

The Global Learning Process on Scaling Up for Poverty Reduction: Field Visit to the Social Fund for Development of Yemen

February 28 – March 1, Sana'a, Yemen

I. Introduction

The field visit to Yemen, the fifth of eight such visits that are part of the Global Learning Process on Scaling up Poverty Reduction, took place in Sana'a from February 28 – March 1. The field visit focus was on the Social Fund for Development (SFD) of Yemen, which started in 1997 and began operations in 1998. The event was opened by His Excellency Abdulkader Ba-Jammal, Prime Minister, and His Excellency Ahmed M. Sofan, Deputy Prime Minister of Planning, Mahdy Ismail Aljazzaf, Executive Director of the World Bank, and Mahmood Ayub, Country Director. 70 participants attended the event on the first day, including Ministers, civil society, private sector participants, and international visitors from social funds or social fund type programs from Bangladesh, Morocco, Nicaragua and Sri Lanka. The event was organized around a day of plenary and discussion on the SFD and its operations, followed by two days of site visits to see the SFD's activities in service delivery in water, education, cultural restoration, and health to rural tribal communities, and its activities in urban areas with vulnerable groups – a center for blind girls, a center for street children, a women's training facility, and microfinance operations. Marvelously organized by the SFD, this event was a rich learning experience for all participants, and is a strong case that merits high prominence in Shanghai and beyond. The agenda and list of participants are annexed to this brief.

II. The Social Fund for Development

This is only a brief introduction to the SFD to illustrate why it was selected as a case study, and as one of eight field visits as part of the Global Learning Process. The draft case study provides fuller details on the operations and achievements of the SFD in Yemen. The SFD was established in 1997 with World Bank support, initially for a five year phase. It was conceived as a transitory vehicle to support those not benefited from the economic reforms undertaken in the mid-1990s. Since then, it has made significant inroads in service delivery to very poor populations in all of the 20 Governorates of the country. These services include the provision of water and sanitation, feeder roads, health services, primary schools, particularly for girls, microfinance, cultural heritage restoration for economic growth, support to vulnerable populations (street children, disabled, women in difficult conditions, and the socially marginalized), and an extensive program of building technical and managerial capacities of poor communities, partner NGOs, and selected line Ministries.

Its approach is to provide services in response to communities' demands and needs – communities decide upon their key priority, contribute a certain percentage of the cost, in kind and or in cash or other flexible forms, and take a key role in the operations and

maintenance of the facilities. It promotes transparency in budgeting, and tri-partite accountability in service delivery between the community, the government, and the social fund, through a framework agreement that stipulates negotiated roles and responsibilities of each party.

Some of the SFD's key achievements, noted in an independent impact evaluation conducted in 2003 include: increasing girls' enrollment from 42 percent in 1999 to 58 percent in 2003, and the overall enrollment rate from 59 to 70 percent; increasing sick persons' access to health care from 55 percent to 68 percent, increased access to households taps by 35 percent, reduced distance by 19 percent and time spent fetching water by 14 percent; and rural roads have reduced travel cost and time by 40 percent, and increased daily trips by 180 percent mostly to markets. Also, through improved poverty targeting, 40 percent of all funds are allocated to the poorest three deciles of the population.

It is important to grasp the significance of these inroads in the context of Yemen, the poorest country in the region, challenged by an inhospitable and dry geography, and a population typified by small tribal communities dispersed over 100,000 settlements, with many on top of rock mountain tops, making service delivery and outreach expensive and difficult. Illiteracy stands at 47 percent, and only 49 percent of the population has access to health services, and 36 percent to water and sanitation service. In addition, participation by women takes on a whole new dimension in a very traditional society where women are typically fully veiled, and cannot avail of schools without female teachers, or health services without female doctors, which of course, are in a vicious circle of short supply. In the early nineties, Yemen was labeled by some international development organizations as "the country where nothing works." The Social Fund is helping to reverse that view, through its efficient and responsive service delivery methodology.

III. SFD Takes the Concept of Scaling Up in Several Directions

Coverage of services to more people. An estimated 6.8 million of Yemen's 20.8 million population have benefited from SFD interventions.

Expansion of services into new sectors in response to need and demand, such as working with NGOs that support vulnerable populations, and cultural heritage renovation, as relatively more recent initiatives.

"ink-blot on tissue paper effect" with seepage of ideas and practices of community participation in service delivery and maintenance, both through its own demonstration effect, as well as through its intensive capacity building programs with NGO partner institutions, and line ministries, and perhaps most significantly, on impacting sectoral policy reforms. SFD is serving as a "change agent" for the country as a whole. Examples of SFD's "seepage" into policy reforms include

- Community participation as an element of the new decentralization law;

- Initiative on 'inclusive education' now integrated into the Ministry of Education's 'Education for All Initiative,' and a component of the Basic Education Project under preparation, based on SFD's experience in working with partners on school integration for disadvantaged children;
- Initiating a strategy on protection and development of children and youth with UNICEF and the World Bank, based on its experience in working with disadvantaged children, such as supporting the first center in the country for street children;
- The Ministry of Education establishing a community participation unit in the core structure of the Ministry.

IV. What are the Ingredients to the Social Fund's Success in Scaling Up Poverty Reduction?

1. Autonomy and political support, underpinned by Law 10, allowed the social fund to be established as an autonomous entity. Its autonomy enabled it to recruit high quality staff, and pay them above civil service salaries.. It also allowed for the establishment of a special account in a commercial bank, giving it ready cash for rapid disbursement and response for projects for communities.

2. Political astuteness on the part of SFD to start off on the right foot with three key strategic choices. The SFD was initially met with resistance, suspicion, and turf battles by line ministries. Its first strategy was to resist all attempts by politicians to politicize it, and to keep its profile low and focus on *service delivery to the poor*, and allow the results to speak for themselves and earn it legitimacy. This strategy worked - while funding for the 1st phase was held up in parliamentary debate for over a month for the first phase, funding for the second phase was approved in less than 2 minutes. The second strategic choice was to make SFD a nationwide program, with funding to all of the districts within all of the 20 governorates, which got it buy-in from all political constituencies. The third key choice was to devise and stick to transparent eligibility criteria for project selection and disbursement, necessary, given the never-ending political pressures for funding.

3. The SFD is a case study in management best practices worthy of a Harvard business school case study. The Managing Director made gold of the political space opened up for the Social Fund, and recruited a stellar management team, developed the right incentives (performance based contracts) and sanctions (only place where people get fired for poor performance), organizational structure, communication systems and culture to achieve its objectives. There is a continuous process of internal coherence, learning and improvement of service delivery. The SF serves as a management case study for both the development and management literature on excellent management for results, and its management practices serve as the foundation for its ability to scale up. Several elements of this management style include:

-Hiring practices focuses on merit and practicing what it was preaching in terms of gender sensitivity. Women make up 50 percent of the management team - the

only institution in Yemen with this practice. This reflects the results of a conscious effort to recruit women to have a demonstration effect in a highly traditional society. Women managers spoke about how initially community sheiks would not acknowledge their presence or refuse to deal with them, and when the final projects they were managing were delivered, they were given the “drum roll,” a high honor traditionally reserved for men. They also commented on how attitudes of their male colleagues within the fund have shifted dramatically over the years with increased sensitization to women’s role in development and society. The Social Fund was the first to hold a workshop on gender sensitization for its own staff, an action which was lambasted in parliament. In contrast with other social funds in the region, which have special ‘gender’ units, the SFD decided from the outset to mainstream gender in all of its activities. All this has increased its outreach and impact, particularly among women.

