



Editorial

International assessments have always displayed that the SFD does not build projects only, but also builds efficient and unprecedented development work systems at the national level. These systems have been learning-based, multi-purpose and cost-effective. Thus, SFD has become a 25-year national house of experience that piloted new projects, implemented the best lessons and constantly learned from several lessons.

Yemenis, who suffer several shocks due to extreme poverty and impact of the ongoing conflict, may be lucky to reach climax of hardship in the same time the SFD's experiences have become totally mature and its policies have managed to adapt to the emergency context and saving lives using complementary development humanitarian modalities in most sectors of the response.

As the conflict in the country prolonged, the SFD's achievements during the previous period have succeeded to achieve the goals of enhancing the resilience of those affected by the humanitarian crisis and strengthening the social cohesion. The action has put a leverage on policies of a number of donors who, in turn, introduced "the humanitarian-development nexus action" as a new component in their aid to Yemen. At the local level, our efforts in building the capacities of local structures to work in the field on the basis of community engagement, transparency and cost efficiency have yielded positive results in light of the current conditions. SFD has hereafter started recently working with a new enabling mechanism called "medium scale projects", which finances the authorities on the basis of implementing their projects using the same SFD mechanism.

Response Progress (2016 - 2020)

People benefiting from cash transfer	456,811
Female	130,001
IDPs/Returnees	58,755
Youth aged 16-35	265,659
Pregnant women and mothers who received income assistance and nutrition services*	133,798
People provided with access to key services (from all interventions)*	4,765,014
Working days created from all interventions *	12,792,852
Number of beneficiaries received cholera and corona awareness messages	2,135,365

* This indicator reflects projects of LIWP and youth employment

Life-saving services enhance community resilience of 12 thousand families

SFD has kicked off 4 strategic water and sanitation projects in Hajjah City. These include increasing water pumping with solar energy in Al-Nawa'em and rehab of sanitation treatment plant.

The estimated cost of the water project, implemented by SFD's Hajjah branch office in partnership with the German Gov. via KfW, amounted to Euro 227 thousand. The total capacity of the project, consisting of 640 solar panels, reached 256 Kw as well as two pumping units with the capacity of 108 cubic meters per hour, in addition to water-collecting tank of 100 cubic meter.

The SFD water official, Faisal Al-Ma'zabi, confirmed that this is the biggest ever project implemented by SFD in Hajjah in cooperation with the German Gov. /KfW.

In his turn, the Director General of the Local Corporation for Water and Sanitation, Eng. Ameen Al-Mughalles, indicated the project covers 25% of the city's daily production capacity and benefits some 150 thousand locals and IDPs. He added, "The project will cover the health sector services and minimize operational costs & diesel consumption". Ameen called upon the donors to support such strategic projects that contribute to mitigating the suffering of people.

SECTOR ACTIVITIES



Education

Activities during the 4th quarter 2020 focused on implementing the components of the Vocational Literacy Program for Poverty Reduction (VOLIP) as follows:

1. Facilitating access to non-formal basic education

Seven classrooms and 4 activity rooms for community education were rehabilitated and furnished in the districts of Bani Matar, Hamdan, Sanhan and Bani Bahloul in Sana'a Governorate.

2. Training unemployed youth and working women

- Training 892 unemployed youth (412 females) as well as 370 working women in Al-Hodeidah and Sana'a governorates. The trainees were distributed over 40 training groups and received 9 training courses.

- Conducting 80 visits by the Ministry of Technical Education and Vocational Training to institutes during training for the purpose of supervising and inspecting of vocational training.

- Conducting 3 field visits by the monitoring and evaluation officer of the program in order to follow up on the quality of training implementation in the vocational training institutes in the governorates of Al-Hodeidah, Sana'a and Lahj.

- The representative of the Islamic Bank - Yemen made a field visit to training institutes in the governorates of Aden and Lahj, and met male and female entrepreneurs who benefited from VOLIP in the districts of Al-Houta and Tuban in Lahj.

- Conducting a field visit by the program officer to training institutes in the governorates of Aden and Lahj.

- Forming 4 field teams of consultants for the final evaluation of the program, and holding 3 workshops in the governorates of Sana'a, Aden and Al-Mukalla, before conducting the field visit for the final evaluation of the program in the targeted districts.

- Training 269 unemployed youth as well as 7 working women in entrepreneurship in Al-Hodeidah, Lahj and Sana'a Governorates.

- Carrying out two field visits by the program monitoring and evaluation officer in order to monitor the quality of the training in Al-Hodeidah and Sana'a Governorates.

3. Access to Microfinance

215 projects were funded for the beneficiaries of the program in Al-Hodeidah, Lahj & Sana'a Governorates and Al-Mukalla District (Hadhramout). The total number of beneficiaries reached 276.

4. Capacity building

- Providing institutional support to Literacy and Adult Education Organization through automating tests, issuing student certificates, developing an information system for the Literacy and Adult Education Organization, and training 11 specialists in the general administration of guidance and testing on data entry methods and information system management.

- Providing the Literacy and Adult Education Organization with 21 computers, 5 printers, 5 photocopiers and a fax machine in the general office of the organization in SFD's branch offices of Aden and the Capital City, and the Literacy Office in Sana'a Governorate.

- Carrying out 5 training courses in literacy and adult education for 100 male and female supervisors from 13 governorates on methods of guidance, follow-up and evaluation.

Education Indicators

Indicator	Achieved (2016 - December 2020)
Receptients of new jobs in social services	4,603
Teachers and facilitators trained	2,356
Students benefiting from cash for social services	278,752
Beneficiary schools (girls schools %12)	1,382



HEALTH AND SOCIAL PROTECTION

HEALTH

Under the European Grant to Strengthen Community Resilience, October-December 7 ,2020 projects were completed which aimed at rehabilitating, furnishing and equipping 7 health facilities.

