

### SFD in Al-Zaphin Village: Helping end misery of the poor

Al-Zaphin village is one of Thula's Al-Masane' villages (Amran), where women and children suffered a lot in securing water for 3,800 souls in the village located at 2,200m above sea level.

Some locals tried to contact the concerned authorities to excavate water wells; however, they did not find water due to the geological nature of the area. Women and children—in particular—seem to be the most affected as evident clearly on their faces, being responsible for securing water to other family members. Day in and day out, they moved from place to place in search for water after a four-month rest, when they could obtain water from their village's cistern.

Some locals submitted an application to the SFD, which—in turn—took the initiative to study the area through Participatory Rapid Appraisal (PRA). Both men and women agreed on one and sole priority: WATER. It was then agreed to construct a water tank 4,000 cubic meters in capacity. Villagers responded

positively and enthusiastically with SFD's mechanism for water-project implementation. Further, they not only worked hard to fulfill their contribution in digging earth and providing stones in just 25 days, but also built a retaining (supportive) wall against soil with big stones. When the work started, the locals regulated the work running between them in a wonderful way, making all construction works to end within only two months and a half. They were keen about finishing works ahead of the specified time in order to fill the cistern with rainwater in the next season—according to Sheikh Ali Ghailan.

In a visit paid to the project, one local said, "This project is like my son." We sensed such ownership attitude among the majority of the locals during the cementing of the cistern's bottom-floor. There were more than 200 workers present and it was almost like an Eid celebrated by them. Happiness was clearly seen on the pale faces. All locals participated—even children did not spare effort to help their fathers. At lunchtime, flocks of women were fetching food, with some of them chatting by the edge of the cistern and others contemplating the ultimate fruit of the overall efforts aided by the SFD support.

A woman tells another, "God willing, it will rain soon",—a wish we shared with the locals...

We sat with some locals and one of them excitedly raised his voice commenting, "After completely ending this project, we would like to have a school for girls—and just in the same way we had the tank. I swear by Allah, it is an ideal way that saves money and helps escape contractors' deceit".



### Joint donor mission carries out Midterm Progress Review *(continued)*

The objective of the joint Mid-Term review was to assess the progress made by the SFD III since the beginning of the project (August 2004) in accordance with the project development objectives and project implementation plan, and assess the compliance with credit and project agreements. The review consisted of three main parts: Development Impact, Program Implementation Results and Project Management Review. Preliminary findings of SFD impact evaluation were presented to the review team. The mission ascertained its agreement with the clear focus of the SFD on enhancing the community consultation process, the importance of expanding economic development activities and the importance of linking local communities with local councils and public administration. In addition, the mission gave particular attention on strengthening the poverty focus that is the main thrust of the SFD's operations by highlighting future targeting mechanisms and the SFD's efforts to deepen synergies with national policies and programs as well as developing the organizational structure of the SFD to respond to an expanding scope of activities.

The team also conducted field visits to SFD-supported sub-projects in Al-Luhaiyya (Al-Hudaidah), Aden, Dhamar, Lahj and Taiz regions and interviewed project staff in branch offices, local officials, community committees, NGOs and beneficiaries.

In Sana'a, the team met with Mr. Abdulkarim Ismail Al-Arhabi, Minister of Planning and International Cooperation and Managing Director of the SFD, Mr. Abdusalam M. Al-Joufi, Minister of Education, Dr. Abdulkarim Yehia Rase', Minister of Health and Dr. Amat Al-Razzak Ali Hummed, Minister of Labor and Social Affairs, in addition to other minister deputies and senior officials.

At the end of the review, it was agreed to revise results framework of the Project PAD and disseminate SFD Vision paper and Impact Evaluation.

### The Managing Director meets SFD Donors

Social Fund for Development (SFD) Managing Director, Mr. Abdulkarim Ismail Al-Arhabi, met with the Education Sector Manager at the World Bank for Middle East on Nov. 29, 2006. The meeting discussed aspects of cooperation between both sides.

Further, Mr. Noori Rifa'at, in-charge official of the SFD at the Organization of the Petroleum Exporting Countries (OPEC), visited SFD office to be updated on the implementation of projects financed by OPEC. Mr. Rifa'at met with SFD's senior staff and later paid visits to some projects financed by OPEC in the Capital City.

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**Social  
Fund for  
Development**

# Social Fund for Development

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12 Pages

### In a workshop attended by SFD stakeholders SFD's Medium-Term Vision thoroughly discussed

The SFD, in cooperation with its stakeholders, held a workshop on 10 December 2006 to discuss a draft paper of SFD's vision for its future role in poverty reduction and community development in Yemen. The workshop came as an extension of several reviews and evaluations as well as workshops that involved SFD staff and all stakeholders (including central and local government agencies, NGOs and civil-society organizations, local communities and CBOs and donor agencies).

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### Editorial

Approaching the end of the third year of Phase III of its operations (2004–08), the Social Fund for Development (SFD) opens new perspectives for its interventions.

As a continuously developing institution, the SFD takes a stock of how to improve further its performance. Within this context, the SFD—in collaboration with partners—organized, on 10 December 2006, the stakeholders' workshop that thoroughly discussed the Mid-Term Vision pinpointing the SFD's future development role during the remaining period of the third phase and beyond.

The Vision noted that the SFD has steadily grown into a large and model national organization effective in delivering services and developing systems as well as in consolidating its institutional role—in cooperation with its development partners.

In addition, the Vision ascertains that SFD has carried out grass-root-level interventions that have been widespread, benefiting the local communities, and has successfully developed effective community-participation approaches and helped enhance partnership between the local communities and the Local Authority.

On the eve of its tenth anniversary (1997–2007), the SFD is determined to continue tackling these issues with still further efficiency—as the Vision states. This includes project implementation, focusing on long-term community empowerment and contributing to fostering community linkages with local authorities. Moreover, the SFD will intensify its technical capacity building of local authorities and support eligible projects they propose within the participatory-development plans at the district level—in favor of maximizing the utilization of the local resources and supporting the Government's decentralization policy.

