

Ex-post evaluation – Yemen

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Sector: Democratic participation and civil society (CRS code: 1515000, individual projects I-III) and education policy and administration in the education sector (CRS code: 1111000, individual project IV)
Programme/Project: Social Fund for Development (SFD) I-IV (BMZ Nos.: 2003 65 155, 2004 65 757, 2005 66 059*, 2007 65 248)
Implementing agency: Social Fund for Development (SFD)



Ex-post evaluation report: 2016

		SFD Phase III** (planned)	SFD Phase III (ac- tual)
Investment costs (total)	EUR million	23.50	28.07
Counterpart contribution***	EUR million	3.50	7.87
Other income****	EUR million		0.20
Funding	EUR million	20.00	20.00
of which BMZ budget funds	EUR million	20.00	20.00
Total financing from all donors in USD million		758.26	457.00*****

*) Projects in the 2015 random sample **) The individual contributions to the financing of projects I-IV went towards Phase III of the SFD and are treated as a single project since it is not possible to distinguish between the measures promoted in connection with the four separate projects ***) Counterpart contributions from the government (EUR 6.00 million) and the target group (EUR 1.87 million) ****) Interest income and fees for invitation to tender documents *****) In Phase III, 7,226 projects with a combined financing volume of USD 828 million were approved, including 4,921 projects with a financing volume of USD 457 million between 2004 and 2010. The remaining projects were transferred to Phase IV.

Summary: The SFD I-IV projects provided EUR 20 million to co-finance the third phase of the Yemeni Social Fund for Development (SFD), which is supported by numerous bilateral and multilateral donors. In Phase III, which ran from 2004 to 2010, the SFD financed 4,921 projects throughout the country aimed at rehabilitating and expanding social and economic infrastructure in poor areas, with a total volume of USD 457 million. The funds were mainly used for measures in the education, water supply and waste water disposal, rural road construction and health care sectors, as well as to protect Yemen's cultural heritage and develop its organisations and institutions.

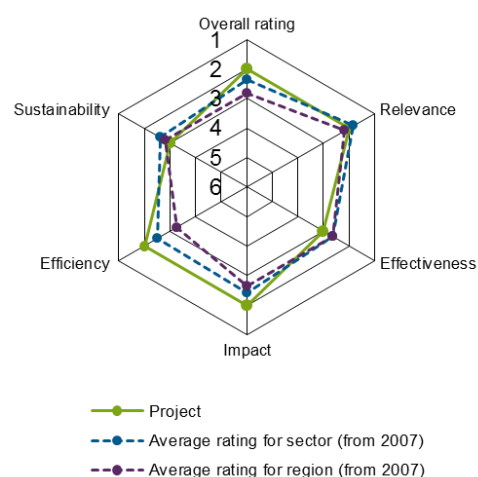
Objectives: The developmental objective was to help reduce poverty, improve the living conditions of the poor and promote stability in the context of conflict. The programme's objectives were the sustainable utilisation and operation by the target group of the basic infrastructure which was provided cost-effectively with a focus on poverty, as well as supplying the population in the conflict situation.

Target group: Socially and economically disadvantaged parts of society, particularly the poor, women and children. Also intermediaries such as local associations and initiatives, non-governmental organisations, local councils and (local) authorities.

Overall rating: 2 (all projects)

Rationale: The SFD is a successful example of coordination between multiple bilateral and multilateral donors to promote an efficient and effective implementing institution that has provided effective support to Yemeni municipalities in three programme phases (to date) with its decentralised structure and competent employees, even following the outbreak of the civil war, and contributes its experience and expertise to the policy-making process. The target levels for the impact indicators were exceeded in most cases thanks to highly efficient project measures.

Highlights: Since it was created in 1997, the SFD has implemented more than 12,500 projects with a total volume of financing of more than USD 1.2 billion in a fragile political context, and in so doing made an effective contribution to providing the population with municipal services and therefore stabilising the provision of basic services in the context of conflict.



