

**Cumulative number of beneficiaries and job opportunities as of 31/12/2004, by sector**

| Sector                  | Beneficiaries    |                  | Temporary job opportunities |
|-------------------------|------------------|------------------|-----------------------------|
|                         | Direct           | Indirect         |                             |
| Environment             | 1,542,098        | 48,403           | 471,298                     |
| Integrated Intervention | 43,029           | 18,679           | 74,145                      |
| Training                | 19,847           | 101,519          | 62,897                      |
| Education               | 1,301,237        | 198,581          | 6,788,403                   |
| Organizational Support  | 492,262          | 398,245          | 168,527                     |
| Health                  | 1,921,754        | 388,184          | 716,959                     |
| Rural Roads             | 1,107,977        | 1,029,890        | 1,074,604                   |
| Special Needs Groups    | 127,961          | 83,388           | 443,175                     |
| Micro Enterprises Dev.  | 57,593           | 299,781          | 13,164                      |
| Small Enterprise        | 1,480            | 17,015           | 14,593                      |
| Cultural Heritage       | 291,883          | 112,058          | 700,410                     |
| Water                   | 1,834,295        | 169,456          | 2,026,049                   |
| <b>Total</b>            | <b>8,741,416</b> | <b>2,865,199</b> | <b>12,554,224</b>           |

**Cumulative number of beneficiaries as of 31/12/2004, by gender**

| Gender       | Beneficiaries    |                  |
|--------------|------------------|------------------|
|              | Direct           | Indirect         |
| Males        | 4,380,050        | 1,397,778        |
| Females      | 4,361,366        | 1,467,421        |
| <b>Total</b> | <b>8,741,416</b> | <b>2,865,199</b> |

**SFD cumulative commitments and contracted amounts as of 31/12/2004, by governorate**

| Governorates   | No. of projects | Commitments (\$)   | Contracted amounts (\$) |
|----------------|-----------------|--------------------|-------------------------|
| Ibb            | 345             | 26,480,831         | 17,768,889              |
| Abyan          | 98              | 7,229,174          | 5,958,734               |
| Al-Baidha      | 110             | 9,438,091          | 7,803,812               |
| Al-Jawf        | 75              | 5,301,366          | 2,997,690               |
| Al-Hudaidah    | 375             | 30,774,660         | 25,150,362              |
| Al-Dhale'      | 67              | 5,439,843          | 3,759,223               |
| Al-Mahweet     | 135             | 11,350,291         | 10,060,123              |
| Al-Maharah     | 41              | 2,386,485          | 2,307,757               |
| Sana'a Capital | 410             | 39,837,770         | 29,767,228              |
| More than one  | 218             | 9,889,266          | 7,394,432               |
| Taiz           | 458             | 33,072,062         | 24,898,823              |
| Hajjah         | 259             | 18,869,798         | 17,259,442              |
| Hadhramaut     | 291             | 18,975,527         | 13,251,626              |
| Dhamar         | 306             | 19,699,301         | 16,438,997              |
| Shabwah        | 129             | 7,748,586          | 5,470,086               |
| Sa'adah        | 108             | 7,838,367          | 6,389,783               |
| Sana'a         | 316             | 20,576,776         | 15,488,208              |
| Aden           | 133             | 11,751,614         | 11,438,108              |
| Amran          | 265             | 18,428,157         | 16,611,426              |
| Lahej          | 137             | 9,733,016          | 7,162,593               |
| Mareb          | 63              | 5,843,658          | 2,874,787               |
| <b>Total</b>   | <b>4,339</b>    | <b>320,664,638</b> | <b>250,252,130</b>      |

**SFD cumulative commitments and contracted amounts as of 31/12/2004, by sector**

| Sector                  | No. of projects | Commitments (\$)   | Contracted amounts (\$) |
|-------------------------|-----------------|--------------------|-------------------------|
| Environment             | 110             | 14,948,063         | 9,090,760               |
| Integrated Intervention | 38              | 1,825,766          | 2,167,107               |
| Training                | 222             | 3,832,271          | 3,846,902               |
| Education               | 2,083           | 169,883,379        | 134,441,445             |
| Organizational Support  | 259             | 7,700,167          | 5,583,010               |
| Health                  | 354             | 23,724,023         | 19,958,187              |
| Rural Roads             | 147             | 15,988,934         | 13,016,546              |
| Special Needs Groups    | 230             | 15,634,077         | 11,420,521              |
| Micro Enterprises Dev.  | 71              | 6,186,724          | 4,945,704               |
| Small Enterprise        | 12              | 1,479,898          | 1,330,678               |
| Cultural Heritage       | 97              | 13,840,069         | 8,232,739               |
| Water                   | 716             | 45,621,269         | 36,218,531              |
| <b>Total</b>            | <b>4,339</b>    | <b>320,664,638</b> | <b>250,252,130</b>      |

**Completed projects as of 31/12/2004, by sector**

| Sector                  | No. of projects | Investment (\$)    |
|-------------------------|-----------------|--------------------|
| Environment             | 60              | 7,281,587          |
| Integrated Intervention | 14              | 715,375            |
| Training                | 172             | 2,584,111          |
| Education               | 1,313           | 92,258,944         |
| Organizational Support  | 171             | 3,061,243          |
| Health                  | 252             | 15,419,473         |
| Rural Roads             | 64              | 6,883,384          |
| Special Needs Groups    | 125             | 7,333,758          |
| Micro Enterprises Dev.  | 43              | 3,332,311          |
| Small Enterprise        | 4               | 39,107             |
| Cultural Heritage       | 20              | 1,418,895          |
| Water                   | 406             | 24,648,933         |
| <b>Total</b>            | <b>2,644</b>    | <b>164,977,119</b> |

**Social Fund for Development**

Faj Attan, P.O. Box 15485

Sana'a, Republic of Yemen

Tel: (967-1) 449 669/8, Fax: (967-1) 449 670

E-mail: [sfd@sfd-yemen.org](mailto:sfd@sfd-yemen.org)[www.sfd-yemen.org](http://www.sfd-yemen.org)

# Social Fund for Development

Newsletter - Edition No. 28, October – December 2004

8 Pages

**The MD participates in "Sanabel" Summit and the Middle East Consultative Group Meeting**

Mr. Abdulkarim Ismail Al-Arhabi, SFD Managing Director, participated in the opening of the Second Regional Summit of the Arab Microfinance Network "Sanabel", which was held in Cairo during the period from 6–8 December 2004. The Managing Director gave a speech in which he pointed out the efforts made in Yemen to promote the microfinance industry. The event, considered a regional summit for MF practitioners, gathered (with SFD support) a number of MF practitioners from Yemen.

