

### Bani Qutail rural-road project: A route to water and life!

The Bani Qutail Road lies in Eyal Hatem area, Jabal Eyal Yazid in Amran governorate. The road is characterized by harsh topography and its longitude slope reaches 20 percent in some areas. With sharp steep slopes, the road was often subjected to collapse during rain seasons, thus making transportation more difficult. Having seen the road condition, the SFD carried out protection works and rainwater drainages in the three branches of the road: Hejrat Al-Muntaser-Bait Al-Hiweit Branch, which is 2.5 km long, the 3.5 km-long Raima-Maktal Branch and Al-Qaza'a Branch, which is 2.5 km long. A total of 8.5 km-long and 3-5 km-wide road has been rehabilitated by the SFD, thereby benefiting nearly 3,400 inhabitants of nine villages in the area. The fund visited the project of the road extending from Hejrat Al-Montaser Village to Bait Al-Hiweit and in front of Hejrat Al-Montaser's water cistern. The SFD-funded project is due to be completed. We met Saleh Mohammed Al-Montaser, a villager, who briefed us on the project saying, "The road alleviated our suffering and facilitated the transportation of necessities. It helped reduce the transportation costs. Instead of paying YR 100 for the transportation per 50 kg of wheat, we now pay YR 50 only." He added, "Earlier, the road had curves and slopes, which were difficult for cars to drive through due to the narrow path and sharply steep parts. Now Praise Be to Allah, the road got expanded and became easy for cars to drive through."

"I never believed that the water-cistern project will be completed so easily and fast. It was implemented within just four months, thus facilitating the transportation of our necessities. The road implementation greatly contributed to restoring and repairing the cistern runoffs," said Faisal Monis, one of the area locals and member of the project's community committee.

In the road branch (Raima – Maktal), which passes by five villages, the situation is not that different on the part of locals. Ali Bin Ali Al-Baghabghi, 75, happily said, "The road is a bloom, a real livelihood and sustenance. It is a godsend, a boon of Allah—much better than any other basic service. In the past our road was harsh and difficult for cars to drive through." He added, "In the past, I worked in Haradh and used to suffer a lot during my return. I used to feel that my travel is risky."

"Transportation cost was high in such a high area. We used to excuse the drivers as their four-wheel-drive cars' maintenance cost a lot of money," said Ahmad Saleh Ahmad Al-Baghabghi. "The road contributed to facilitating the transportation of patients to hospitals after we used to have nearly 2-hour drive to reach the nearest health unit."

Others whom we met at the three branches expressed their happiness about such a service provided to them. They stated the project facilitated transportation between the neighboring villages and reduced transportation costs by 50 percent in some cases. The fact was evident through their interest and cooperation with the maintenance committee, as well as their commitment to contribute to the project.

### 933 projects worth \$86-million investment to be implemented *(continued)*

The Board of Directors directed the SFD management to review the projects' costs and prepare the list of those in charge of implementing projects, taking into consideration all variables. Additionally, SFD contractors have to be reclassified and project priorities rearranged. The meeting approved that Public Works Project assumes the implementation of small- and medium-size projects in education, technical education, vocational training and health throughout all the governorates—including stunted projects financed by the State's general budget—aiming to avoid duality and delay in implementation as well as to ensure fast progress of works and keeping away from stagger. The meeting also stressed that operation of the existing health units should be given precedence over initiating new ones and a report to be prepared on the requirements and guarantees for operating these units.

The SFD Board of Directors viewed a report on progress of the 2006 plan. The report indicated that works were going on in nearly 829 projects until the end of last December at an estimated cost of US\$88.2 million—out of the planned projects totaling 921 at the SFD headquarters and branch offices level. With respect to the accumulated progress for the years 2004–06, the report clarified that 2,634 (out of 3,074 planned projects) have been implemented at a total cost of US\$230.1 million. The projects were distributed over the different sectors included in SFD interventions throughout all the governorates.

The Board of Directors praised the efforts of the SFD's management and all the administrative and technical workers and staff, who contributed to achieving SFD goals and successes at different levels.

### Managing Director meets UNIDO delegation

Mr. Abdulkarim Al-Arhabi, SFD Managing Director, met with a delegation of the United Nations International Development Organization (UNIDO) headed by Mr. Renato Vornokaldo. The meeting was held in the presence of Ms. Flavia Pansieri, Resident Representative of United Nations Development Program (UNDP). At the meeting, Al-Arhabi and Vornokaldo discussed the aspects of cooperation between SFD, UN and its affiliates. In addition, the SFD Executive Director met with Mr. Thomas Engelhard, Director of German Technical and Financial Support Program in Yemen. At the meeting, both officials discussed the aspects of cooperation between the two organizations.

### Fourth Conference of "Sanabel"

Under the sponsorship of the SFD and in cooperation with Arab Network for Micro Finance (Sanabel), the network's fourth conference will be held in Sana'a on June 12–14, 2007. In coordination with the network, the SFD is currently preparing for the conference by seeking local agencies to arrange for the conference.

The SFD Managing Director Mr. Abdulkarim Al-Arhabi met with his counterpart of the network in the Arab countries. At the meeting, both officials discussed the progress of arrangement and preparation for the conference.

# Social Fund for Development

## Al-Arhabi appointed Deputy Prime Minister and Minister of Planning and Int'l Cooperation

The Republican Decree No. 50 of 2007 was issued at the Presidential Palace on April 7, 2007 regarding the new cabinet formation under Dr. Ali Mohammed Mujawwar. The decree appointed Mr. Abdulkarim Ismail Al-Arhabi Deputy Prime Minister for Economic Affairs & Minister of Planning and International Cooperation. Under the decree, Al-Arhabi retained his post as Managing Director of the Social Fund for Development. It is worth noting that Mr. Al-Arhabi had been a Minister of Social Affairs and Labor since 2001, and in February 2006, he was appointed Minister of Planning and International Cooperation. He assumed duties of Deputy Prime Minister for Economic Affairs via the 2007 cabinet formation. The SFD staff avails themselves of the opportunity to congratulate the SFD Managing Director for the great responsibility and trust bestowed on him by the political leadership, wishing him continued success and prosperity.