Rating according to DAC criteria

Overall rating: 2

Overall context

Yemen is marked by chronic poverty and underdevelopment, population growth is high and the economic situation in the country has continually worsened in recent years. Yemen has ranked highly in the Fragile State Index since 2006, and was also characterised by a tense security situation, internal conflicts and fragility during the period of project implementation. June 2004 saw the outbreak of heavy fighting between Shiite Houthi rebels and government forces in the predominantly Sunni country of Yemen. Interrupted by occasional cease-fires, this developed into a civil war that is still raging, in which government institutions are very limited in the extent to which they can provide security and basic services to the population. In early 2011 there was civil unrest that led to the resignation of President Saleh. The civil war is between government forces and a military alliance led by Saudi Arabia on the one hand, and Houthi units and brigades loyal to former president Saleh (supported by Iran) on the other hand, as well as separatists in South Yemen and adherents of Al-Qaeda in the Arabian Peninsula and the so-called Islamic State.¹

The Yemeni Social Fund for Development (SFD) was set up in 1997 as an initiative of the World Bank to support social and economic policy in Yemen. Phase III of the SFD, which is being dealt with here, was implemented between 2004 and 2010, and was the first phase of the SFD to be co-financed by German FC. The measures focus on the rehabilitation and expansion of the social and economic infrastructure in poor regions, as well as reinforcing local opportunities for participation and structures by developing organisations and institutions.

The ex post evaluation is based on extensive materials including rigorous impact analyses and up-to-date information provided by the SFD.

Relevance

There is no comprehensive provision of basic social services in Yemen, and the situation is exacerbated by unfavorable environmental conditions and municipalities' limited capacity as local service providers. The political system is marked by government institutions that are perceived to be weak, ineffective and corrupt, as well as by numerous interest and power groups. Promoting the third phase of the SFD was highly relevant in light of the low level of development, the high level of poverty and the increasing political fragility. In two previous programme phases carried out since 1997, the SFD proved itself as an efficient and effective implementing institution that works successfully both with municipalities and central government via its office in Sana'a and nine regional offices, and contributes its experience and capabilities to (national) institutions and polities.² Even following the outbreak of armed conflict between Houthi rebels and government forces in 2004, the SFD's position as a neutral, parallel structure allowed it to continue providing municipal services to the population, establish communication between local and central government structures and administration levels, and in so doing also positively influence the way central government is perceived by the populace. The choice of the SFD as the project implementing agency is therefore viewed as positive.

The objective of improving the population's access to municipal services and, as a crosscutting topic, promoting the involvement of the population and women in particular in decision-making processes and increasing the technical and administrative capacities of municipal administrations were congruent with the Yemeni Local Authority Law, which was enacted in the year 2000, as well as the 2003 poverty reduction strategy. Maintaining and expanding the population's access to municipal services became even

¹ Please refer to the information provided by the German Federal Foreign Office and the broadcaster Arbeitsgemeinschaft der öffentlich-rechtlichen Rundfunkanstalten der Bundesrepublik Deutschland regarding Yemen's internal politics

² Institutional impact analysis from 2006: "SFD has evolved into a successful and 'model' organisation in the Yemen context that operates on a nation-wide basis and has broadened participatory development efforts to rural and remote areas." (DFID Institutional Evaluation February 2006, p. 8)

more urgent in the conflict situation, and a transparent and strictly standardised project selection process ensured that planning was sensitive to the conflict. The crosscutting topic of promoting equal opportunities for women was highly relevant in Yemen, which is still ranked bottom of the Gender Inequality Index.