These projects provided 18,172 working days and job opportunities for 1,799 workers, including 867 youth, 25 displaced people, and 134 working days for 22 male consultants and one female consultant. The total number of beneficiaries of all completed projects of the grant amounted to 43,303 individuals, including 9021 men, 7,638 women, 12,989 boys, and 13,655 girls.

PEOPLE WITH SPECIAL NEEDS

In continuation of the sector's policy aimed at providing the work field with specialized and qualified people with special needs groups, the sector has implemented a project during the 4th quarter 2020 to support the educational program of Noor Al-Amal School for people with disabilities in Aldhehar, Ibb City. The unit trained 35 of the schools' employees on sensory integration disorder and occupational therapy, preparing and designing individual and group programs and curricula and sign language. Another project with the Deaf Care and Rehabilitation Association in Zinjibar District, Abyan Governorate, included training of 20 female teachers on speech therapy, sign language and teaching methods.

The House of Social Guidance for Boys in Amanat al-Asimah was also supported through training 50 staff of the house on psychological and behavioral therapy, children's rights, and how to deal with children in conflict with the law. Another project was also implemented and aimed at training 143 health staff working in primary healthcare facilities in Aden Governorate on early detection of disability.

In addition, the sector implemented a project to establish a

community-based rehabilitation in Al-Sawaa Uzla, Al-Ma'afar District, Taiz Governorate. The main project activities implemented 24 awareness sessions for 1,901 community members on community rehabilitation and training rehabilitation workers (female and male) on the concepts of disability, the rapid survey mechanism for people with disabilities, management, accounting, finance, and implementation of a preliminary survey of persons with disabilities in 34 villages in the same Uzla, which resulted in 2746 persons with disabilities, of whom 1249 were females.

CASH FOR NUTRITION

Conditional cash for nutrition is one of the need-response projects, which contributes to providing temporary income for young women within the age group (35-18). It also contributes to providing cash assistance to pregnant women and mothers of children under the age of five from families benefiting from Social Welfare Fund as well as referring cases of malnutrition from nursing mothers, pregnant women and children to treatment facilities.

The project responds to one of the urgent priorities, which is the high unemployment rate among youth and the urgent needs in societies that suffer from high rates of malnutrition, which have been exacerbated by the war in Yemen since March 2015. The project targets pregnant and lactating women and mothers of children under the age of five years and focuses on Awareness, guidance and counseling for pregnant women during pregnancy as well as for nursing mothers, stimulating demand for maternal and child services, surveying and sorting out cases of malnutrition prevalent among children and pregnant and lactating women, and providing logistical facilities for their access to nutritional services in treatment center.

Nutrition projects are implemented in 16 districts of 10 governorates. 239,296 households were surveyed in the

targeted districts. The surveys showed the presence of 148,668 eligible households including 161,088 eligible women, which is about 63% of the households that were surveyed. 16,108 of those eligible women are part of the households benefited from the Social Welfare Fund, as well as 6,965 families include persons with disabilities. Cash assistance was disbursed for 6-4 months to eligible beneficiaries in the mentioned districts.

Health Indicators

Indicator	Achieved (2016 - December 2020)
Health facilities constructed/rehabilitated and equipped	84
People benefited from access to health services	463,570
Number of trainees in identification of severe stress and trauma for psychosocial needs	5,209
Youth recruited and received wages of working on construction services (Females %100)	6,029
Pregnant women and mothers received income assistance and nutrition services	133,798
Community female mobilizer	5,154
Children who benefited from the nutrition services	85,135



WATER, SANITATION AND HYGIENE

The number of completed subprojects during the quarter has reached to 24 subprojects, out of them 22 subprojects are in the water sector for an amount 2.149\$ million and 2 subproject is in the sanitation and hygiene sector for an amount 142,480 US\$.

The details of the completed subprojects are stated in the following sections:

Water Sector

The activities achieved:

1- One subprojects financed by Arab Fund Loan for SFD IV for total amount 82,000 US\$.

2- Nine subprojects financed by Yemen Emergency Crisis Response Project IV- WB/UNDP at a cost of 632,000 US\$.

3- One subproject financed by Yemen Emergency Crisis Response Project II- WB/UNDP at a cost 63,000 US\$.

4- Three subprojects financed by Germany \KFW Grant for SFD Water and Sanitation Programme at a cost 515,000US\$.

5- Three subprojects financed by Germany \KFW Grant for SFD Water and Sanitation Programme, Phase III at a cost 389,000 US\$.

6- Three subprojects financed Germany \KFW Grant for SFD Water and Sanitation Programme II at a cost 255,000 US\$.

7- Two subprojects financed by Yemen Social Protection Programme (YeSP) - Phase I at a cost 213,000 US\$.

Below are the detailed achievements in each water subsector:

1- Rooftop Rainwater Harvesting Cisterns:

During this quarter, 8 subprojects were completed for constructing 838 cisterns with total storage capacity 14,726 m3 providing water service to 755 ,5 persons while creating 62,691 working days.

2- Surface Water (springs and tanks)

Two projects were completed during this quarter, included construction of 6 tanks for rainwater harvesting with a total capacity of 2,600 m3 and pipes with a total length of 4,628 m, creating 5,686 work days and providing water service to 2,837 people.

3- Labor Intensive Water Interventions:

10 subprojects were completed during this quarter, out of them 6 for building rooftop rainwater harvesting cisterns and 2 subprojects for building distribution water tanks, and one for Rehabilitation well Al-Nagrah-Al-hadi and well Al- Nasser - kahren - Markha Aloya – Shabwah and one subproject for Rehabilitation water harvesting Bait dabosh/ Bani shawaitt/

khyar/bani Sureem/A'mran. The outputs of these subprojects included 415 cisterns of total storage capacity 7,737 m², 3 distribution water tanks of total capacity 300 m³ all to provide water service to 8,435 persons and created temporary job opportunities 39,522 working days.