## Editorial

The SFD has developed an integrated system for monitoring and evaluation. This includes monitoring the day-to-day operations through SFD's Management Information System as well as measuring the outcomes and impacts of its interventions by carrying out field surveys taken at the household level for the first time ever in the country. This is in addition to surveys and studies at the project and community level.

Actually, many agencies are reluctant towards conducting such in-depth and extensive evaluations. Nevertheless, the SFD has tried hard to lead the way in monitoring and evaluation and to provide a demonstration model.

The 2006 Impact Study was completed by three independent international monitoring and evaluation parties. Besides, the Impact Evaluation—from the beginning—was supervised by experts from the UK Ministry of Int'l Development (DFID) and the World Bank.

One of the distinguished features of this study is the inclusion of return visits to the projects that had been ex-post evaluated in 2003, which can be considered a new, quality addition in the experiment of the Social Funds worldwide. Also the Impact Evaluation study was informed by three main data sources. These are the Institutional Evaluation, the Quantitative Survey (i.e. households and projects survey) and Qualitative Beneficiary Assessment. In addition, the Study benefited from national data—such as the 2005 Household Budget Survey, and the 2004 Census.

The SFD plans to attain further progress in this domain and develop further its Monitoring and Evaluation System and takes appropriate arrangements to provide training to national staff on evaluation studies and analysis of quantitative & qualitative data.

As evaluation is a means for improving interventions and policies, the SFD has used the findings of the last evaluations to guide its Mid-Term Vision for the forthcoming years (2006–10). In addition, the SFD will benefit from these findings to continue fine-tuning the orientation of its poverty-focused service-delivery programs and methodologies.

## Arab Fund Chairman visits SFD projects

Mr. Abdullatif Al-Hamad, Chairman of the Board of Directors of the Arab Fund for Social and Economic Development, paid visits to two SFD-supported projects. These are the two Great Mosques in Shibam/ Kawkaban and Sana'a. Al-Hamad expressed admiration on the progress of the works in the two Arab-Fund-financed projects.



## The Board of Directors approves SFD 2007 work plan 933 projects worth \$86-million investment to be implemented

At its meeting held on March 3, 2007 and chaired by Abdulkader Bajammal, Prime Minister and Chairman of the SFD Board of Directors, the SFD approved its annual work plan for 2007 at a total cost of US\$86 million allocated for 93 projects. The projects are distributed over different areas throughout the country. According to the plan, projects in the education sector number 230, agriculture and rural development received 201 projects, social protection 169 and training and institutional support 116 projects, plus 44 projects distributed over small- and micro-enterprises development and cultural heritage.

*(Continued on page 12)*

## SFD signs an education agreement with the Dutch government

At its headquarters, the SFD signed the Agreement No. 16025 with the Government of the Netherlands on March 28, 2007. Under the agreement, the Government of Netherlands granted the SFD a sum of US\$10 million to support the Basic Education Development Program. Implementation of projects funded by the agreement starts in April 2007 and is due to continue up until December 2008. The agreement was signed by Mr. Abdulkarim Al-Arhabi, SFD Managing Director and HE Mr. Johan Blankenberg, Ambassador of the Netherlands to Yemen on behalf of the Dutch Development and Cooperation Minister.

## UNIT NEWS

## Education

During the quarter, 89 projects were approved at an estimated cost of \$10.3 million, while cumulatively (from 1997 through the end of March 2007) projects mount to 2,921 and the estimated cost reached \$277.5 million—respectively.

**Basic Education Infrastructure Support**

This program aims to increase enrollment rates in basic education and support the Ministry of Education's efforts to reach the goal of "Education for All".

During the quarter, 66 projects have been approved in this sector to construct schools in the governorates of Taiz (13 projects), Ibb (11), Dhamar (7), Sa'adah (5), Al-Hudaidah and Hajjah (10 projects each) Al-Mahweet and Amran (4 each) and Al-Baidha and Sana'a (one each).

**Rural Girl Education Program**

The program includes the components of capacity building, construction and rainwater harvesting, community structures and community awareness and mobilization.

With respect to capacity building, the SFD participated in the meetings of illiteracy eradication experts from Middle East and North African countries and the Group 8 states. It also participated in the Consultative Meeting of Population Council of East Asia and North Africa on the education of teenage girls in the rural areas. In addition, the SFD partook in a workshop on the effect of tuition-fees waive on girl enrollment rates. The workshop was organized by the Ministry of Education in coordination with UNICEF-Yemen.

Moreover, two workshops were held on participation, empowerment, social change and participatory learning and search. Twenty-six male and female consultants participated in the workshops. Another workshop was also carried out for community-participation consultants in Al-Hudaidah, Amran and Taiz. It concentrated on organizing and activating the students' structures as well as the use of different analysis forms.

In community structures, six workshops were held for female and male students, school administration and supervisors of activities in the districts of Al-Sukhnah (Al-Hudaidah) and Maqbanah (Taiz). Attended by 231 students, 22 school headmasters and activity supervisors, the workshops aimed to complete the capacity building of school administrations and students structures as well as to come up with a vision on students' structures and their participation in designing school activities plan. They also aimed to let participants know about the democratic exercises within the structures. Additionally, efforts were exerted to build the capacities of rural-girl skill-development centers by staging courses on leadership, organization and preparing the plans. The courses targeted eight female facilitators from these centers in the two mentioned districts. Furthermore, capacity-building activities focused on women structures and mothers' councils in 15 villages in the Al-Dhale', Al-Hudaidah and Amran governorates through conducting 10 training courses (six days each)—with emphasis given to practical aspects. The courses, attended by 194 participants aimed to help participants acquire new skills and knowledge in organization, communication and food and domestic production, pursuant to the simple means available in the



Girls-only classroom, Al-Masabeeh School, Sahara, Sa'adah

participants' areas. In addition, six training courses were held, aiming to develop the skills and knowledge of 120 female participants on household first aid. A field visit was organized for 54 mother- and father-council members (14 and 40 respectively each) from the intervention schools in the targeted five regions. Participants visited the "exemplary" schools in Ibb governorate to be introduced to the roles of such councils and the social services they may provide.