On the other hand, the Managing Director participated in the first meeting held by the Middle East Consultative Group in Cairo on Dec. 25, 2004. The group has been formed by the initiative of Consultative Group to Assess the Poor (C-GAP) in order to assess into initiatives related to microfinance in the Middle East region. It is worth mentioning that the Managing Director was chosen during the meeting as one of the MF pioneers in the Arab region.



From left: Mrs. Suzan Mubarak (First Egyptian Lady), Mr. Abdulkarim Al-Arhabi (the MD of SFD) and Ms. Elizabeth Littlefield (the CEO of C-GAP) honoring a Yemeni girl who won "Sanabel" award

## Editorial

The SFD has successfully ended the first year (2004) of the third phase of its operations and embarked on preparing for the forthcoming period in pursuance of its objectives. The Fund has actively been involved in contributing to reducing poverty, both through expanding services accessed to the poor and contributing positively to developing sector policies and strategies. In recognition of this, the SFD was selected as a case study for the Int'l Conference for Scaling-Up Poverty Reduction Global Learning Process (Shanghai, China – May 2004).

The increase of the number of SFD's projects and investments during the year obviously shows the clear-cut achievements accomplished throughout the country.

Meanwhile, the Fund has continuously improved the quality of interventions, innovating and learning, and developed its policies by rigorous evaluation of its interventions and their impact. Indeed, during 2004, the SFD conducted the annual post-evaluation for a sample of 150 projects, in addition to beneficiaries' assessment and thematic evaluation of the Fund-supported programs in disability, health, integrated intervention and community contracting as well as the annual environmental review.

Based on its field experience, the Social Fund has developed the National Small and Micro Enterprise Development Strategy, which will place Yemen as one of the leading countries in the Arab World in developing such strategies. In addition, the Fund has supported the Childhood and Youth Strategy, initiated the National Strategy for Disability and contributed to the sector policy reforms.

On the other hand, the SFD has been adopting partnership with the poor and the disadvantaged to create and improve access to a wide range of basic services and options—such as water, health, education, road, training, microfinance—and ensure a lasting impact of its development projects and sustainable outcomes and services.

- During the visit of H.E. Ali Abdullah Saleh, President of the Republic, to the UK last August, an agreement was reached on the grant provided by the British Government to support the development projects implemented by the SFD. The Memorandum of Understanding related to the grant, which amounts to £12 million, was signed on 31 August 2004 by Mr. Abdulkarim Ismail Al-Arhabi, the SFD Managing Director, and Mr. Dominic O'Neill, the DFID Mission Head in Sana'a.

- On 20 November 2004, The Dutch Financing Agreement, amounting to \$8.1 million, to support health and education projects to be implemented by the SFD, was signed by SFD's Managing Director, Dr. Abdulsalam Al-Jawfi, Minister of Education, and H.E. Yohan Blankenberg, Ambassador of the Kingdom of the Netherlands to Yemen. The signing ceremony was also attended by Ms. Rebekka van Roemburg, Senior Education Secretary at the Royal Dutch Embassy.

- The National Micro-Finance Foundation's Board of Trustees held a meeting on 14 November 2004 at the SFD main office with the participation of Dr. Abdulkarim Al-Iryani, the Political Advisor of the H.E. the President of the Republic/ Chairman of the Board, the Managing Director. The meeting discussed the achievements the Foundation has accomplished over the past period and the 2005 work plan. Attendees also included Mr. Muhammad Abdo Sa'eed, Dr. Ahmad Al-Hamadani and Ms. Fatima Al-Huraibi, members of the Board, and the Foundation's Managing Director, the SFD's SMED Unit Head and the unit's concerned officer.

- The Social Fund participated in the Future Forum that was held in the Moroccan Capital (Rabat) on 10–11 December 2004. The SFD-initiated National SMED Strategy was presented during the Forum meetings.

- A joint mission, headed by the WB and including representatives of the EU & Dutch government, paid a visit to the SFD main office in December 2004 to be acquainted with the physical progress achieved by the SFD in implementing projects, particularly during the first year (2004) of Phase III. Progress in implementing phase II projects was also discussed, and the second phase closing date was agreed to be in mid-2005, i.e. a year earlier than the original date. Arrangements were set with regard to initiating the implementation of projects under the WB Credit for phase III, planned to commence at the beginning of 2005. In addition, the EC-grant agreement for the SFD's third phase—which will be managed by the WB—was also finalized.

**Units News**

**Education Unit**

The unit continued the active implementation of the different programs and other activities relating to the sector.

**♦ Rural Girl Education Program**

A training workshop was held on learning environment preparation. Attendees included 18 males and 9 females from the 5 governorates targeted by the Program, viz. Amran, Sa'adah, Al-Hudaidah, Taiz and Al-Dhale'. The goals of the workshop include building and support of positive learning environment within the program-targeted schools through helping create positive relationship between the instructors and the children as well as among the latter themselves. Other objectives include enabling children to express themselves & enhance their skills, creating constructive relationships with parents and enhance the positive attitudes of the participants regarding the importance of the education environment in making the learning process (and the school itself) more interesting and attractive for children.