The strong ownership of the Yemeni government is reflected among other things by the fact that the SFD was already enshrined in law in 1997, the year of its establishment (SFD law). The continued strong support for the SFD is reflected in the substantial counterpart contribution from the Yemeni government which amounted to more than 14% of donor funds (or 23% if we include the "special programmes")³ - much higher than the share of 10% of donor funds that was promised.⁴

Yemen is highly dependent on financing from donors, but despite this severe need only received USD 13 of development aid per inhabitant in 2003 (the year of the project appraisal) compared to an average of USD 33 per inhabitant in the least developed countries.⁵ The SFD is an example of successful coordination between numerous bilateral and multilateral donors along the lines of the Paris Declaration and the Accra Agenda for Action. In addition to the World Bank and German FC, its supporters included the US, the UK, Saudi Arabia, the Netherlands, Italy and the European Commission.

The relevance is considered to be high on account of the measures' high relevance from a development perspective and its urgency, the coherent project concept, the strong ownership by the partner and the successful coordination between the donors and the Yemeni government.

Relevance rating: 2

Effectiveness

The programme's objective ("sustainable utilisation and operation by the target group of the basic infrastructure which was provided cost-effectively with a focus on poverty") was amended in accordance with the fragile context to: 1) sustainable utilisation and operation by the target group of the basic infrastructure which was provided cost-effectively with a focus on poverty and 2) supplying the population in the conflict situation.

The following indicators were used to assess the level of target achievement:

Indicator	Target value	Ex-post evaluation*
(1) At least 80% of households confirm that the implemented projects constitute priorities within their communities.	≥ 80 %	90 %
(2) Average increase in school attendance rates of 7%, with the increase in the school attendance rate for girls at least 1.5 times the increase for boys.	+ 7 %; ≥ 1.5	+ 26.5 %; 3.3
(3) At least 70% of households report improved access to the water supply.	≥ 70 %	86 %**
(4) At least 75% of the individual	≥ 75 %	Random sample of 18 projects:

³ e.g. the Labor-Intensive Works Program, Food Facility, Rain-Fed Agricultural and Livestock Project

⁴ World Bank Implementation Completion and Results Report from December 2010, p. 31

⁵ Due in part to the "low absorption capacities of its state institutions, the lack of security and limited state legitimacy," cf. Lamis Al-Iryani, Alain de Janvry & Elisabeth Sadoulet (2013), Delivering good aid in hard places: The Yemen social fund for development approach, p. 16

projects financed do not exhibit serious problems with respect to operation, maintenance or degree of utilisation.

Condition and utilisation range from very good to acceptable: 72%, maintenance carried out: 28%

*) Sources: Indicators 1-3: DFID Yemen Social Fund for Development – Impact Evaluation (The Recovery and Development Consortium, November 2010), indicator 4: Report on the final technical inspection from November 2013, **) Households surveyed in projects completed during the period 2006-2010 (DFID Impact Evaluation November 2010)

The SFD consulted the municipalities and the target group when preparing and implementing its projects, and promoted their involvement in the selection of poverty-oriented infrastructure and their "ownership" of the projects. Of all the people surveyed, 75% of men and 34% of women indicated that they had attended project selection meetings (2003: no women in attendance⁶). A total of 90% of households confirmed that the selected projects constituted priorities for their municipalities (indicator 1), and 79% indicated that the selection was based on a broad consensus.⁷ The confirmation rate regarding municipality priorities was up by 20 percentage points in comparison to the impact analysis carried out in 2003.⁸ The sense of ownership among the households is judged to be high, with 57% contributing to the financing of the infrastructure measures. The total counterpart contribution received from the target group (7% of the project's costs) far exceeded the minimum target of 5% of the project's costs.⁹

Almost half of the funds were spent on the education sector.¹⁰ The school attendance rates of girls aged between 6 and 14 in the programme regions rose by 45% during Phase III of the SFD (almost 24 percentage points), while the same figure for boys rose by around 13% (10 percentage points).¹¹ The overall average school attendance rates for 2010 (82%) were 17 percentage points above the baseline data for 2003, and the increase in the attendance rate for girls was 3.3 times the figure for boys (indicator 2).¹² School attendance rates for the country as a whole rose from 70% in 2003 to 81% in 2010 and 85% in 2013.¹³

