

### Expected number of beneficiaries and job opportunities for the 2<sup>nd</sup> quarter 2003 according to sectors

Sector	Beneficiaries		Job opportunities	
	Direct	Indirect	Temporary	Permanent
Education	25,113	3,169	296,164	133
Health	48,453	-	12,111	8
Water	45,687	15	44,793	4
Environment	33,040	100	13,989	-
Cultural heritage	95	1,120	36,274	-
Roads	62,785	216,844	43,582	-
Microenterprises	1,375	8,100	150	7
Special Needs grs.	1,217	4,652	22,232	11
Integrated intervention	3,804	26	12,868	-
Training	17,213	-	3,086	-
Organizational supp.	1,235	750	1,498	-
<b>Total</b>	<b>240,017</b>	<b>750</b>	<b>486,747</b>	<b>136</b>

### SFD cumulative investments and disbursements as of 30/06/2003 according to governorates

Governorates	No. of Projects	Commitments (\$)	Disbursement (\$)
Sana'a Capital	296	26,601,665	15,578,799
Sana'a	260	15,880,327	9,437,870
Aden	100	9,140,187	7,011,032
Taiz	298	20,015,894	12,446,257
Hodiedah	268	21,034,573	13,942,327
Lahj	101	6,447,705	4,394,761
Ibb	198	14,068,245	8,080,305
Abyan	76	5,383,541	4,133,031
Dhamar	222	14,574,024	9,353,689
Shabwah	87	4,923,438	3,178,059
Hajjah	202	13,703,807	6,943,105
Baidhaa	81	7,061,894	4,476,351
Hadhramout	214	14,038,203	9,804,248
Saadah	86	5,703,198	3,043,823
Al-Jawf	41	2,831,920	1,737,731
Mahweet	117	9,858,253	5,771,657
Maharah	40	2,380,811	2,052,502
Maarib	43	2,929,366	1,579,460
Amran	206	13,854,108	9,170,959
Al-Dhala'a	52	3,453,285	2,487,814
Several governorates	94	2,668,166	1,751,906
<b>Total</b>	<b>3082</b>	<b>216,552,610</b>	<b>136,375,686</b>

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### SFD cumulative investments, disbursements as of 30/06/2003 according to sectors

Sector	No of projects	Commitments (\$)	Disbursements (\$)
Education	1,551	116,643,592	73,002,512
Health	279	17,069,025	12,783,317
Water	540	33,590,354	22,387,907
Environment	81	9,942,094	5842198
Cultural heritage	39	5,784,875	2,354,635
Roads	104	11,439,502	6,581,423
Micro Enterprises Dev.	42	4,116,301	2,840,630
Small Enterprise	3	139,706	140,598
Special Needs groups	143	10,924,658	6,444,412
Integrated interventions	23	1,443,203	677,294
Training	127	2,249,083	1,210,799
Organizational support	150	3,210,217	2,109,960
<b>Total</b>	<b>3,082</b>	<b>216,552,610</b>	<b>136,375,685</b>

### Cumulative number of beneficiaries, and job opportunities as of 30/06/2003 according to sectors

Sector	Beneficiaries		Job Opportunities	
	Direct	Indirect	Temporary	Permanent
Education	1,020,569	193,091	4,744,901	10,956
Health	1,357,019	197,543	549,889	2,700
Water	1,474,568	113,489	1,503,635	656
Environment	1,079,400	79,105	298,660	1,418
Cultural heritage	181,285	67,680	303,888	36
Roads	940,361	1,045,643	783,018	22,713
Micro Enterprises Dev.	24,788	137,157	8,063	394
Small Enterprise	100	-	12,130	-
Special Needs grs.	75,409	72,523	326,077	831
Integrated interventions	52,031	113,249	54,800	36
Training	26,668	79,738	30,253	207
Organizational supp.	119,821	7,453	65,803	158
<b>Total</b>	<b>6,352,019</b>	<b>272,963</b>	<b>8,681,117</b>	<b>1232</b>

### Completed projects as of 30/06/2003

Sector	No. of Projects	Investments (\$)	Disbursements (\$)
Education	884	52,956,543	50,111,863
Health	179	9,473,301	9,123,339
Water	281	16,578,447	16,247,234
Environment	40	4,170,736	4,178,465
Cultural heritage	8	654,370	645,259
Roads	32	2,984,188	3,381,581
Micro Enterprises	26	1,417,463	1,091,644
Small Enterprises Dev.	2	13,706	9,372
Special Need groups	41	2,416,324	2,034,558
Integrated	5	110,813	93,658
Training	96	1,166,441	1,007,254
Organizational support	86	1,234,140	1,220,363
<b>Total</b>	<b>1680</b>	<b>93,176,472</b>	<b>89,144,590</b>

\*Completed but not closed projects and their final costs are subject to change

## Editorial

The continuous improved performance of the Social Fund constitutes one of the important elements in strengthening and developing the mutual relationships with its donors.