- Five workshops, attended by 51 males and 34 females, were also carried out, aiming at establishing volunteer education teams in the mentioned governorates, electing teams' leaders and setting organizational regulations & future work plans that will help mobilize the teams towards supporting the Rural Girl Education Program.

- Five meetings (of coordination and consultation nature) were convened for SFD community participation consultants and local & int'l education-related agencies working in the five governorates. 40 representatives of those organizations attended the meetings, which aimed to ensure the support of such agencies to the volunteer education teams, coordinate efforts and integrate them in the Program's activities carried out in the targeted sub-districts.

**♦ Kindergartens**

During the quarter, bids were awarded for implementing three kindergartens of two different prototypes: Two in the districts of "Al-Dhihar" and "Al-Mashannah" in Ibb City (both of small prototype) and one in the Sheikh Othman/ Aden (large prototype).

**♦ Establishing Education Offices**

The SFD has started implementing the project in seven districts in different governorates, with completion in some reaching 25–30%.

**♦ School Buildings Improvement**

The Fund has kicked off the training program for 18 engineers of the Ministry of Education's Project Sector. Training is expected to help ameliorate the overall design and construction of education buildings.

**♦ Training of Specialized Staff in Public Schools**

Training courses, in which 80 social counselors and 80 health supervisors in 36 schools participated, have been completed in three districts in Taiz governorate. Moreover, preparations are currently underway to undertake similar courses for 144 counselors and supervisors in other 36 schools. Training aims to introduce the concept and bases of the social service first aid, environment conservation, and other social- and school-health-related issues.

**♦ National Center for Education Measurement and Evaluation (EME)**

Preparations of the project architectural and construction designs have been finalized, and biddings will be soon announced.

**Cultural Heritage and Rural Roads Unit**

Projects developed during the quarter reached 23 (15 and 08 in Cultural Heritage and Rural Roads Sectors, respectively), with estimated cost reaching about \$2.6 million. Cumulatively, the number of the two sectors' projects (as of the quarter end) is 97 and investment mounts to around \$13.8 million.

**Cultural Heritage Sector**

**♦ Restoration and Maintenance of Two Historic Mosques in Ibb governorate.** Due to the archeological, architectural and historical importance of Omar-Bin-Abdulaziz Mosque and School ("Dhi Sharq" village, "Al-Sayyani" district), the SFD is implementing a project to contribute to preserving them, particularly in regard to saving the significant architectural elements and the decorating inscriptions of the mosque's ceiling.

The agreed-upon project comprises important restoration works (as a first stage) to save the mosque from increasing deterioration of its external walls and ceilings as well as the vanishing of the Al-Ghadhadh strata. Procedures for implementing restoration and maintenance have already started through conducting several field visits, preparing the tentative technical report and the proposed mechanism for intervention. In addition, a committee was formed to operate and manage the project by the local community. Biddings, which will be soon announced, will be restricted to skilled traditional master builders and technicians with excellent expertise in restoring wooden old ceiling inscriptions.

On the other hand, the Mahen-Bin-Amran Mosque ("Al-Za'ala" village, "Al-Saddah" district) represents an important archeological, architectural and Islamic monument in this area of Wadi Bana – probably the sole such site in the area. The mosque has been threatened by negligence and lack of periodical repairs and restorations; consequently, the mosque's wooden ceilings and external walls encountered certain damages due to rainwater leakage.

**♦ Support to Manuscripts Library in Old Sana'a.** The Manuscripts Library (Dar Al-Makhtoutat) project is an extension of SFD's efforts to restore and maintain the Great Mosque –one of the significant Islamic monuments –as the Library will contain all the manuscripts and valuable historical documents currently existing in the Great Mosque's western library. In preparation for the project, studies and analyses of the building's construction elements and components were prepared, finalized and delivered by a relevant consultant firm (in collaboration with Sana'a University Engineering College's lab). These studies and analyses aimed at verifying the appropriateness of the building with regard to receive and contain the western library's contents.

**• Supporting & Saving Al-Asha'er Mosque in Zabeed.** The local Council in Zabeed city Al-Hudaidah signed the implementation contract for saving the mosque through a contractor (from the city) specialized in similar works. The contractor has embarked on the preparatory stage by providing & collecting traditional materials that can hardly be offered in sufficient quantities, particularly wood & bricks.

**• Amer-Bin-Abdulwahab Bridge.** Restoration of certain parts of the bridge has continued in several stages.

It is worth mentioning that a number of Yemeni and foreign experts paid several visits to the bridge. All of these experts confirmed that SFD's intervention has contributed to saving this significant historic monument while it was on the verge of collapsing. they also praised the level of the intervention quality, conformity of restoration & maintenance works to the criteria applied in such projects and the project's role in transferring expertise, training and capacity building of some young individuals in the field of restoration and maintenance.

**SFD Achievements in 2004**

The SFD's total investments in 2004 reached around \$76.7 million distributed over the different sectors. Projects completed during the year mount to 454 projects.

**Number of projects and commitments in 2004, by sector**

| Sector                  | No. of projects | Commitments (\$)  | Percentage (%) |
|-------------------------|-----------------|-------------------|----------------|
| Environment             | 27              | 4,089,104         | 5.3            |
| Integrated Intervention | 12              | 392,728           | 0.5            |
| Training                | 72              | 1,654,197         | 2.2            |
| Education               | 401             | 39,849,233        | 51.9           |
| Organizational Support  | 70              | 2,935,176         | 3.8            |
| Health                  | 54              | 4,168,743         | 5.4            |
| Rural Roads             | 38              | 4,017,029         | 5.2            |
| Special Needs Groups    | 65              | 3,816,878         | 5.0            |
| Micro Enterprises Dev.  | 21              | 1,851,337         | 2.4            |
| Small Enterprise        | 6               | 701,645           | 0.9            |
| Cultural Heritage       | 34              | 3,457,640         | 4.5            |
| Water                   | 142             | 9,795,588         | 12.8           |
| <b>Total</b>            | <b>942</b>      | <b>76,729,298</b> | <b>100%</b>    |

