Annual letter from the Resident Coordinator to the Secretary General.

Brief description of major development or political and economic events that have had an effect on the work of the UNCT.

By January of 2015, considerable progress had been made towards the finalization of a constitution that would have allowed for a return to the democratic process of elections many in Yemen had hoped for. However, a final agreement depended largely on the Rebel's acceptance of a formula for federating Yemen into six regions, leaving the rebels without any access to a sea port. This was the proverbial 'final straw', and following the arrest by the rebels of President Hadi and his cabinet and his eventual escape to Aden, the rebel advance south provoked a quick military response from what is now known as the Saudi-led Coalition forces in the last week of March. Since then the Coalition Forces began airstrike attacks against the rebels and thee allied forces of the former President Abdullah Saleh. They have succeeded in retaking Aden and some governorates to the south but are now held to an active stalemate both in the south (Taiz), the east (Marib) and the north seems also to be an active front line.

As a result, Yemeni citizens – men, women, and children – are bearing the brunt of the casualties and suffering of war. The state, economy and security apparatus has for the most part collapsed. More than half of the 25 million Yemeni population were already below the poverty line before the war. Eight million Yemenis were already receiving humanitarian assistance. Development and public services had already stalled in the aftermath of the 2011 crisis, while the transition process largely centered on the political dialogue, state reforms at the central government level, and humanitarian assistance. According to the UN Office of the High Commissioner for Human Rights (OHCHR), the total numbers of civilians killed and injured, since 26 March 2015, is 1,436 and 3,426, respectively. During the same period 144 civilian public buildings were partially or completely destroyed as a result of the armed conflict. Over 1 million people have fled their homes and there are reports that civilians have been targeted as they try to reach safer areas. A staggering 80 per cent of the population need humanitarian assistance - over 21 million people.

The remarkable resilience of the Yemeni people that have endured decades of conflict, underdevelopment and various economic hardship is now being tested to its limits, as the prolonged war erodes already stretched coping mechanisms, plunging Yemenis into vulnerability, poverty, and insecurity, causing an unprecedented humanitarian disaster. The immediate need for responding to this humanitarian disaster is an absolute imperative. At the same time, restoring resilience for survival and rebuilding the foundations of communities and public institutions, and to maintain some hope for longer term peace and security is as important, as is the continued efforts towards political dialogue to end the conflict.

With the continuing uncertainty regarding current efforts towards a peace agreement, the UN, the World Bank, EU and Yemen development partners' faces an extremely difficult in delivery of aid to the Yemeni people within this complex and unpleasant environment. The lack of a unified national government, which is a fundamental prerequisite for an effective international response at the country level, further complicates the development partners' responses to the crisis and exacerbating operation cost. The current conflict also complicates efforts towards an overall strategic review of the country context with national partners, with the intention of learning from recent experiences and building on them to design a programme of assistance for the future.

Highlights on progress on joined up work. Summarize the three most significant achievements in delivering together for development.

After an initial evacuation of all UN International Staff from Yemen, a core team of 70 to 120 staff have been relocated to a secure compound and continue to pursue humanitarian efforts in what is now an L3 Emergency. The focus has been primarily on the delivery of humanitarian assistance in an increasingly insecure environment. Not only have the Coalition bombings severely undermined logistical infrastructure but the continuing blockade of Yemen has also contributed to a severe lack of basic necessities including food, fuel and medicines. The continued fighting in some areas such as Taiz and the inability of the conflicting parties to hold on to any of the past declared cease fires or humanitarian pauses have further undermined the humanitarian effort. The conflict has also allowed other non-state actors to increase their violent activities in the south and in Sanaa. This continuing deterioration in the security situation, the uncertainty and the virtual collapse in capacity in the government for much more than support to the ongoing humanitarian effort means that the development agenda is not high on the priority list for any of the stakeholders in Yemen.

There have been many instances of expressed interest in moving towards an early recovery framework in the expectation that a ceasefire of sorts might be achieved in the near future, but the increased level of violence seen after the last round of talks in Switzerland seem to indicate that this conflict is far from over. However, the UNCT continues to make efforts towards keeping early recovery and reconstruction on the agenda of the key parties including national counterparts and donor partners. Towards this goal, the first two of a series of consultations were held in May and October 2015 with an aim towards continuing the conversation on what went wrong with the previous peacebuilding and recovery efforts and what if anything could be done in the near future. The first consultation in Amman was fundamentally a brainstorming and reflection event. It brought together some key international partners and a few Yemeni nationals to reflect as a group on past mistakes and future opportunities. The second event in Larnaca focused on identifying what the current priorities were and the possible future focus of international assistance to Yemen in three likely (in the participant's opinion) possible future scenarios. This second event involved participants from many different government departments in Sanaa and representation from Yemeni Civil Society organizations and Women's Groups and many more donor partners.

As a result of Larnaca, we now have matrixes that highlight over sixty priority areas that the participants agreed were of the highest priority in Yemen, many of which could be undertaken even during the conflict. The UNCT has every intention of building on this new found consensus and moving forward towards the definition of a bridging framework that will allow for essential recovery and reconstruction activities to begin while realizing the limiting factors that are the security environment and continuing conflict.

Upcoming opportunities for 2016: Indicate potential opportunities for the UN Country Team to support national partners in integrated development policy and programme development.

The priorities for the UNCT in 2016 will continue to be the humanitarian response as the space for recovery and reconstruction are as yet limited. With a second extension of the Yemen UNDAF now approved, it is quite apparent that the conditions for developing an UNDAF for Yemen do not exist. With no viable national government counterpart, limited access to critical geographical locations and

very weak national capacities, the UNCT will be working towards a joint programming framework that reflects the reality on the ground and the need to coordinate better the humanitarian, political and developmental initiatives of the UN at the country level. Using the outcomes from Larnaca as a basis, the UNCT will look towards building a framework with the relevant national counterparts that are still operational in the country, which will be of a shorter timeframe and will focus mainly on early recovery, reconstruction, support to peacebuilding, strengthening national institutional capacities. Keeping this as a technical level will allow for this framework to have ownership at the technical level in-country and help to avoid political entanglements. The framework will use the basic structure and methodology of the UNDAF but will incorporate innovations that have been made by other UNCTs in similar circumstances. Once developed, the additional supporting structures such as a One Fund and improved harmonization of business practices, joint communication would also need to be developed. This would provide a sound basis for a coordinated response from the UN that moved beyond a purely humanitarian response and would allow for a more efficient scale-up of these activities if a ceasefire agreement is reached as all the necessary tools, structures and capacities would already be in place.

2015 has seen a catastrophic reversal in the social, economic and political conditions in Yemen that had been fragile and tenuous to begin with. The continuing uncertainty regarding the ongoing conflict limits the possibilities for any large scale efforts towards reconstruction and development initiatives, however the UNCT remain committed to being as prepared as possible should the opportunity arise for such a response if needed. We will continue to work towards being prepared for such an eventuality through the development of the joint framework and other coordination tools and capacities but with our primary attention towards the urgent and desperate humanitarian catastrophe that is currently being witnessed in Yemen.