-Internal communications and participatory management decision-making has built strong organizational glue. Staff participate in weekly brainstorming on strategy, policy and issues, and all staff meet at least three times annually to work on these issues and refine tools and processes. During the field visit, all SFD managers demonstrated excellence in their own sectors, and depth of knowledge on all of the other sectors activities within the SFD.

-The SFD is a continuously learning organization, reinforced by the internal communications and participatory decision-making culture of the institution. As an example, it shifted its health strategy from building clinics, which were not being serviced by the Health Ministry, to training health care workers, particularly female workers to staff existing health care clinics, as well as training staff of the Ministry of Health to improve their capacity to deliver their portion of the framework agreements to service and staff health clinics. Internal communications are aided by SFD’s management information system (MIS) which connects central and branch offices personnel and systems, using a central computer network. This MIS facilitates the communication and monitoring of all projects, and provides timely technical, financial and statistical information for purposes of planning, project monitoring and reporting.

-A focus on actual service delivery and results in a country where very little has been delivered to the poor, has caused its reputation to be spread word of mouth within tribal communities and increased demand from traditionally closed and rightfully suspicious dispersed tribal communities. In the communities visited during the field visit, community members had heard of the SFD from other communities, and contacted the SFD after years of waiting for promised but undelivered services from line ministries. At times, they had been referred to SFD by line ministries themselves. In one such community, the SFD built a solar powered water cistern at the top of the mountain where the community resides. This prevented women and girls – the traditional collectors of water - from having to go down an almost vertical drop to collect water at the source, a daily act which led to several deaths and accidents. This cistern has allowed the community to increase water per capita from 2 liters to 10.

-Decentralization to 8 branches from the basis of a strong core operation helped increase outreach and scale up operations. SFD management invested in building a strong core team, financial and management information systems, and then applying these to a network of eight relatively autonomous branch offices.

4. The hallmark of the SFD approach to scaling up is to have a foot in implementation to demonstrate results, and the other in sectoral policy reform.

This approach is best illustrated by its work with a partner institution visited during the field visit: The **Institute for the Blind** was started in 1995 by a blind woman who studied in Egypt and returned to Yemen to provide unavailable educational services for blind girls such as those she benefited from in Egypt. She raised funds on her own, and recruited and trained friends to work with her as volunteer teachers. She expanded to include accommodations to enable girls from outside of Sana'a to attend. The center provides schooling up to the fifth grade, using the Ministry of Education's curriculum as the basis and then integrates students into the public school system. The Institute entered into a partnership with the Social fund in 1997, and SFD has provided a range of support: provision of school buses, an awareness campaign on the importance of schooling the blind who are typically 'hidden' at home, training teachers, making standard curriculum available in Braille and in taped form which is now used nationally, facilitating exchange visits to neighboring countries which resulted in new ideas and new funding sources, building a kindergarten to allow for early intervention and integration services, refurbishing accommodation facilities, and now supporting the Institute to take over the management of the Institute for blind boys from the Ministry of Social Affairs and Labor.

SFD is scaling up this intervention by providing similar support to 2 additional NGOs in the country, facilitating training from the first one to the new ones, working on the 'inclusive education' policy reforms mentioned above, building the capacity of the Disability Fund managed by the Ministry of Social Affairs to better support such initiatives in the country, and it has been instrumental in writing the by-laws for a decree that enables the NGOs to take over in the implementation of social service delivery from the Ministry of Social Affairs. To date 10 NGOs have taken over implementation functions, including for disabled people, with support from the SFD.

The same approach was applied to the **Center for Street Children**, the first in the nation established in 2001, to provide emotional and therapeutic support to boys from ages 4 to 14, and integrate them back with their families to the extent possible. The center has assisted 150 kids to date, and is currently housing 35. The SFD is building new premises that will include services and accommodations for girls as well (currently not available), since this institution has seriously outgrown the capacity of its current rented facilities; arranging for technical assistance from a similar and more mature institution in Egypt, arranged for funding from other sources in the region as well as contributing to the operating budget itself, and building the capacity of the management team of the Center. SFD has begun to scale up this intervention through partnering with two NGOs in Aden and in Taz to provide similar services in those governorates, and, as mentioned earlier, in

collaboration with the Bank and UNICEF, SFD is assisting the Ministry of Social Affairs to draft a national policy for support to disadvantaged children.

5. Pragmatic approach to capacity building and partnerships. Yemen lacks a strong civil society or NGO base to partner with, so the SFD invests significantly in building the (i) capacity of communities to increase their social capital; (ii) of NGOs that have demonstrated capacity and experience in reaching the poor, and (iii) of line ministries to transfer its experience and lessons into making these more client responsive entities. The emphasis is on communities, where the SFD helps set up local committees to initially manage specific projects, but whose roles gradually grow to take charge of the development of the local community. Part of this process has involved building the capacity of local councils and local authorities – empowered through the decentralization process – on development issues, and on support of community- initiated ideas and projects.

SFD's strategy for expanding into new sectors has been driven in part by the availability of a new partner institution specialized in that area, and building the capacity of these partners to provide services, rather than be a direct retailer of services itself in all spheres. As an example, the SFD was the first institution in Yemen to focus on microfinance, and its strategy from the outset was to build the capacity of finance retail institutions. It currently works with 15 microfinance NGOs. This approach allows it to scale up service delivery through strengthened partner institutions, as well as to diversify into new sectors of service delivery in response to demand. So while some critics view the Social Fund's branching into new areas and sectors as spreading itself too thin, it really is application of the same SFD strategy to support NGOs operating in different areas, be it microfinance, schooling for blind girls, vocational training for poor women or support for street children. Another example seen during the field visit was of an NGO providing literacy and vocational training to poor women, and then linking them with contracts to sew school and hospital uniforms.

6. The SFD finds and supports respected community leaders who are open to positive change, and builds on traditional community traditions and assets, to gain buy-in and work within accepted cultural practices. This strategy was evidenced during the field visit to see a school for girls started by the SFD. The school principal enrolled his own daughters in the only available school for boys to demonstrate the importance of girls education and personally solicited each household across 3 tribes in conflict with each other to approach the SFD for a girls school. The community contributed 10 percent of the total cost, and now the school has 400 girls enrolled, offers literacy classes to older girls who never went to school so they can integrate at the older level, as well as literacy training to adults. A side benefit of this process is reduced hostilities among the three tribes. This school is having a demonstration effect in neighboring communities who are approaching the SFD for similar services in their own communities.