12% of total funds went towards water supply and waste water disposal projects; the aim was in particular to improve access to water supply (indicator 3). The achievement of this target was confirmed by 86% of the households surveyed in 2010 that were covered by water supply projects that had "recently" been completed (between 2006 and 2010). However, the confirmation rate among the households surveyed in 2010 for infrastructure completed between 1997 and 2006 was only 40%.¹⁴ The costs and time associated with water supply for the population were reduced. Particularly in the case of rain water collection systems and retention dams for irrigation purposes, the improved water supply was found to have saved significant amounts of time in a comparison between the target group and the control group, during both the dry and the rainy seasons. The net reduction in costs for the target group, which was investigated using the double difference method¹⁵, amounted to 18%-24% during the dry season and 19%-21% in the rainy season for rain water collection systems and retention dams.¹⁶ Access to water supply deteriorated at a national level, with the proportion of the population enjoying access to improved water supply falling from 58% in 2003 to just under 55% in 2010 and 2012.¹⁷

⁶ Lamis Al-Iryani, Alain de Janvry & Elisabeth Sadoulet (2013), p. 12

⁷ DFID Impact Evaluation November 2010, p. 15

⁸ Lamis Al-Iryani, Alain de Janvry & Elisabeth Sadoulet (2013), p. 12

⁹ World Bank Implementation Completion and Results Report Dezember 2010, p. 31

¹⁰ Please refer to Lamis Al-Iryani, Alain de Janvry & Elisabeth Sadoulet (2013), p. 9 for a detailed description of the distribution of funds between sectors and phases of the SFD as referred to below.

¹¹ Comparison of data between 2003 as the baseline year and the 2010 DFID impact analysis

¹² DFID Impact Evaluation (November 2010), p. 25

¹³ World Bank Development Indicators regarding the "net enrolment rate (primary, both sexes)" (30 June 2016)

¹⁴ The much lower rate of access to the water supply at "older" project locations relates to the sustainability of the promoted infrastructure, and is evaluated in that section. The effectiveness is assessed on the basis of the result for the infrastructure implemented in Phase III of the SFD. The final technical inspection only looked at waste water disposal projects and not water supply projects.

¹⁵ The magnitude of the effect was found by comparing test and control groups at two different points in time

¹⁶ DFID Impact Evaluation November 2010, p. 41 ff.

¹⁷ World Bank Development Indicators regarding "population with access to improved water source" (30 June 2016)

Indicator 4 was assessed as part of a final technical inspection carried out in 2013 on the basis of visits to a random sample of 18 projects. It was not possible to return to projects at the time of the ex post evaluation on account of the critical security situation. The aspiration level for the indicator is deemed to be high in light of the Yemeni context. Furthermore, although the random sample of 18 projects can be used as an indicator for the sustainable utilisation and operation of the infrastructure (please refer to the description in the section on sustainability), the results cannot be considered representative for the more than 7,000 projects implemented in Phase III of the SFD. The condition and degree of utilisation ranged from very good to acceptable for 13 projects (72%), and maintenance was only carried out on five (28%). In the surveys conducted for the DFID impact analysis, the opinion among the population regarding the condition and maintenance of the infrastructure was much more positive (in 2010, at least).¹⁸ It is worth pointing out at this juncture that in the case of a participatory, municipal development approach, shortcomings in the quality of the infrastructure are in some respects "offset" by the learning experiences of the population and/or decentralised structures.

The target level of the indicators is high, particularly in light of the context of conflict. Indicators 1 and 2 were exceeded, and indicator 3 was exceeded for water supply projects completed within the last four years. The target for indicator 4 was not met based on the random sample of projects visited, while the population expressed satisfaction with the condition and maintenance of the infrastructure.