In parallel to fulfilling these tasks and meeting the challenges with greater efficiency—as the Vision and the participants in the workshop emphasize—the SFD will diversify its development partnerships with other institutions, along with strengthening balance of its operations and adjusting its internal organisation.

### SFD's 2007 budget endorsed

#### Meeting of the Board of Directors convened

The Board of Directors (BoD) of the Social Fund for Development held its third meeting for 2006 under the chairmanship of HE Abdulkader Ba-Jammal, Prime Minister and Chairman of the BoD.

During the meeting, the BoD discussed and approved the SFD's budget for the forthcoming year (2007), amounting to 27.287 million Yemeni Rials (YR) to be provided by the Yemeni Government and SFD's external donors.

The budget, increasing by 89% compared to that of 2006, is distributed over 1,592 projects in all the sectors involved in SFD interventions.

Labor-Intensive Works Program has the lion share (400 projects, at an estimated cost of YR9.874 million) followed by the education sector (375 projects, YR9.16 million) and then SMED Strategy (241, YR1.56 million). Water sector ranks third, with 132 projects at an estimated cost of YR1.177 million. The rest of the budget allocations are distributed among projects of the remaining sectors, i.e. health, environment, agriculture, rural roads, cultural heritage, micro-enterprises development, integrated interventions, special-need groups, training, organizational support – in addition to capital and operational costs.

### Joint donor mission carries out Midterm Progress Review

A joint donor team carried out a Midterm Progress Review of the Third Phase of the Social Fund for Development (SFD III) in Yemen on 02–11 December 2006.

Participating donors included the World Bank, European Union, UK Department for International Development (DFID), Government of the Netherlands and the German Bank for Development (KfW).

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### SFD's "internal" workshop

The SFD conducted an internal workshop on 7–10 October 2006 to discuss the Mid-Term Vision draft. The workshop, attended by SFD senior staff from the main and branch offices, focused community empowerment, decentralization, economic and social development and NGOs as well as enhancing cooperation within the SFD at the unit and branch level, expanding SFD absorbing capacity and pilot programs it implements and transferring its experience to other parties.

**7** Many rain-fed agriculture activities completed

**10** SFD investments in 2006 reach \$88m

In a workshop attended by SFD stakeholders  
**SFD's Medium-Term Vision thoroughly discussed (continued)**

The vision, prepared by the SFD, addresses a variety of core issues and challenges. These include strengthening diversification & balance of SFD's operations, expanding its development partnerships with other institutions, acting more effectively as a "bench-marking" agency for assisting increased institutional efficiency in the country and adapting the Fund's internal organization to meet these challenges with greater efficiency.

The workshop discussed the vision themes thoroughly. Comments and feedback were reported to enrich the vision and help formulate it in its final form.

Participants noted that the SFD's project interventions at the community level have been beneficial & widespread and that the SFD has pursued a range of approaches, which proved successful.

Future trends of SFD's work—in project implementation—include focusing more on long-term community empowerment and fostering community linkages with local authorities.

The vision is expected to be realized by three main programs: "Community Development", "Economic Development & Job Creation" and "Capacity Building", with particular focus respectively given to community empowerment at the local level, intensified attention to economic development and institutional strengthening & partnership. It was agreed that the Community Development Program would continue to handle most of SFD's projects and service-deliveries with more improved procedures.

The workshop was attended by some ministers, ambassadors and other senior local and foreign officials as well as representatives of local authorities and civil society.

**UNIT NEWS**

**Education**

During the last quarter of 2006, the SFD implemented a number of activities within the four education programs: supporting basic education infrastructure, girls' education, education quality and programs for talented students.

**Supporting Basic Education Infrastructure**

The program aims to expand the extent of children's enrollment in basic education and reinforce the Ministry of Education's efforts to achieve the "Education-for-All" goal. Towards the end of 2006, the SFD agreed to set up the Madowdah Girls' School in Seyoun, Hadhramout.

**Girls' Education**

The following activities were carried out:

- A training course, involving education and community-participation consultants, was held on 02–12 December 2006. The course, focusing on training skills and methods, was attended by 24 participants (17 male & 7 female) from the five governorates involved in the program (Sa'adah, Amran, Al-Hudaidah, Taiz and Al-Dhale'). In addition, the SFD held 18 training courses for fathers and mothers councils of the relevant schools, benefiting 83 and 86 male and female members respectively. The courses, each lasting for four days, addressed the issues of planning, follow-up reports, evaluation and communication skills, together with settling disputes and resolving problems. Experts from the Ibb and Abyan education offices lectured during the courses—each coming up with a working plan for the parents' councils in each school.
- Thirteen workshops for community formations (father & mother councils, school administrations, student & women formations, community-education facilitators and life-skill-class rural girl students) on building the

capacity of analyzing the current situation and problems, setting community plans, communication, group organization, cooperative work, activation of father and mother councils and linking them to school administrations. These workshops benefited 168 female & 104 male students, 29 & 20 members of father & mother councils, 47 school-administration members (including headmasters, deputy headmasters and male & female teachers). Further, the workshops involved 12 volunteer members of local teams supporting female education in Al-Dhale' together with 46 of women's groups in Al-Dhale's Al-Azarik district and 9 female community-education facilitators, 42 community-education-class female students. The workshops lasted for 14 days in the three of the governorates in which the program is implemented.

- Within the awareness-raising activities, five student carnivals were organized in schools involved by the program, celebrating the end of summer clubs. Student formations participated in the fêtes through athletic and cultural competitions, painting exhibitions, sketches and songs together with enlightening speeches revolving around education and its importance—especially for girls. In addition, awards and prizes were distributed to excellent and active students, parents, members of fathers and mothers councils and teachers who actively participated in supporting education issue in their areas. On the other hand, 1,500 class schedules, 200 files introducing the program and 2,000 posters were disseminated during the school festivals.
- Within the partnership with Al-Saleh Social Establishment for Development, the SFD distributed school uniform and bags together with Eid cloths to 700 students of both sexes in schools covered by the program.