4- Groundwater based Water Schemes:

During this quarter one subproject is completed containing water pipes of total length 11,200 km and elevated tank with a capacity of 100 m³ to provide water service to 1,935 persons while creating 906 working days.

5- Piped Water:

One project was completed during this quarter, which is Extending Hadibu water Network-Socotra. water project (phase I) included a water network of different diameters, up to 6 km, to provide water service to 7,200 people.

Water Indicators

Indicator	Achieved (2016 - December 2020)
Number of people provided with access to improved water sources	661,503
Storage capacity for improved water (m ³)	1,298,453



Sanitation and Hygiene Sector

During this quarter two subprojects were achieved:

1- One subproject was financed by Yemen Emergency Crisis Response Project IV- WB/UNDP at a cost 50,000US\$.

2- One subproject was financed by Germany \KFW Grant for SFD Water and Sanitation Programme at a cost 92,480US\$.

Below are the detailed achievements in each sanitation subsector:

Wastewater Management:

One subproject was completed at a cost \$92,480, provided

service to 757 people and created temporary jobs 5,999 workdays.

Labor Intensive Environmental Activities:

One subproject was completed at a cost \$50,000, provided service to 350 people and created temporary jobs 3,017 workdays.

Participation in WASH Cluster:

In terms of coordination and partnership, SFD partnership with local stakeholders, such as LWSC, GARWSP and Local Community Committees is ongoing along with all implemented projects. Partnership with LWSC and GARWSP are taking place in water scheme and Sanitation projects in both rural and urban areas, and the Local Communities Committees are concerning Rainwater Harvesting projects, water scheme and sanitation projects in areas where LWSC and GARWSP are not active. AS for Coordination with UN Agencies, INGOs and NGOs working in the Yemeni context, SFD is still active in the WASH cluster responsible for coordinating and aligning the interventions of all the agencies working in Yemen. The monthly reports of SFD has been submitted on monthly basis and the outcomes viewed on the YWC 4Ws online dashboard. The dashboard shows SFD interventions in 21 governorates in 116 districts for with 5 main components, for water and sanitation networks, rainwater harvesting interventions, Latrines construction and completion and water filters distribution. The cluster meetings continue to be held online and were concluded this year with the cluster annual consultation in order to discuss the areas of improvement, gaps and the way forward. WANTS is a new tool used by the cluster in order to collect data of the needs in the field. The cluster will hold a training on WANTS tools and dashboard on the first quarter of 2021 and SFD will go over the tools in order to assess SFD contribution in using them.

Sanitation and Hygiene Indicators

Indicator	Achieved (2016 - December 2020)
Beneficiaries from access to appropriate sanitation	82,342
No. of latrines created & rehabilitated	10,191



AGRICULTURE AND RURAL DEVELOPMENT

First: The Agricultural Productivity Enhancement Project (SAPREP) funded by the World Bank through the FAO

During the fourth quarter of 12 ,2020 projects were completed at an actual cost of about 1.5\$ million. This brings the number of projects completed since the beginning of the grant to 90 projects at a cost of approximately 8.5\$ million, while 39 projects are still under implementation at an estimated cost of approximately 9\$ million. These projects target 21 districts in 7 governorates, namely Hajjah, Al-Hodeidah, Taiz, Lahj, Abyan, Shabwah and Sa'adah.

These projects aim at contributing to improving food security and increasing agricultural productivity for small farmers, as most of the implemented activities were in the field of irrigation, land reclamation, water resource rehabilitation, water and soil conservation, animal nutrition, beekeeping and horticultural production.

In the field of water and soil conservation, the unit achieved the following: 614 hectares of agricultural land rehabilitated and protected, 20,955 cubic meters of the water storage capacity of the harvesting facilities completed, 4 wells rehabilitated, and 4 cisterns built. The total outputs achieved since the beginning of the grant are as follows: 1,977 hectares were of agricultural land rehabilitated and protected, 72,604 cubic meters of the water storage capacity of the harvesting facilities completed, 143 wells rehabilitated, and 15 cisterns completed.

In the field of horticultural crops, 1,402 farmers were supported and trained on using modern technologies in crop production, which had a positive impact on increasing productivity and improving income for small farmers

In the field of animal production, 10,204 livestock breeders were supported with dry fodder cubes.

Second: The British Grant for Humanitarian Response

During this quarter, 3 projects were completed at a total cost of approximately 0.2\$ million: two projects in the field of supporting and training horticultural farmers in the districts of Al-Ma'afer and Al-Misrakh, where 62 farmers were supported with modern technologies, production inputs and fertilizers. In the third project, 64 model barns were constructed in Alhadhareya Sub-district, Bajel District to improve production conditions for livestock through improving livestock shelters. The cumulative total number of completed projects has reached 10 projects with a contractual cost of more than 0.5 million dollars.

On the other side, 39 projects are still under implementation at an estimated cost of approximately 2.6\$ million. Most of these projects' activities were focused on soil and water conservation, beekeeping, production of horticultural crops, and the establishment of model pens to shelter animals. The table below shows the completed projects and those which are still under implementation.

Third: World Bank grant projects (YECRP - PF/EF/EF4) through UNDP

During this quarter, one project was completed in the field of flood irrigation, where a diversion barrier was constructed and canals were rehabilitated in Al-Dukiniya, Usailan, Shabwah. The benefitted agricultural lands amounted to 195 hectares, while 22 projects are still under implementation at an estimated of approximately 2\$ million. Most of the project activities focused on protecting agricultural lands, rehabilitating terraces, improving flood irrigation channels, and improving animal productivity through the establishment of model pens.

Agriculture and Rural Development Indicators

Indicator	Achieved (2014 - December 2020)
Households supported with cash	28,715
Displaced households supported with cash	2,003
Protected, irrigated and reclaimed agricultural land (ha)	7,678
Storage capacity (m3)	55,599
Total area of created &rehabilitated agricultural terraces (ha)	42
Rainwater harvesting storage capacity (cubic meter)	124,688
Workers	47,852
Female workers	7,332
Workdays	1,117,280
Workdays (female)	142,667



Training & Organizational Support

Interventions of the training and institutional support sectors aim to provide training and build human and institutional capacities for SFD's partners whose activities are related to the SFD's objectives of local development and poverty alleviation.