Regarding the construction component, two girls' schools were received: Al-Thawra in Al-Sukhnah (Al-Hudaidah) and Al-Hussein Bin Ali in Haidan (Sa'adah).

In community structures, six community committees have been formed in Amran governorate, in addition to supporting and following up the establishment of an education-support development association in Maqbanah, Taiz. In addition, an administrative staff for women structures in Al-Sukhnah was formed to run an atelier in the district center. From among 18 female candidates, seven members were elected by some 231 women. The organization's bylaw was prepared.

On the other hand, the SFD signed a partnership agreement with the National Olympic Committee (NOC), under which the latter provides training to supervisors of school activities in the schools included by the Rural Girls Education and Quality Education programs. Training covers different sports games, tools and regulations as well as school-plan preparation and follow-up. In addition, the NOC's Women Sport Department (WSD) will hold meetings to increase awareness of female students, women and mothers' councils on various issues.

Regarding the "community awareness and mobilization" component, the program organized a workshop for 22 participants from education offices, and girl education and community participation directorates. The workshop aimed to acquaint participants with the girl-education-program funding agreement signed by the SFD's Managing Director and the Minister of Education as well as to develop an implementation plan and a joint work mechanism.

Moreover, the NOC's WSD held two awareness-raising meetings about the importance of women sporting activities (especially for girls) and the Qat detrimental effects. Held in two villages in Al-Maja'eshah (Maqbanah, Taiz), the activities were attended by 330 mother-council members, female literacy attendees, girl-skill development centers' students and female high-grade students.

## Cumulative number of beneficiaries and job opportunities as of 31/3/2007, by sector

Sector	Beneficiaries		Temporary job opportunities
	Direct	Indirect	
Environment	2,151,866	300,072	677,773
Integrated Intervention	103,867	20,376	255,265
Training	29,182	107,137	92,404
Education	1,813,052	1,159,648	10,991,750
Organizational Support	504,797	401,096	340,106
Agriculture	5,370	100,000	4,544
Health	2,581,027	579,084	1,148,522
Rural Roads	2,724,401	1,698,040	2,899,094
Special Needs Groups	159,854	88,703	562,300
Micro Enterprises Dev.	96,568	406,261	29,466
Small Enterprise	35,926	75,943	16,315
Cultural Heritage	304,168	123,512	1,221,583
Water	2,115,517	177,932	2,516,459
Business development	21,900	52,550	634
<b>Total</b>	<b>12,647,495</b>	<b>5,290,354</b>	<b>20,756,215</b>

## SFD cumulative commitments and contracted amounts as of 31/3/2007, by governorate

Governorates	No. of projects	Commitments (\$)	Contracted amounts (\$)
Al-Baidha	147	12,534,486	11,878,902
Al-Jawf	89	6,514,265	6,316,675
Al-Hudaidah	546	52,489,543	45,319,302
Al-Dhale'	102	10,308,980	7,453,352
Al-Mahweet	174	16,186,908	14,243,666
Al-Maharah	57	3,317,898	3,062,439
Abyan	129	12,232,853	10,028,154
More than one	539	24,297,633	17,872,949
Sana'a Capital	420	43,381,769	39,872,657
Ibb	536	49,924,329	43,169,734
Taiz	685	63,219,733	54,225,486
Hajjah	377	32,580,680	27,681,234
Hadhramaut	388	26,328,651	22,131,025
Dhamar	439	32,617,416	30,338,146
Shabwah	171	11,687,584	11,868,703
Sa'adah	152	13,831,289	11,568,621
Sana'a	410	30,626,407	26,416,577
Aden	168	17,600,590	14,273,437
Amran	374	28,560,760	25,874,901
Lahej	189	17,065,104	14,046,337
Mareb	82	7,571,096	5,554,344
<b>Total</b>	<b>6,174</b>	<b>512,877,974</b>	<b>443,196,641</b>

## SFD cumulative commitments and contracted amounts as of 31/3/2007, by sector

Sector	No. of projects	Commitments (\$)	Contracted amounts (\$)
Environment	144	17,071,937	12,885,412
Integrated Intervention	78	6,154,693	5,034,155
Training	391	6,260,425	5,001,554
Education	2,921	277,515,110	243,864,664
Organizational Support	342	11,377,602	9,650,440
Agriculture	9	397,125	255,323
Health	464	37,499,031	31,282,279
Rural Roads	303	42,376,382	37,280,888
Special Needs Groups	334	20,375,481	17,169,893
Micro Enterprises Dev.	105	9,757,000	7,220,027
Small Enterprise	28	3,552,146	2,951,871
Cultural Heritage	154	23,204,056	18,125,080
Water	889	56,387,130	51,925,637
Business development	12	949,857	549,419
<b>Total</b>	<b>6,174</b>	<b>512,877,975</b>	<b>443,196,641</b>

## Cumulative number of beneficiaries as of 31/3/2007, by gender

	Beneficiaries	
	Direct	Indirect
Male	6,279,687	2,539,471
Female	6,367,808	2,750,883
<b>Total</b>	<b>12,647,495</b>	<b>5,290,354</b>

## Completed projects as of 31/3/2007, by sector

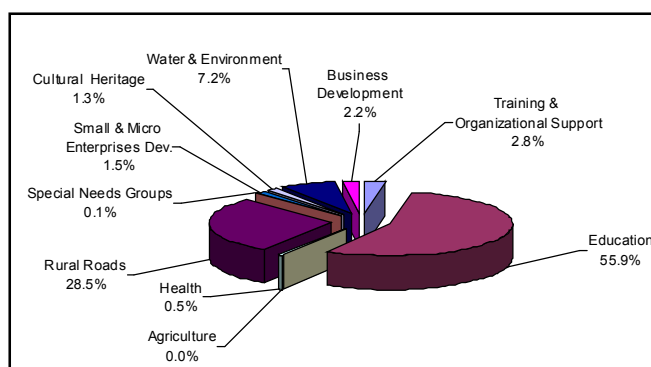
Sector	No. of projects	Investment (\$)
Environment	104	11,311,497
Integrated Intervention	39	1,877,164
Training	353	5,513,357
Education	2,283	184,000,611
Organizational Support	303	9,188,936
Agriculture	6	78,516
Health	356	22,977,896
Rural Roads	143	15,609,521
Special Needs Groups	249	14,306,201
Micro Enterprises Dev.	76	6,485,656
Small Enterprise	19	2,738,630
Cultural Heritage	51	6,772,494
Water	633	38,686,080
Business development	3	12,754
<b>Total</b>	<b>4,618</b>	<b>319,559,312</b>