The SFD implemented projects in more than 10,000 villages and 3,700 urban areas, in 333 districts and 1,976 sub-districts ("uslas") in all 21 governorates between 1997 and 2012,¹⁹ many of which were in areas of conflict. The 4,921 projects assigned to Phase III achieved a high level of geographical coverage, reaching 57% of the Yemeni population²⁰ directly (13,384,316 people), 52% of whom were women.²¹

The achievement of the programme's objectives is considered to be satisfactory. Reservations with respect to the utilisation and operation of the infrastructure are offset by the successful provision of services to large parts of the population in a conflict situation.

Effectiveness rating: 3

Efficiency

Since its inception in 1997, the administratively and financially autonomous SFD has established itself as an important implementing institution for supporting Yemeni social and economic policy, which is reflected in the high level of efficiency with which it implements measures. Although (or precisely because) the SFD is a parallel institution that relies on support from donors, it is perceived among Yemeni institutions to be an important and neutral institution that can provide effective support to municipalities thanks to its decentralised structure and well trained employees, and that has been able to successfully maintain or even promote municipal development despite the highly fragile conflict situation. A total of 74% of surveyed households described the quality of the SFD's work as outstanding.²² Administration costs, which made up 4.7% of the investment costs, were well below the maximum threshold of 10%.

The SFD takes the costs per beneficiary and unit of output into account when selecting projects. The costs per beneficiary ranged from USD 9 (health care sector) to USD 217 (education sector). The average investment costs in the education sector amounted to USD 120 k per project²³ or USD 269 per m², and rose as high as USD 332/m² in remote, inaccessible areas (2010). A comparison conducted by the World Bank of the costs of school infrastructure implemented via various different executing institutions high-

¹⁸ DFID Impact Evaluation November 2010, p. 16 f

¹⁹ Lamis Al-Iryani, Alain de Janvry & Elisabeth Sadoulet (2015), The Yemen Social Fund for Development: An Effective Community-Based Approach amid Political Instability, International Peacekeeping, p. 325

²⁰ Population in 2010: 23.56 million, 2014: 26.14 million (World Bank Development Indicators, 30 May 2016)

²¹ Information provided by the SFD, May 2016

²² DFID Impact Evaluation November 2010, p. 17

²³ For comparison: According to data published by the World Bank and the DFID, the average school construction costs in Afghanistan between 2006 and 2009 amounted to between USD 53,211 and USD 190,568 per school and between USD 8,407 and USD 12,614 per classroom (Afghanistan Public Expenditure Review 2010). The investment costs for FC projects in the education sector that were processed via the Yemeni Ministry of Education with the Public Works Project as the implementing agency amounted to USD 159,000 per school.

lighted the efficiency of the SFD's decentralised implementation structure with its well-equipped regional offices, well-trained management and contract award specialists.²⁴ According to a study on school construction costs in Yemen commissioned by the Yemeni Ministry of Education and KfW, the offers received from construction companies for projects advertised via the Public Works Project²⁵ or the SFD as the implementing institutions are 20% lower than the offers received for comparable invitations to tender issued by the Ministry of Education on account of the transparent contract award processes and prompt payments.²⁶ Production efficiency is judged to be good.

According to surveys, the promoted infrastructure was largely congruent with the target group's priorities, and was highly relevant for the improvement of their living conditions. The relevance of the chosen infrastructure and therefore the allocation efficiency is questionable in individual cases in which the promoted infrastructure is not used, for example because the necessary equipment was not provided by the relevant government authorities as planned. This was observed for two of the 18 projects visited during the final inspection. Because the relevant ministry had not acquired the books for the women's library in Balquis at any time between the library's completion in 2010 to the time of the ex post evaluation, the premises could only be used for workshops. No exhibits were provided for the regional museum in Dhamar, which was completed in 2007, and the building no longer existed at the time of the ex post evaluation having been destroyed by aerial bombardment. According to the SFD, deliveries of furniture and equipment are only outstanding in a few Phase III projects, and most buildings are used even when they are not fully equipped. At the same time, the 2006 impact analysis confirmed that the promotion of school infrastructure by the SFD was associated with a "crowding-in" effect, "in particular, (...) on the education ministry's delivery of books, staff, and other educational inputs".²⁷

The programme's contribution to improving access to social and economic infrastructure was achieved at a cost of USD 44 per direct beneficiary. The allocation efficiency is judged to be good despite isolated limitations on the usage of the promoted infrastructure in light of the successful provision of services to large sections of the population with no preference given to any particular group.

