

REPUBLIC OF YEMEN

**UNITED NATIONS DEVELOPMENT PROGRAMME
(UNDP)**

Stakeholder Engagement Plan (SEP)

**Yemen Financial Market Infrastructure and Inclusion
Project (YFMIIP) (P180708)**

December 17, 2024

Yemen Financial Market Infrastructure and Inclusion Project (YFMIIP) (P180708)
Stakeholder Engagement Plan (SEP)

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ABBREVIATIONS AND ACRONYMS

AML/CFT	Anti-Money Laundering and Countering Financing of Terrorism
ATM	Automated Teller Machine
CBY	Central Bank of Yemen
CBS	Core Banking Solution
FPS	Fast Payment System
GM	Grievance mechanism
ICT	Information and communication technology
IDA	International Development Association
IT	Information Technology
MSME	Micro, small and medium enterprises
MENA	Middle East & North Africa
MEPS	Middle East Payment Services
MNO	Mobile network operator
M&E	Monitoring and evaluation
NAPA	National Adaptation Program of Action
OPCS	Operations policy and country services
P2B	Payments to merchants
P2P	Person to person
PDO	Project Development Objective
PMU	Project Management Unit
POM	Project Operations Manual
RTGS	Real-Time Gross Settlement System
TA	Technical Assistance
TPM	Third-party monitoring
T-BILLS	Treasury Bills
UNDP	United Nations Development Program
UN	United Nations
WBG	World Bank Group
WB	World Bank
We-Net	Interbank switch
YFS	Yemen Financial Services Company

1. Introduction/Project Description

The Yemen Financial Market Infrastructure and Inclusion Project (YFMIIP) (P180708) aims to develop a financial infrastructure that supports the transparency and efficiency of payments transactions for the Yemeni population and increases financial inclusion.

The YFIIP comprises of four components:

- Component 1: Development of Fast Payment Systems (FPS)
- Component 2: Development of a Real Time Gross Settlement System (RTGS)
- Component 3: Supporting access and usage of the payment's infrastructure across Yemen
- Component 4: Project Management

- i. **Activities under Component 1** include: (i) funding the FPS solution in the South, including hardware and software requirements, and services associated with the installation, configuration, and testing, as well as outsourcing to operate the IT systems; (ii) providing technical assistance to the support the FPS operator(s) in the North, including developing a strategy, establishing governance arrangements for the operator(s), creating a financial and technical sustainability strategy, and providing IT support as needed to achieve the project objectives. (iii) capacity building and training of the relevant staff of the system operator(s).
- ii. **Activities under components 2 include:** (a) financing consultancy services to conduct an assessment to identify the business and technical requirements for the RTGS in CBY in Aden; (b) funding the cloud based solution for the RTGS including any needed hardware and software for the RTGS system and the services associated with the installation, configuration, and testing by the outside vendor; (c) capacity building and training of the central bank relevant staff; (d) fees to vendor for outsourcing the technical operation i.e., the operation of the IT systems and services that will enable the central bank to manage the system; and (e) modernization of the core banking system to integrate with the RTGS system activities include: funding a consultancy and TA to assess existing systems of core banking solution (CBS), identify the business and technical requirements for integration, and integrate the existing systems CBS with the RTGS.
- iii. **Activities under components 3: For the payments infrastructure to be successful, it should generate enough volumes to ensure its sustainability and achieve high adoption, so it benefits as many people in the country as possible.** Thus component 3 aims to boost usage of digital payments in Yemen, thereby maximizing the volumes processed through the payment's infrastructure. At the same time, this component considers the importance of further developing the cash-in cash-out networks in Yemen, to ensure consumer trust and continued access to cash, as elements of encouraging usage of accounts. In this spirit, activities under component 3 will include the following subcomponents:
 - **Sub-component 3-1: Developing a database for the access points with their geographical distribution, to encourage development of further access points in unserved and underserved areas.** Activities under this sub-component will include (i) funding a vendor to develop a database for the access points with their geographical distribution which would include both demographic data about the population, and financial sector access points, including bank branches, ATMs, POS terminals, merchants with QR Code, and money exchangers across Yemen (this would be developed during the first year of implementation and updated twice during the project); (ii) TA to collect the data sent from banks and other PSPs and compare with the access point data collected to ensure alignment and sustainability of the database beyond project lifetime.