**Cumulative number of beneficiaries and job opportunities as of 31/12/2006, by sector**

Sector	Beneficiaries		Temporary job opportunities
	Direct	Indirect	
Environment	2,583,146	300,072	677,633
Integrated Intervention	103,798	20,376	255,265
Training	28,687	107,137	89,475
Education	1,745,759	1,112,111	10,699,593
Organizational Support	502,497	405,889	333,937
Agriculture	5,360	100,000	4,483
Health	2,579,241	579,084	1,146,287
Rural Roads	2,322,574	1,623,754	2,548,226
Special Needs Groups	160,262	86,403	561,946
Micro Enterprises Dev.	88,600	406,261	16,818
Small Enterprise	35,926	72,820	16,023
Cultural Heritage	304,168	123,512	1,220,961
Water	2,130,872	177,932	2,486,624
Business development	11,600	21,950	490
<b>Total</b>	<b>12,602,490</b>	<b>5,137,301</b>	<b>20,057,761</b>

**SFD cumulative commitments and contracted amounts as of 31/12/2006, by governorate**

Governorates	No. of projects	Commitments (\$)	Contracted amounts (\$)
Al-Baidha	142	12,051,715	11,704,121
Al-Jawf	89	6,448,765	6,033,093
Al-Hudaidah	534	50,873,151	43,156,873
Al-Dhale'	101	10,058,980	7,410,829
Al-Mahweet	167	15,506,658	13,692,573
Al-Maharah	56	3,312,364	2,932,470
Abyan	128	11,912,168	9,452,691
More than one	505	23,010,012	16,909,061
Sana'a Capital	419	43,645,164	38,981,176
Ibb	513	46,107,747	40,195,149
Taiz	669	60,411,575	52,101,434
Hajjah	355	30,179,215	26,202,369
Hadhramaut	383	26,141,642	21,545,952
Dhamar	428	31,352,500	28,334,004
Shabwah	168	11,569,484	11,210,250
Sa'adah	145	12,872,949	10,994,970
Sana'a	409	30,584,837	25,066,149
Aden	167	17,102,590	13,779,941
Amran	360	27,318,060	25,127,132
Lahej	188	16,591,099	13,182,605
Mareb	82	7,571,096	5,371,594
<b>Total</b>	<b>6,008</b>	<b>494,621,771</b>	<b>423,384,438</b>

**SFD cumulative commitments and contracted amounts as of 31/12/2006, by sector**

Sector	No. of projects	Commitments (\$)	Contracted amounts (\$)
Environment	143	17,061,037	12,423,907
Integrated Intervention	78	6,155,984	4,422,168
Training	380	6,072,627	4,838,012
Education	2,833	267,274,017	234,233,813
Organizational Support	336	11,123,714	9,419,196
Agriculture	8	394,516	251,295
Health	463	37,368,900	30,610,176
Rural Roads	270	37,199,511	32,756,631
Special Needs Groups	332	20,363,220	16,448,822
Micro Enterprises Dev.	103	9,502,111	6,935,599
Small Enterprise	26	3,179,554	2,938,971
Cultural Heritage	155	23,008,280	16,424,691
Water	872	55,383,093	51,137,209
Business development	9	535,207	543,947
<b>Total</b>	<b>6,008</b>	<b>494,621,771</b>	<b>423,384,438</b>

**Cumulative number of beneficiaries as of 31/12/2006, by gender**

Beneficiaries		
	Direct	Indirect
Male	6,366,498	2,474,435
Female	6,484,984	2,662,866
<b>Total</b>	<b>12,851,482</b>	<b>5,137,301</b>

**Completed projects as of 31/12/2006, by sector**

Sector	No. of projects	Investment (\$)
Environment	102	11,306,713
Integrated Intervention	35	1,627,470
Training	332	5,166,779
Education	2,193	174,466,471
Organizational Support	289	8,860,290
Agriculture	5	64,516
Health	346	22,414,388
Rural Roads	135	14,698,130
Special Needs Groups	232	13,708,983
Micro Enterprises Dev.	72	5,813,541
Small Enterprise	14	439,224
Cultural Heritage	38	4,912,305
Water	607	36,961,671
Business development	3	12,754
<b>Total</b>	<b>4,403</b>	<b>300,453,235</b>

## SFD Achievements in 2006

The SFD's total investments in 2006 reached around \$88.2 million distributed over the different sectors. Projects completed during the year mount to 829 projects.

### Number of projects and commitments in 2006, by sector

Sector	No. of projects	Investment (\$)
Environment	18	1,081,742
Integrated Intervention	39	3,911,090
Training	66	864,712
Education	327	46,412,857
Organizational Support	32	905,172
Agriculture	3	320,482
Health	42	4,928,348
Rural Roads	86	16,447,497
Special Needs Groups	51	2,149,514
Micro Enterprises Dev.	16	914,286
Small Enterprise	3	601,603
Cultural Heritage	25	3,067,470
Water	113	6,355,137
Business development	8	222,707
<b>Total</b>	<b>829</b>	<b>88,182,617</b>

### Number of beneficiaries and job opportunities in 2006, by sector

Sector	Beneficiaries		Temporary job opportunities
	Direct	Indirect	
Environment	663,305	3,149	51,634
Integrated Intervention	59,863	1,727	162,739
Training	3,415	518	11,634
Education	253,377	602,110	1,722,653
Organizational Support	6,252	6,104	58,971
Agriculture	5,000	100,000	4,401
Health	315,745	54,995	176,548
Rural Roads	956,609	599,275	1,173,511
Special Needs Groups	17,848	805	50,675
Micro Enterprises Dev.	9,060	47,240	614
Small Enterprise	1,313	6,315	245
Cultural Heritage	11,285	11,454	195,510
Water	181,337	3,093	275,356
Business development	1,600	1,950	390
<b>Total</b>	<b>2,486,009</b>	<b>1,438,735</b>	<b>3,884,881</b>