The efficiency is judged to be good, with good production and allocation efficiency.

Efficiency rating: 2

Impact

In addition to inadequate access to municipal infrastructure, the project appraisal identified the low level of involvement among citizens (and women in particular) in (local) decision-making processes and technical and administrative weaknesses at the districts as key problems. The overall development goal of Phase III of the SFD was to help reduce poverty and improve the living conditions of the poor in Yemen. The intention was also to promote equal opportunities for women as a crosscutting goal. From today's perspective, the following dual objective seems reasonable in light of the continuation of the conflict in Yemen and the special role of the SFD in the fragile context: Contributing to 1) Reducing poverty and improving the living conditions of the poor population, and 2) Stabilisation in the context of the conflict. In addition to promoting equal opportunities for women, reinforcing local opportunities for participation and structures was viewed as a crosscutting topic.

²⁴ DFID Impact Evaluation November 2010, p. 22 f

²⁵ <http://www.pwpyemen.org>

²⁶ School Construction Costs in Yemen Cross-Sector and Multi-Institutional Assessment Study March 2008, p. 9. The SFD is ranked first, followed by the Public Works Project, in a survey of quotes submitted to other Yemeni institutions in comparison to the SFD (DFID Institutional Evaluation February 2006, p. 28). Lamis Al-Iryani, Alain de Janvry & Elisabeth Sadoulet (2013) also mainly attribute the SFD's high cost-efficiency to "its operational autonomy, rapid payment process, and transparent procurement practices" (p. 11).

²⁷ Lamis Al-Iryani, Alain de Janvry & Elisabeth Sadoulet (2013), p. 13

The following indicators were used to assess the level of target achievement:

Indicator	Target value	Ex-post evaluation*
(1) At least 40% of the promoted projects reach the population living below the national poverty line.	≥ 40 %	79% (30% extremely poor, 24% moderately poor and 25% poor households)
(2) At least 70% of households confirm that they consider the project committees to be effective.	≥ 70 %	84 %
(3) At least 50% of project beneficiaries are female.	≥ 50 %	52% (6,982,507 people)

*) Sources: Indicator 1: World Bank Implementation Completion and Results Report December 2010, indicator 2: DFID Impact Evaluation November 2010, indicator 3: information provided by the SFD in May 2016.

It is considered plausible that the projects promoted by the SFD helped reduce poverty and improve the living conditions of the poor population in the target regions based on (auxiliary) indicator 1. According to the World Bank's analyses, the promoted measures mainly reached poor households.²⁸ The absolute value of the Human Development Index fell between 2003 and 2010, and the proportion of the population living in poverty rose from 37.5% to 40.0% between 2006 and 2013.²⁹

