**ERRY II Theory of Change-Solution Pathway**

Reduced vulnerability and strengthened resilience capacity of crisis-affected communities in Yemen through creation of sustainable livelihoods and access to basic services.

- **Livelihoods, Income Improved**
- **Food Security Increased**
- **Access to Basic Social Services Improved**
- **Reduced incidence of conflict over resources in community**

**Crisis affected communities are better able to manage local risks and shocks for increased resilience**

**Impacts**

- **Livelihoods, Income Improved**
- **Food Security Increased**
- **Access to Basic Social Services Improved**
- **Reduced incidence of conflict over resources in community**

**Outputs**

- **Agriculture & livestock productivity value chain improved**
- **Employability & entrepreneurship skills developed**
- **Community livelihoods & productive assets improved**
- **Improved access to solar energy**
- **Capacity of local institutions enhanced**
- **Community social cohesion & coping mechanism improved**

**Medium-Term Results**

- **Agr & livestock Techniques & Technologies Provided**
- **Employment & entrepreneurship skills developed**
- **Community livelihoods & productive assets improved**
- **Improved access to solar energy**
- **Capacity of local institutions enhanced**
- **Community social cohesion & coping mechanism improved**

**Overall Objectives**

- **Improved income & employment & gender inequality level**
- **Improved food availability and nutrition**
- **Improved economic performance & high poverty level**
- **Improved Infrastructure & Basic Services**
- **Functional local Institutions**
- **Reduced conflict**

**Objectives**

- **Livelihoods, Income Improved**
- **Food Security Increased**
- **Access to Basic Social Services Improved**
- **Reduced incidence of conflict over resources in community**

**Assumptions**

- Increased Vulnerability of Yemeni communities to shocks and local risks
- **Reduced incidence of conflict over resources in community**
- **Livelihoods, Income Improved**
- **Food Security Increased**
- **Access to Basic Social Services Improved**
- **Reduced vulnerability and strengthened resilience capacity of crisis-affected communities in Yemen through creation of sustainable livelihoods and access to basic services**

**External Assumptions:**

- The impact of the overall conflict does not worsen security extensively, therefore, most of the targeted areas remain accessible including Hodeida governate.
- Community decision-making and implementation mechanisms are still operating.
- The parties to the conflict are supportive of this project in both regions.
- The current liquidity challenges and lack of salary for civil servants are improved or stayed at the manageable level.
- The port of Hodeida remains open for supplied of basic livelihood needs of households by traders and imports of key solar equipment.

**Internal Assumptions:**

- Humanitarian and Resilience interventions are coordinated, synergized and complement each other addressing communities’ needs.
- Early economic revitalization through job creation and restoration of basic services effectively stabilize communities and build resilience.
- Short-term work created through emergency employment and MSME recovery projects can provide rapid improvements to community infrastructure and services, enabling access to markets and social services.
- Community infrastructure rehabilitation projects can support affected citizens to come together to rebuild their communities.

**Major Risks:**

- Ongoing protracted conflict, insecurity and sporadic restrictions of movements
- Limited capacity, legitimacy and functionality at central level (Sana’a and Aden)
- Lack of financial resources of local authorities and civil servants
- Economic and financial collapse, which may include currency devaluation, hyperinflation, diminishing of foreign reserves, rupture of imports and restrictions in the banking system.
- Lack of access to critical agricultural inputs.
- Restriction on imports of some equipment.