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- **Sub-component 3-2: Capacity building and training to FIs and PSPs.** Activities under this sub-component will include: (i) capacity building and training to FIs and PSPs on good practices and actionable tools to strengthen (or build) robust agent/merchant networks to enhance efficiency and reach¹ and serve economic activity centers; and (ii) tailored training programs and support services will be provided to help merchants transition smoothly to electronic transactions. This sub-component will be concentrated in specific geographic areas with the aim of creating a model for expanding digital payment usage throughout the country and contributing to greater financial inclusion and economic growth.
- **Sub-component 3-3: Subsidizing the onboarding costs of merchants in underserved areas with focus on areas where cash transfers are rolled out and incentive programs to merchants and consumers.** This is critical to increase the electronic payments acceptance network and to ensure users continue to have access to cash in and cash out locations. Activities under this sub-component will include offering incentives through competitive selection amongst financial institutions (FIs) to: (i) subsidize the onboarding costs of merchants in under-served areas to increase the electronic payments acceptance network; and (ii) provide incentive programs such as prizes for merchants that reach a certain volume of electronic payments and consumer incentives (cash back or lottery programs). This will should run over a short period of time but repeated every six to twelve months with the objective of creating the habit of using electronic payments at merchants. Selection criteria will aim to ensure that an appropriate share of merchants comprises of women owned businesses. FIs are free to form a consortia/Joint venture to bid for the contracts. The proposals will be submitted and evaluated. The UNDP will monitor the performance of winning bidders The bidding institution should meet a well-defined, transparent and publicly available eligibility criteria that will be further detailed in the project operational Manual.
- **Sub-component 3-4: Outreach activities.** This activity will finance outreach activities to raise awareness about cash-out methods and locations, the benefits of electronic payments and the consumer protection measures afforded to the clients of financial institutions. The communication materials and channels will take into account literacy levels; targeted outreach to women will be supported. Market development efforts would include awareness-raising activities to collect new ideas from the industry, civil society, entrepreneurs and schools/colleges on how to expand digitization in Yemen. Activities under this subcomponent will include: (i) developing and distributing educational materials; (ii) community workshops and training sessions to provide hands-on demonstrations and answer questions about electronic payments; (iii) deploy mobile units equipped with educational materials and staff to visit remote and underserved areas and UCT areas; and (iv) SMS and USSD Campaigns with tips and information about electronic payments and consumer protection.

iv. Activities under component 4: Project and knowledge management

This component will fund the costs associated with project management for United Nations Development Program (UNDP) as an implementing agency, recognizing the particularly challenging operating conditions in Yemen. Implementation costs under this component include financial management, procurement, environmental and social aspects, communication and stakeholder engagement, and overall monitoring and evaluation (M&E), as well as third-party monitoring (TPM) and establish and maintain a grievance mechanism (GM).

¹ This support will focus on improving agent recruitment, business case development, and liquidity management, among other areas and Merchant strategy, incentives, how to build a loyalty program and create an integrated ecosystem, etc).

2. Rationale and objectives of the Stakeholder Engagement Plan

The Stakeholder Engagement Plan (SEP) of the project is being prepared under the World Bank's Environment and Social Framework (ESF). As per the Environmental and Social Standard (ESS10) on Stakeholder Engagement and Information Disclosure, the implementing agencies shall provide stakeholders with timely, relevant, understandable, and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination, or intimidation.

The overall objective of this SEP is to define a technically plan of action for stakeholder engagement for consultation, equal participation, and information disclosure throughout the project cycle. The SEP outlines the ways in which the project team will share with stakeholders and includes a Grievance Mechanism (GM) through which people can raise concerns, provide feedback, or make complaints about project activities.

The main goals of the SEP are to ensure the project's potential stakeholders: have timely access to key project information such as project's goal, activities, potential project impact, potential stakeholders, including key consultation milestones.