Microfinance Programs Supported by SFD (on 31-3-2007)

	Program	Active number of clients			Outstanding loan portfolio (Thousand YR)	PAR (%)	Cumulative numbers		Area of Operation
		Borrowers		Savers			Number of loans	Loan amounts (Million YR)	
		Total	Women (%)	Total					
1	National MF Foundation	10,020	97	12,519	167	9	31,273	907	Capital City, Taiz, Qa'edah and Yarim in Ibb and Dhamar
2	Aden MF Foundation	3,404	79	8,192	48	NA	17,618	626	Dar Sa'ad, Al-Buraikah, Al-Mu'alla, Al-Tawwahi, Crater, Khormaksar, Sheikh Othman – Aden, Lahej
3	MF Development Program (Nama')	2,650	30	665	67	2.45	13,546	495	Sana'a, Taiz, Aden
4	Sana'a MF	3,231	93	2,992	52	3.85	11,007	354	Capital City
5	Abyan S & C	1,771	100	0	41	0	5,682	185	Abyan
6	Hais S & C	1,022	93	2,692	19	40	6,398	245	Hais, Khoukha, Jabal Ras, Zabid Al-Hudaidah governorate
7	Al-Hudaidah MC	3,986	83	0	45	40	24,229	563	Al-Hudaidah city and Bajil - Al-Hudaidah governorate
8	Wadi Hadhramaut	641,0	30.83	086,1	26	3.78	3,161	176	Seyun – Hadhramaut governorate
9	Al-Awa'el MF Company	2,778	100	0	42	14	20,192	375	Taiz
10	Bait Al-Faqeeh S & C	190	73	46	0.4	NA	2,014	51	Bait Al-Faqeeh, Mansouriyah – Al-Hudaidah governorate
11	Sana'a Microstart (SOFD)	553	61	0	8	10	8,634	159	Capital City
12	Other Activities & IGPs	0	0	0	0	0	6,895	260	Several areas
13	Small Enterprise Development Fund	1,824	9	0	559	6	5,545	3,250	Capital City, Taiz, Aden, Al-Mukalla,
	<b>Total</b>	<b>32,493</b>	<b>---</b>	<b>28,192</b>	<b>1,74.4</b>	<b>---</b>	<b>156,203</b>	<b>7,646</b>	

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

Commitments by sector, first quarter 2007



Expected number of beneficiaries and job opportunities, first quarter 2007, by sector

Sector	Beneficiaries		Temporary job opportunities
	Direct	Indirect	
Environment	0	0	140
Training	456	0	2,929
Education	48,167	41,882	315,162
Organizational Supp006Frt	2,628	207	6,856
Agriculture	10	0	61
Health	1,725	0	2,800
Rural Roads	396,800	79,539	360,789
Special Needs Groups	16	2,300	320
Micro Enterprises Dev.	7,968	0	7,976
Small Enterprises Dev.	0	0	32
Cultural Heritage	0	0	15,001
Water	19,168	0	46,485
Business Development	10,300	30,600	144
<b>Total</b>	<b>487,238</b>	<b>154,528</b>	<b>758,695</b>

Commitments by governorate, first quarter 2007

Governorate	No. of projects	Commitments (\$)	Distribution (%)
Al-Baidha	5	482,771	1.6
Al-Hudaidah	13	1,523,068	5.0
Al-Dhale'	1	250,000	0.8
Al-Mahweet	7	662,750	2.2
Al-Maharah	1	5,534	0.0
Abyan	1	320,000	1.0
More than one	33	807,426	2.6
Sana'a Capital	5	443,561	1.4
Ibb	25	3,849,368	12.5
Taiz	16	2,603,219	8.5
Hajjah	22	2,403,465	7.8
Hadhramaut	5	188,378	0.6
Dhamar	11	1,242,689	43.8
Shabwah	3	144,100	0.5
Sa'adah	7	941,840	3.1
Sana'a	5	354,000	1.2
Aden	1	490,000	1.6
Amran	16	1,359,100	4.4
Lahej	1	423,000	1.4
<b>Total</b>	<b>178</b>	<b>18,494,269</b>	<b>100.0</b>

Education Quality

In January and February 2007, training was finalized for participants in the Face-to-Face Program/3<sup>rd</sup> stage. Training included Doroub-network lessons and computer maintenance.

Talented Students

Preparations for gifted students' enrollment in the 2007/2008 school year were launched. Several activities have been carried out, including equipping the schools with talent-student-relevant labs. It is worth mentioning that students and teachers are selected in these schools according to specific criteria.

Cultural heritage

Two projects were approved in the quarter at an estimated cost of \$1.3 million. Cumulatively, 154 projects have been developed worth an investment of \$23.2 million.



Part of the Great Mosque renovations

Early Qur'an manuscripts discovered in the Great Mosque

The SFD team, involved in restoring the Great Mosque, discovered a number of the Holy Qur'an parchments, which were unearthed during the process of plaster removal at the west wing of the mosque. Most of the revealed parchments go back to the 1<sup>st</sup>-4<sup>th</sup> Hegira century.

Zabid Guest House renovated

Forming part of Zabid Castle bailey, the Guest House is one of the most important monuments in Zabid City (Al-Hudaidah). The 18-month restoration of the house was approved and works launched in March 2007.

The intervention comprises several activities, including reconstructing the torn-down walls and ceiling, restoration of the decorations and inscriptions and providing electric cables and water pipes. In addition, the project includes training of Zabid local workers through the implementation of the relevant works.