7. Global experience applied to home grown solutions. The SFD carefully examined other social fund experiences, especially the older neighboring Egyptian social fund, but

invented home-grown policies and strategies unique to the Yemeni context. This included resisting the World Bank's initial suggestions for staff from the Egyptian Social Fund to develop the Yemeni funds systems and procedures, so that the experience and learning would be institutionalized. The Yemeni social fund has since grown to be a take-off point for other funds in the region, including the younger Moroccan one.

8. External donors have been important to the SFD's scaling up efforts. Funding increased from \$80 million for the first phase, to \$175 in the second phase, to around \$400 for the third phase which is about to begin this year. This funding has been accompanied by technical assistance. The number of donors supporting SFD has increased accordingly from 6 in the initial phase to 8 in the second and 12 for the third, with the World Bank in the lead followed by the Arab Fund for Economic and Social Development.

9. And underpinning it all is a strong dedicated and passionately committed management team and staff. The staff of the SFD speak of their work with the social fund as a passion, not simply a job. Almost all have resisted more lucrative job offers citing the high morale and job satisfaction at the Social Fund. It was clear during the field visit that the SFD is driven by a team that blends "technical excellence with heart" to provide services to the poor, and their dedication was reflected in the trust and respect that communities and partners displayed for the SFD.

V. Key Outstanding Issue

The issue of the sustainability and long-term vision of the SFD was debated, and it was noted that this debate applies to all social funds and is not specific to the one in Yemen. Two levels of sustainability were discussed:

- Sub-project level – will the infrastructure or other services provided with SFD funds be sustained? And will social capital be enriched at the community level?
- SFD itself - Is the vision of the SFD to be a permanent development agency, or to be a transitional entity with the objective of transferring and integrating its know-how into existing and permanent line ministries?

The issue of sustainability also poses the question for how long external donors should plan to stay involved – what should be the World Bank's time horizon for involvement in SFD and similar social fund operations?

VI. The "Take-Aways" for Visiting Countries

The key lessons on scaling up that international participants cited include:

- The importance of leadership at all levels, from community leaders advocating girls' education to leadership within the SFD itself
- The institution's autonomy, and the dedication, creativity and commitment of the staff in putting the space provided by this autonomy to good use

- The flexibility to make policy changes and act quickly to respond to poor communities needs
- Key lessons on addressing urban poverty and working with vulnerable populations which has relevance for the Nicaraguan context
- Lessons in the community driven development approach to service delivery and the emphasis on education is relevant to the Bangladeshi context, and the models used in Yemen have applicability to Bangladesh
- The importance of keeping a low profile and focus on delivery and results and then communicating HOW those results were achieved to inspire adoption is critical
- The ability of the SFD to find its fit within a wider array of institutions and players to get acceptance, and its relative success to find an overlap of interests between government and self to get political buy-in
- The Japanese representative said that this field visit may widen its development assistance agenda in Yemen from its current focus on basic human needs to considering support for work with vulnerable populations

Participants also raised some challenging questions, on how best to change the mindsets of government bureaucracies to be more responsive to citizen needs; evaluating achievements in poverty reduction; improving the quality of life where people reside so that they don't have to leave in search of other and not necessarily better opportunities; and then, what follows the interventions made by the SFD, and what is the long-term vision of poverty reduction? Additional issues raised to take to Shanghai included addressing the terms of trade between rich and poor counties and the ethical dimensions of development.

There was absolute consensus on the quality and usefulness of this learning experience, and in the words of the Head of the Nicaraguan Social Fund, it gave "a collective sense of not being alone in the struggle of fighting poverty." All participants also articulated that this event was not a one-shot opportunity, but rather the beginning of a formation of a longer-term network for lateral learning.

VII. Next Steps

The SFD will be featured as a case study in Shanghai, and the case study needs to be refined to build in the lessons and examples from the field visit.

Agenda

Saturday, February 28th

08:30 – 09:00	Registration
09:00 - 09:15	<i>Welcome Statement</i> Mr. Mahdy Ismail Aljazzaf, Executive Director, The World Bank
09:15 - 09:30	<i>Welcome Statement</i> Mr. Abdulkarim I. Al-Arhabi, Minister of Social Affairs and Labor and Social Fund for Development Managing Director
09:30 – 09:45	<i>The Shanghai Global Learning Process</i> Ms. Mohini Malhotra, World Bank Institute Chair: Mr. Mahmood Ayub, Country Director, World Bank
09:45 – 10:15	The Country Context H.E. Ahmed M. Sofan, Deputy Prime Minister, Minister of Planning
10:15 – 11:00	Statement H.E. Abdulkader Ba-Jammal, Prime Minister
11:00- 11:30	Coffee Break
11:30 – 12:00p.m	<i>Overview of SFD experience</i> Mr. Abdulkarim Al-Arhabi
12:00 – 1:30p.m	Round table discussion
1:30 – 2:00p.m	Summary and field visit logistics
2:00 – 3:30p.m	Lunch
7:30 – 9:00p.m	<i>Welcome Reception</i> Hosted by H.E. Ahmed M. Sofan, Deputy Prime Minister

Sunday, February 29th

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| 7:00 – 8:00a.m | Breakfast |
| 08:00 – 05:00p.m | <i>Field Visits:</i>
Rural Service delivery: education, water and health for rural communities |
| 07:30 – 08:30 | Debriefing |
| 08:30 – 10:00 | <i>Dinner</i>
Hosted by WB Country Manager, Mr. Robert Hindle |

Monday, March 1st

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| 07:00 – 08:00 | Breakfast |
| 08:00 – 2:00p.m | <i>Field Visits:</i>
Urban service delivery: disadvantaged groups, support for NGOs and microfinance programs |
| 2:00 – 5:00p.m | <i>Lunch and wrap-up discussions on lessons for scaling up</i> |
| 8:00 – 10:00p.m | <i>Dinner</i>
Hosted by Mr. Abdulkarim Al-Arhabi |