3. Principles of Stakeholders Engagement

Stakeholder engagement under the project will abide by the following fundamental principles:

- i. **Inclusivity and sensitivity:** the approach used to engage stakeholders and method(s) of communication will be adapted to each group in a manner respectful of and sensitive to their unique needs. Engagement will be tailored based on information from the stakeholder identification and analysis to ensure inclusivity. The goal is to support better communication and effective relationship building. Access to information will not just be equal; it will be equitable, with particular attention given to vulnerable groups including women, elderly, youth, ethnic/religious minorities, and disabled individuals.
- ii. **Openness and life-cycle approach:** consultations for the project will be iterative in nature and continue for the entirety of the project lifecycle, from preparation through implementation.
- iii. **Meaningful, informed participation and feedback:** Information will be provided and widely distributed among all stakeholders in appropriate and understandable format (e.g. local language, in-person, telecommunications, etc.). Information must be shared in a timely, relevant, understandable, and accessible way, with opportunities for stakeholders to raise concerns and offering enough time to ensure that feedback is taken into consideration during decision making.
- iv. **Gender sensitivity and social inclusion:** Consultations will be organized during the project cycle, to ensure that both women, men, people with disability have equal access and active participation to the project activities.
- v. **Sustainability and resilience:** The project partners will assess with affected and interested parties' concerns on sustainability of project's activities and outcomes beyond the project period. The project's outputs will strengthen the stakeholder's resilience and adaptation in addressing the social, environmental, and economic vulnerabilities and hazards.
- vi. **Flexibility:** When gender or security issues make face-to-face engagement risky, the methodology should adapt to other forms of communication, such as internet or phone-based methods.

4. Stakeholder Identification and Analysis

Stakeholders may be directly or indirectly affected by a project. Moreover, they may have interest in a project and/or the ability to influence its outcome, either positively or negatively. Conducting a thorough stakeholder identification and analysis is a useful tool for managing communication between the project team and stakeholders throughout the project cycle. Project stakeholders are defined as individuals, groups, or other entities who:

- i. Are impacted or likely to be impacted directly or indirectly, positively or adversely, by the Project (also known as ‘affected parties’); and,
- ii. May have an interest in the Project (‘interested parties’). These include individuals or groups whose interests may be affected by the Project and who have the potential to influence the Project outcomes in any way.

4.1 Affected Parties and Interested Parties ¹

The Yemeni population would benefit from the project with effective and efficient financial services. Moreover, aid recipients through remittances from diaspora, public and private employees, as well as financial institutions such as commercial banks, money exchangers, civil society organization especially NGOs involved in cash transaction related activities.

5. Stakeholder Engagement Program

5.1 Summary of Stakeholder Engagement Done During Project Preparation

5.1.1. Engagement Between World Bank Team and UNDP

The World Bank team and UNDP had their first meeting in Amman during February 2024 followed by several virtual meetings. In March 2024, the Bank requested UNDP to support in the design phase of the project including the engagement with the Central Bank of Yemen (CBY) in Aden and various other stakeholders in the north and south. UNDP agreed on allocating time and resources for project preparation. Both teams agreed on planning for UNDP regional experts to hold scoping missions to Aden and Sana’a to conduct stakeholders’ consultations. The terms of reference for the missions and list of stakeholders were agreed between the two parties.

5.1.2. Engagement in the South

In June 2024, a UNDP scoping mission met with key stakeholders in Aden, including leadership from the Central Bank of Yemen (CBY) and banks based in Aden, to discuss the implementation of critical financial infrastructure projects, including the Real-Time Gross Settlement (RTGS) and Fast Payment Systems (FPS). The CBY emphasized the urgency of these systems for financial inclusion and declared readiness to proceed without prerequisites.

The banks highlighted its focus on customer-oriented services and the need for an e-payment switch solution to address interoperability challenges. Discussions with other banks revealed strong support for the proposed systems, citing potential to reduce costs and expand services, but also outlined several challenges:

1. Lack of awareness about the National Payment System (NPS), necessitating a joint awareness campaign.
2. Weak enabling infrastructure.
3. Inconsistent account numbering formats among banks.