Third phase indicators - Education Sector\*

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	4 <sup>th</sup> Year (2007)	Total
Classrooms built & equipped	7,500	1,890	2,529	1,856	119	6,394
Classrooms rehabilitated	1,100	290	370	260	23	943
Children enrolled	300,000	150,385	212,318	225,789	27,472	615,964
Preschool teachers trained	600		542			542
Kindergartens established	34	4	10	8	1	23
Workshops in education, planning, programming and evaluation	16	8	12	16	1	37

\* Includes only under-implementation and completed projects as of 31/3/2007

Third phase indicators – Cultural Heritage Sector\*

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	4 <sup>th</sup> Year (2007)	Total
Projects financed	90	25	31	20	1	77
Consultants trained	95	52	60	56		163
Laborers trained	880	177	220	2		399

\* Includes only under-implementation and completed projects as of 31/3/2007

National museum compound development

Within the project relating to the renovation and equipping of the Sana'a-based National Museum, certain works have been initiated. These include the construction of a traditional stepladder linking the various offices and other parts of the museum. The ladder, built from traditional materials, extends from the museum's ground floor to the first and the top roof. Moreover, a concrete water tank was set, along with the pumps, sanitary fittings and fire extinguish supplies as well as an irrigation network for all the components of the museum.

Documentation of Tareem historical palaces

The project was launched in the quarter through providing support by the sponsoring agency, the American Institute for Yemeni Studies. The USA Columbia University technical team carries out the documentation activities and provides training to Yemeni staff.

### Archeological excavations concluded

Archeological excavations in Al-Asha'er Mosque in the historical city of Zabid, conducted by a Canadian specialized team in January–February 2007, have been completed.

### Supporting Zabid Emergency Fund

The SFD has provided appropriate support to the Local Council as well as to its Emergency Fund in Zabid. The Fund has been successfully functioning for the last two years in providing non-interest facilitated loans for the owners of the historical houses that need to be repaired. The SFD contributes to increasing the Fund's capital and, thus, expanding the services it provides through providing further assistance and funding to the houses' owners and lending those who cannot afford to contribute.

## Training and Organizational Support

During the first quarter, the number of projects in both the Training & Organizational Support sectors reached 19, at an estimated cost of \$523,036. Of these, one project is approved and 18 are under implementation. They targeted governmental organizations, NGOs, Local Authorities, local communities and the private sector as well as SFD staff and employees.

### The Training Sector

This sector aims at building the human and institutional capacities of SFD employees and its partners. These include consultants, projects' officers, local committees (beneficiary committees), as well as contractors, projects' technical supervisors, local authorities, NGOs, and governmental agencies.

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

#### Governmental organizations

Two projects in institutional building/1<sup>st</sup> Phase targeting the Head Offices of Sana'a and Ibb governorates. They aim at acquiring information about the status of such offices "diwan", identifying their strong and weak sides, and using them as leverage for all future interventions targeting the offices. This conforms to the Local Authority Law and assists the national strategy for decentralization.

#### Non-Governmental Organizations

Projects in this sub-sector targeted the Al-A'amiriya Association for Social Development (Al-Sawadia /Al-Baidha

governorate). In addition, a training-of-trainers project in the Production of Royal Jelly and Raising Queen Bees targeted beekeepers in Ibb governorate. Concentrating on raising queen-bees and the production of royal jelly, the project is a continuation of the apiarists' training program, which has already contributed to rectifying erroneous concepts and drawn the attention of the beekeepers towards the wasted bee and honey wealth.

#### Private sector and individuals

Three projects were developed by SFD's Al-Mukalla branch office. They involve raising the capacities of consultant engineers, onsite technicians and small contractors in the governorates of Hadhramaut, Shabwah and Al-Maharah.

- A project for engineer consultants involves two training courses. The first course aims at acquainting the consultants with the implementation and contracting procedures, community participation and onsite technical supervision. The second course concentrates on information sharing among participants and acquainting them with some procedures as well as explaining methods of dealing with problems arising during implementation.
- A training workshop targeted on-site technicians, with training focusing on supervision methods and techniques related to civil works and aiming at acquainting technicians with the implementation and contracting procedures, as well as community participation concepts. This is for providing the technicians with the relevant skills that ensure implementation of good quality projects and minimizing errors.
- A project comprising two training workshops for small contractors concentrates on improving the contractors' know-how as well as their technical and operational capacities. This is in addition to acquainting them with community participation and SFD's work mechanism concerning contracting and technical methods that follow best practices.

#### University students

The quarter interventions in this sub-sector aim to complete the implementation of the university volunteer graduates' program, which was implemented in nine governorates for preparing and qualifying rural graduates in development topics and issues as well as mechanism of community mobilization. This is for the purpose of enhancing the SFD's general trends of providing opportunities for newly graduated students as a contribution in reducing unemployment and allowing volunteers to work as on-site consultants covering—with minimum costs—tasks related to coordination, community mobilization, formation of committees and needs assessment.

## Small and Micro Enterprises Development

### SFD visits the Jordanian Small-Enterprises Funding National Bank

During the period March 22–30, 2007, an SFD team paid a visit to the National Bank for Small Enterprises Funding in Jordan with the aim of benefiting from the experience of the Arabian Gulf Program for Supporting UN Development Organizations and the Jordanian government's experience in establishing the bank. In addition, the visit aimed to let the team know about the methodology and services the Jordanian bank offers in funding small enterprises to benefit from the expertise in establishing the Al-Amal Micro-credit Bank. It is worth mentioning that the SFD is the government's representative in the capital of the bank, which is expected to contribute positively and effectively to funding small enterprises in the country.

### Transfer of non-financial service components

On March 24, 2007, agreement's minutes were signed by SFD, represented by the Small and Micro Enterprises Development Unit (SMEDU) and the Small Enterprise Promotion Service Agency (SEPSA), on the one hand, and the German Technical and Financial Support Program (GTZ), on the other, to transfer non-finance service components from the GTZ to the agency. Thus, the SEPSA has become the only Yemen-based organization concerned with providing non-financial services for the small enterprises sector. Under the agreement, the GTZ has undertaken to provide the agency with complete technical support and technically assist it to be able to offer non-finance services easily.