LIST OF PARTICIPANTS

Ahmed Mohammed SOFAN Abdulkarim Ismail AL-ARHABI	Minister of Planning And International Cooperation Minister of Social Affairs and Labor, Managing Director of the Social Fund for Development
Abdullatif AL-HAMAD	Chairman of the Arab Fund for Economic and Social Development, Kuwait
Mahdi Ismail ALJAZZAF James RAWLEY Robert HINDLE	Executive Directors of the World Bank UNDP Resident Representative, Sana'a World Bank
Mohammed AL-TYAIB Mohammad AL-NOAMI Abdulsalam AL-JAWFI Abubakr AL-QIRBI Mahmood AYUB	Member of Consultative Council Minister of Public Health Minister of Education Minister of Foreign Affairs Country Director, Egypt, Yemen, and Djibouti, the World Bank
Khaled Mohammed AL- KHALIDI	Small Enterprise Development Fund
Kamal Ahmed AL-TUWAIRI Sulofo RAMSROSM Ms. Zainab HASSAN Abdulatif AL-ZABIDI Hussain Mohammed SHADIWA Ms. Arwa Al-Deram Abdulwahed AL-AFORI Mohammed Hassan DABWAN	Yemen Foundation for Legal Support And Human Rights UNICEF Family Forum Texas Management Consultants Public Authority for Environment Protection Society for Women and Children (SOUL) Artisans Society Ministry of Technical Education and Institutional Training
Mamon AYADH Ramadhan BAKR Nasr SALEH Conilleau JEROME Bashir Abdullah AL-BASHIRI Tariq Abu LUHOUM Ms. Fatma AL-AKEL Al-Murtadha AL- MUHATWARY Hamoud ALSSAYAN	Public Authority for Environment Protection Advisor / Egyptian Embassy Deputy Minister of Finance Representative of DIA (Internal NGOs) Ministry of Public Works Head of Social Reform Charitable association Al-Aman Society for Blind girls Al-Badr Foundation
Yousif ALGAMRI Abdullah Salim AL-RAMMAH Tarik ALHAIMUS Addy ALMUTWAKEL Ms. Rebekka VAN ROEMBURG	Head of the technical committee for Basic Education Strategy Implementation Saba agency Chamber of Commerce Senior Advisor to Executive Director, The World Bank Ministry of Planning and International Cooperation Deputy of Higher Education Ministry, The Netherlands Embassy
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Ms. Oras NAJI	Member of Parliament
Ms. Suad AL-HIBSHI	Senior Program Officer, Rada Barnen
Abdulwahab THABET	General Manager of Thabet group (Businessman)
Katrin SCHNIDER	Consultant
Mohamed AL-BITANI	Member of the Consultative Council
J-B DE MILITO	European Commission Delegation, Sana'a
Hayat AL-HARAZI	The World Bank
Naji ABU-HATEM	Senior Officer, World Bank
Ms. Mohini MALHOTRA	The World Bank Institute
Virginia CORDERO	Technical Advisor, Social Fund, Nicaragua
Azucena CASTILLO	Executive President, Social Investment Fund, Nicaragua
Ms. Samra SHAIBANI	The World Bank
Yuichi ISHII	Ambassador, Japan
Muhamad Taher KHAN	Social Development Foundation, Bangladesh
Gamini P. BATUWITAGGE	Director, Community Development and Livestock Improvement Project, Sri Lanka
Najib GUEDIRA	Director, Social Development Fund, Morocco
Ms. Lamis Abbas AL-IRYANI	Head of Programming and Evaluation Unit, SFD
Kais Ali AL-IRYANI	Head of Small and Micro Enterprises Development Unit, SFD
Abdullah AL-DAILAMI	Head of Cultural Heritage and Feeder Roads Unit, SFD
Jalilah SHUGAALDEEN	Head of Education Unit, SFD
Afrah AL-AHMADI	Head of Health and Social Protection Unit, SFD
Abdulwahab AL-MUJAHED	Head of Water and Environment Unit, SFD
Mohammed GHAMDHAN	Manager of SFD Sana'a Branch, SFD
Mahdi ABDULLAH	Health and Social Protection Unit, SFD
Kasim HAMEED	Small and Micro Enterprises Development Unit, SFD
Amat AL-SHARKI	Head of Training Unit, SFD

Background to the Field Visit

Sub-projects visited

The first day

1. Abdul-Khaleq Azzan School
2. Beit Kera Water Supply Project
3. Alahjor Health Center

The second day

4. Al Aman Association for the Rehabilitation of Blind Females
5. Nuqum Training and Rehabilitation Center for Women
6. Safe Childhood Center
7. AZAL Micro-finance Program

Abdul-Khaleq Azzan School Construction and Furniture Project Dharwan village / Bani-Makram / Hamdan

Background

The Abdul-Khaleq Azzan School is located in Dharwan village / Bani-Makram / Hamdan. The Bani-Makram sub-district, located northwest of Sana'a, consists of six villages containing 42 hamlets. Its geographical area is 96km and population around 12,700, and agriculture is the main source of income. Based on the 2002 Educational Survey, the total number of basic education students is 2,704 (798 girls and 1,906 boys) enrolled in 7 schools. The enrollment rate is 65 percent, but the gender gap reached 47 percent.

Dharwan Village

The community is tribal with frequent conflicts. The illiteracy rate is high, reaching 85 percent among females. The rate of the poverty is 57.4 percent. The community established a boys' school in 1973 and expanded it in 1979. Families did not send their daughters to school because the community did not have a girls' school, nor did the community have a plan to establish a girls' school. However, in 1990 a family moved from the City of Sana'a to the village and allowed their two daughters to attend the boys' school through grade four. This encouraged the school headmaster to raise community awareness on the importance of girls' education, yet in 2001, only 71 were enrolled in school—out of the 650 girls of basic school age.

How the SFD Became Known to Community

The community became aware of the SFD as a result of survey conducted by UNICEF, and the headmaster was informed of the possibility of building a girl's school with the support of the SFD. The headmaster submitted a request to establish a separate girls' school, in order to encourage girls' enrollment. The request was submitted end of 2000.

During request appraisal SFD staff started the process of community participation, beginning with assuring that the request represents the community's first priority. The headmaster was worried about involving the community as he was already experiencing community disinterest in girls' education, in addition to the existing tribal conflict. Therefore it was decided to start the process with awareness activities led by the headmaster who was at the same time the village Imam (religious leader).

The headmaster managed to gather the three disputing tribes around the issue of girls' education in their area. It took several months to settle the tribal dispute and they reached an agreement for the implementation of the girls' school. SFD staff then stepped in and facilitated the establishment of a "project committee" which took the responsibility of managing project implementation and community contribution.

Project Data

Number of beneficiaries: 4,168.

Total cost of the project: US\$103,504

- Community Contribution: 10 % of the total cost provided in kind (labour and locally available building material) in addition to the provision of the land.

Establishment of the Parents' Council

Following the preliminary handing-over of the project, elections were held for the Parents Council. In addition, a Maintenance Committee was established.

Project Impact

- Girls' enrollment increased from 71 to 429 in basic education and to 19 in secondary
- The community united over the school project and settled their existing conflicts
- Raised awareness of the importance of girls' education and opened more literacy classes for women
- Launched leisure-time and holiday activities for students
- Created effective and qualified entities: Parents Council, Beneficiary Committee, and Maintenance Committee.

Beit Kera Water Supply Project Dhula'a A'ala /Shibam Kawkaban/Almahweet

Background

Beit Kera is a small village in Dhula'a A'ala sub-district in Shibam Kawkaban district west of Sana'a. The village is at the top of Adhula'a Ala'ala mountain, which is famous of cultivating wheat, barley, green peas, and maize.

Directions to the Project

There are two ways to approach the project site:

1. Sana'a to Hababah 50km of paved road, then Hababah to the site, 8km of which 3km is paved and 5km is unpaved. This is the shortest route.
2. Sana'a to Kawkaban 55km paved road then Kawkaban to the site 9km unpaved road.