### SFD commitments in 2006, by governorate

Governorates	No. of projects	Commitments (\$)	Distribution (%)
Al-Baidha	18	1,513,858	2
Al-Jawf	10	1,163,290	1
Al-Hudaidah	73	8,732,563	10
Al-Dhale'	15	1,962,115	2
Al-Mahweet	9	921,983	1
Al-Maharah	9	461,307	1
Abyan	14	2,482,911	3
More than one	123	5,390,089	6
Sana'a Capital	31	1,917,800	2
Ibb	92	11,315,254	13
Taiz	109	15,794,745	18
Hajjah	45	5,926,697	7
Hadhramaut	39	2,616,743	3
Dhamar	53	4,997,868	6
Shabwah	15	1,093,154	1
Sa'adah	17	2,976,857	3
Sana'a	57	7,249,643	8
Aden	16	2,927,087	3
Amran	47	3,833,033	4
Lahej	30	4,140,495	5
Mareb	7	765,125	1
<b>Total</b>	<b>829</b>	<b>88,182,617</b>	<b>100</b>

### Disbursements in 2006 and accumulative, by program

Program	Disbursement (million)	
	2006	Accumulative
Community Development	77.8	345.7
Capacity building *	11.2	52.5
Small and Micro Enterprise development	2.0	9.5
<b>Total</b>	<b>91.0</b>	<b>407.7</b>

\* includes the operation disbursements of the SFD.

### Completed projects in 2006, by sector

Sector	No. of projects	Investment (\$)
Environment	21	1,144,171
Integrated Intervention	7	329,325
Training	50	519,318
Education	419	40,571,132
Organizational Support	36	1,927,706
Agriculture	5	64,516
Health	49	3,848,738
Rural Roads	30	2,981,777
Special Needs Groups	44	2,042,548
Micro Enterprises Dev.	5	276,062
Small Enterprise	4	110,835
Cultural Heritage	7	1,405,587
Water	68	4,440,522
Business development	3	12,754
<b>Total</b>	<b>748</b>	<b>59,674,991</b>

- Form 12 fathers and mothers councils in Al-Azarik-district's Bilad Al-Mihrahi area of Al-Dhale' and Al-Soudah's Bani Utaifah of Amran.
- Support school clubs and 16 schools by supplying them with football and basketball playgrounds, tennis tables and mental games such as chess—among other requirements...
- Support girl-education sector and community participation at Ministry of Education's offices in Al-Hudaidah, Taiz, Al-Dhale', Sa'adah and Amran governorates involved in the program

### Education Quality

- The SFD has finished training of participants (2nd activity/ 3rd phase) in the course "Face-to-face" on lessons on Droub website (24–29 November 2006).
- The SFD has finalized providing training to 17 Fathers' and 17 Mothers' Councils in the Capital City and Ibb, Taiz, Aden, Abyan, Sana'a, Amran, Al-Mahweet and Hajjah governorates. Training, conducted during November–December 2006, benefited 149 & 149 fathers and mothers, 15 & 8 female and male teachers and 10 & 15 male and female sociologists (respectively) as well as 7 headmasters and 9 headmistresses, who were trained on planning, follow-up, evaluation and school-plan discussion with councils.
- A periodic meeting was held on 14–31 December 2006 for headmasters of both sexes at education-quality schools.
- Training was provided during November–December 2006 for 17 & 32 male & female teachers, three headmistresses, one headmaster, a male & female deputy-headmaster on skills of speaking English language—in preparation for training them on remote teaching.
- Provide three-day training for 10 male and 19 female library staff on school-library database.

### Caring for gifted students

The formation of the program's technical team was finalized, and training of the team has been launched, as has the development of student-admission academic-readiness tests—along with forming a board of trustees and preparing a draft of the project-related decree, which will be enacted later. Moreover, the SFD started to furnish and equip the program-relevant schools.

### Third phase indicators - Education Sector\*

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	Total
Classrooms built & equipped	7500	1890	2529	1796	6215
Classrooms rehabilitated	1100	290	370	255	915
Children enrolled	300000	112385	211528	242306	566219
Preschool teachers trained	600		542		542
Kindergartens established	34	4	10	8	22
Workshops in education, planning, programming and evaluation	16	8	12	18	38

\* Includes only under-implementation and completed projects as of 31/12/2006

### Third phase indicators – Cultural Heritage Sector\*

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	Total
Projects financed	90	25	31	18	74
Consultants trained	95	52	60	56	163
Laborers trained	880	177	220	2	399

\* Includes only under-implementation and completed projects as of 31/12/2006

## Cultural heritage

### Cooperation for preserving historical cities

The cooperation between the SFD and Urban Development Program, technically supported by German GTZ in Hadhramaut's Shibam has brought about fruitful and encouraging results as for up keeping the city's buildings and historical monuments. This success encouraged the SFD to build on this experience and adopt the program in other historical cities—especially Zabid enlisted within the world threatened heritage. By November 2006, the expansion of such cooperation and partnership was among the topics discussed during the annual meetings between Yemeni and German governments. Further activities within this cooperation are expected to begin by mid-2007.

### Fencing the Old City of Sirwah

The SFD started implementing a project to fence the Old City of Sirwah—the old capital of Saba State. Walling includes all parts outside the fence surrounding the old archeological city in order to stop the architectural expansions steadily progressing towards the city and further protect the nearby archeological hills. This would also enable those in charge of the site to carry out archeological excavations and pave the way to make it a tourist site. On the other hand, restoration project for Sabaen Temple (Almaqah) in the Old City of Sirwah has been launched. The SFD is to participate with half costs of the restoration undertaken by the German Archeology Institute (GAI), which has been conducting archeological excavations for five years. The activities include restoration of the most outstanding features of the temple—viz. the Saba King's inscription (Karb Ayl Watar) known as Naksh Al-Nasr (Victory Inscription), which the largest and most famous inscription, as it records the different stages of Yemeni civilization's old history. Additionally, the program will restore inscriptions, pillars and other pieces of esthetic importance—together with processing and cleansing the temple's floor and draining rainwater out of the temple.

### Restoring the Great Mosque in Sana'a

The SFD trained Yemeni cadres to undertake restoring the decorated and colored wood of the Great Mosque's ceiling. Starting in October 2006, the SFD provided theoretical and practical training to some 50 archeological and architectural

staff of both sexes, from whom 18 were selected to perform the delicate ongoing restoration works in the mosque's ceiling woody parts.