The activities of Tamkeen Program for the fourth quarter of 2020 diversified through the continuity of the village cooperation councils formed in the districts with the support of Social Fund for Development, as they were effectively active during the outbreak of the Corona pandemic.

The Village Cooperation Councils, the Sub-districts Development Committee and the district teams have implemented many self-supported initiatives, coordinated with health offices in the governorate, supported the Public Health Organization and the emergency committee in the districts, and worked effectively in raising awareness on the Corona virus.

The councils carry out many activities, summarized as follows:

Formation and activation of village cooperation councils:

where 292 village cooperation councils were formed and reactivated, and 292 development plans for village cooperation councils were prepared in several districts. Since the beginning of 2018, the total number of formed councils has reached 4,237 village cooperation councils, and the total number of development plans for these councils reached 4,237 village resilience plans. Thus, the number of elected members of the village cooperation councils is 33,896, of whom %50 are women. All members have been trained in participatory planning, implementation of self-initiatives, project management basics, follow-up and community control of development projects and some administrative skills.

Self-initiatives:

The self-initiatives are carried out by the Village Cooperation Councils through their fully adopting those initiatives (awareness, planning and implementation) such as (building water tanks, renovating classrooms - improving rural roads - on foot / cars – and sewage system). The total number during the fourth quarter reached 1,120 Self-initiatives, bringing the total of self-initiatives from the beginning of 2018 to 11,961 self-initiatives.

Community initiatives supported by SFD:

The community initiatives are supported by the Social Fund f

or Development in accordance with the TAMKEEN program mechanism (community contribution is about %60 and SFD contribution is %40). The total number of supported community initiatives reached 260 initiatives at a total cost of 520,550,000 YR of which SFD has contributed with %50 of the total amount. There were 180 life skills initiatives in which 8,230 trainees were trained (%90 of them are women). The training varied to cover the following areas: agricultural guidance, motorcycle maintenance, teaching methods for teachers of educational centres, how to handle suspected and confirmed cases of the Corona virus, the manufacture of sterilizers and disinfectants, and the manufacture of masks and protective suits. 80,000 masks and 1,200 health protective suits were produced and handed over to health offices, which in turn handed them over to health centers and hospitals for medical teams in hospitals in both Hajjah and Taiz governorates. Training courses in the manufacture of sterilizers were conducted in Hadhramaut and awareness campaigns were conducted in the governorates of Ibb and Dhamar.

Medium projects at the sub-district/centers level:

5 medium projects have been completed and handed over in Abs district as follows: constructing additional facilities for the health center in Deir Al-Hussi – Raboa'a Matwala Uzla, constructing a temporary health unit, Bani Arjan - Bani Thawab Uzla, constructing a temporary health unit in Al Kharaza - Al Wasat Uzla, constructing additional facilities for the health unit in Al Radha - Al Batorya Uzla, supplying and installing a solar water pumping system in Bani Aqili – Qutbah Uzla, in addition to signing 15 contracts with contractors for 15 projects in Al-Shamayayatayn, Al-Taziah, Al-Musaimeer, Khanfar and Al-Zahra.

RUAWFD Program

- Training (172) young people, including (88) females, within the Rawafed Program in the following courses (basic concepts and principles of development, basics of computer skills, Participatory rapid research methodology, and formation of community committees) during a period of 26 training days.

- Implementing a number of self-voluntary youth initiatives by 172 graduates of Ruawfd Program (including 88 females) in 4 governorates to confront the spread of COVID 19.

- Following-up on the implementation of 6 projects within

the Rawafed Program, which are implemented through 4 branches (Amran - Dhamar - Mukalla - Aden) and following-up on the implementation of measures to prevent the spread of the COVID 19.

- Continuing to develop a practical methodology for applying the advanced stage within the Rawafed Program, which aims to empower youth economically through entrepreneurship.

- Starting the preparation for the start of the TOT project implementation through the following:

- o Conducting the final financial clearances related to the project and recording them in the SFD's information system, after being approved by the unit's accountant and the finance officer.

- o Starting to prepare lists of the names of accepted trainees to attend the training and distributing them in three areas in which the training will be conducted (Sana'a - Aden - Ibb - Mukalla).

- o Preparing a list of fees calculation and trade-offs for selecting the trainer.

- Continuing to complete the processing of the electronic application for collecting data on the self-initiatives implemented by Rawafed young graduates in various governorates and districts, with the support of the Information Technology Unit, which will be launched soon and will contribute to facilitating the process.

- Designing and developing a proposal for the electronic issuance of training certificates through the MIS that is implemented by SFD through its various programs.

- 306 people got short job opportunities (318 female), and 15 graduates of Rawafed Youth Program got long job opportunities (10 female) during the period from the beginning of October 2020 to the end of December 2020.

Integrated Intervention Program

Within the framework of coordination and work with SMED, and within the project of forming, training and following-up savings groups and rural finance in the areas of the Integrated Intervention Program, the unit participated in the preparation, and follow-up of five training courses for members in the field of beauty, hairdressing, incense and perfume industry, in Bani Asaad Uzla - Hazm Al-Aden, Ibb, Wade'a Uzla - Bani Sarim, Imran, Bani Asaad Uzla, Ibb, and Al-Tathluth, Dhamar.

Community participation

The Training and Institutional Support Unit, through the Community Participation Sector, supports SFD's branches to enhance the participation of citizens in all SFD's field activities, as a right guaranteed to the citizens themselves, as well as to help facilitate the implementation of projects. The activities are summarized as follows:

- Implementing 64 social studies according to the PRA methodology for a total number of 26,890 beneficiaries (including 7774 women). These studies are conducted in most of SFD's sectors such as the field of water (private watering, rehabilitation of irrigation and sewage canals and improvement of the environmental situation), the agricultural field (rehabilitation and protection of soils and the reclamation of agricultural lands and terraces), and in the field of roads (the improvement, rehabilitation and maintenance of rural roads). These studies were carried out and committees were formed for some sectors under the supervision and follow-up of training officers in the branches.