The Water Situation before SFD Support

The source of water was a spring 400 m from the village that produced 2.5 m³/h. The women and girls were responsible for fetching water and had to walk on a very dangerous slope to reach the source, and the average time spent fetching water was 30 minutes. Due to the difficulties in fetching water and the low production of the source, the average consumption was not more than 7.0 l/c.d. And, the water at the source was collected in an open tank, which was subject to contamination.

Project Components

- A tank at the source with a capacity of 30m³
- A tank by the village with a capacity of 30m³ and a communal tap
- Solar energy pump with accessories.

Project Data

- Number of beneficiaries: 788 persons
- Project Budget: US\$29,479
- Cost/capita: US\$37.4
- Community contribution: 10 percent of the total project cost) composed of:
 - Leveling the sites of the tow tanks (estimated US\$1,638)
 - US\$1,638 in cash
- Date of starting work: September 7, 2002
- Date of Completion: June 9, 2003
- Date of take over: June 15, 2003.

Project Impacts

- Water consumption increased to 15 l/c.d
- Water quality is improved
- Time required to fetch water was reduced by 80 percent
- School enrollment has increased (not measured)
- Women found more time to take care of their homes and kids.

Alahjor Health Center

Introduction

Only 48 percent of the Yemeni population has access to health services. About 80 percent of public health expenditure goes to curative services that are mostly located in urban areas, where only 25-30

percent of the population resides. Furthermore once a health post is put in place its operation is challenged by the shortage of qualified staff—especially female staff, lack of resources for suitable infrastructure and equipment, inefficient drug supply systems, and ineffective management systems. These factors negatively affect the utilization of already limited services. As a result the Social Fund for Development (SFD) health interventions have been concentrated on not only reaching out to non-served areas but also improving the utilization of existing services of poor quality.

Background

Al Ahjor is one of Al Mahweet governorate's sub-districts located north of Sana'a. It includes villages scattered both in the valley and mountainous zones. Al Mahweet is one of the poorest and underserved governorates. The majority of Al Ahjor people are farmers. The total population of Al Ahjor sub-district is 42,000; however, the population of the health center's catchment area is estimated to be around 14,000.

The Health Center Situation before SFD Support

The area's health facility operated out of a rented building that originally was a house. Neither the design nor the location of the building was suitable for a mother and child health (MCH) center, and it was located in the middle of the local market, where traditionally it is unacceptable for women to walk around without the company of a male relative. In addition, the existing health facility did not have any female staff; therefore the services provided were male-biased and limited in regard to maternal health.

The Request

The district health office approached the SFD to support the construction of a permanent health facility. The SFD investigated the problem and identified issues beyond the inappropriateness of the building. A health center is expected to focus on MCH. The location of the building, the absence of female staff, and the lack to MCH-related equipment excluded women from the benefits of the facility. Male staff focused on curative services at the expense of preventative services.

SFD Support

The project was implemented in September 2000 and started to operate in early 2002. The objective was to support the provision of primary health care services with a focus on MCH. To assure sustainability and quality of service, interventions needed to go beyond the provision of the building and equipment to include training of female staff and the establishment and training of a local health committee to participate in the management.

Supporting Infrastructure. SFD supported the construction of an eight-room building according to the Ministry of Public Health specifications. The project also provided the equipment for MCH—including immunization, family planning, antenatal health care, and treatment of common diseases.

Training Female Staff. When a health center lacks female staff, women are denied health care. Furthermore, the availability of female staff is hindered due to widespread female illiteracy in this governorate. The SFD trained two female staff. The women were selected from the catchment area and completed a two-year program to become midwives and to work in the health center.

Supporting the Management. The SFD mobilized the local community to become involved in the management of the health unit by establishing a Local Health Committee, according to the Health Sector Reform Strategy. The SFD facilitated the election of the committee and implemented a training program on health management and information systems. This training included concepts of community participation, the role of health committees in the management, record keeping, application of information systems, and application of health systems, such as cost sharing and drug-cost recovery.

Services Provided by the Health Center. The unit provides basic MCH services expected from health centers according to the standards of the Ministry of Public Health, this includes:

- ▶ Prenatal care
- ▶ Delivery
- ▶ Family Planning
- ▶ Immunization
- ▶ Treatment of common diseases
- ▶ Laboratory

Al Aman Association for the Rehabilitation of Blind Females

Background

While there is an absence of accurate and scientific data on people with disabilities (.02— 12 percent), Yemen has a presence of factors that can lead to disability. It has one of the highest incidents of low birth weight, at 19 percent; immunization coverage is scant in poor rural areas; and over 50 percent of Yemeni children suffer from stunted growth. For adults, early marriage and consanguineous marriage remain common practices in rural Yemen. And, access to weapons and areas are laden with landmines are common. Undoubtedly, disability exists in Yemeni society.

The government has enacted a number of laws to protect the disabled, but it has not devised a national strategy. The Ministry of Social Affairs and Labor (MOSAL) was given the mandate to protect the interest of the disabled and to provide them with care and rehabilitation, yet limited public sector financial and human resources inhibit such coverage. In the late 1990s NGOs began to progressively address developmental and rehabilitative needs of CWD, even though their capacity and want of specialized individuals was an issue. By 1998, the Ministry of Education established the Inclusive Education Department, which mandated that a number of public schools be welcoming of CWD, and encouraged NGO pilot projects. On such pilot initiative is the Al Aman Association.

Education Enrollment Status 1998/1999

	Not Disabled			Disabled		
	Female	Male	Total	Female	Male	Total
No	63%	32%	47%	73%	53%	61%
Yes	37%	68%	53%	27%	47%	39%

Al Aman Association

The Al Aman Association was established in 1999 under the leadership of an educated blind Yemeni woman whose career started as the director of a government center providing special education to blind children. The founders were former members of an NGO that worked with both blind men and women. As women, they experienced exclusion by the male members and a lack of interest in the special needs of blind women, so they formed an NGO to focus on the development of blind girls and women. Consequently, the MOSAL assigned the management the Institute of Blind Girls to the new NGO.

The Al Aman Association, in its capacity as an NGO, further-developed the Institute's work. With the support of the SFD and others, the NGO shifted the Institution from providing special education exclusively to blind girls to one that offers an integrated education program. The new program teaches blind girls the requisite skills for integrating into mainstream schools and inculcates the social and emotional support to build self-esteem and positive social attitudes toward the capabilities of blind girls and women. It reaches out to girls in nearby rural areas and poor urban neighborhoods. The Institution offers accommodations, education, live skills training, and counseling for 2-3 years, during which time it works with the families to ensure continued support and the public schools to assure the capacity to retain the girls. The girls then return to their homes and are integrated into the public schools.

Furthermore, the Al Aman Association has just recently established an early intervention program to work with blind children at the preschool age. It is the outcome of encouragement by and support from the SFD, and is implemented through a kindergarten that is open to both blind and non-blind children. The project supports early integration of the blind, provides families with advice and support, prepares blind children for schooling, and changes negative social attitudes.