Accordingly, the following stakeholders have been targeted during the quarter:

In addition, the following activities were carried out:

- The SFD has begun archaeological documentation of Shibam Kawkaban's Mosque and its surroundings through setting sensors implemented by a specialized national team. The aim is to know more about the history of the area and the different stages of building the mosque as well as acquaint with the causes of the constructional harms suffered by the mosque and reach the best ways of restoration. The SFD has also resumed setting up new ablution facilities in a way suiting the architectural surrounding of the mosque and the historical and cultural value of this archeological asset.
- Supported by the German Archeology Institute (GAI), the program launched the first phase of building the Mareb Regional Museum and by producing the technical and administrative studies and further sorting out monumental pieces available in Mareb's governorate building. These monuments came from the archeological works seasons implemented by many local and foreign mission. The store has been prepared in the museum project's site in order to move all monumental pieces into it until other phases of museum building and furnishing come to an end. As planned, the museum will not be just a place for showing pieces but also as a scientific institution for restoration and training.
- Conduct a field survey for all traditional handicrafts in the old city of Sana'a and the works included a complete audio and visual documentation to all handicrafts via using electronic site locating known as Geographic Information System (GIS). Thus, simply one click will make you learn everything about each handicraft within specialized database.
- Regarding the project aiming to upkeep Sana'ani song, the SFD—during the last quarter of 2006—bought systems and equipment required for such a task. With help of these equipments, it has been easy to record and make sound documentation and building audio database.

### Training and Organizational Support

During the quarter, the number of projects in both sectors reached seven projects at an estimated cost of \$45,289. Of these, one project approved and six under implementation. They targeted governmental organizations, NGOs, private sector and Local Councils.

#### Third phase indicators – Training and Organizational Support Sectors\*

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	Total
Workshops for NGOs	125	38	78	68	184
Support to NGOs and cooperatives	200	41	51	31	123
Support to user groups, communities and CBOs (in various forms)	700	63	253	258	574
Organizational support to local councils and authority	50	0	16	15	31
Councilors and local authority members trained **	-	1,875	5,845	260	7,980

\* Includes only under-implementation and completed projects as of 31/12/2006

\*\* Includes almost all local councils (330) in the country

### Training Sector

The sector aims to provide services via training and building human & institutional capacities of SFD employees and partners—including consultants, project officers, local committees, contractors, project technical supervisors, local authorities, NGOs and government agencies.

#### 1. Governmental Organizations ( 1 project)

The project concerns "participatory learning & action mechanism" , and is comprised of two training courses. It targets the directors of SFD branches, and projects' officers in the SFD's main office and branches. The project comes within the framework of the SFD's efforts to transform the community participation process into the phase of empowering local communities by means of activating the best utilization of their personal and local resources , as well as self reliance.

#### 2. Private Sector & Individuals ( 3 projects) :

During the 4<sup>th</sup> quarter 3 projects have been developed by Sana'a Branch . They aim at raising the capacities of technicians stationed in projects' locations, engineer-consultants, and small contractors, as follows:

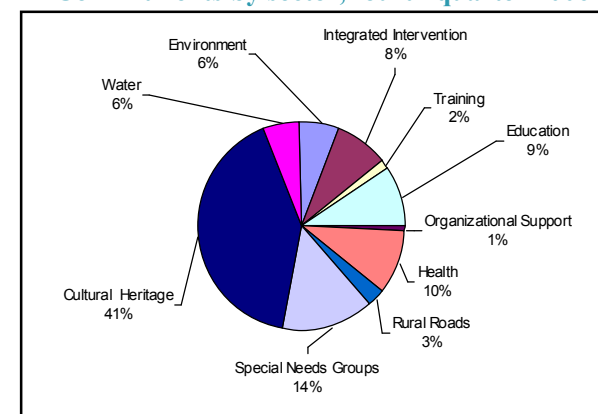
- One project for "Engineer-consultants", involving 3 training courses. It aims at unifying quality control concepts, acquainting the consultants with some recurrent common errors occurring during the design, implementation and field supervision of projects. This is in addition to methods of avoiding such errors, and the improvement of performance.
- One project "3 training courses" targeting "On-Site Technicians". The training subject is centered on supervision methods and techniques related to civil works, with the aim of acquainting technicians with the tasks referred to them by the engineer-consultants hired by the SFD for implementing such projects. This is for providing the technicians with the relevant skills that ensure implementation of good quality projects and minimizing errors.
- A four-training-course project was held for small contractors in "Contracting and implementation techniques". The training concentrates on acquainting small contractors with the contracting and technical methods that follow best practices related to tenders, submission of quotations and the implementation of civil works' projects. The training also aims at helping small contractors to avoid committing errors that affect the good implementation quality, preventing them from participation in tenders, or facing problems with financing and sponsoring agencies.

### Microfinance Programs Supported by SFD (on 31-12-2006)

	Program	Active number of clients			Outstanding loan portfolio (Thousand YR)	PAR (%)	Cumulative numbers		Area of Operation
		Borrowers		Savers			Number of loans	Loan amounts (Million YR)	
		Total	Women (%)	Total					
1	National MF Foundation	10,937	98	13,258	203	6.6	29,753	857	Capital City, Taiz, Qa'edah and Yarim in Ibb and Dhamar
2	Aden MF Foundation	4,098	49	6547	93	NA	17,617	427	Dar Sa'ad, Al-Bureikah, Al-Mu'alla, Al-Tawwahi, Crater, Khormaksar, Sheikh Othman – Aden, Lahj
3	MF Development Program (Nmaa')	2,532	36	486	63	5	12467	453	Sana'a , Taiz, Aden
4	Sana'a MF	3,158	92	2899	56	3	9,721	318	Capital City
5	Abyan S & C	1,626	100	0	44	0	5,147	167	Abyan
6	Hais S & C	897	92	2,589	19	NA	5,174	210	Hais, Khoukha, Jabal Ras, Zabid Al-Hudaidah governorate
7	Al-Hudaidah MC	3551	85	0	42	0.67	22,710	528	Al-Hudaidah city and Bajil - Al-Hudaidah governorate
8	Wadi Hadhramaut	1,011	31	946	25	1.9	2858	163	Seyun – Hadhramaut governorate
9	Al-Awa'el MF Company	2,810	100	0	44	0.2	18,825	109	Taiz
10	Bait Al-Faqeh S & C	333	88	282	3	NA	2,014	51	Bait Al-Faqih, Mansouriyah – Al-Hudaidah governorate
11	Sana'a Microstart (SOFD)	656	66	0	9	5.8	5188,	415	Capital City
12	Other Activities & IGPs	0	0	0	0	NA	6,895	260	Several areas
13	Small Enterprise Development Fund	1,815	15	0	568	11	273,5	13,09	Capital City, Taiz, Aden, Al-Mukalla,
	<b>Total</b>	<b>33,424</b>		<b>27,007</b>	<b>1,169</b>	<b>-----</b>	<b>146,972</b>	<b>6,788</b>	