### BDS regional conference

Represented by the Business Development Services (BDS) projects in the unit and one of SEPSA female officers, SMEDU attended the first BDS Regional Conference, which was held on February 19–21 in Amman, Jordan. During the conference, the unit got acquainted with several regional and international experiences in the field and formed a network of business with many concerned institutions and organizations.

### Training of trainers

A course was held on 10–17 March 2007 for training many members of NGOs and microfinance institutions and programs. Some 16 male and female participants took part in the course, which aimed to brief participants on how to use training tools and means in order to qualify them to become efficient trainers and more able to train workers of microfinance institutions and programs when required.

### Operational risks course

An operation-risk management course was held on March 18–22, 2007 for microfinance institutions and programs. The course, attended by 22 male and female trainees from these institutions and programs, aimed to let participants know about the means and tools of control and monitoring during operations in order to reduce the operational risks posed to workers while on duties.



A beneficiary from Abyan Loan & Saving Program

### Automatic loan system course 'Ma'een'

A training course on the Ma'een automatic lending system was held on January 21–25 with the participation of 16 male and female trainees from information system officers at microfinance institutions and programs. The course aimed to enable trainees to better comprehend the use of the system in entering loan data and obtaining monthly reports and data in a correct way.

### MF institutions situation analysis workshop

A workshop on microfinance institutions and programs' situation analysis was held on January 20–23 with the participation of nearly 12 trainees from the Aden MF Institution and SFD consultants and workers. The main goal of the workshop is to analyze the current situation of the Institution as well as to identify any difficulties encountered and specify the type of required intervention. The workshop also discussed the institution's operations manual developed in cooperation with an Arab MF consultant.

### Technical Support for Aden Micro Finance Institution

Within the frame of cooperation between the SFD and Grameen Foundation, a female consultant from the Moroccan Al-Amana Association for Microfinance Promotion, assisted in providing technical support for Aden Micro Finance Institution. Within her six-month assignment, the consultant ran workshops in preparation for the institution workers to devise the operational manual. In addition, she assisted the institution in lending management, developing the institution's bylaws and regulations and developing new products for the "solidarity groups".

### Preparing for Small and Micro Enterprises' Days

The SMEDU is currently arranging for the third event of the small and micro enterprises' days. The event, to be held on 10–16 June 2007 in Al-Sab'een Park in Sana'a, aims to promote for the small and micro enterprises and entrepreneurs. In addition, the SME Days aim to promote for MF organizations and institutions and help them exhibit their handicrafts and other products. The event coincides with the Fourth Conference of the Arab Microfinance Network (Sanabel) due to take place on 12–14 June 2007.

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

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	4 <sup>th</sup> Year (2007)	Total
Workshops for NGOs	125	36	78	68		182
Support to NGOs and cooperatives	200	41	51	30	3	125
Support to user groups, communities and CBOs (in various forms)	700	63	252	258	208	781
Organizational support to local councils and authority	50	0	10	15	11	36
Councilors and local authority members trained **	-	1,875	5,845	260		7,980

\* Includes only under-implementation and completed projects as of 31/3/2007

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

- Conducting follow-up field visits by the sector's staff for implemented and planned projects in the governorates of Lahej, Ibb, Hajjah, Sana'a, Al-Mahweet and Al-Hudaidah.
- Introducing the rain-fed agriculture project and the rural production development component through paying field visits and holding meetings with SFD's Amran, Aden and Al-Hudaidah branch-offices' management and staff.
- As part of the program of the World Bank (WB) delegation that visited the SFD during this quarter, arrangements were made for a field visit to one of the sites of the pilot rain-fed agriculture project in Al-Khabt district, Al-Mahweet. The WB officials met rural producer groups and were acquainted with the experience and the work mechanism.



*Beekeepers – rain-fed agriculture project in Al-Hujailah, Bajel, Al-Hudaidah*

**Integrated Intervention**

During the quarter, the following activities were carried out:

- Discussing the integrated intervention program in SFD's branches in Amran, Al-Hudaidah and Sana'a, including the program's idea, goals, policy and work mechanism, in addition to the indicators and criteria for selecting the areas for the program to operate. Attended by branch managers and project officers in the executive and backup units, the discussion aimed to get the branches engaged in assessing the mechanism due to help in expanding the project for work through the branches as part of the SFD's general vision.
- Three training courses were held in community contracting for 48 participants, who are members of water project managements and development committees, technicians and project supervisors in Dhamar, Raimah and Lahej. The courses aimed to qualify and empower members of community committees, project managements, engineers and technicians to work under community contracting. The participation of communities throughout the different stages of the project cycle (planning, implementation, follow-up and maintenance) guarantees the continuation of projects.
- An agreement was signed for funding seven projects in the fields of illiteracy eradication and adults teaching in the integrated intervention areas. Preliminary tests were conducted to select the women volunteers to teach in the targeted areas. The project aims to eradicate the illiteracy of around 1120 women and train 64 female volunteers on illiteracy eradication programs.

- The intervention program was explained to female health workers who received training. The program was attended by 17 health workers from the intervention areas. In addition, a mechanism was discussed to specify the program's operations in the targeted areas with the aim of letting participants know about the program work mechanism and their effective role in improving the health situation in the targeted areas.
- Developing seven projects in the field of health and environment education, which were distributed over the intervention areas. Such projects aim to increase awareness of people about health problems and improve the health situation in these areas while health offices in districts are engaged in implementing the program. Nearly 1,135 male and female volunteers are due to be trained to then carry out the awareness program and help the health and environmental messages reach different social groups.

**Rural Roads Sector**

This sector's projects aim to improve the rural roads that have harsh topography and train project officers on how to set the suitable layouts for rural roads projects and their improvement. They also aim to develop a maintenance mechanism in cooperation with local councils and intervention community members.

The quarter saw the approval of 34 projects at a total cost of US\$17.5. The projects fell into three for training, 12 for urban street paving and 19 for rehabilitating rural roads in different governorates.