- Forming 62 community and voluntary committees for a total number of 402 members, including 113 females.

- Within the scope of SFD's activities and interventions to raise capacity in the field at project sites, implementing 4 field training courses for a total number of 86 consultants (4 females), including consultants, engineers and technicians at the branch level in both Sana'a and Taiz in the field of the mechanism of occupational health and safety and environmental and social protection.

Training & Organizational Support Indicators

Indicator	Achieved (2016 - December 2020)
Community based initiatives supported and implemented	3,163
No. of active VCCs during activities implementation	4,496
Total number of youth trained and secured temporary job opportunity	5,412
Females	2,751



Labor Intensive Works Program

The Labor Intensive Works Program (LIWP) targets poor communities in rural and urban areas focusing on IDPs, displaced and unemployed communities affected of the on-going war. These communities aim to have a double benefit once from the income generated of participated in the program's project to protect poor households against the current exacerbating conditions. Another benefit is to provide community assets that will generate future benefits and improve access of poor rural communities to centers that providing basic services by improving the status and development of the road. Thus, the program is a key component of the social safety net (SSN) and contributes to mitigate the negative effects of the crisis and improve the livelihoods and food security for poor and those affected in the targeted areas.

In light of the current situation in the country, the LIWP's targeting mechanism has expanded accordingly.

LIWP comprises the Cash-for-Work (CfW) and Road Sectors.

CfW sector

The cumulative number of benefiting households exceeds 388 thousand.

Road sector

Street Pavement

During phase IV, 962 thousand temporary workdays have been cumulatively generated from completed and ongoing projects of street pavement.

Main events and activities of Labor-Intensive Works Program

During this quarter, several awareness workshops were held in most of SFD branches to clarify the concepts, standards and mechanism of CfW attended the workshops 36 male and 19 female participants from different governorates.

Moreover, all branches have conducted trainings for community, technical and accounting consultants on the mechanism of community, technical and accounting studies for CfW and roads projects' execution mechanism, attended the trainings 63 male and 10 female consultants.

Coordination with local communities

Meetings were held with local communities in targeted districts attended 113 members with the aim of involving them in the targeting process and to facilitate implementation of projects.

Training

Training is important and has a positive impact on the individuals to continue learning and developing their professional careers, which improve family economic and living conditions and get jobs later in the market.

The LIWP is implementing two types of training: on-the-job training and life skills.

On-the-job training: This kind of training focuses on qualifying unskilled and semi-skilled labors to be skilled labor, trainings were in different skills such as building, stone cutting and paving, cement plastering, etc., in addition to operate and make maintenance of produced assets. During this quarter, 1,012 male and 82 female workers were trained during implementation of CfW and roads projects.

Life skills: This kind of training builds the capacity of the person, make him/her able to live with confident and understand himself as well as others. During this quarter, 149 male and 157 female beneficiaries trained from the cash-for-work projects.

Health education and epidemiology

All branches focused on carrying out awareness workshops on prevention of corona and cholera epidemics, widespread diseases, qat damage, and improving health and environmental conditions, misconducts, and distributing sterilizers, facial masks, gloves, and follow social distancing instructions which mitigate spreading of these diseases and providing healthy environment with a high level of health education. During this quarter, 9,810 male and 8,663 female beneficiaries were aware during the implementation of the projects.

Occupational safety awareness and complaints mechanism

All branches held awareness sessions for 4,850 male and 2,183 female beneficiaries in targeted projects, raising awareness of the risks that could threaten their health and explaining prevention ways to avoid such risks, including the commitment to wear occupational safety tools at the workplace and complaint submission mechanism during the implementation of the projects.

CFW Indicators (INCLUDING WASH, CH, ROADS, LIWP & AGRICULTURE)s

Indicator	Achieved (2016 - December 2020)
Total number of direct beneficiaries of wage employment	252,753
Female (%30)	69,360
IDPs/Returnees (%20)	48,459
Youth (%35)	155,944
Number of working days created	7,671,527
Households benefitting from cash-for-work activities	170,955
No. of household members benefitting from the services	2,251,476
Area of agriculture land & terraces rehabilitated,protected and irrigated (ha)	6,539
Irrigation channels constructed/rehabilitated (m)	130,400
Cubic meters of water schemes constructed /rehabilitated	368,892
Length of roads improved (km)	532
Square meters of stone paved areas	815,243
Number of latrines constructed or rehabilitated	19,644
Number of IDPs houses and shelters protected, improved or rehabilitated	3,829
Number of home food gardens	5,324
Beneficiaries from access to appropriate sanitation	182,070



Small and Micro Enterprises Development

I – SMED Internal Activities

First – Funding activities:

A- Grants:

During the fourth quarter of 2020, the SMED Unit has continued providing grants and technical support to its partners in the field of small and microfinance, and non-financial services as well. The Small and Micro Enterprise Promotion Agency (SMEPS) received a cash grant amounting to about GBP 599 thousand, which it allocated to the Emergency Project to Support Business Continuity (Second Phase FCDO), in addition to approximately USD 1.63 million to continue implementing its various activities in providing financial and non-financial services during the third phase (ERG III).

A grant of GBP 31.3 thousand was disbursed to the Yemen Loan Guarantee Program (YLG) in the last quarter to continue providing its services. Also, during the quarter, grants totaling USD 80,000 have been disbursed in support of the IT Infrastructure Development Project for Namaa Microfinance Foundation, Azal Microfinance Program, Hadramout Microfinance Program and the National Microfinance Corporation, at the tune of USD 20,000 for each entity.