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4. Absence of standardized protocols for interoperability, with ISO 20022 recommended as a foundation.
5. Challenges in mobile money services, including the lack of a unified wallet and limited infrastructure for rural areas.

Participants stressed the importance of professional training centers, enhanced regulations for e-payment systems, and private-sector engagement. Recommendations included unified account numbers, strict oversight of payment switches, a collaborative governance framework between CBY and banks, and value-added services such as QR codes and unified ATMs.

5.1.3. Engagement In the North

Between October and November 2024, a UNDP consultant engaged in the north with key stakeholders, including representatives from the Central Bank, payment service providers, Islamic banks, microfinance institutions, and e-Wallet providers. The consultant focused on assessing the functionality, challenges, and stakeholder perspectives on the National Financial Switch (NFS). While the infrastructure in the North is more advanced compared to the South, there are still gaps in usage, trust in the system and concerns in the North regarding the use of cloud systems and outsourcing IT services.

Payment service provider(s) faces several challenges, including liquidity shortages and limited public awareness, which hinder its adoption and result in low transaction volumes of approximately 700 daily. Operational inefficiencies, such as user-unfriendly services, underdeveloped risk management systems, and outdated infrastructure, further constrain its effectiveness. Consumer barriers, including skepticism toward digital financial services, limited smartphone access, and digital literacy gaps, exacerbate the issue. Additionally, financial constraints, as shareholders struggle to fund investments, combined with aging systems and insufficient vendor support, pose significant risks to the payment service providers' sustainability. There is a settlement system (RTGS equivalent) in the north on a 6-hour cycle to support offline payments. Additionally, the providers plan to implement a static QR code system for merchants, pending approval from the authorities.

5.1.4 Appraisal Mission in Amman

In November 2024, UNDP and World Bank team met in Amman to discuss the project's design, modalities of implementation, capacities required financial management, procurement, budget, TPM, ESCP, SEP, AML/CFT. Meetings with stakeholders were held in person and online with including CBY Aden, banks and money wallets representatives from south and north, and also meetings with regional private sector expertise and service providers who have relevant experience in Yemen and the region.

In total, between February to December 2024, 36 stakeholder engagements have been conducted from Aden and Sana'a, including officials and private sector representatives, in addition to regional private sector experts as mentioned in annex 9.1, table 1.

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5.2 Summary of Stakeholder Needs, Methods, Tools, and Techniques Used for Stakeholder Engagement

During preparation stage, scoping missions and focused group meetings/discussion were conducted with the CBY, financial institutions and other commercial banks. Please refer to the table below for more details.

5.3 Stakeholder Engagement Plan

Project Stage	Estimated Date/Time Period	Topic of Consultation/ Message	Method Used	Target Stakeholders	Responsibilities
Inception Meetings / Amman and virtual	February 2024	WB team presented the scope of the project and requested UNDP support in the design phase	Face to Face in Amman followed by Several virtual meetings	UNDP	WB
Project scoping mission in Aden	June 2024	Scoping mission for understanding payment system in Yemen.	Face to face meetings and group discussion with key financial stakeholders	CBY Aden and key banks in the south	UNDP
Project scoping mission in Sana'a	Between October and November 2024	Scoping mission for understanding payment system in Yemen.	Face to face meetings and interviews with key financial stakeholders Sana'a	CBY Sana'a and other key stakeholders	UNDP
Appraisal Mission/ Amman and virtual	November 2024	<ul style="list-style-type: none"> Stakeholders in the south and the north related to the project design and implementation arrangement. Discuss between WB and UNDP project design, modalities of implementation, capacities required financial management, procurement, budget, TPM, ESCP, SEP, AML/CFT 	Face to Face in Amman followed by Several virtual meetings	Stakeholders in the south and the north	WB and UNDP
Implementation and Monitoring	Upon project start	Establishing baseline indicators in collaboration with all stakeholders. This will help the project for future measuring of progress and impact.	Survey and verification meetings, as well as endorsement	CBY, commercial banks, financial institutions	UNDP through consulting firm