This notable reality has been evident in the results reached by the World Bank supervision mission conducted recently, at the end of which the World Bank confirmed the transfer of the Social Fund's role from just providing services to an institutional model, and expressed strong support to the launch of the Third Phase of SFD activities and to organizing a Donor Meeting to mobilize resources for this phase.

The European Commission also concluded the Mid-Term Review report prepared at the beginning of this year, which contains positive outcomes to enhance a fruitful progressive relation between the European Commission and the Social Fund.

Other donors' visits were that of a high level delegation of the Dutch government and the WB's Regional Director, in addition to the continuous contacts with all current and potential donors. One of the interesting new developments is the visit of the Saudi Development Fund – a promising major donor to SFD.

Moreover, preparations are currently underway for the Donor Meeting. The meeting will cover the performance of the first and second phases and the vision and proposal of Social Fund III.

Within this context, the government has increased its annual contribution substantially, which demonstrates its continuous support and encouragement to the SFD.

### A meeting for SFD's Donors in Sana'a

At the end of the World Bank mission, the Social Fund convened on 17 May 2003 a meeting for its current and potential donor representatives in Sana'a. The meeting was attended by the Vice-Minister of the Ministry of Planning and International Cooperation.

Participation in the meeting was at the level of Ambassadors and deputy mission heads, including the governments of Britain, the Netherlands, Japan, France, Germany, the USA and Italy, as well as the European Commission, the German Foundation for International Technical Cooperation (GTZ), and the UNDP.

During the meeting, the mission presented the findings of the supervision visit. The donor representatives were very active in the discussion regarding the future directions for the SFD.



## Highlights

**A Supervision Mission to SFD:** A World Bank mission, headed by Mr. Yasser El-Gammal (Senior Operations Officer), conducted a supervision and assessment visit to SFD from 03 to 15 May, 2003. The mission conducted a number of activities, including evaluation of SFD I, a Mid-Term Review of the SFD II and initiation of discussions & "Visioning Exercise" for Phase III to be launched next year. The mission agreed with SFD management on the main lines for SFD III. The World Bank expressed its continued support to SFD, as well as to the organization of a "Donor Meeting".

**IDA Mission Visits Some SFD-Implemented Projects:** IDA/WB Mission conducted several field visits to five of the projects of the SFD. The Mission visited the "Irada" NGO-sponsored project in Dharmar and appreciated the collaborative approach that is being used, where all parties are cooperating to integrate deaf children into general education.

The Mission also visited an NGO catering for the Blind in Sana'a. In addition, the Mission visited a project for rainwater harvesting in the village of "Khaila" (Ibb governorate), the Micro-finance Program in Taiz City, and the cultural heritage restoration activities in the Old City of Sana'a (where the Mission "was very impressed by the work the SFD has done" – as quoted from the main document released at the conclusion of the Mission visit).

**Visit of the Saudi Fund for Development:** A delegation from the Saudi Fund for Development, headed by Mr. Muhammad Sulaiman Al-Ghuthaili, paid a visit to the Social Fund on 19th of May 2003. The visiting delegation discussed with SFD's Management the approaches adopted by the Fund and the achievements realized in implementing its projects and interventions.

**WB Region Director Visits SFD:** Mr. Mahmoud A. Ayub, Director of the World Bank's Yemen, Egypt and Djibouti Region, visited the SFD on 31 May 2003. Mr. Ayub discussed with the Management of the Fund the on-going preparation of SFD III Project.

**Dutch Development Co-op Deputy Director Visit:** A high Dutch delegation headed by H.E. Rob Devos, Development Cooperation Deputy Director, paid a visit to the SFD and discussed with the Managing Director a variety of subjects concerning SFD activities, preparation for SFD III and challenges facing SFD such as lack of funding for the rest of SFD II and raising funds for SFD III.