According to the DFID impact analysis, the SFD helped improve the dialogue between municipalities and central government in individual cases. Following the enactment of the Local Authority Law in the year 2000, the SFD supported structures at the local (local councils and district offices of the ministries), governorate and district levels as well as the Ministry of Local Administration by implementing training and capacity development measures when creating the necessary institutional preconditions in order to fulfil the new responsibilities and obligations, and be able to efficiently and effectively plan and implement municipal infrastructure projects at a decentralised level. The SFD worked particularly closely with the Ministry of Local Administration as well as with the municipalities directly.³⁰ Indicator 2 was expanded ex post in order to assess the extent to which the target group's opportunities for participation have been improved. According to a DFID survey, a substantial majority of households (84%) consider the work of the project committees to be effective.³¹ Democratic and participatory decision-making processes were promoted in the municipalities thanks to the high level of transparency and the involvement of the target group in the preparation and implementation of SFD projects, including transparent contract award processes in the projects, the disclosure of financial data, the opportunity to attend public meetings and the election of members of the project committee.³² Of particularly favourable note is the fact that, where existing, legitimised government structures were reinforced rather than weakened by the SFD and the participation of the population. With respect to local administrative structures at the district and governorate levels, on the other hand, the (sustainable) efficacy of the targeted trainings and organisation and institution development measures can be assumed to be limited, due in part to political instability.

²⁸ World Bank Implementation Completion and Results Report Dezember 2010, p. 63

²⁹ UNDP Human Development Report 2003 (ranked 148th out of 175, absolute value: 0,470 – 2001 data; absolute value in 2003 according to UNDP Human Development Report 2005: 0.489) and UNDP Human Development Report 2010 (ranked 133rd out of 169, 0.439), figures on poverty based on Multidimensional Poverty Index (UNDP Human Development Report 2015)

³⁰ DFID Institutional Evaluation February 2006, sections 2.2, 3 and 4, DFID Impact Evaluation November 2010, p. 18; Lamis Al-Iryani, Alain de Janvry & Elisabeth Sadoulet (2015), p. 333 f

³¹ DFID Impact Evaluation November 2010, p. 19

³² The impact analyses did not look at whether the participation opportunities of the particularly poor population were limited. Regardless of their income, however, 75% of households indicated that male members of the household attended project selection meetings. (DFID Impact Evaluation November 2010, p. 15)

Indicator 3 was exceeded slightly, with women and girls making up 52% of the direct beneficiaries. In comparison to 1997-2002 their representation in the period 2004-2009 rose significantly, particularly in the health care and microfinance sectors (increase of 13 and 25 percentage points, respectively, with shares of between 65% and 77%)³³. Although the representation of women in the education sector also improved, it was still relatively low with a 45% share of female beneficiaries in 2009. The impact analysis by the DFID indicated a positive impact of the SFD projects on enrolment rates for girls, with almost a third of girls using the time saved as a result of the improved water supply to attend school. Despite initial reservations regarding mixed councils, the project committees for the projects implemented between 2004 and 2010 included 2,147 women (total share of 24%).³⁴

It is considered plausible that the SFD contributed to stabilisation in a conflict situation, at least by making a tangible contribution to the provision of basic services and the participation of the population, by successfully providing services to the population in all of the country's governorates in a situation that steadily escalated from general uncertainty and armed clashes to a full-blown civil war.

The overall developmental efficacy is therefore judged to be good on the basis of what seem to be plausible contributions to reducing poverty, improving living conditions and promoting stability in a conflict situation, as well as increasing the target group's opportunities for participation and positive effects relating to equal opportunities for women.

Impact rating: 2

Sustainability

The sustainable improvement of the living conditions of the poor population is closely linked to the adequate operation of the infrastructure and the continued existence of the SFD as implementing agency. In an assessment of the structural condition of the infrastructure, half of the buildings, networks and equipment examined as part of the final technical inspection were found to be in good or very good condition, and 15 of the 18 projects visited³⁵ were in a condition ranging from very good to acceptable (although the infrastructure was not in use in two cases). In a household survey conducted as part of the 2010 DFID impact analysis, 54-89% of the households surveyed described the quality of the projects as good to outstanding depending on the sector.³⁶ The average degree to which the 18 projects visited were utilised stood at 85% at the time of the final inspection. Only just under a third of the visited projects that were in operation had been maintained appropriately. However, the households still took a positive view of the level of maintenance. The population only considered the maintenance of the infrastructure to be inadequate for 3-9% of the projects in the various different sectors.³⁷ As a result of the civil war in Yemen, 67 of the 4,921 projects assigned to Phase III and two of the 551 projects assigned to the FC co-financing were destroyed. None of the destroyed infrastructure has been rebuilt to date.³⁸

The increased participation of the population and the reinforcement of local structures will only be sustainable beyond the planning and implementation of the SFD projects if corresponding progress is made in the field of fiscal decentralisation, and if funds are also made available for maintenance and new projects planned at a municipal level with the involvement of the population. Progress in this respect is rather unlikely in the present situation.