NA= Not available/Not applicable, MC = Micro Credit, S&C = Saving and Credit , MF= Micro-finance , IGPs =Income generating projects.

#### Commitments by sector, fourth quarter 2006



#### Expected number of beneficiaries and job opportunities, fourth quarter 2006, by sector

Sector	Beneficiaries		Temporary job opportunities
	Direct	Indirect	
Environment	1,151	0	10,514
Integrated interventions	3,466	1,260	18,222
Training	230	0	239
Education	2,920	0	12,819
Organizational Support	46	12	113
Health	4,927	75	8,463
Rural Roads	2,316	720	1,138
Special Needs Groups	6,587	0	9,549
Cultural Heritage	0	0	47,681
Water	3,328	0	7,310
<b>Total</b>	<b>24,971</b>	<b>2,067</b>	<b>116,048</b>

#### Commitments by governorate, fourth quarter 2006

Governorate	No. of projects	Commitments (\$)	Distribution (%)
Al-Baidha	1	7,850	0.4
Al-Hudaidah	2	184,597	9.3
Al-Mahweet	1	37,483	1.9
Abyan	1	18,471	0.9
More than one	14	294,597	14.8
Sana'a Capital	5	290,500	14.6
Ibb	2	29,597	1.5
Taiz	2	106,997	5.4
Hajjah	1	30,420	1.5
Hadhramaut	2	179,590	9.0
Dhamar	6	552,946	27.8
Sana'a	1	16,597	0.8
Aden	1	43,322	2.2
Amran	2	17,000	0.9
Lahej	4	179,503	9.0
<b>Total</b>	<b>45</b>	<b>1,989,470</b>	<b>%100.0</b>

- The experience of the program in Al-Fousira, Al-Musigid and Al-Afri villages was shifted into Amran's branch with an aim to transform it to other branches in the future to ensure capacity building and appointing an officer for administering these projects and further tending to extend this program to other areas.
- The SFD implemented training courses for development committees, projects administrators and projects' engineers and supervisors in Amran's Al-Ghashm area, Hajjah's Al-Atnah, Al-Hudaidah's Al-Bouaijah, Rayma's Al-Khaidhem, Taiz's Asweedah, Ibb's Al-Qaffr and Dhamar's Bani Muanis. The courses involved 165 interns, including 134 men and 22 women. The courses aimed to qualify and enable community committees and projects administrators, engineers, supervisors to work according to community contracts and community participation in all phases of the projects (planning, implementing, following-up and maintaining); thus ensuring projects sustainability.
- The program participated in coordination between the local development committee in Hajjah's Al-Atnah and area dignitaries together with lands owners to enable the poorest factions to own lands for residence equaling to 10 x 10 meters.
- The program started to implement 21 water projects, a road project and tow schools via community contracting as a joint venture for empowerment of local communities.
- The general tendencies of the program have been completed with the participation of local development committees and community formations. The work will involve the participation of local authorities in setting the community formations, which include field teams to enact the sector work with projects in health, education, agriculture and economic activities, illiteracy eradication, woman empowerment and projects administration.
- The executive plans for annual projects of 2007 within the program were discussed at the level of local communities and development committees. They will be endorsed by the local authorities at the level of districts and a copy will be sent to the SFD.

### Community Contracting

In line with the SFD's tendencies to expand the implementation of projects via community-contracting methods within the fields of rural roads and water and focusing on building capacities among the community committees, the program conducted two training courses for that end. The first one focused on building the capacity of the community committees for the current community contracting as for exchange of expertise, while the second course aimed to train such committees for the community-contracting projects in the Sana'a branch.

### Rural roads sector

The projects of this sector aim to improve the rural roads and train project officers on setting the designs appropriate to these projects and their development. They further aim to develop maintenance mechanisms in collaboration with local councils and community individuals.

The last quarter of 2006 witnessed rehabilitation of Wadi La'ah's bridge (38 m long and 4 m wide) in Hajjah's Bani Qais Al-Tour as it became worn out. The estimated cost for this project is US\$30.4 thousand, and thus cumulatively, the total number of projects involved in this sector reaches 270 with overall estimated costs of US\$37 million.

## Small and Micro Enterprises Development

### Participation in the First Shabwah Industrial and Commercial Fair

As part of the SMED unit activities for the promotion of financial and non-financial services in particular, and SFD interventions in general, the SMED unit participated in conjunction with the Small and Micro Enterprises Promotion Services agency (an arm of SFD) in the fair during the period from Dec. 17<sup>th</sup> till Dec. 26<sup>th</sup>. During the fair, which was held in Atak, the capital of the Governorate of Sahabwah, documentary and explanatory films on SFD interventions were played, and visitors were made aware on how to benefit from SFD interventions and programs. Also, numerous brochures were distributed.

Several industrial and trade companies, in addition to NGOs and concerned parties were represented in the fair.

### The Workshop concerning training providers from the private sector

The workshop was held in Sana'a in Nov. 11<sup>th</sup>, 2006 and training providers in from the private sector were invited. The workshop included forty participants including providers of technical and vocational training, representatives from the public sector, and other parties concerned, in addition to a delegation from the Syrian Al-Ma'moon International Foundation. During the event the current situation of technical and vocational training in both the public and private sector was discussed, and Al-Ma'moon's experience as a private sector training provider, as well as the difficulties, successes, and obstacles faced by such experiences.