**A preparation meeting for Microcredit Organization:** A meeting was held at the SFD Head office for the establishment of an organization specialized in microcredit. The meeting, during which goals and structure of the organization were discussed, was attended by sponsors of the organization: Dr. Adbulkrim Al Iryani, Dr. Mohammed Motahhar, Mr. Hassan Al Kabos and Ms. Fatima Al Huraibi.

**Inauguration of Women Training Center in Nuqum:** Mr. Abdulkarim I. Al-Arhabi, Managing Director of the Social Fund, and the Deputy Chief Mission of the USA, Mr. Alan Misenheiner, inaugurated on 29 May 2003 the Training Center for Women in Nuqum in Sana'a City. Since 1997, SFD – with the assistance of multi-donor funding sources, including the American government – has been providing continuous support to the center in phases. The first phase included support to skills development. In the second phase, the SFD provided necessary support to construct and equip the Center building in order to meet the expansions in activities. The SFD, under the fourth phase, is currently providing additional support to build and equip more literacy classrooms, a kindergarten with a playground to facilitate the enrollment of mothers in the various activities carried out by the center.

## Education Unit

In this quarter, the number of implemented and under implementation projects has reached 92. Thus, the cumulative number of projects until the end of second quarter is 1,551 projects. Education commitments during the quarter reached 7 million US\$, so the total in this sector, until the end of this quarter is 116 million US\$. The total disbursements until the end of this quarter reached 73 million US\$.

The pioneer schools program was put into effect, and has been renamed lately to the quality education program. Here, the recent situation of the 4 schools included in the program was assessed, and then several meetings were held with the school principals to specify areas where capacity building is needed for school teachers and principals, and to formulate a suitable training program.

## Infrastructure Unit

### Roads

Two evaluation field visits were conducted in this quarter for two SFD projects:

- The Henwab mountain road, in Demnat-Khadeer in Taiz governorate: The road passes through a rocky mountainous area, which used to cause great difficulties for cars to pass through; however, during rain falls, the road closes completely, and this has been an obstacle facing the area, since it is the only outlet to the district center (Khadeer, at the Taiz-Aden highway), which is the main market for the whole area. Demnah, which is accessible by this road, has the only health center servicing more than 30 surrounding communities.
- The Salaf – Al-Mawaset – Samee' – Taiz road: this road is in a steep mountainous area, where the vertical slope of some places reaches 18%. The total inhabitants of the Samee' subdistrict is about 35,000 and most of them work in agriculture and herding. The following villages are the main beneficiaries: Thee Erba, Al-Shuab, Al-Musailekah, Muhar, Al-ward, Al-Jubah, Ka'an, Al-Rahaiwah, Demnat Samee', Al-Mathaba, and Eastern Saber.

### Cultural Heritage

- As an extension to the program for rehabilitating and fencing the Magashem (small gardens adjacent to Mosques) in Old Sana'a city, ten new projects were approved and have been under implementation in this year. The project of restoring a space of Talha mosque, used to be a public well, has been initiated. This project will also be an outlet for marketing the products of charitable women associations in the old city. A pilot project to improve the facades of some traditional houses in Sayelah area at the old Sana'a City was also lunched.
- In regard to the Grand Mosque of the Old City, several activities have been carried out such as: conducting several tests for random samples of the Grand Mosque ceiling, under the supervision of the French expert, Marylene Barette, in an attempt to identify the style and methods of restoration. In addition, projects aimed at improving the electrical circuit of the Grand Mosque, renovating the lighting system and building new temporary ablution facilities were initiated.
- An emergency intervention was financed to rescue the western part of Al-Ashah palace, which will be restored, under the supervision of the Hadhramaut branch of the Yemeni Association for History and Cultural Protection.
- The SFD contributed to financing the Yemen National Day in Washington D.C., which introduced the unique identity of Yemeni Culture.

## Water & Environment Unit

### Water

The number of implemented projects and those under implementation during this quarter has reached 17. The cumulative number of projects, until the end of this quarter, is 540. The SFD commitments have reached one million US\$, and thus the cumulative SFD commitments reached 33.5 million US\$. The cumulative disbursements reached 22 million US\$.