The sustainability of the SFD mainly depends on external support, although this is likely to continue for political reasons. For Phase IV of the SFD (2011 - today), in which measures with a volume of financing in excess of USD 1 billion are to be implemented, 14 donors (including German FC) and the Yemeni gov-

³³ DFID Impact Evaluation November 2010, p. 21

³⁴ Information provided by the SFD in May 2016. According to the SFD, the presence of male relatives on the committees has a positive influence on the participation of women. In most cases, however, the women are only present to meet the SFD's quota of two women per committee.

³⁵ In 2013 as part of the final technical inspection of the projects visited in the sectors of education, waste water disposal, health care and the conservation of Yemen's cultural heritage

³⁶ DFID Impact Evaluation November 2010, p. 17

³⁷ DFID Impact Evaluation November 2010, p. 16

³⁸ Information provided by the SFD, May 2016

ernment have approved a volume of more than USD 902 million to date. A total of 4,359 projects have been approved, of which 2,788 have already been completed.³⁹

Overall, sustainability is rated as satisfactory.

Sustainability rating: 3

³⁹ Information provided by the SFD, June 2016 (figures as of 29 May 2016)

Notes on the methods used to evaluate project success (project rating)

Projects (and programmes) are evaluated on a six-point scale, the criteria being **relevance, effectiveness, efficiency** and **overarching developmental impact**. The ratings are also used to arrive at a **final assessment** of a project's development impact.

The scale is as follows:

Level 1	Very good result that clearly exceeds expectations
Level 2	Good result, fully in line with expectations and without any significant shortcomings
Level 3	Satisfactory result – project falls short of expectations but the positive results dominate
Level 4	Unsatisfactory result – significantly below expectations, with negative results dominating despite discernible positive results
Level 5	Clearly inadequate result – despite some positive partial results, the negative results clearly dominate
Level 6	The project has no impact or the situation has actually deteriorated

Rating levels 1-3 denote a positive assessment or successful project while rating levels 4-6 denote a negative assessment.

Sustainability is evaluated according to the following four-point scale:

Sustainability level 1 (very good sustainability): The developmental efficacy of the project (positive to date) is very likely to continue undiminished or even increase.

Sustainability level 2 (good sustainability): the developmental efficacy of the project (positive to date) is very likely to decline only minimally but remain positive overall (this is what can normally be expected).

Sustainability level 3 (satisfactory sustainability): The developmental efficacy of the project (positive to date) is very likely to decline significantly but remain positive overall. This rating is also assigned if the sustainability of a project is considered inadequate up to the time of the ex post evaluation but is very likely to evolve positively so that the project will ultimately achieve positive developmental efficacy.

Sustainability level 4 (inadequate sustainability): The developmental efficacy of the project is inadequate up to the time of the ex post evaluation and is very unlikely to improve. This rating is also assigned if the sustainability that has been positively evaluated to date is very likely to deteriorate severely and no longer meet the level 3 criteria.

The **overall rating** on the six-point scale is compiled from a weighting of all five individual criteria as appropriate to the project in question. Ratings 1-3 of the overall rating denote a "successful" project while ratings 4-6 denote an "unsuccessful" project. It should be noted that a project can generally be considered developmentally "successful" only if the achievement of the project objective ("effectiveness"), the impact on the overall objective ("overarching developmental impact") **and** the sustainability are rated at least "satisfactory" (rating 3).