### The visit by a delegation from the Microfinance Network in the Arab World – Sanabel

As part of the efforts made to strengthen the cooperation with Sanabel, a delegation from the organization visited the country to discuss possible ways for cooperation with the Social Fund for Development. During the visit SFD stressed the importance of organizing the Fourth Sanabel Conference in Yemen and making all the necessary efforts for its success.

### Funding of the Small and Micro Enterprises Promotion Services agency (SMEPS)

In the fourth quarter of 2006 SFD financed the agency with USD 228,000 to finance and implement the training program being carried out in cooperation with the International Finance Corporation (IFC), as well as various activities. The agency was established by SFD to provide and facilitate non-financial services for small and micro enterprises. The funding also included the expected opening the agency's first branch in Al-Mukalla in the first quarter of 2007.

### Funding of a number of small and micro finance institutions

To guarantee the continuous flow of funds for the expanding on-lending activities carried out by the MFIs, and to satisfy the ever-growing needs of small and micro entrepreneurs the SMED unit has provided funds for Hodeida MFI and also Nama MFI for a total of 22 Million YR during the last quarter of 2006.

## Organizational Support Sector

The sector's objective is to build the capacities of SFD partners participating in the realization of community development and the provision of productive and literacy services. Projects in this sector aim at reinforcing the sustainability of these partners by providing training for them in some or all the fields mentioned in the "Training Sector" above (according to the specific needs of each organization). This is in addition to providing some necessary equipment, data bases and management systems.

### 1. Non Governmental Organizations ( 2 projects):

Organizational support for two Women Charitable Associations in Rada'a district, Al- Beidah governorate, and Mukalla district in Hadramout governorate.

Support includes the following (according to the needs of each association):

- Training in strategic planning, financial and administrative matters, and training trainers in modern sewing & embroidery.
- Providing necessary equipment for the various training activities.

### 2. Local Councils (1 project):

The intervention is represented by an "institutional building study" targeting the head office of Amran governorate. The "study" is comprehensive and targets all the departments of the head office. It aims at reinforcing the head office role in the light of the Local Authority Law and its by-laws, by means of:

- Preparation of an analytical basis to be relied on as a gearing factor in the process of institutional development of the governorate's head office.
- Illustrating the various gaps and identifying needs accurately.
- Supporting the Ministry of Local Administration, in particular, as well as the national strategy for supporting decentralization, in the component concerning the information related to the status of head offices.

## Third phase indicators – Health and Special Need Groups Sectors\*

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	Total
<b>Health Sector</b>					
Projects to support health facilities providing quality services	250	16	34	20	70
Number of trained health service providers *	1,500	460	559	355	1,374
Health institutes (HIs) supported to enhance quality of health education	20	2	7	3	12
Staff trained from HIs	400	120			120
Health education curriculum upgraded for the HIs	5				
Libraries equipped and supplied with books for HIs	8		2		2
Teaching laboratories equipped with learning materials	8	1			1
Psychiatric hospitals and care centers staff trained	125	20			20
Districts which received support in applying the DHS	4		3		3
<b>Special Need Groups</b>					
Public schools supported with inclusive education	300	57	5	4	66
Disadvantaged children in SFD-supported schools	15,000	3,633	1,228	5,744	10,605
Directorates of inclusive education established	8				
NGOs supported by technical training to serve special needs groups	50	25	35	65	125
Communities made aware of inclusive-education importance & accessibility	380	4	35	33	72
Faculty of Special Education	2				
Staff members qualified in the field of disability	40	20	49	8	77
Pre-school rehabilitation and education centers for preschoolers with disability	25	5	1	1	7
Street children centers	5	2	1	1	4
Juvenile delinquent centers	5	2	0	3	5

\*Includes only under-implementation and completed projects as of 31/12/2006

**Training health staff**

- The SFD finished all activities required for training community midwives in Ibb's Al-Qaffr District. 19 female students graduated from Ibb's Health Institute together with other 19 midwives for Dhamar's Wussab Al-Saffel. Additionally, the SFD started to train female health guides in Shabawah's Bihan District and community midwives in Amran's Ayyal Surriyh and Bani Surim Districts.

**Reproductive health and postnatal services**

The SFD finished the restoration of motherhood and childhood department at Al-Mukalla.

**Psychiatric health care**

- The SFD has finished furnishing Taiz psychiatric patients' asylum together with the prison's asylum and outer clinics.

**Special Needs Groups sector****Integrating targeted children into public education**

- Within the framework of its efforts aiming to support all-inclusive education program and integrate special needs children into the public education and mainstream society, the SFD signed three agreements for supporting the program in Aden, Lahj and Abyan Governorates. The program aims at integrating 560 impaired children via qualifying seven schools with equipments and facilities needed for such a faction. Further, two schools from the seven will be provided with education sources units. Furthermore, the SFD signed another project that targets 170 hearing-defected children and the program aims to reinforce the all-inclusive education program in Dhamar governorate via qualifying four schools to receive impaired students. The SFD will supply these four schools with special classes, education sources unit and playing garden.

**Training and institutional capacity building**

- Within the SFD's tendencies to support programs directed to impaired and hard-to-learn children, the SFD signed a project with Sahar Establishment for Special Education and Al-Tawahd in the Capital to build institutional capacities via administrative and accounting training and further supplying the Establishment with required furniture and equipments.
- The SFD also signed a project with Physically Handicaps' Society in Dhamar and the project aims to support the sporty activities of motor handicaps and equipping a computer unit at the society's headquarters, targeting 260 handicaps including all age groups and sexes. It also signed a similar project with Ibb's Physically Handicaps Society and the

project aims to support the cultural and sport activities of the society together with providing the society with a hall for sport activities and cultural library.

- Within its support for national policies and tendencies that aim to develop early childhood, the SFD signed an agreement with the Supreme Council for Motherhood and Childhood to support the establishment of Early Childhood Department in Sana'a University's Faculty of Education to provide children kindergartens with graduates specialized in developing child's skills and early childhood.