- A successful pilot awareness campaign was lunched during the period of 7-25/6/2003, in the Western Garban water-harvesting project (in which the SFD restored and expanded 8 water harvesting cisterns used for drinking, livestock and household purposes).
- The following training courses were conducted: (1) Training consultants in organizational building to support local communities in operation and maintenance of rural water projects. The course material concentrated on how to calculate water tariffs, and related technical, financial, and administrative aspects, as well as optimal ways for conserving the environment surrounding the project. (2) Two workshops were conducted on the operation and maintenance of the slow sand filter, and were conducted in 11/6/2003 and 25/6/2003. Twenty-two consultants attended the workshops.

## Environment

The number of environment projects implemented and under implementation in this quarter is 4. This makes the cumulative number of projects for this sector reach 81 projects with overall commitments reaching 9.9 million US\$. During the quarter a training course on the SFD contracting, technical and implementation procedures was conducted for 25 contractors of water and sanitation projects.

## Training Unit

The number of projects in this quarter reached 16, with a total cost of 950 thousand US\$. The projects are distributed between the Training and Organizational Support Sectors as follows:

### Training Sector

The number of contracted projects to be financed during this quarter is 10 projects as follows:

- Two projects included programs for training of trainers, consultants, and SFD project committees in health and environmental awareness for water harvesting projects and capacity building of community committees.
- A training course for SFD project officers and consultants of organizational support projects was conducted on organizational capacity building of community associations.
- Three training courses targeted 72 members of marketing associations in areas of handling short-lived harvested garden crops, and ways to organize exporting activities
- A project for equipping the blacksmith shop at the Vocational Training Center in Khamer, Amran.
- A training program for specialists in the Public Works office of Amran governorate was conducted on eradicating rabid dogs and harmful insects.
- A training program for supervisors of public schools social workers.
- A support project for the training program at one of the literacy basic training centers in the governorate of Hajjah.

### Organizational Support Sector

The total number of contracted projects during this quarter has been 6 projects:

- Four organizational support projects for non-governmental organizations, targeting 5 associations in the governorates of Taiz and Ibb, and aimed at supporting the internal training activities via training of trainers and providing necessary equipments.
- Two organizational support projects for governmental organizations: (1) Organizational support project for the Noman Women Center in Taiz, which is affiliated to the Organization of Illiteracy Eradication. (2) Organizational support project for the Education Library Office in Sana'a City, which aims at improving the skills of administrative workers in the Education Office in educational planning, follow-up and supervision. The support included providing three key departments at the Office with computers.

## Social Protection Unit

Eight projects were contracted with a total cost of 366 thousand US\$. In this quarter, 19 female students were graduated from the health awareness workers course that was conducted in Bani Mater, and financed by the SFD. The students were assigned to the different areas targeted by the project. Labor kits, containing all tools needed by health worker to assist in safe labor according to UNICEF's standards, were distributed during the ceremony.

- Equipping the laboratory of the health institute in Al-Hodeidah.
- Several projects were prepared, which aim to train women to be health workers in deprived areas.

### Special-Needs Groups (SNG's)

A total of 7 projects were contracted at an estimated cost of 677 thousand US\$.

- A contract was signed to finance a training project on "Tools and methodologies of raising funds for projects" that targeted associations and centers working with special needs groups in various governorates, with a total cost of nine thousand US\$.
- The SFD implemented two training courses on "Tools and Methodologies of collecting donations and funds for projects", for 44 trainees from 24 different centers and associations in different governorates dealing with special needs groups.
- Computer training courses were conducted for Al-Khayoos charitable and, Al-Meriad charitable associations, the administrative boards at The Center of Social Rehabilitation for Girls, and Al-Rahma Center for Orphaned Females.
- Several organizational support projects were implemented for The Physically Disabled Association, The Association for the War Disabled, and Al-Ulfah Women Association, in which computer training courses, as well as administrative and accounting training were conducted for several associations, in addition to equipping them with computers.

### Integrated Interventions

- A training course was organized for the local development committees of integrated intervention areas on methods of preparing proposals for project funding and marketing.
- A contract was signed for implementing an expansion and furnishing project of Deer Mosa, and Deer Al-Rudaini in Al-Hodeida.
- Participating in a training course conducted in Cairo, titled: "Intensive course on illiteracy eradication using popular learning methods".

## Small and Micro-enterprise Development Unit

**New Projects:** During this quarter, the unit has signed several agreements that included the second phase for the micro-finance program in cooperation with the Adenian women Association in Al-Muala, and Al-Thuraya Association in Dar Saad, and The Family Development Association in Hais. In addition, several agreements have been signed to implement a new program in Al-Sheik Othman area in Aden, with the cooperation of Al-Wafa'a charitable association. Also, an agreement with the Yemeni Women Union in Abyan was signed, to start forming groups for the credit program.

