sharp socio-economic deterioration in southern Yemen in the form of food scarcity, limited access to education, and widespread unemployment has led many children to join armed groups to financially support their families. In fact, many young men perceive joining one of Yemen’s armed groups as their only way to cobble together a livelihood. USAID’s Governance, Peace

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17 UNICEF, “One woman and six newborns die every two hours from complications during pregnancy or childbirth in Yemen,” 14 June 2019
and Stability portfolio supports community cohesion and reconciliation, mitigates and prevents human rights violations, and strengthens the peacebuilding capacity of local and national government institutions to prevent further conflict and begin to establish a foundation for effective governance.

**RESULTS FRAMEWORK**

**GOAL:** Advance Yemen’s Transition Towards Greater Stability

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<th>DO. 0: Risk of famine reduced</th>
<th>DO. 1: Inclusive economic growth accelerated</th>
<th>DO. 2: Access to essential services improved</th>
<th>DO. 3: Governance and reconciliation strengthened</th>
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<td>IR 0.1 Integrated package of humanitarian assistance to most food insecure populations provided.</td>
<td>IR 1.1 Macroeconomic institutions modernized</td>
<td>IR 2.1 Utilization of quality healthcare services increased.</td>
<td>IR 3.1 Responsive national and local governance advanced.</td>
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<td>IR 0.2 Number of households dependent on lifesaving humanitarian assistance reduced.</td>
<td>IR 1.2 Targeted economic sectors and value chains strengthened</td>
<td>IR 2.2 Access to safe and sustainable WASH services increased.</td>
<td>IR 3.2 Community peace and reconciliation processes improved.</td>
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<td>IR 2.3 Inclusive access to and enrollment in quality basic education increased.</td>
<td>IR 3.3 Human rights promoted and safeguarded.</td>
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**Properties:** Gender Equality and Women’s Empowerment; Interagency and Donor Coordination; Climate Change Mitigation; Localization; Conflict Sensitivity, Continuous Learning.
MONITORING, EVALUATION AND LEARNING

Yemen’s rapidly changing context requires USAID to adapt and pivot to cope with security threats, address emergent opportunities, and meet unanticipated needs while ensuring that programming and resources are reaching intended beneficiaries for their planned development purpose. While USAID/Yemen staff would ideally monitor and oversee these activities in person, this is currently impossible. Most monitoring and verification is done instead by third party monitors (i.e. monitors employed through a contractor that has no fiduciary relationship to the USAID implementing partner being monitored) provide an additional layer of accountability. These monitors observe USAID activity implementation in “real time” and report findings and potential issues to USAID managers for further action. They also solicit the perspectives of USAID beneficiaries so that USAID managers understand how assistance efforts are perceived by beneficiaries and can identify needed adjustments and improvements.

USAID/Yemen also periodically reviews and takes stock of contextual changes in the operating environment (including knowledge and learning gained from monitoring and evaluation) and to determine how best to apply lessons learned. USAID/Yemen’s Performance Management Plan (PMP) further details the specific performance and context indicators that will be used to measure the results of the strategy, as well as the Mission’s evaluation and learning plans. Finally, USAID/Yemen conducts assessment and evaluations and employs other learning techniques (remote monitoring visits, GPS coordinates on photos, etc.) to ensure that Mission activities are evidence-based and results-oriented.