The NGO also has become a resource for the supply of school curriculum and educational material in brail. And, very importantly, it has built up the capacity of its members and qualified them to become trainers in the field of blind education.

SFD Support

The support of the Social Fund for Development in partnership with Oxfam-GB through a three-year project (1999–2001) laid a strong ground for Al Aman’s success, of course along with the strong commitment of its leadership and members. SFD support continues to fund a number of projects that involve a wide range of programs and activities.

Supporting the Dormitory. As the NGO expanded its school integration program, accommodating the students from outlying areas became an issue. The NGO approached the SFD to equip and furnish the dormitory that the NGO already owned.

Supporting the Kindergarten. As stated above, the SFD encouraged the NGO to start an early intervention program to assist blind children and their families at an early stage of life, and serving the purpose of social integration. SFD support includes construction of the kindergarten, equipping the kindergarten, and training 15 staff members on early intervention and preschool teaching as well as on the production of teaching materials from locally available materials.

Supporting the School Integration Program.

1. The provision of a trainer from the region to help the NGO develop the program and train the staff on concepts and methodologies for social integration of the blind.
2. Funding for awareness raising and publicity campaigns.
3. Provision of the technology for printing school curriculum and education material in brail.
4. Providing a bus for student transportation.
5. Training of trainers in teaching methodologies for the blind.
6. Training of trainers in Orientation and Mobility techniques.

The Training Center for Women in Nuqum

Background

The SFD recognized that there was limited experience with capacity building in Yemen and that few national or international organizations had dealt with this issue. NGOs, community organizations and cooperatives have limited implementation capacity, and most are based in urban areas—despite the huge needs and widespread poverty of rural areas. The main weaknesses of local NGOs include a lack of clear objectives and limited representation, self-reliance, and organizational and professional experience. To have a lasting impact on the capacity building of these organizations, medium and long-term support is needed. SFD support is phased to ensure that its interventions succeed and are sustainable.

SFD support for NGOs focuses on those that work with poor families, young people, the unemployed, and women and children in areas lacking services, and that provide community development and literacy programs. This support improves the technical, organizational and administrative performance of these organizations by training trainers and providing equipment and technical, developmental and administrative training. Increased support also builds the capacity of NGOs, as SFD partners, and provides social and training services that help communities raise their living standards.

The support concentrates on qualitative training and organizational support. The support includes:

- Providing equipment and furniture needed to deliver training in communities.
- Building managerial capacity for planning, financial management, product development, marketing and other areas by providing hardware, software and training—both on the job and in training centers. In addition, steering committees attend seminars and workshops to share information on various topics.
- Training NGO trainers to help the organizations expand their training activities.
- Training certain NGO steering committees to become trainers for other NGOs. One such program covers financial management, product development and marketing techniques, and involves assessing training needs, conducting workshops and providing practical training on the premises of each NGO. Seven NGOs in Sana'a with confirmed sustainability indicators have been selected to participate in the first phase of this training, making them the first trainers for other NGOs.

An Example of NGOs' Support:

Support for the Training Center for Women in Nuqum (4 Phases)

The Center provides its services to the local community in A'azal district of Sana'a City. This district is very poor and densely populated, with the rate of children reaching 15 in each family on the average. Families' guardians are either unemployed or earn very meager and unstable incomes. Prior to the SFD intervention in 1997, the Center had been running its activities in unhygienic basement of an old building, with high humidity, sewerage overflows and absence of ventilation.

After receiving a request for support from the Center (Sponsoring Agency) and in accordance with a needs assessment study, the SFD decided to support the Center in phases.

Phases of Support

First Phase:

Financing the sewing and embroidery component in the Center. This consisted of equipment and raw materials. In addition to the component financed by the SFD the center organized other activities like literacy classes, typing and computer training.

At the start of the sub-project financed by the SFD 240 women living in Nuqum area benefited. This number increased considerably as the training progressed. Outputs of training like clothes and handicrafts, in addition to school uniforms could be marketed either by direct contracting with the “Economic Establishment” in the case of school uniforms or through periodical exhibitions.

Second Phase: Construction of Women Center

Due to the great demand for training by the local community (females) in Nuqum area and the incapability of the rented location to cope with such demand, it was decided to provide necessary support to build a center to house the various activities (literacy classes, sewing, manual embroidery, typing, computer, hairdressing, home economics, and weaving.)

Third Phase: Providing Equipment & Furniture

The newly constructed center provided more room for various activities. So to meet the expansions in activities necessary equipment and furniture were provided by the SFD

Fourth Phase: Construction Expansion

In order to meet the great pressure and demand for the Nuqum center services by a wide spectrum of beneficiaries in this poor area of Sana’a City, the SFD is currently providing additional support to expand the services provided. The expansion includes building 4 literacy classrooms with annexes, a kindergarten with a playground to facilitate the enrolment of mothers in the various activities, as well as providing equipment and furniture to cope with this expansion.

In addition to the direct support provided by the SFD in the four phases mentioned above, the management of the center as well as the trainers of various activities were , and are being included in the training programs financed by the SFD and targeting various NGOs with the aim of building the capacities of these groups.

Safe Childhood Center – Sana’a

Background

In Yemen the common definition of street children covers: (i) children who make their living from begging; (ii) children involved in peddling and other marginal activities on the streets; (iii) children who are deprived of family care and who do not enjoy the protection of older family members; (iv) children who have no shelter, face various forms of physical and psychological violence, spend most of their time on the streets, and develop ties with anti-social groups. Their lives are rarely free from the fear of violence and danger. To cope with this fear they sometimes live in groups and can be recruited into crime and delinquent behavior by those who seek to exploit them.

The phenomenon of street children in Yemen is closely related to the problem of poverty, school drop out and urbanization. Estimates of the number of street children vary. The NPS (1999) indicated that the number of children working on the street throughout Yemen aged 5 to 18 years is 35,108, while the NGO Coalition estimated 3,000 to 7,000 street children in Sana’a alone. Interviews with children in the centers in Sana'a indicated that 64 percent had left their homes as a result of domestic violence and dysfunctional families. Other key characteristics include poorer families, large household size, absence of male breadwinner, neglect/abuse by families, and illiterate parents. It attributed a 21 percent enrollment in the centers due to loss of father, and 85 percent belonged to households having 5-10 or more members. The survey undertaken by the Safe Childhood Association indicated that 95 percent of parents were illiterate, with only 5 percent having received primary and very preliminary education.

Current Response

There is a lack of national policy to address the needs or to protect the rights of street children. UNICEF, the SFD, and some NGO's target street children but coverage is negligible. However, Yemen is party to several international instruments that directly and indirectly protect the rights of children working on the street, such as (i) Convention of the Rights of the Child (CRC); (ii) ILO convention regarding Minimum Working Age; (iii) Convention for the Elimination of the Worst Forms of Child Labor (iv) a memorandum of understanding between the AGFUND and the Government of Yemen regarding the setting up of a bank for the poor and curbing the phenomenon of street children; (v) The Labor Law 141/1978 and the unified law 5/1995; (vi) the Law on Young Offenders 24/1992 and its revision 26/1997; and (vii) the Unified Law on Children.