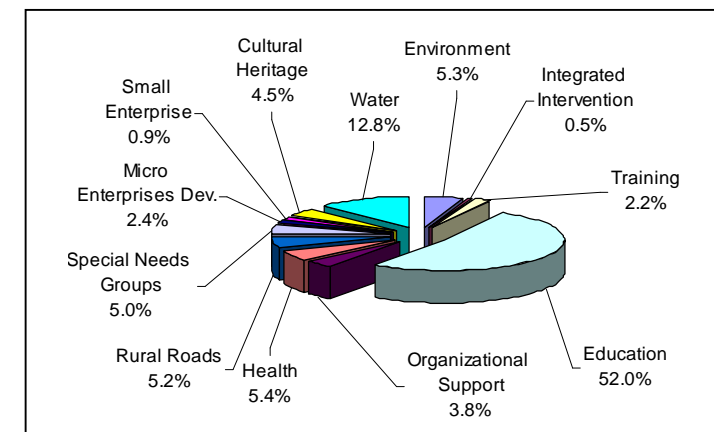
**Number of beneficiaries and job opportunities in 2004, by sector**

| Sector                  | Beneficiaries    |                | Temporary job opportunities |
|-------------------------|------------------|----------------|-----------------------------|
|                         | Direct           | Indirect       |                             |
| Environment             | 307,553          | 8,448          | 113,773                     |
| Integrated Intervention | 8,928            | 17,536         | 18,131                      |
| Training                | 7,165            | 6,151          | 22,876                      |
| Education               | 149,770          | 16,531         | 1,541,741                   |
| Organizational Support  | 323,731          | 4,003          | 67,287                      |
| Health                  | 484,648          | 78,213         | 111,221                     |
| Rural Roads             | 159,954          | 152,842        | 235,384                     |
| Special Needs Groups    | 34,251           | 9,486          | 97,756                      |
| Micro Enterprises Dev.  | 33,701           | 162,564        | 3,924                       |
| Small Enterprise        | 750              | 0              | 2,336                       |
| Cultural Heritage       | 62,957           | 36,932         | 234,044                     |
| Water                   | 279,283          | 14,343         | 451,550                     |
| <b>Total</b>            | <b>1,852,691</b> | <b>507,049</b> | <b>2,900,023</b>            |

**Commitments in 2004, by governorate**

| Governorate          | No. of projects | Commitments (\$)  | Distribution (%) |
|----------------------|-----------------|-------------------|------------------|
| Ibb                  | 104             | 8,800,042         | 11.5             |
| Abyan                | 17              | 1,700,101         | 2.2              |
| Al-Baidha            | 24              | 1,823,704         | 2.4              |
| Al-Jawf              | 21              | 1,738,630         | 2.3              |
| Al-Hudaidah          | 73              | 6,618,839         | 8.6              |
| Al-Dhale'            | 13              | 1,664,543         | 2.2              |
| Al-Mahweet           | 13              | 1,288,214         | 1.7              |
| Al-Maharah           | 1               | 5,674             | 0.0              |
| Sana'a City          | 101             | 10,207,821        | 13.3             |
| Several governorates | 72              | 4,487,037         | 5.8              |
| Taiz                 | 104             | 8,703,530         | 11.3             |
| Hajjah               | 43              | 3,773,001         | 4.9              |
| Hadhrmut             | 66              | 4,469,218         | 5.8              |
| Dhamar               | 60              | 3,570,295         | 4.7              |
| Shabwah              | 37              | 2,627,423         | 3.4              |
| Sa'adah              | 21              | 2,008,889         | 2.6              |
| Sana'a               | 51              | 4,154,882         | 5.4              |
| Aden                 | 25              | 1,829,321         | 2.4              |
| Amran                | 54              | 3,819,850         | 5.0              |
| Lahej                | 29              | 2,565,624         | 3.3              |
| Mareb                | 13              | 872,662           | 1.1              |
| <b>Total</b>         | <b>942</b>      | <b>76,729,298</b> | <b>%100</b>      |

**Percentage distribution of commitments in 2004, by sector**



**Completed projects in 2004, by sector**

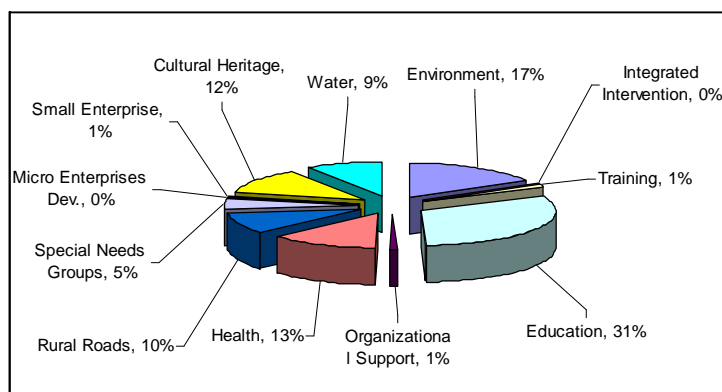
| Sector                  | No. of projects | Investment (\$)   |
|-------------------------|-----------------|-------------------|
| Environment             | 17              | 2,035,270         |
| Integrated Intervention | 7               | 473,294           |
| Training                | 49              | 911,406           |
| Education               | 190             | 16,795,704        |
| Organizational Support  | 43              | 527,384           |
| Health                  | 35              | 2,520,687         |
| Rural Roads             | 11              | 1,981,372         |
| Special Needs Groups    | 41              | 1,478,454         |
| Micro Enterprises Dev.  | 3               | 114,811           |
| Small Enterprise        | 1               | 19,368            |
| Cultural Heritage       | 4               | 321,700           |
| Water                   | 53              | 3,428,599         |
| <b>Total</b>            | <b>454</b>      | <b>30,608,048</b> |