As part of the Vocational Literacy Project (VOLIP), grants were disbursed to establish "revolving funds" within the project through the National MF Foundation (USD 115.2 thousand), Namaa MF Foundation (USD 143.4 thousand), Azal MF Program (USD 89.4 thousand), Hadramout MF Program (approx. USD 109.8 thousand), and Al-Ittihad MF

Program (approx. USD 82,000). Thus, the grants disbursed during in quarter amounted to about USD 539.64 thousand. The project aims at enabling a number of beneficiaries to improve their living conditions, and integrate them technically, financially and administratively with MFIs. The total number of beneficiaries has reached 445, receiving a total amount exceeding YR 249.4 million.

B- Loans:

Due to the events Yemen faced in 2020 caused by the Covid19- pandemic, the demand for funds by MFIs from SFD have stopped during the quarter, as the MFIs saw the need to reduce their credit operations to avoid risks. Only Namaa MF Foundation was provided with a loan, amounting to YR 200 million, which was due to a scarcity of liquidity it faced. The total number of loans issued to MF clients during the quarter has reached 10,928, valued at YR 13.774 billion, while the number of active clients at the end of the period has reached 88,445 clients (of which approximately %33 were women). Thus, the active loan portfolio at the end of the period has reached approximately YR 33.38 billion. It is worth noting that the total number of cumulative loans issued since the establishment of the sector in 1998 until the end of the fourth quarter has reached 875,000 loans, totaling approximately YR 165 billion.

Second– Support for war-affected clients (Phase 2):

The project was established with the aim of compensating those MFI clients whose businesses have been damaged by the war, and alleviate the financial burdens they suffer from by canceling the debts they owe by providing them with grants to restore their activities or continue their existing

ones, and improve their standard of living and that of their families. During the quarter, 55 small and microfinance clients (including 14 women) have been compensated. The total compensations disbursed have amounted to about YR 32.1 million. Also, the debts of 52 male and female clients were written-off, amounting to approximately YR 8.7 million. The cumulative total number of beneficiaries from the project since its inception has reached 5,047 beneficiaries (%48 of which were women), receiving cumulative compensations of approximately YR 2.1 billion at the end of the quarter.

Third - The Village Savings and Loans Associations (VSLA):

Work in the program continued in the 13 areas it operates across 5 districts (one for each of five governorates) namely in Amran, Dhamar, Ibb, Lahj, and the Governorate of Aden). By the end of 2020, the number of existing groups has reached 216, of which 103 were female ones. Since the program was established in late 2018 until the end of the quarter the number of group members has reached 4,895, including 2,565 men and 2,330 women (%48 of the total). The cumulative savings until the end of the quarter have amounted to YR 109.2 million (equivalent to approx. USD 189.2 thousand, for an average value of YR 577 per dollar). Until the end of the quarter, the cumulative number of funds disbursed to the group members has reached 507 loans, worth approximately YR 76.9 million. The loans were used to fund income-generating projects and activities, such as: raising livestock, beekeeping, and other productive, commercial and service activities. By the end of the quarter, the number of VSLA trainees has reached 1,004, who received training in various technical fields, such as: livestock, beekeeping, modern agricultural techniques, handicrafts, hairdressing, incense making, and food production. On the other hand, the cumulative number of VSLA trainees since the start of the program on the principles of savings and rural finance has reached 4,926 (men and women), as well as 1,034 (men and women) covering bookkeeping, management skills, and group leadership. Also, 1,891 VSLA members have been trained in entrepreneurship and feasibility studies of small and micro projects. Finally, 133 female consultants have been trained since the start of the program in VSLA methodology, rural finance, entrepreneurship, and in carrying out the economic feasibility study of income-generating activities.

Fourth - The Yemen Loan Guarantee Program (YLG):

The program's activities have continued during the quarter in support of those owners of small and micro-enterprises unable to provide sufficient guarantees to obtain loans from the MFIs operating in the sector. The number of guarantees issued by the program during the fourth quarter has reached 220, equivalent to approximately YR 363.5 million, covering loans worth approximately YR 544 million (principal and Murabaha). By the end of the quarter, the value of active loan guarantees has amounted to approx. YR 1,566 million for 1,365 outstanding MFI clients. Since the establishment of YLG in November 2,263 ,2017 cumulative guarantees have been issued, totaling more than YR 3.2 billion in value, used to finance approximately YR 4.7 billion in loans (principal and Murabaha). The program has also carried out a number of other activities during the quarter, such as attending an advanced training course in Excel, and a training course by the Yemen Microfinance Network in strategic planning and financial forecasting. During the quarter, YLG has also obtained a grant by the American Association of Internal Auditors for an international diploma in internal auditing. In addition, YLG held a training workshop for MFIs on how to apply for loan guarantees through YLG's electronic portal on the Internet.

Fifth - Internal auditing and auditing:

To enhance effective control and supervision by SMED over its partnering MFIs, the audit team in the Unit has carried out a number of auditing activities during the fourth quarter of 2020. These included field audits on a wide sample of clients in the branches of Al-Ittihad MF Program (688 males and females) scattered in the governorates of Abyan, Aden and Lahj. A sample of 187 clients (males and females) in the National MF Foundations within the same governorates was also audited. In addition, a financial and administrative audit was carried out by a number of consultants and financial auditors in the National MF Foundation, Nama MF Foundation, and Azal MF Program.

Sixth - IT and automated software systems

Work has continued during the quarter in developing the SMED website, in which reports and analytical graphs were added, in addition to the regular updating of the database component of the Credit Bureau, as well as periodic maintenance work on the SMED website. Work also continued in providing routine technical support to the

entities that use the SMED automated systems (Loan Tracking, Accounting, and Human Resources systems), making data backups continuously and preserve them in the Unit. SMED has also implemented a new and qualitative project during the quarter consisting of developing the IT infrastructure of MFIs. The project included funding %80 of the procurement cost of IT equipment, such as servers, network devices, and Internet and data storage devices for five beneficiary MFIs.