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Project Stage	Estimated Date/Time Period	Topic of Consultation/ Message	Method Used	Target Stakeholders	Responsibilities
	From the start of the projects	Establishing a private sector working group to capture meeting on a biannual basis to capture their insight of the financial services and challenges	Face to face/virtually	CBY, financial institutions and private sector	UNDP
	Annually	Carrying out annual satisfaction survey on financial services to cover financial institutions, private sector and potential population receiving remittances	Online, and through financial services providers	Financial institutions, private sector and Yemeni population	UNDP in collaboration with consulting firm
Reporting	Quarterly	Progress reports	Conduct discussion on the quarterly progress report with WB online	World Bank	UNDP
Evaluation and closing	Regularly	M&E, spot checks, third party monitoring	Onsite visits	All stakeholders	UNDP in collaboration with TMPA

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Since 2016, UNDP and its partners have continuously collaborated with the WB on previous projects such as the Emergency Crisis Response Project, Enhanced Social Project, Food Security and Sustainable Fish Project that have led to cumulative experience and knowledge in stakeholder engagement and consultations. SEP is aimed at ensuring stakeholder engagement, full participation, leaving no one behind and information disclosure to all project activities to successfully address any potential risks such as:

- (a) Exclusion risks involve the potential marginalization of poor, vulnerable, and underserved groups who may lack access to necessary technology or banking services, exacerbating existing inequalities.
- (b) Security risks are heightened due to the ongoing conflict and volatile political situation, affecting the safety of system operators and users.
- (c) SEA risks are particularly concerning at payment sites managed by service providers, posing threats of sexual harassment and exploitation.
- (d) Elite capture risks involve powerful individuals or groups monopolizing the benefits, excluding marginalized groups.
- (e) Fraud and corruption could undermine the integrity of the systems, particularly in the selection and operation of private sector operators and vendors.
- (f) Operational risks include data security, system reliability, and effective monitoring challenges, especially with IT outsourcing.
- (g) Consumer trust and protection are critical, with risks related to fraud and misuse needing robust communication and awareness campaigns.

Low digital literacy, particularly among women and underserved populations, could limit the effectiveness of digital payment initiatives, necessitating targeted literacy programs. During Project implementation, UNDP will disclose information on the content of the project. Key dates for information disclosure are at the start of the project and during the project duration as well as at the end of the lifespan of the project.

Formats of information disclosure are a combination of different channels as found suitable for each specific project component. These can include face-to-face meetings where applicable, accompanied by information shared via radio, television, newspapers, posters, brochures, and leaflets as well as via websites and social media.

All project documents including the updated SEP any relevant E&S instrument if required to be developed during implementation will be disclosed at the UNDP and at the World Bank websites in English and Arabic, besides that during all the stakeholder's engagement and consultation sessions, the participants will be briefed and informed about the documents disclosure and how they can access them. Additionally, information about the grievance mechanism procedures and access to GM hotline will be disclosed for all project beneficiaries.

5.4 Reporting Back to Stakeholders

Stakeholders will be kept informed as the project develops, including reporting on project environmental and social performance and implementation of the stakeholder engagement plan and Grievance Mechanism, and on the project's overall implementation progress. In addition, the project will establish a special web page on UNDP website in both languages to keep all the stakeholders abreast of the progress of the project and other segments of engagements and grievance. Quarterly stakeholders' meetings will be organized to inform them on the overall implementation progress of the project activities, challenges and suggested remedials.

6. Resources and Responsibilities for Implementing Stakeholder Engagement Activities

6.1 Resources

UNDP will oversee stakeholder engagement activities and will allocate the necessary staff, including social/gender specialists and GM focal points shared with other projects. Additionally, UNDP will allocate the budget for conducting consultations, training, and GM handling throughout the project cycle.

During the project period, UNDP estimated budget for the implementation of the Stakeholders' Engagement Plan is USD 391,000 UNDP

6.2 Management Functions and Responsibilities

The entities responsible for carrying out stakeholder engagement activities is UNDP. The stakeholder engagement activities will be documented and included in biannual progress reports, as well as discussed in Implementation Support Missions.