## Microfinance Programs Supported by SFD (on 31-12-2004)

| No           | Program                           | Active number of clients |           |               |           | Outstanding loan portfolio (000, YR) | Savings (YR)  | Cumulative numbers |                           |
|--------------|-----------------------------------|--------------------------|-----------|---------------|-----------|--------------------------------------|---------------|--------------------|---------------------------|
|              |                                   | Borrowers                |           | Savers        |           |                                      |               | Number of loans    | Loan amounts (Million YR) |
|              |                                   | Total                    | Women (%) | Total         | Women (%) |                                      |               |                    |                           |
| 1            | Al-Hudaidah MC                    | 1,135                    | 89        | 0             | 0         | 7,968                                | -             | 6,729              | 340                       |
| 2            | LSED- Hais                        | 1,084                    | 91        | 2,412         | 89        | 39,340                               | 4,185         | 5,692              | 113                       |
| 3            | Wadi Hadhramaut                   | 402                      | 15        | 0             | 0         | 18,969                               | -             | 931                | 67                        |
| 4            | Dar-Sa'ad S & C                   | 1,793                    | 88        | 2,945         | 86        | 34,590                               | 6,956         | 2,945              | 104                       |
| 5            | Al-Mu'alla S & C                  | 1,031                    | 100       | 1,469         | 100       | 20,588                               | 4,499         | 2,040              | 67                        |
| 6            | Sana'a MF                         | 1,250                    | 69        | 1,295         | 100       | 25,938                               | 822           | 3,090              | 121                       |
| 7            | Sheikh Othman S & C               | 1,257                    | 71        | 1,843         | 75        | 18,211                               | 4,032         | 1,890              | 51                        |
| 8            | National MF Foundation            | 4,785                    | 100       | 8,620         | 100       | 88,770                               | 23,268        | 6,942              | 201                       |
| 9            | Bait Al-Faqeh S & C               | 675                      | 89        | 675           | 89        | 7,923                                | 904           | 1,031              | 18                        |
| 10           | Sana'a Microstart (SOFD)          | 1,143                    | 100       | 0             | 0         | 7,770                                | -             | 2,789              | 61                        |
| 11           | Al-Awa'el MF Company              | 1,974                    | 100       | 0             | 0         | 19,593                               | -             | 4,104              | 102                       |
| 12           | Abyan S & C                       | 840                      | 100       | 1,278         | 100       | 12,729                               | 3,586         | 1,192              | 22                        |
| 13           | Other Activities & IGPs           | NA                       | NA        | NA            | NA        | NA                                   | NA            | 6,895              | 260                       |
| 14           | Small Enterprise Development Fund | 876                      | 1         | 0             | 0         | 429,766                              | -             | NA                 | NA                        |
| <b>Total</b> |                                   | <b>18,245</b>            | <b>0</b>  | <b>20,537</b> | <b>0</b>  | <b>732,153</b>                       | <b>48,252</b> | <b>46,270</b>      | <b>2,215</b>              |

NA= Not available/applicable

## Commitments by sector, third quarter 2004



## Commitments by governorate, fourth quarter 2004

| Governorate          | No. of projects | Commitments (\$)  | Distribution (%) |
|----------------------|-----------------|-------------------|------------------|
| Ibb                  | 9               | 377,889           | 3.20             |
| Abyan                | 2               | 369,260           | 3.13             |
| Al-Baidha            | 2               | 120,000           | 1.02             |
| Al-Jawf              | 9               | 606,618           | 5.14             |
| Al-Hudaidah          | 2               | 175,374           | 1.49             |
| Al-Dhale'            | 1               | 190,000           | 1.61             |
| Al-Mahweet           | 1               | 5,674             | 0.05             |
| Sana'a City          | 22              | 3,905,963         | 33.11            |
| Several governorates | 6               | 300,300           | 2.55             |
| Taiz                 | 17              | 1,307,523         | 11.08            |
| Hajjah               | 3               | 225,430           | 1.91             |
| Hadhramaut           | 19              | 1,192,650         | 10.11            |
| Dhamar               | 4               | 317,491           | 2.69             |
| Shabwah              | 8               | 592,110           | 5.02             |
| Sa'adah              | 5               | 462,744           | 3.92             |
| Sana'a               | 6               | 641,162           | 5.43             |
| Aden                 | 3               | 89,340            | 0.76             |
| Amran                | 10              | 506,310           | 4.29             |
| Lahr                 | 5               | 280,040           | 2.37             |
| Mareb                | 2               | 131,490           | 1.11             |
| <b>Total</b>         | <b>136</b>      | <b>11,797,368</b> | <b>100</b>       |

## Expected number of beneficiaries and job opportunities, fourth quarter 2004, by sector

| Sector                  | Beneficiaries  |               | Temporary job opportunities |
|-------------------------|----------------|---------------|-----------------------------|
|                         | Direct         | Indirect      |                             |
| Environment             | 34,679         | 0             | 50,651                      |
| Integrated Intervention | 0              | 17,434        | 42                          |
| Training                | 305            | 150           | 1,197                       |
| Education               | 18,141         | 1,035         | 135,317                     |
| Organizational Support  | 33,221         | 1,109         | 3,598                       |
| Health                  | 385,539        | 5,858         | 50,534                      |
| Rural Roads             | 43,154         | 11,903        | 75,077                      |
| Special Needs Groups    | 13,717         | 243           | 16,987                      |
| Micro Enterprises Dev.  | 0              | 0             | 15                          |
| Small Enterprise        | 0              | 0             | 150                         |
| Cultural Heritage       | 20,700         | 35,800        | 95,826                      |
| Water                   | 29,403         | 868           | 53,863                      |
| <b>Total</b>            | <b>578,904</b> | <b>74,400</b> | <b>483,257</b>              |

## Training &amp; Organizational Support Unit

During the 4<sup>th</sup> quarter of the year 11 projects were contracted, of which 3 projects in the Training Sector & 8 projects in the Organizational Support Sector

Training Sector

The training projects included the following fields:

- One project comprised of two training courses. The first course was related to training of consultants in the new mechanism of rainwater harvesting, while the second course concentrated on building the capacities of consultants in health awareness concerning implementation areas of water projects.
- One project for training local councils' members in 17 districts of Shabwa governorate. The aim of the project is to improve the skills and know-how of the targeted trainees in the fields of participatory community development
- One project comprising training courses targeting supervisors of Environment Friends' Clubs in Aden Basic Education Schools. The objective is to enable these groups to spread environmental concepts and means of environment preservation in the schools. This is in addition to producing educational aids from the environment itself and printing environmental awareness leaflets related to qualitative and quantitative risks confronting environment preservation.