II - Yemen Microfinance Network

In the fourth quarter, the network organized 8 training courses, as follows:

1. Credit feasibility study (Oct. 11-5): The course was among 3 training courses in total in this field held by YMN in 2020. It was held in Seiyun at the headquarters of the Hadramout MF Program, and was attended by 15 trainees. Several issues were covered, most importantly of which were familiarizing with the evaluation tool for small projects and activities on the basis of the model of the German consulting company LFS, the development of micro-lending mechanisms, how to evaluate and financially analyze the activities, and the practical application of the tool.

2. Arrears management and calculation of Murabaha (Oct. 22-11): Two courses were organized by the network during the period, with the participation of a total of 33 employees from MFIs and funding institutions. The two sessions dealt with the calculation of loan arrears, their negative consequences on the quality of the portfolio and the financial performance of financial institutions, and how to prevent or reduce the occurrence of arrears. The courses

also introduced the concept of Islamic Murabaha, and how to calculate it on the basis of the loan amount and repayment period.

3. Courses for credit specialists (Oct. 27-17 and Nov. 25-1): The network organized 3 training courses on the subject during the period, which were targeted at the credit specialists working in MFIs. The number of participants reached 58, in total. The courses focused on giving a general idea about microfinance, provide the necessary basic skills that a credit specialist should possess, in addition to other aspects such as: how to evaluate the activity of applicants for loans, the loan cycle, follow-up and collection, arrears management, and field work.

4. Certified internal auditing (October): YMN launched the course on October 2020 ,18 with the aim of qualifying 13 trainees among internal auditors and financial managers with long experience working in a number of MFIs. The course is divided in 3 sections, and will last 8 months, whereby graduates will eventually obtain the International Certificate in Internal Auditing accredited by the American Association of Internal Auditors (IIA USA).

5. Strategic planning and financial forecasting (Nov. 26-22): The Network implemented the course with the participation of 17 MFI trainees. The participants received practical training on how to prepare strategic plans for their agencies, how to prepare detailed financial forecast sheets (including expected revenues, expenses, and profits) on the basis of the plans developed, and general financial and economic variables.

Loan portfolio indicators for microfinance programs and institutions as of the end of December 2020

Ser. No.	Program	No. of disbursed loans	Active number of clients			Outstanding loan portfolio (Million YR)	Amount of Disbursed loans (Million YR)	PAR (%)	Cumulative numbers		OSS	FSS	No. of Personnel	No. of loan officers	No. of Branch Offices
			Borrowers		Savers				Number of loans	Loan amounts (Million YR)					
			Total	Women (%)											
1	Al-Amal Microfinance Bank	1,054	34,874	35	197,538	3,521	283	56	144,877	15,834	214	129	261	54	16
2	Al-Kuraimi Islamic Microfinance Bank	967	8,096	11	1,378,721	13,675	2,277	1	42,437	44,851	109	100	147	110	65
3	National MF Foundation	422	11,886	25	20,985	3,797	401	23	162,790	20,053	87	52	191	92	20
4	Nama Microfinance Foundation	304	7,187	22	130	2,226	224	6	99,948	14,098	105	86	153	74	12
5	Hadhramaut Microfinance Program	294	6,674	31	5,871	1,234	188	14	42,023	7,452	109	99	75	34	8
6	Azal Microfinance Program	272	3,523	31	2,763	1,659	368	7	57,715	10,399	114	78	100	42	8
7	Al-Tadhamon Microfinance Program	243	5,187	23	0	3,234	507	2	46,533	16,231	128	128	92	36	22
8	Al-Itihad Microfinance Program	158	2,866	73	0	830	94	17	53,804	4,576	59	38	92	42	8
9	Yemen Kuwait Bank	37	226	20	0	2,678	399	0	252	3,853	N.A	N.A	27	19	11
10	Aden MF Foundation	0	7,926	62	5,198	525	0	100	54,600	4,405	31	21	56	28	5
11	Other Activities & IGPs	-	-	-	-	-	-	-	169,411	23,168	-	-	-	-	-
	Total	3,751	88,445	-	1,611,206	33,379	4,741	-	874,390	164,920	-	-	1,194	531	175

Number of under-implementation projects and estimated cost - fourth quarter 2020 , by governorate

Governorate	No. of Projects	Estimated Cost (%)	Percentage (%)
Ibb	12	1,260,860	6.0%
Abyan	9	1,106,693	5.3%
Capital City	4	964,106	4.6%
Al- Baidha	7	1,830,662	8.7%
Al-jawf	4	376,270	1.8%
Al- Hudaidah	7	968,224	4.6%
Al- Dhale	4	663,728	3.2%
Al-mahwit	3	368,773	1.8%
Taiz	9	3,175,737	15.1%
Hajjah	4	377,404	1.8%
Hadrmout	5	928,374	4.4%
Dhamar	4	475,950	2.3%
Raimah	5	642,374	3.1%
Shabwah	8	1,439,315	6.9%
Sa'adah	4	656,337	3.1%
Aden	2	376,240	1.8%
Amran	8	2,543,639	12.1%
Lahjj	2	443,640	2.1%
Mareb	2	240,330	1.1%
Several Governorates	7	2,159,283	10.3%
Total	110	20,997,939	100 %

Number of under-implementation projects, - fourth quarter 2020, by sector

Sector	No. of Projects	Estimated Cost (%)	Direct Beneficiaries		Temporary Job Opportunities
			Total	Females %	
Environment	6	1,203,020	11,289	50%	32,584
Education	31	9,723,304	17198	50%	236,443
Orgnizational Support	2	523,639	16,620	46%	4,674
Agriculture	16	2,467,887	10,600	47%	80,152
Health	1	73,400	400	15%	205
Roads	4	475,680	4,725	51%	21,394
Special Needs Groups	3	132,000	0	0%	553
Micro Enterprises Development	8	1,729,650	3,440	47%	20,171
Cultural Heritage	5	659,896	339	7%	14,955
Water	17	2,021,503	39,781	50%	99,781
Cash for Work	17	1,987,960	24,569	51%	149,168
Total	92	24,598,871	296,733	54%	800,784