This sector's cumulative projects are 303 at an estimated cost of nearly US\$54.6 million.

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

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	4 <sup>th</sup> Year (2007)	Total
Projects financed	125	18	33	45		96
Beneficiaries	800,000	88,569	219,342	269,855		577,766

\* Includes only under-implementation and completed projects as of 31/3/2007

During the quarter, two projects were developed for qualifying about 120 (male/female) graduates in Al-Hudaidah and Ibb governorates (60 each). The main components include topics in development, community mobilization and empowerment—with field practical training in a selected rural area in each respective governorate.

**The Organizational Support Sector**

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

**Governmental organizations**

A public library in Sa'adah town/ Sa'adah governorate was established. Project components include provision of various cultural reading materials and necessary equipment for operating the library, in addition to training library management staff in documentation and indexing.

**Non-Governmental Organizations**

Three Projects targeted the Yemeni Labor Federation branch in Ibb governorate, the Al-Mustaqbal Charity Association (Al-Malagem/ Al-Baidha) and Al-Hazm Charity Association (Shibam/ Hadhramaut).

Another project aimed at establishing a public library in Arhab District / Sana'a governorate.

**Local Authority**

In accordance with the government's trends to apply the Local Authority Law and reinforce the decentralization system, the Ministry of Local Administration is finalizing the national strategy for supporting decentralization. In this respect, a long-term program (Decentralization & Local Development Support Program "DLDSP") had been drawn out, as an instrument for activation of this strategy and providing a unified and coordinated framework to mobilize relevant support. It comprises building the capacities of the local government institutions as well as providing financial support from various external and internal donors including the SFD.

In continuation of this support, the quarter projects include Activities of Decentralization & Local Development Support Program/3<sup>rd</sup> phase (SFD/DLDSP). The project helps the smooth implementation of SFD contribution in supporting the DLDSP program, which is currently represented by financing interventions in 10 districts in Amran, Al-Hudaidah and Taiz governorates.

In addition, the pilot program for Supporting Decentralization and Local Authority in selected districts is complementary to two other pilot projects (within the sub-sector Local Communities), and is under implementation in Jibla and Al-Nadira districts of Ibb governorate. The project aims at reinforcing and assisting the local authority roles concerning management of the planning process in the light of the third five-year Economic and Social Development Plan for Poverty Reduction (DPPR) "2006–10".

**Local communities**

Two projects support the local authority in Jibla and Al-Nadira districts in Ibb governorate to formulate local participatory development plans. The projects aim to ensure preparation and raising the awareness of local communities as well as to mobilize communities to identify priorities and develop local plans and creation of development committees.

**Health and Social Protection**

Projects approved in the sectors of health and groups of special needs are three at an estimated cost of US\$23.6 thousand. Thus, the approved, completed and under-implementation projects cumulatively mount to 798 by the end of the quarter at a total estimated cost nearing US\$57.9 million.

**Health sector**

**Improving access to basic healthcare services**

To improve the targeted communities' access to good quality basic healthcare services, a project was signed to construct and equip a health unit in Al-Abr, Lawdar, Abyan governorate. In the same context, the SFD equipped the health center in the Eastern Dees, Al-Mukalla City, Hadhramaut.

**Improving education quality at health institutes**

The SFD established a system for academic information at the Higher Institute for Health Sciences in Sana'a and started training 40 teachers of health institutes nationwide to obtain the bachelor's degree in nursing.

In addition, and in coordination with the health institutes of Sana'a and Aden, many experts reviewed and improved the laboratory, midwifery and nursing curricula—as part of the overall review and modification of these curriculums applied in both institutes. Moreover, a practical skills manual was prepared for students and trainers in health institutes.

**Training of medical staff**

To continue efforts aiming at facilitating access of targeted community members to basic health service providers, the SFD trained around 280 midwives. In the meantime, 90 midwives have graduated in Wasab Al-A'ali and Mukairas (Dhamar), Shibam (Hadhramaut), Al-Hesn (Sana'a) and Al-Qafir (Ibb).

**Reproductive health & postnatal care services**

The SFD trained staff working for delivery emergency wards at the two health centers in Al-Buraiqa and Hashed, Aden, equipped the reproductive health ward at the Motherhood and Childhood Center in Rada'a and restored the Motherhood and Childhood Ward at Al-Mukalla Hospital. The SFD has also finished the project of the newborn ward rehabilitation at Al-Sab'een Hospital in the Capital City and supplied the ward with medical equipment.

### Special Needs Groups

- Assisted by an international expert in early intervention, the SFD is designing a layout for establishing comprehensive centers for early discovery and intervention of handicapped children. These centers are due to provide services for discovering the disabled, conducting intervention and providing training and suitable treatment intervention via the specialized medical institutions. The pilot program is implemented in the Capital City, Taiz and Aden in partnership with associations and centers meeting the program's criteria and having already carried out relevant activities related to disabled children aged ≤1 through 6 years. The SFD intends to expand the program in the future to reach different areas nationwide.

### Training and capacity building

In cooperation with the Ministry of Justice and the Capital City Juvenile Court, the SFD organized on 28–29 January 2007 a workshop for discussing several legal issues related with engagement in juvenile legal issues. These issues were aroused by the juvenile legislations to enhance the legal protection of this category of children. Members of juvenile prosecutions, chief judges of juvenile courts, judicial inspection authority members in the Ministry of Justice and the Attorney-General's bureau and lawyers participated in the workshop.

In addition, the SFD continued its support for the Ministry of Social Affairs and Labor in preparing a national strategy for the disabled. In this regard, the SFD—in association with the World Bank—organized the first preparatory workshop for designing the strategy, which concentrated on specifying work frame and the strategy outlines. At the workshop, representatives of ministries, NGOs working with the handicapped discussed the recommendations and the outlines concluded in the report prepared by the World Bank expert.