Organizational Support Sector

Sector activities concentrated on the following:

Eight projects addressing various organizational support fields:

- Seven projects in which support included providing equipment and necessary furniture, as well as on-site training for the members of women associations' Steering and Monitoring Committees in legal, financial, administrative and planning and institutional development fields. Targeted agencies included Women Federation branch in Al-Hudaidah, two associations in Hadhramaut, two associations in Taiz, one association in Al-Baidha', and one in Marib.
- One project concerning the establishment of a Division for Civil Society Organizations at Al-Afif Cultural Foundation in Sana'a City.

**Other Activities.** The Head of the Unit participated, together with a Consultant from the Unit, in the Conference on Social Funds held in Macedonia. During the Conference, a working paper on the SFD and the support to the decentralization in Yemen was presented.

## Health &amp; Social Protection Unit

During this quarter, the unit developed 34 projects: 20 projects in the health sector, 13 in SNGs sector and 1 project in the integral intervention program.

Health Sector

• Completion of the support project to provide the Ministry of Public Health and Population (MoPHP) with the means of the family planning through the UNFPA. The project was signed on 24/9/2004 with a cost of \$200,000.

• As part of the activities of Al-Dhiya' kindergarten project for the blind children in the Capital City, an advanced course was organized (in the period 06–11 December 2004) on early education. Participants (from the Capital City and Aden, Taiz, Dhamar & Ibb governorates) included 20 female teachers representing governmental and non-governmental institutions working with the disabled and with children in difficult circumstances.

• The signature of the financing contract with the MoPHP, and the implementation contract with the Yemen Council for the Medical Specializations, to implement the project of training and rehabilitation of 15 physicians and 20 nursing staff in the field of neonatal care, and a signature of two other contracts for implementing training and rehabilitation of 20 staff in psychology nursing.

• **Restoration & Maintenance of Shibam (Kawkaban) Aqabat (Climbing path).** The project is expected to contribute to bolstering local tourism in the area. Such a potential has encouraged the SFD to adopt financing maintenance works of the Al-Aqabat and involve the local community in implementing the first stage of the project through collective initiatives (locally called Al-Gayesh).

• **Restoration & Maintenance of Bab-Al-Qurtub (Zabeed).** Participants in the Session on Preserving the Historic City of Zabeed (held in Al-Hudaidah City on 13-15 December 2004) visited the city and its monuments, including Bab-Al-Qurtub Restoration & Maintenance Project. They expressed satisfaction towards the works implemented within the project. Mr. Francisco Bandarin, Director of UNESCO's International Heritage Center, confirmed that restoration and maintenance works carried out in this project are considered a model to be followed in any other similar works that might be conducted in Zabeed. It is worth mentioning that more than 95% of construction works of the Al-Bab and its annexes have been completed.

• **The National Museum's Front Courtyard.** Having completed the first phase of its intervention to rehabilitate and upgrade the area of the museum complex in the Capital City, the SFD has started financing and implementing the civil works and landscaping the front courtyard of the museum, in addition to the complex's electrical network, which will cover the museum and its annexes.

Rural Roads Sector

During the quarter, the number of the sector (accomplished and under-implementation) projects has reached eight, at an estimated cost of about \$1.1 million. Therefore, the cumulative number of the sector projects mounts to 147 projects, with commitments reaching nearly \$16 million.

In Taiz governorate, a number of projects have been accomplished, including pavement of the Old City, pavement of Salat Hasanat, Bani-Yousef (Al-Mawaseet), Wadi Kehal (Shara'ab Al-Slam), Ghail-Bani-Omar (Al-Shamaiteen) and Surr-Bait-Alwa'ara road projects.

On the other hand, there are some under-implementation projects: Naqeel Al-Shabah (Al-Mega'asha/ Maqbanah), Al-Ashmoos (Shara'ab Al-Salam) and Wateer (Al-Mesrakh) road projects. Moreover, other projects were agreed, such as Nagd Al-a'adheer—Shara'ab (Al-Rawnah/ Taiz), Haidhat Al-Medehar—Al-Sha'aooba (Al-Mawaseet/ Taiz), Bani Katil—Eyial Hatem (Gabal Eyial Yazeed/ Amran), Bani Al-A'awam (Al-Sha'abi Castle), Al-Areef (Bani Al-Awam/ Hajjah), Malah Aal Al-Wakeesh / Aal Al-Wakeesh (Saqaen/Sa'adah).

A contract was signed for Nid Al-Bareq—Shudna/ Munbuh (Sa'adah) road project, and awarded was the project of stone pavement of the Al-Taweelah streets (Seerah/ Aden), which is in contract-preparation-and-singing stage.

Moreover, negotiation was carried out and designs prepared for the equipment related to Al-Houaidah—Sha'ab Al-Aosat road (Toor Al-Baha/ Lahej) project. The second bidding for the stone pavement project of the Al-Khusaf (Seerah/ Aden) road was analyzed.

Biddings were announced for two projects: pavement and protection of Sha'af—Shamer road /Kato (Al-Gabin/Reemah), and Bani Al-Hagag—Al-Reesha/ Rawed (Al-Mahweet) road.