7. Grievance Mechanism

The main objective of a GM is to assist to resolve complaints and grievances in a timely, effective, and efficient manner that satisfies all parties involved.

7.1 Description of GM

Step	Description of Process	Time Frame	Responsibility
GM implementation structure	GM structure at national, regional, and local levels	Already in place	UNDP
Grievance uptake	Grievances can be submitted to the following : In Yemen: Toll Free: 8000939 UNDP Safeguard Specialist: Ram Gobinda Yadav Email : ramgobinda.yadav@undp.org <ul style="list-style-type: none"> Call: 001 (917) 207 4285. Skype is an affordable way to place such a call. Email: project.concerns@undp.org and secuhotline@undp.org (in any language) Address: Attn: SECU/SRM, OAI, UNDP 1 U.N. Plaza, 4th Floor, New York, NY USA 10017 (You may also mail any request or communication (in any language) Social media: Send message to UNDP on WhatsApp, Viber and Signal using 001 (917) 207 4285, or through our WeChat account @SECUSR.M. 	In place	UNDP
Sorting, processing	Any complaint received is forwarded to UNDP, logged in and categorized according to the following complaint types: ESA/SH, Frauds and Corruptions	Upon receipt of complaint	Local grievance focal points at UNDP
Acknowledgment and follow-up	Receipt of the grievance is acknowledged to the complainant by UNDP	Within 2 days of receipt	UNDP Local grievance focal points

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Step	Description of Process	Time Frame	Responsibility
Verification, investigation, action	Investigation of the complaint is led by UNDP. A proposed resolution is formulated by Project Manager and communicated to the complainant by UNDP Local Grievance Focal Point (LGF)	Within 10 working days	Complaint Committee composed of DRR(P), LGF, Comm Officer and Project Manager
Monitoring and evaluation	Data on complaints are collected at UNDP and reported to UNDP senior management every month	Monthly	UNDP
Provision of feedback	Feedback from complainants regarding their satisfaction with complaint resolution is collected by UNDP	Instantly	UNDP (with the help of TMPA)
Training	Training needs for staff/consultants in the PIU, Contractors, and Supervision Consultants are as follows: to be determined later	On induction and regularly	UNDP
If relevant, payment of reparations following complaint resolution	Any reparation must be managed based on national laws/regulations that are not contradicting UN rules and regulations.	On a case by case	UNDP with guidance from the Office of Audit and Investigation New York and other relevant units at HQ.

The GM will provide an appeals process if the complainant is not satisfied with the proposed resolution of the complaint. Once all possible means to resolve the complaint have been proposed and if the complainant is still not satisfied, then they should be advised of their right to legal recourse.

When relevant, the project will have other measures in place to handle sensitive and confidential complaints, including those related to Sexual Exploitation and Abuse/Harassment (SEA/SH) in line with the World Bank ESF Good Practice Note on SEA/SH. UNDP has a corporate zero tolerance policy on sexual exploitation and abuse, as well as harassment. The policy will be applied accordingly and all subsidiary agreements with personnel, contractors and implementing partners will include relevant articles of the policy to ensure full compliance.

The project will make sure that international labor standards are respected and all subsidiary agreements with personnel, contractors and implementing partners will reflect the importance of compliance. The Labor GM should be described in detail in the Labor Management Procedures.

The World Bank and UNDP do not tolerate reprisals and retaliation against project stakeholders who share their views about Bank-financed projects.

8. Monitoring and Reporting

8.1 Summary of How SEP Implementation will be Monitored and Reported

In addition to the project staff, a Third-party Monitoring Agent will be engaged in the process of conducting regular monitoring and reporting of project activities results for which SEP implementation will be included. Based on the specificity of this project, annual baseline indicators will be set in consultation with all stakeholders and the Associations.