Objective

The overall objective of the Center is to work with the children and, if possible with the families, to help them return home by resolving problems. When returning to the home is not possible, the Center looks for alternative homes (e.g., an orphanages) and as a last resource, transfers the child to the Permanent Care Program within the Safe Childhood Center. The Permanent Care Program provides nutritional, health, education, social, and emotional care, and it encourages the children to participate in activities with other schools and centers in order to assure social inclusion with mainstream society.

The Project

The Safe Childhood Center is the first to specialize in street children. It provides care and guidance services to the children and, when possible, to the families. It was set up in September 2001 as a result of concerted efforts between the Ministry of Social Affairs (MOSAL), the SFD, and UNICEF. Both the SFD and UNICEF have continued to encourage the MOSAL to expand its coverage of street children: in 2003 another Center was established in Aden; in 2004 and 2005 Centers are planned for the City of Taiz and Hodiedah, respectively. These efforts are supported by the SFD.

Working with the Children. Children age 5-14 who have no shelter, face various forms of physical and psychological violence, spend most of their time on the streets, and develop ties with anti-social groups

are welcomed at the Center. They enter the Center on their own volition and leave accordingly. Newcomers enroll in the *Day Activity Program*, which uses child-to-child approaches. To encourage children to express their fears, needs, and hopes and to know their rights and to understand the possibility of not living on the street, the following activities are provided:

- Meals
- Clothing
- Medical Care
- Entertainment
- Literacy Classes
- Counseling
- Drawing
- Drama

Working with Families. This involves counseling and supporting the families economically by linking them to the Social Welfare Fund, charitable organizations, or skills training. It may also involve paying a monthly allowance from the Center's own resources. This support is conditional on a child's enrollment in school. In addition, a social worker is assigned to the children who return to their families.

SFD Support

The SFD has been involved in the Center since its early stages and continues to support its programs.

Training. The SFD has provided extensive training for the staff both at the management and technical levels. Training included: administrative systems, case management, dealing with the social and emotional problems of street children, the development of Day-Care programs and Permanent Care Programs, accounting and book-keeping, and reporting.

Infrastructure. The SFD provided the Center with furniture and office equipment. Currently the SFD is constructing a permanent building for the Center and will fully furnish it.

Systems. The SFD provided the Center with the technical support to help then establish management, information and administrative systems. This includes: job descriptions, children filing systems, medical record, child progress records, and financial systems.

Fund Mobilization. The SFD managed to mobilize funding from Al Shariqa Charitable Organization (in the United Arab Emirates) to support the running costs of the Center. The SFD is also helping the Center in the management of this fund.

Networking. The SFD is supporting the networking among interested groups in country and linking staff with other relevant NGOs in the region (currently Egypt and Jordan).

Policy Support. The SFD is also supporting the MOSAL in developing a National Strategy for Vulnerable Children, as well as encouraging and supporting the involvement of local NGOs in the provision of care and protection to street children.

AZAL Microfinance Program

Introduction

Poverty is undermining the process of development in Yemen; it is a main obstacle to progress and negatively affects Yemeni lives. It has become the public's foremost daily concern and a top priority for government policy. In 1997 the Social Fund for Development (SFD) initiated a micro-finance (MF) program to address the steadily growing problem of poverty in Yemen. Since 1997, the SFD has financed a considerable number of micro-finance programs (MF) in different areas of Yemen, both urban and rural.

In designing MF programs, the unique cultures, circumstances, and developmental requirements implicit to any given country has to be taken into consideration and each program has to be structured accordingly. When the SFD launched the MF industry in Yemen, it was aware of these parameters and took them into consideration. Over the last seven years, the SFD has acquired extensive and noteworthy experience in providing support to MF programs, and *Sana'a Microfinance Program (AZAL)* is one program that has recently started to reap the benefits. In October 2001, a contract was signed between Society for Development of Women & Children (SOUL) and SFD to establish a new micro-finance program aiming to provide sustainable credit services to micro-entrepreneurs, especially women, in Sana'a City.

Society for Development of Women & Children (SOUL)

SOUL is a charitable society that officially was instituted in 1997. SOUL's mission is to achieve a higher quality of life for Yemeni women and children.

AZAL

As a result of SOUL's interest in development, and the SFD's role in supporting micro-finance, the two decided to work together to establish a micro-finance program that would provide sustainable credit services to micro-entrepreneurs, especially women, in the City of Sana'a. To ensure the overall success of the project, extra attention was paid to:

- Careful selection of the staff
- Intensive training of the staff
- Design of program regulations and policies, benefiting from other experiences in Yemen.
- Developing the appropriate management tools—including the design of a computerized loan management system to help facilitate the control and monitoring of the lending activities.

Target Group

The program targets both men and women entrepreneurs but focuses on women as the priority group. The overall goal of the program is to contribute to the national and international efforts aimed at reducing poverty.

Objectives

- Offer suitable and sustainable financial services to the target group
- Help individuals attain financial sustainability
- Increase job opportunities by expanding scope of activities practiced by the targeted groups
- Acquire qualifications and gain experience in the micro-finance industry
- Disburse a total number of 3,465 loans during the first four years of operations.

Program Policies and Regulations

The program is run using a set of policies and regulation to govern its operations.

Administrative Regulations. An inclusive operations manual governs the daily administrative and management process. The program team prepares annual action plans that specify the goals and objectives for each year, and the action plans are developed with the participation of the whole program team, SOUL, and the SFD. Program activities are evaluated continuously. The program team is composed of a manager, an accountant, a cashier, eight credit officers and a guard.

1. *Financial Regulations.* The program has a set of financial bylaws that governs its operations. Quarterly external audits are carried out to ensure maintenance of the regulations.

Credit Policy.

Credit Methodology (Al-Murabaha'a). The program utilizes Murabaha, which is one of the Islamic methods of lending. In Murabaha the program buys the goods required by the client and re-sells these goods after adding a specific margin to cover the program's running-costs. The client is then required to repay the loan amount on equal installments.

Individual and Group Lending. During the first year, the program provided individual loans both to men and women. It was noted that the demand for credit from women was low, so the program decided to run a special group-lending scheme for women. This approach proved effective in increasing the number of female clientele.

Loan Conditions. The client has to fulfill following requirements: have a micro-business activity or to have experience in new business to be established; have a good reputation; provide guarantees like commercial assets (gold, silver, etc.), job guarantees, or be part of a group (women only); and be 18 years or older.

Field Work.

Promotion. The program takes an active role in promoting its services to clients through direct communication with clients, brochures, publications, the media, and special activities and workshops.

Monitoring of Clients. Monitoring activities are conducted through regular monthly visits by the credit officers. The purpose of those visits is to raise awareness about timely repayment of installments. Credit officers may offer advice to the clients regarding management and organization of their businesses.