Number of completed projects, for the period 2016 - fourth quarter 2020, by governorate

Governorate	No. of Projects	Estimated Cost (%)	Est. SFD Contribution (\$)	Contractual Cost (USD)
Ibb	167	33,467,291	33,461,791	26,604,166
Abyan	96	14,212,763	14,212,763	12,549,379
Socatra	35	3,331,293	3,331,293	2,550,790
Capital City	81	16,537,576	16,154,365	12,933,591
Al- Baidha	94	15,406,825	15,406,825	9,196,118
Al-jawf	51	6,656,431	6,656,431	5,927,000
Al- Hudaidah	218	68,725,712	68,708,812	62,487,797
Al- Dhale	58	12,376,443	12,376,443	10,518,889
Al- Mahweet	78	10,934,374	10,934,374	10,016,333
Al-mahrah	46	4,614,529	4,614,529	4,029,846
Taiz	224	44,105,636	44,047,636	39,263,971
Hajjah	292	33,476,436	33,323,436	31,151,352
Hadrmout	110	13,186,274	13,186,274	10,895,326
Dhamar	152	25,415,807	25,415,807	22,921,578
Raimah	70	9,140,938	9,140,938	7,040,939
Shabwah	140	15,252,573	15,129,948	13,012,109
Sa'adah	126	17,611,253	17,611,253	16,698,465
Sana'a	93	10,689,890	10,689,890	9,800,667
Aden	88	13,641,165	13,641,165	11,766,319
Amran	129	18,376,568	18,152,567	15,374,795
Lahjj	152	27,660,087	27,660,087	25,274,011
Mareb	51	8,940,640	8,440,640	6,678,794
Several Governorates	134	93,715,110	93,715,110	89,681,836
Total	2,685	517,475,614	516,012,378	456,374,073

Completed projects, for the period 2016 - fourth quarter 2020, by sector

Sector	No. of Projects	Contractual Cost (USD)
Environment	134	17,758,129
Integrated Intervention	44	1,908,393
Training	96	4,518,895
Education	272	42,604,384
Orgnizational Support	91	12,307,435
Agriculture	195	23,143,742
Health	193	62,498,097
Roads	181	34,104,759
Special Needs Groups	31	2,370,421
Micro Enterprise Development	69	36,055,433
Cultural Heirtage	49	6,275,345
Water	633	75,918,018
Cash for Work	727	105,777,719
Business Development Survices	25	23,942,617
Total	2,740	449,183,386

The total includes 827 projects completed during the Emergency Period (2016 - 2019), while funded before

Number of under-implementation and completed projects , for the period 2016 - fourth quarter 2020, by sector

Sector	No. of Projects	Estimated Cost (%)	Est. SFD Contribution (\$)	Contractual Cost (USD)	Direct Beneficiaries		Expected Indirect Beneficiaries		Total Estimated Temporary Job Opportunities
					Total	Females	Males	Females	
Environment	140	20,628,867	20,128,867	15,368,931	390,794	50%	16,143	16,311	1,064,667
Integrated Intervention	2	151,000	151,000	110,408	5,475	53%	200	0	2,523
Training	43	3,386,417	3,386,417	2,690,969	6,105	47%	3,470	3,468	53,336
Education	301	47,016,744	47,016,744	29,598,825	245,661	51%	82,073	91,347	2,499,561
Organizational Support	124	22,922,232	22,494,232	19,852,258	1,060,331	50%	373,445	368,725	460,683
Agriculture	240	32,736,975	32,736,975	29,988,757	244,693	45%	11,945	6,430	1,744,255
Health	193	108,644,359	108,138,148	104,269,650	1,717,537	62%	322,787	3,497,898	2,906,865
Roads	195	29,945,626	29,945,626	27,672,850	613,654	50%	1,489	1,549	1,211,351
Special Needs Groups	27	1,425,377	1,425,377	817,157	122	34%	0	0	16,515
Micro Enterprise Development	86	48,458,202	48,458,202	46,226,209	102,348	45%	313,360	264,168	145,237
Cultural Heirtage	82	8,593,308	8,593,308	7,381,129	40,391	49%	64,398	38,926	410,187
Water	552	68,016,620	67,987,595	55,701,243	982,512	50%	3,353	3,873	4,339,018
Cash for Work	686	92,524,671	92,524,670	84,220,290	749,721	50%	177,959	187,201	6,428,767
Business Development Survices	14	33,025,216	33,025,216	32,475,396	27,171	39%	59,016	412,326	749,990
Total	2,685	517,475,614	516,012,378	456,374,073	6,186,515	53%			22,032,955

The total includes 827 projects completed during the Emergency Period (2016 - 2019), while funded before

Haifan relieved from water-fetching burden!

The lack of water service in the mountainous village of Al-Dami in Haifan District (150 families) has made life extremely difficult. Women and children leave homes and schools for most of the day and some men have left their livelihoods, all to participate in caravans that bring water from a distant well through a steep rocky road that has claimed many human & livestock lives and caused injuries.

Safiyya and her two daughters had been organizing two water-fetching trips a day, with one beginning early in the morning to carry water containers on their heads travelling one and a half kilometers towards the well.

Safiyya says, "Each of us carries a ten-liter container because of the difficulty of climbing the road, and on the way back we have to drink some, while those who carry water on animals arrive home with less amounts. We bring daily 60 liters with bitter misery and suffering, a quantity that barely covers drinking, cooking and ablution needs of eight people (the average number of members per family)!"

Along the road appears Zain, an -80year-old woman with a bowed back and one hand on her stick while the other carries a small tank full of water. She complains: "This drought and water scarcity have not happened for decades! And the only well is far away!".

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