8.2 Reporting Back to Stakeholder Groups

The SEP will be periodically revised and updated as necessary during project implementation. Quarterly summaries and internal reports on public grievances, enquiries, and related incidents, together with the status of implementation of associated corrective/preventive actions, will be collated by responsible staff and referred to the senior management of the project. The quarterly summaries will provide a mechanism for assessing both the number and nature of complaints and requests for information, along with the Project's ability to address those in a timely and effective manner. Information on public engagement activities undertaken by the Project during the year may be conveyed to the stakeholders in various ways: monthly bulletins, flyers etc.

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9. Annexes

9.1 Consultations Meetings

Table 1. Template to Capture Consultation Minutes

Stakeholder (Group or Individual)	Dates of Consultations	Summary of Feedback	Response of Project Implementation Team (UNDP Scoping Mission)	Follow-up Action(s)/Next Steps	Timetable/ Date to Complete Follow-up Action(s)
World Bank and UNDP Teams Inception Meeting	February 2024 followed by several virtual meetings	WB team presented the scope of the project and requested UNDP support in the design phase	UNDP expressed willingness to support and deployed office and regional expertise	Prepare missions TORs and list of stakeholders to be interviewed	November 2024
CBY Aden Officials	June 2024	Solicit issues and challenges the Yemeni banking sector is facing and expression of importance of the project and getting RTGS and FPS in place to ensure compliance on AML/CFT	The mission reported back to UNDP and the World Bank on the finding of the scoping mission for the finalization of project formulation for consideration	Submission of scoping mission report and submission to the World Bank	June 2024
Meetings with six banks in Aden, in which 17 individuals attended	June 2024				
Meeting with CBY Sana'a	November 2024	Solicit issues and challenges the Yemeni banking sector is facing and expression of interest to support the FPS in the north	The mission will report back to UNDP and the World Bank on the finding of the scoping mission for the finalization of project formulation for consideration	Submission of scoping mission report and submission to the World Bank	December 2024
Meetings with financial stakeholders in Sana'a		To evaluate the current digital payments landscape, including infrastructure (including key players (money exchangers and transfer companies), and services.	The mission will report back to UNDP and the World Bank on the finding of the scoping mission for the finalization of project formulation for consideration	Submission of scoping mission report and submission to the World Bank	December 2024

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Stakeholder (Group or Individual)	Dates of Consultations	Summary of Feedback	Response of Project Implementation Team (UNDP Scoping Mission)	Follow-up Action(s)/Next Steps	Timetable/ Date to Complete Follow-up Action(s)
		<p>To explore the challenges people, face with digital payments, examining how funds are transferred to and from the north.</p> <p>To gauge the interest and readiness of financial institutions and payment system providers in adopting services such FPS, identifying any barriers to their participation</p>			
Appraisal Mission/ Amman and virtual	November 2024	<p>Meeting with CBY Aden and other stakeholders in the South</p> <p>Meeting with private sector Stakeholders in the north</p> <p>Meeting with regional private sector expertise and service providers</p>	The meetings contributed to finalizing the project design and, the programmatic, operational and compliance requirements	Finalize meetings in Sana'a Finalize all documents required in preparation for the negotiations meeting	December 2024

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10. Endnotes

¹ For the purposes of effective and tailored engagement, stakeholders of the proposed project(s) can be divided into the following core categories:

- **Affected Parties:** Persons, groups, and other entities within the Project Area of Influence (PAI) that are directly influenced (actually or potentially) by the project and/or have been identified as most susceptible to change associated with the project, and who need to be closely engaged in identifying impacts and their significance, as well as in decision-making on mitigation and management measures.
- **Other Interested Parties:** Individuals/groups/entities that may not experience direct impacts from the Project but who consider or perceive their interests as being affected by the project and/or who could affect the project and the process of its implementation in some way.
- **Vulnerable Groups:** Persons who may be disproportionately impacted or further disadvantaged by the project(s) compared with any other groups due to their vulnerable status and that may require special engagement efforts to ensure their equal representation in the consultation and decision-making process associated with the project.
- It is important to note that sometimes projects have different components with very different sets of stakeholders for each component. Those different stakeholders should be considered in preparing the SEP.