Several visits were arranged to some projects in certain governorates; it was noticed that there is an improvement in accomplishment percentages in the other projects.

Community Contracting

Field and office evaluation was conducted for projects implemented by community contracting and they were compared with other projects financed by the SFD, the objective being to assess the results of this pilot program.

- The signature of the financing contract with the two Higher Health Manpower Institutes in Sana'a and Aden and the implementation contract with the University of Sciences and Technology. The two contracts aim to implement rehabilitation project for 40 teachers from the two Health Institutes and their branches to enable the teachers to obtain the complementary bachelor's degree in Community Health; the project execution will begin in 1/2/2005.

- Graduation of 20 female trainees within the framework of community midwives training project in "Dhi-Al-Sifal" district/ Ibb governorate). Graduation ceremony was held under the auspices of the General Director of the governorate Health Office, the Chairman of the Local Council and the district's Health Director, and in the presence of a number of inhabitants of the district and the students' parents... The SFD distributed graduation certificates and delivery bags.

- Graduation of 20 female trainees within the framework of community midwives training project in "Al-Zabbairah" sub-district/ "Qadas" district/ Taiz governorate). Graduation ceremony was held under the auspices of the General Director of the governorate Health Office, a number of the district Local Council members, and in the presence of a number of inhabitants of the district and the students' parents... The SFD distributed graduation certificates and delivery bags.

#### Special Needs Groups Sector

- In the period from 02–12 October of 2004, training courses were held on mobility (direction and orientation) field for eleven teachers who work in blind-integrating schools and the societies working in field of the vision impairment. The course covered the Capital City, Taiz, Hadhramaut, Al-Hudaidah, Ibb, Dhamar and Aden. This course is continuation of previous training activities carried out by the SFD in its efforts to create national staff specialized in teaching, rehabilitating and integrating the blind. Outputs of the training include – in addition to rehabilitating local cadres –preparation of teaching curriculum as well as a training manual (with pictures).

- The SFD adopted provision of technical and financial support for modification and review of the questions related to disability and the Census 2004.

- The SFD continues its support to prepare a national childhood and youth strategy. In this regard, a number of representatives of the agencies participating in the preparation of the strategy attended the workshop held in Beirut to discuss the experiences of the countries in the region in this regard.

- A number of HQ staff, branch office managers and other officers conducted visits to Eritrea, Morocco, Jordan, Vietnam and the United Arab Emirates. The purpose of these visits was to be acquainted with the developmental experiences for some governmental and non-governmental institutions working with street children, early childhood and the disabled. Participated in these visits also representatives of agencies working in early childhood, the "Sources Center" of the Higher Council for Motherhood and Childhood and Al-Saleh Foundation. Participation of these institutions comes within the support they receive from the SFD.

- During the period from 11–23 December 2004, a number of training courses were conducted in inclusive education, teaching individuals with hearing and visual impairment and integrating them in the mainstream society. Courses were attended by 104 teachers and trainers working in inclusive education schools in four governorates: Taiz, Lahej, Abyan and Aden. It is worth mentioning that the training was carried out by twenty trainers that had been previously rehabilitated and prepared to become local trainers in this field.

- The Sports Club Project for the rehabilitation of blind females (the Capital City) organized in the period from 12–30/12/2004 a course in physiotherapy and physical fitness for six of the Club's female workers. The club aims to help the blind gain the appropriate physical fitness, develop movement skills, and abolish the negative psychological feelings encountered by the female blind. Other objectives of the club are the realization of a partial social and venue integration of the blind girls (in the club) with their peers from the society in order to change some faulty concepts and attitudes towards this category of the society.

#### Integral Intervention Program

During the quarter, a number of projects were completed, training courses conducted and visits paid to certain projects... the most important of these activities include the following:

- Completion of some infrastructure projects in "Al-Luhayyah" district (Al-Hudaidah governorate). "Deer-Mousa" school was delivered. This contributes to creating the appropriate educational environment in the area, integrating the inputs with other projects (such as water and literacy) and, subsequently, resolving the educational obstacles in the area and enhancing girls' education. In addition, "Deer-Al-Rudaini" school and the health unit were also delivered concurrently with the graduation of two female health supervisors from the Health Manpower Institute in Al-Hudaidah (financed by the program). The aim is to ensure the continuation of the operation of the unit, which has already started the first vaccination campaign in the area (with local efforts & self-initiative and in coordination with the relevant agencies of the area's Health Office).

- Completion of a training course for farms on mechanisms of improving the economic feasibility for the agricultural product in Ahwar district (Abyan). The course aimed at enhancing skills and creating new methods for improving the economic situation. This is done through raising the awareness of the farmers on the damages caused by agricultural blights ways of using fertilizers and chemical substances. In addition, the beneficiary trainees (15 in number) were educated on utilizing other alternative, appropriate preventive methods.

- Training was provided on producing organic fertilizer from solid wastes (in Ahwar). The intervention aimed at training a group of females and males (in the intervention areas) on how to benefit from the household waste materials, and those of animals in particular, by extracting of the organic fertilizer.

- Completion of a training course for women on cultivating kitchen gardens. The course aimed at creating new skills in kitchen gardens for 10 female farmers in Al-Luhayyah (Al-Hudaidah) and 15 others in Ahwar (Abyan). The gardens may play a role in improving the quality of food and raising the income of the family.

- A training course for beekeepers (addressing many topics and skills related to beekeeping, beehives and honey sorting) was completed. An evaluation of the results of the training course was conducted; it revealed that the increase rate of the trainees' hives rose from 40% to 200%. Moreover, the trained beekeepers play an important role in communicating their experiences to the rest of the community members in their villages.

- Field visits were conducted with the assistance of an int'l expert and a number of local consultants. The visits aimed to carry out an impact evaluation of the program in the four-targeted areas. Focus was given to social analysis, setting a plan for the future work of the program and linking the Local Councils to the program & formulating a proposal for the program's directions in this regard.