**Water and Environment**

During the last quarter of 2006, the SFD agreed to implement six projects in water and environment sectors, at a total estimated cost of US\$241.6 thousand. Thus, cumulatively, the total projects agreed upon are 143 in the environment sector at a total cost of US\$17 million and 872 projects in water sector at an overall cost of US\$55.4 million. During the last quarter of 2006, the SFD implemented the following activities in both sectors:

**Water sector**

On 12 – 20 December 2006, some SFD's officials paid a visit to Archon Company's branch in Beirut (the company that won the bid for importing and installing a salt-water purification station with a total water capacity of 300 m<sup>3</sup> in Al-Hudaidah's Kamaran Island). The visit aimed to inspect the works relating to station's building and discuss the required adjustments. It is expected for the station to be fixed in the Island by March 2007.

**Environment sector**

Participate in the symposium held during the period Nov. 4–7, 2006, relating to reusing drainage water for irrigation. A lecturer at Sultan Qabos University, Oman, attended the event and delivered a lecture. The SFD held a workshop on Nov. 8, 2006 in its headquarters wherein the doctor presented via two computer programs the interplay between the water flow in adjoining wells and its effect on the low level of underground water. The second one relates to pumping water from wells close to the sea and the effects as for the intervention of seawater and the increase of water saltiness in the underground basins. He also presented the Omani experience as for the reuse of grey water coming out of residential houses after their treatment. 14 specialists from all parties working in water and sanitation sectors attended the workshop.

**Third phase indicators – Water and Environment Sectors\***

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	Total
Water-harvesting projects	750	57	49	46	152
Water stored in reservoirs (M3)	3,000,000	897,250	1,113,250	182,358	2,192,858
Piped systems	100	23	13	17	53
Reservoirs	40	14	13	4	31
Hygiene and environment awareness	225	56	15	18	89
Wastewater management	15	8	4	2	14
Solid waste management	7	9	3	3	15
Soil & water conservation	3	4	2	2	8

\* Includes only under-implementation and completed projects as of 31/12/2006

- The SFD has finished the preparation of its annual report of 2006 relative to its environment intervention in all sectors. The report, which has been distributed, shows the SFD's determination to improve its intervention from environmental point of view according to the requirements of its environment administration.
- The SFD photocopied and issued different awareness posters aiming to educate students about qat-chewing risks. It further recorded 10,000 copies of a cassette addressing qat risks and targeting the public.

**Agriculture and rural development**

The last quarter of 2006 witnessed the implementation and completion of many activities relating to the experimental project for rain-fed agriculture and other projects.

**Agriculture Sector****The completed projects**

The SFD implemented the training project of poultry farms integrated administration and the project benefited 40 cadres of the Agricultural Cooperative Council working in cooperative farms of poultry and technicians working in veterinary guidance in eight governorates. The program, comprising of two training courses, aims to earn participants the information and skills relating to basics and applications of integrated management of poultry farms.

**The experimental program in rain-fed agriculture**

In continuation for the productive projects within the components of developing the rural production initiated in September 2006, a project that witnessed a zest and competition among the producers at the level of the five governorates (Al-Mahweet, Lahj, Hajjah, Sana'a, Al-Hudaidah) and the results are summed up in the following tables:

**Productive groups**

The number of productive groups reached 53 groups (See table):

Areas	Men	Women	Mixed	Total
Sana'a	8	4	-	12
Lahj	7	6	2	15
Al-Hudaidah	5	4	-	9
Al-Mahweet	5	4	-	9
Hajjah	4	3	1	8
<b>Total</b>	<b>29</b>	<b>21</b>	<b>3</b>	<b>53</b>

**Planned and approved projects:**

Areas	Planned	Approved and financed
Sana'a	13	11
Lahj	15	13
Al-Hudaidah	11	9
Al-Mahweet	11	9
Hajjah	8	4
<b>Total</b>	<b>58</b>	<b>46</b>

**Third phase indicators – Feeder Roads Sector\***

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	Total
Projects financed	125	18	33	44	95
Beneficiaries	800,000	88,569	219,342	267,739	575,650

\* Includes only under-implementation and completed projects as of 31/12/2006

**Technical aspects**

- Animal wealth and bees took up about 75.4% of the total costs and projects implemented. 21 projects were localized in coastal governorates (Hajjah, Al-Hudaidah, Lahj). As for the animal wealth, the total projects implemented in this sector represent about 72.4 out of the total projects implemented in the five governorates.
  - In Al-Hudaidah and Lahj, the number of women's groups surpassed the men's ones.
  - Hajjah projects do not include bees projects as locals there lack the expertise required for bees raising.
  - Due to the increased rate of illiteracy in the five governorates, especially among women, the consulting teams faced many difficulties in educating and training men and women groups.
- Via the field follow-up, the following was noted:
- All production groups understood the project's idea as for their formation and financial support and thus the SFD earned more trust and credibility among public targeted in all governorates.
  - The level of projects' implementation is good, particularly among women's groups.
  - About 60 percent of productive groups completed their projects and made financial profits.

**Integrated intervention program**

- The SFD developed seven projects in a literacy program targeting 1,600 women and the activities will include building the capacities of executive offices in districts in order to participate in training on illiteracy-eradication and adult-education and further performing the follow-up program and activation for those activities in a joint venture between the SFD and literacy eradication offices in districts. Furthermore, the SFD completed Al-Fajr Al-Gadid school project in Al-Dhanabah area, Taiz's Mawiah District.
- In coordination with Amran's Illiteracy Eradication Apparatus, the SFD is to open eight classes for illiteracy eradication in Al-Fousira, Al-Musigid and Al-Afri villages. Khamer's Illiteracy Eradication Office will follow up and implement the project.
- The SFD has started to prepare the social practitioner guide for those implementing environment and health awareness campaigns within the program and further develop means of health and environment awareness including the programs' mechanism in line with the SFD's mechanism, which depend on the participation of targeted local authorities, volunteers and health works in those areas.
- In collaboration with the local authority represented in Education Offices in the targeted districts that will participate in forming, training and following up the activation of the councils, the SFD developed a project to form fathers' and mothers' councils and train them in 32 schools.