

The Challenge

As an important ally in the Global War on Terror, the challenge is to shore-up support for the Republic of Yemen Government's (RoYG) market-based economic reform and address threats to internal stability as a result of the democratization agenda. The USAID program aims to support the RoYG's democratization agenda. The USAID program is supporting the RoYG's democratic governance and poverty reduction efforts, and is increasing social service delivery particularly in the predominantly rural areas where the majority of the population lives. USAID's program focuses on the five target governorates of Amran, Sadah, Al-Jawf, Marib, and Shabwa, long known as the main sources of, and havens for, domestic and international terrorism in Yemen. Yemen, with a population of nearly 20 million people, is one of the poorest countries in the world with 43% of the citizens living under the poverty rate of US\$ 2 per day.

Objectives, Sectors and Workforce

MCA Status: Suspended Threshold Eligibility

PEPFAR Focus Country: No

USAID Representative: Michael Sarhan

Provided or Received Services From Other Missions: Stand Alone

Program Budget (Appropriations by Objective)	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07	2005 SO Performance Score		Direct SO Admin. Cost Ratio
	(\$000)	(\$000)	(\$000)	(\$000)				
279-005 Reproductive, Maternal and Child Health Services	5,140	7,574	3,287	4,683	-8.9%			0.07
279-006 Basic Education, Especially for Women and Girls	3,270	4,676	2,445	5,319	62.7%	2.00	Exceeded	0.12
279-007 Increased Income Opportunities and Food Security	2,342	970	1,079	0	N/A			0.55
279-008 Expanded Democracy and Governance	680	1,660	1,109	1,998	193.8%			0.15
Country Total	11,432	14,880	7,920	12,000	5.0%			

Program Budget (Appropriations by Account)	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Economic Support Fund	11,432	14,880	7,920	12,000	5.0%
Total	11,432	14,880	7,920	12,000	5.0%

Program Budget by Sector and Account	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Basic Education ESF	3,270	4,189	2,445	5,319	62.7%
Agriculture and Environment ESF	1,575	485	0	0	N/A
Higher Education & Training ESF	0	487	0	0	N/A
Economic Growth ESF	767	485	1,079	0	N/A
Democracy and Governance ESF	680	1,660	1,109	1,998	193.8%
Family Planning / Reproductive Health ESF	2,570	5,000	1,676	2,383	-7.3%
Child Survival and Maternal Health ESF	2,570	2,574	1,611	2,300	-10.5%
Total	11,432	14,880	7,920	12,000	5.0%

Workforce	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	1	2	2	2	100.0%
US Non Direct Hires	2	3	5	4	100.0%
Foreign Nationals	3	10	12	13	333.3%
Total	6	15	19	19	216.7%

Operating Expense	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
	(\$000)	(\$000)	(\$000)	(\$000)	
Salaries and benefits	105	72	90	78	-25.7%
Travel	57	219	203	219	284.2%
Transportation of things	38	58	105	0	N/A
Rent	37	40	55	55	48.6%
Security	0	48	70	77	N/A
Equipment	191	33	75	39	-79.6%
ICASS - Operating Expense only	96	142	132	225	134.4%
Other Operating Expense	82	107	139	207	152.4%
Total OE Budget	606	719	869	900	48.5%
US direct hire salary and benefits	187	363	112	124	-33.7%
Program Funded Administrative Expenses				918	
Country Total Administrative Budget				1,942	
Percent of Bureau OE Total				#REF!	

Mission Summary	FY 2004	FY 2005	FY 2006	FY 2007
Program per US Direct Hire (\$000)	11,432	7,440	3,960	6,000
Program per All US (\$000)	3,811	2,976	1,131	2,000

Program per Position (\$000)	1,905	992	417	632
Operating Expense as % of Program Funding				7.5%
Program Funded Admin Expense as % of Total Admin				47.3%
Total Admin Expense as % of Program Funding				16.2%

Other Major Donors:

Bilateral: USAID coordinates very closely with the donor community to assure that the impact of relatively scarce donor resources is maximized in response to the overwhelming development needs in Yemen. The United States is the top bilateral donor in Yemen, followed by the Netherlands, Germany, the United Kingdom, and Japan.

Multilateral: Multilateral donors include the World Bank, the European Union, United Nations Development Program, United Nations Fund for Population Activities, United Nations Children’s Fund, World Health Organization, World Food Program, International Fund for Agriculture Development, and Abu-Dhabi Fund. However, very few donors work in the five remote governorates targeted by USAID. U.S. development efforts in these governorates are seen as the vanguard in opening up other donor assistance programs in these areas.