- The follow-up of the hygienic and environmental awareness program was completed in the sub-district of "Al-Nayef" (Khamer/ Amran) following its implementation in stages. These include studying health-related problems, identifying priorities, preparing priority-based implementation means, carrying out field tests to these means and selecting a national awareness-related team to be trained. Finally, local teams (including both men and women) are trained for the program implementation and follow-up.

### Water & environment Unit

The fourth quarter's projects reached 30 in both sectors (20 in water sector and 10 in the environment sector, with estimated cost mounting to more than one million USD and about \$2 million respectively).

#### Water Sector

The SFD has continued giving priority to rainwater harvesting projects, as they represent the main traditional source of water in rural areas and in conformity with the National Water Strategy. The SFD started applying a new approach in implementing some of the rainwater harvesting projects through financing the provision of only those materials which are not available within the local community (such as cement, steel reinforcement, plastering mesh), while the beneficiary community offers the other available materials and labor and implements the project in accordance with the required specifications. Such an approach helps revive spirit of collective cooperation, creates sense of responsibility, enhances project ownership by the community and paves the way to sustainable development.

In addition, the SFD pays attention to small dams and irrigation schemes aiming at supplying water for irrigation as well as for drinking (by humans & animals).

On the other hand, three films were prepared to raise public awareness in rainwater harvesting projects. The first film was titled "hygienic Awareness Component in Water Harvesting Projects". It included documentation of implementation steps of hygiene campaigns through which male & female health workers cure trained on-site for three weeks. The second one was about "Sources of potable water contamination and ways to prevent them", while the third comprised awareness 'flashes' on the optimal hygienic practices, which protect beneficiaries (directly or indirectly) from the risk of contamination by impure potable water.

#### The Environment Sector

Two projects for managing hazardous medical wastes in the Capital City were approved. One comprises the construction of an integral building in Al-Azrakain dumping site for hazardous medical-wastes management. The other includes supplying and installing equipment related to managing such wastes. Total cost of the two projects is estimated to be \$1.3 million approximately. Another project was also approved for implementing a small dam to protect Al-Sad Park (Nuqum/ the Capital City) from floods as well as to recharge Sana'a water basin.

#### Training Courses and Workshops

- A training course was held on "Low-cost Sanitation Network Designs". The three-week course was attended by 30 consultants from the relevant agencies in several governorates and included field visits.

- Under the auspices of the Capital Mayor/ Minister of State, SFD-financed awareness campaigns were officially launched on 28 December 2004 in the Capital City's Education Office. The campaigns focus on raising awareness on the negative impacts of plastic bags and their replacement alternatives. They will be conducted in 150 basic (boys and girls) schools, and include one-day workshops for targeted school. The workshops will demonstrate damages and harms caused by plastic bags and show alternatives for replacement. In addition, the awareness booklet prepared by the SFD will be presented as well as the questionnaire of the ex-post impact measurement to assess the extent of accomplishing the awareness campaign's objectives.

#### Other Awareness Activities

An awareness melodrama film on the negative impacts of qat was prepared. The film aims to raise the awareness of school students on the risks and jeopardy entailed by the habit of chewing qat, focusing on the role the students might play to protect their families, society and homeland from such risks.

### Small & Micro Enterprises Development Unit

- **Support to Small Enterprise Development Fund (SEDF).** On 04 November 2004, a 50-million-Yemeni-Riyals (YR) loan installment was disbursed to SEDF to be used to finance small entrepreneurs. This was the second installment as part of a loan agreement between the SFD and SEDF totaling 90 million YR. As of November 2004, SEDF had 896 active borrowers, with a loan portfolio mounting to 400 million YR.

- **Business Development Services (BDS).** As part of its efforts to provide non-financial services to small and micro entrepreneurs, the SFD (in cooperation with Taiz Chamber of Commerce) has launched the financing of a project to train the members of trade cooperatives in Taiz. In addition, a project to market traditional handicrafts in Europe was implemented, and a workshop was held at SFD main office on Dec. 12, 2004 to discuss the achievements and the lessons learned. Representatives from partner organizations attended the workshop.

- **Training Courses for Loan Officers.** Expansion microfinance (MF) programs in Yemen, the SFD's SMED unit has implemented a number of training courses for loan officers during this quarter. Eighty-six trainees from various MF programs participated, and it is anticipated that these courses will partially fulfill the need for such kind of training. The courses were held in Sana'a, Taiz and Al-Hudaidah.

- **SFD Microfinance Partners' Workshop.** During the period 26–28 December 2004 the periodical workshop for SFD microfinance partners was held in Sana'a and attended by 35 representatives of partner organizations, MF programs and the SMED unit. The workshop addressed several issues, the most important being the need to complete the systems in the MF programs, and the role of management in these programs and their supervising organizations. The workshop also discussed the general framework of the human resource system for MF programs, and the systems proposed in this regard.

- **Cooperation with the International Financing Corporation (IFC).** It was agreed in principle between SFD and the IFC in Cairo to cooperate in the initiation of a training program in what is known as "Business Edge", the implementation of which is expected to start in 2005.

- **Experience Exchange Program.** Realizing the importance of training and qualification, the SFD has sent eight representatives of MF program managers and the sponsoring agencies to Egypt to become acquainted with the Dakahlyia Businessmen's Association for Community Development (DBACD) and "Al-Tadhamon Microfinance" programs. This visit was arranged as part of a project that aims at exchanging experiences to improve and increase the technical level of microfinance practitioners.

- **Wadi Hadhramaut Microfinance Program (Second Phase).** In December 2004, a financing agreement between SFD and Al-Nahdha Charitable Association was signed to implement the second phase of the program. The agreement (amounting to more than 53 million YR) aims at expanding the operations of the program and its base of beneficiaries, particularly focusing on increasing the number of female borrowers.