Achievements

The program started the lending in April 2002 by providing loans to 20 clients. By December 2003 the program has achieved the following:

- Disbursed about YR 46 million in loans
- Disbursed 1,113 loan
- Outstanding Portfolio of YR16 million .

Figure 1. Outstanding Portfolio in YR (Year 2003)

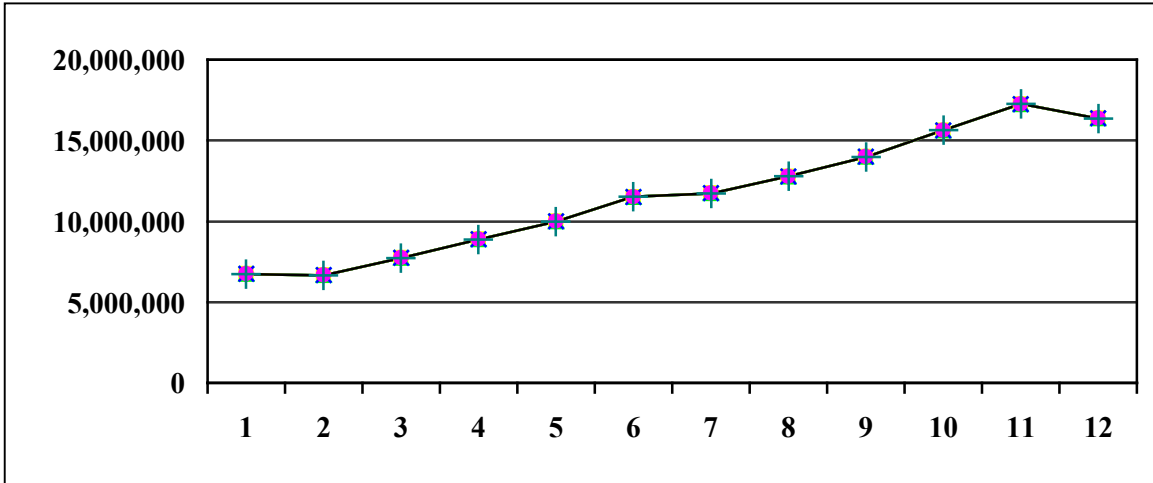


Figure 2. Active Number of Borrowers

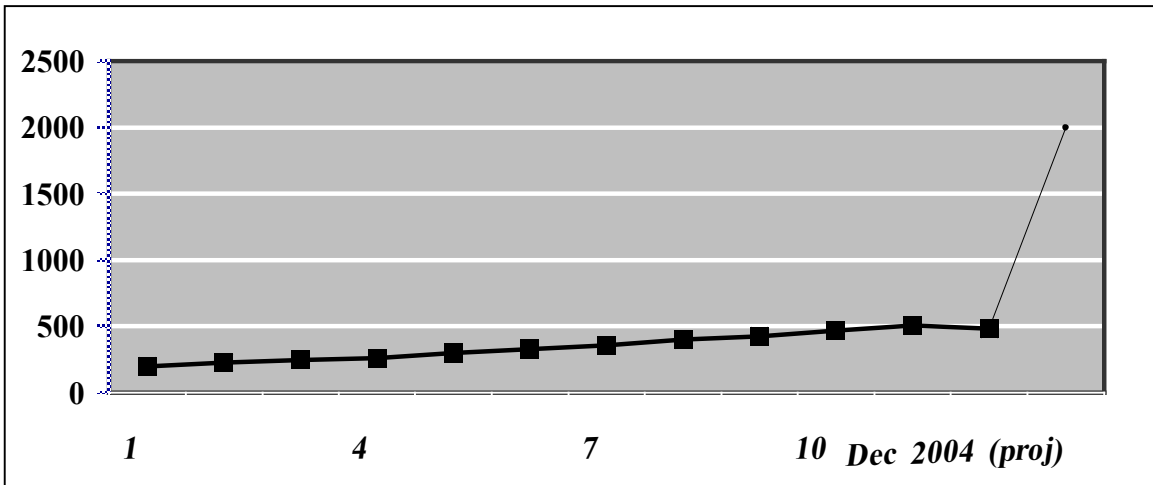
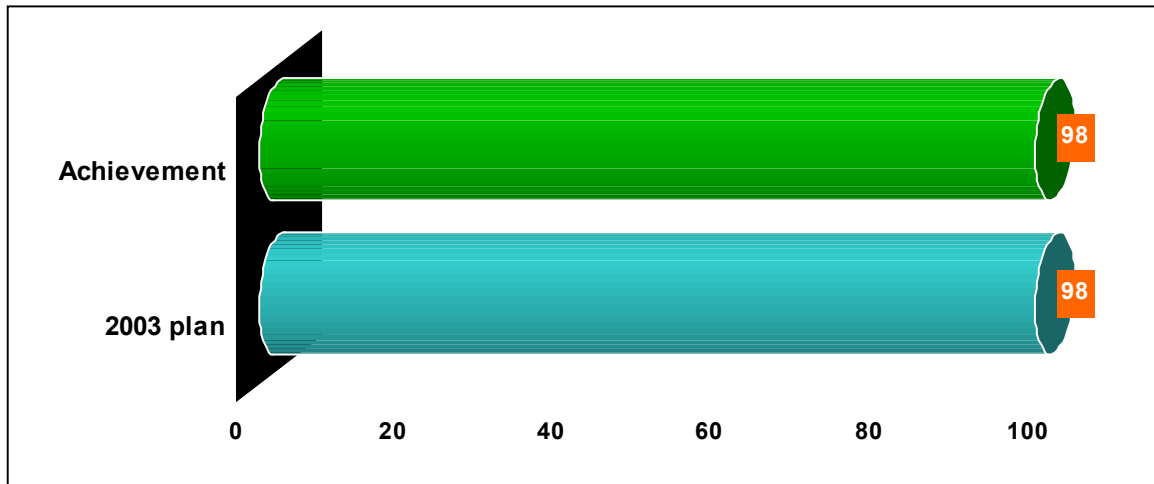


Figure 3. Income and Expenses YR (year 2003)



Figure 4. Repayment Rate



Female Clientele Indicators

The figures have shown improvement in the percentage of women since the introduction of the group methodology in the fourth quarter of 2003.

- Female clients represent about 41.81 percent of the total number of clients
- Current Portfolio for Women is YR2.9 million.

The Future

AZAL is looking forward to expanding its operations to cover the City of Sana'a. It aims to reach around 2,000 clients by year end 2004. This is achievable by means of:

1. Establishment of a new branch in the City of Sana'a.
2. Continuation of the development and improvement of the regulations and policies.
3. Provision of innovative and diversified financial services to its clients through new products and updating the existing evaluation and monitoring systems.
4. Improvement of efficient client services to prevent clients dropout and awareness raising regarding the importance of on-time repayment.
5. Participation in the creation of a network of Yemeni Micro-Finance Institutes.