Al-Rahmah Orphans Home, Sana'a

These recommendations are the fruit of a broad study on policies and strategies of ministries concerned with the disabled as well as other studies on handicap in Yemen. The most important of these are the Household Budget Survey and 'This is My Life' prepared by the WB on the families of the handicapped. Other studies include 'Evaluation of SFD Programs on the Disabled and SFD Strategy on the Disabled.

During the workshop, the strategy-development committee was formed from the main ministries and representatives from SFD, the Disabled Caring Fund and the local organizations working in this domain.

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

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	4 <sup>th</sup> Year (2007)	Total
<b>Health Sector</b>						
Projects to support health facilities providing quality services	250	16	34	22	1	73
Number of trained health service providers *	1,500	460	559	355		1,374
Health institutes (HIs) supported to enhance quality of health education	20	2	7	3		12
Staff trained from HIs	400	120				120
Health education curriculum upgraded for the HIs	5					
Libraries equipped and supplied with books for HIs	8		2			2
Teaching laboratories equipped with learning materials	8	1				1
Psychiatric hospitals and care centers staff trained	125	20				20
Districts which received support in applying the DHS	4		3			3
<b>Special Need Groups</b>						
Public schools supported with inclusive education	300	57	5	4		66
Disadvantaged children in SFD-supported schools	15,000	3,633	1,228	5,744		10,605
Directorates of inclusive education established	8					
NGOs supported by technical training to serve special needs groups	50	25	35	63	0	123
Communities made aware of inclusive-education importance & accessibility	380	4	35	33		72
Faculty of Special Education	2					
Staff members qualified in the field of disability	40	20	49	8		77
Pre-school rehabilitation and education centers for preschoolers with disability	25	5	1	1		7
Street children centers	5	2	1	1	3	7
Juvenile delinquent centers	5	2	0	3	0	5

\* Includes only under-implementation and completed projects as of 31/3/2007

### Water and Environment

The first quarter saw the approval of 23 projects in the two sectors of water and environment at an estimated cost of US\$1.3 million. This made the overall approved projects in the environment sector up to 144 at an estimated cost of US\$17 million while the water projects totaled 889 at an estimated cost of US\$56.4 million.

### Water Sector

This sector aims to increase the poor local communities' access to water, the used agricultural lands and the level of health and environmental awareness. Of the quarter's projects, 17 were devoted to rainwater harvesting in Amran (9 projects), Hajjah (6) and Shabwah (2). The SFD approved an irrigation project, funding the water small dam project in Al-Judair district, Al-Baidha and Salf small dam rehabilitation project in Shibam Kawkaban, in addition to two pipe water projects.

### Environment Sector

The environment sector's goals concentrate on increasing the sanitation coverage in the poor communities and improving the health and environment conditions in these communities. During the quarter, the following activities were implemented:

- The SFD received the final design and tender documents from the segment of Shibam/ Hadhramaut infrastructure project. During the coming few months, the materials will be provided as the implementation is due to start in October 2007.
- The SFD received the economic feasibility draft document for the sewerage project in the Al-Hoata city (Hadhramaut) and nearby areas.
- The SFD first periodic meeting reviewed the policy draft regarding the intervention in seqayat (*rooftop rainwater harvesting at household level*) aimed to provide better-quality water adjacent to the house. The policy was approved on 20 March 2007 after reflecting the comments and notes of the participants in the meeting.
- Under the auspices of the Minister of Planning and International Cooperation/ SFD Managing Director, Abdulkarim Al-Arhabi, and with the participation of the Minister of Water and Environment, a two-day workshop was held in March 2007. The workshop, funded by the SFD and Environment Protection Authority (EPA) and United Nations Environment Program (UNEP), discussed the idea of

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

Indicators	Target (2004-2008)	1 <sup>st</sup> Year (2004)	2 <sup>nd</sup> Year (2005)	3 <sup>rd</sup> Year (2006)	4 <sup>th</sup> Year (2007)	Total
Water-harvesting projects	750	55	49	52	10	166
Water stored in reservoirs (M3)	3,000,000	897,250	1,113,250	743,759		2,754,259
Piped systems	100	23	13	19		55
Reservoirs	40	14	13	9	1	37
Hygiene and environment awareness	225	55	15	20		90
Wastewater management	15	8	4	3		15
Solid waste management	7	9	3	2		14
Soil & water conservation	3	4	2	2		8

\* Includes only under-implementation and completed projects as of 31/3/2007

entering lead-free fuel to Yemen. Many specialists from EPA, ministries of Water & Environment and Oil & Minerals, some of Mareb and Aden refineries' staff and automobile tradesmen attended the workshop in addition to guests from the concerned regional organizations. Yemen is one of the 15 countries that are still using fuel-containing lead, which has harmful effects on the health of people. The workshop came out with a draft of the strategy of entering lead-free fuel to Yemen, and now, a book containing work papers and the workshop's outcomes is under press.

- Another workshop was held at the SFD's premises for rationalizing the use of water in the SFD headquarters in the presence of the SFD staff. The topic was discussed from environmental and religious viewpoints. The workshop aims to measure the impact of awareness on water consumption. Water-meter readings had been taken for a month before the workshop on a daily basis and such readings will be taken for another month after this activity. By comparing the two sets of readings, the impact can be identified—if any.

### Agriculture and rural development

#### Agriculture Sector

Implementation of several activities and functions took place in the quarter, the most important of which focused on the following:

- Developing the plan's projects and preparing documents and funding contracts for 14 projects focusing on training, pesticide-use methods, spreading modern techniques, establishing a database, maintaining terrains, field studies and evaluation and land protection.
- In coordination with its Monitoring and Evaluation Unit, the SFD began evaluating the pilot project of rural production development component, the rain-fed agriculture project, which was implemented in 2006. The field evaluation of the project, in collaboration with foreign experts, is expected to be completed during this year's second quarter.
- Contractual procedures with many consultants were finalized for conducting several field studies and continuing technical support for rural productive groups in more than one governorate.

The quarter's field activities and operations included the following:

- Carrying out field studies on various areas and in different districts including Manakha, Sa'afan in Sana'a, Al-Hujailah in Al-Hudaidah, the Capital City, Al-Maqaterah in Lahej and Zunjobar in Abyan.