**Second Workshop for Workers in the Micro-finance field in Yemen:** In the period between 18th and 20th of April, the second workshop for workers in the field of micro-finance was conducted; 33 persons participated, and the topics of the workshop concentrated on targeting and services. The workshop was an opportunity for exploring experiences of different programs, and building cooperation among various parties in this field.

**Technical Support Team for Micro-Finance Program, Micro-start 2:** In the period of 14-23 June, the international technical support team paid its first visit to launch the micro-start 2 project. The team conducted several meetings with SFD officials. A workshop was conducted, in which SFD representatives participated in addition to the other 3 participating parties, which were The Program for Developing Handcrafts in Sana'a, The Program for developing income-generating activities in Al-Hodeidah, and The Program for Developing Handcraft in Taiz. It is worth noting that the SFD plays the role of the local technical support for the Micro-start 2 Program, and the financing agency for credit programs.

## The following table shows portfolios of SMED programs as of 30/06/2003, cumulative

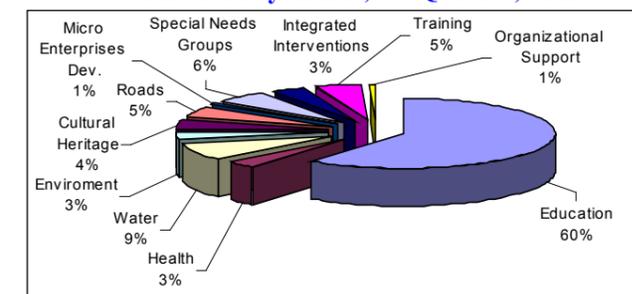
Program	No. of Borrowers	Loan Amounts	No. of Savers	Outstanding Loans Portfolio
Hodeidah Micro Credit	5,072	320,924	-	40,532
Hais Saving & Credit	1,345	45,057	674	6,946
Al-Maraweah IG	3,306	151,014	-	7,835
Wadi Hadhramout	408	30,958	-	12,309
Dar Sad Saving Credit	772	24,370	555	7,235
Ma'alla Saving &	507	18,318	410	6,550
Sana'a Micro finance	464	25,331	-	11,512
Al-Shaikh Saving &	54	1,605	292	2,651
Ibb Saving & Credit	193	4,555	1,053	2,356
Taiz Saving & Credit	412	7,723	1,243	3,740
Dhamar Saving & Credit	426	9,786	710	4,534
Yarem Saving & Credit	43	1,010	296	959
Dhamar Saving & Credit	32	503	221	487
Other Programs	3,589	109,411	-	-
<b>Total</b>	<b>16,623</b>	<b>750,565</b>	<b>5,454</b>	<b>107,646</b>

(-) Not Applicable.\*Amounts are in (000') YR

## Achievements of the second Quarter of 2003

The SFD has contracted Projects during the fourth quarter of 2003, with a total investment of about US\$11.8 million

### Investments by Sector, 2<sup>nd</sup> Quarter, 2003



### Investments by Governorate 2<sup>nd</sup> Quarter, 2003

Governorate	No. of projects	Commitments (\$)	%
<b>Sana'a Capital</b>	13	1,214,692	% 10
<b>Sana'a</b>	10	573,450	% 5
<b>Aden</b>	2	54,500	% 0.5
<b>Taiz</b>	24	1,610,529	% 14
<b>Hodiedah</b>	22	1,615,864	% 14
<b>Lahj</b>	2	147,120	% 1
<b>Ibb</b>	18	1,423,257	% 10
<b>Abian</b>	1	50,000	% 0.5
<b>Dhamar</b>	12	859,968	% 7
<b>Shabwah</b>	5	194,620	% 4
<b>Hajjah</b>	25	2,092,558	% 18
<b>Hadhramout</b>	5	286,000	% 2
<b>Saadah</b>	1	72,700	% 1
<b>Al-Jawf</b>	4	312,527	% 3
<b>Amran</b>	10	899,240	% 8
<b>Maarib</b>	3	173,286	% 1
<b>Al-Dhala'a</b>	1	40,000	%
<b>Several Governorates</b>	4	212,250	% 2
<b>Total</b>	<b>162</b>	<b>11,832,561</b>	