

Republic of Yemen
Social Fund for Development

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Annual Report 2019

Faj Attan - P.O.Box: 15485
Sana'a- Republic of Yemen
Tel: + 967 (1) 449 669/8
Fax: + 967 (1) 449 670
Email: sfd@sfd-yemen.org

Web: www.sfd-yemen.org

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Annual Design and Layout: Ghaida Al-kohali
ghaida.alkohali@gmail.com

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SFD in a nutshell

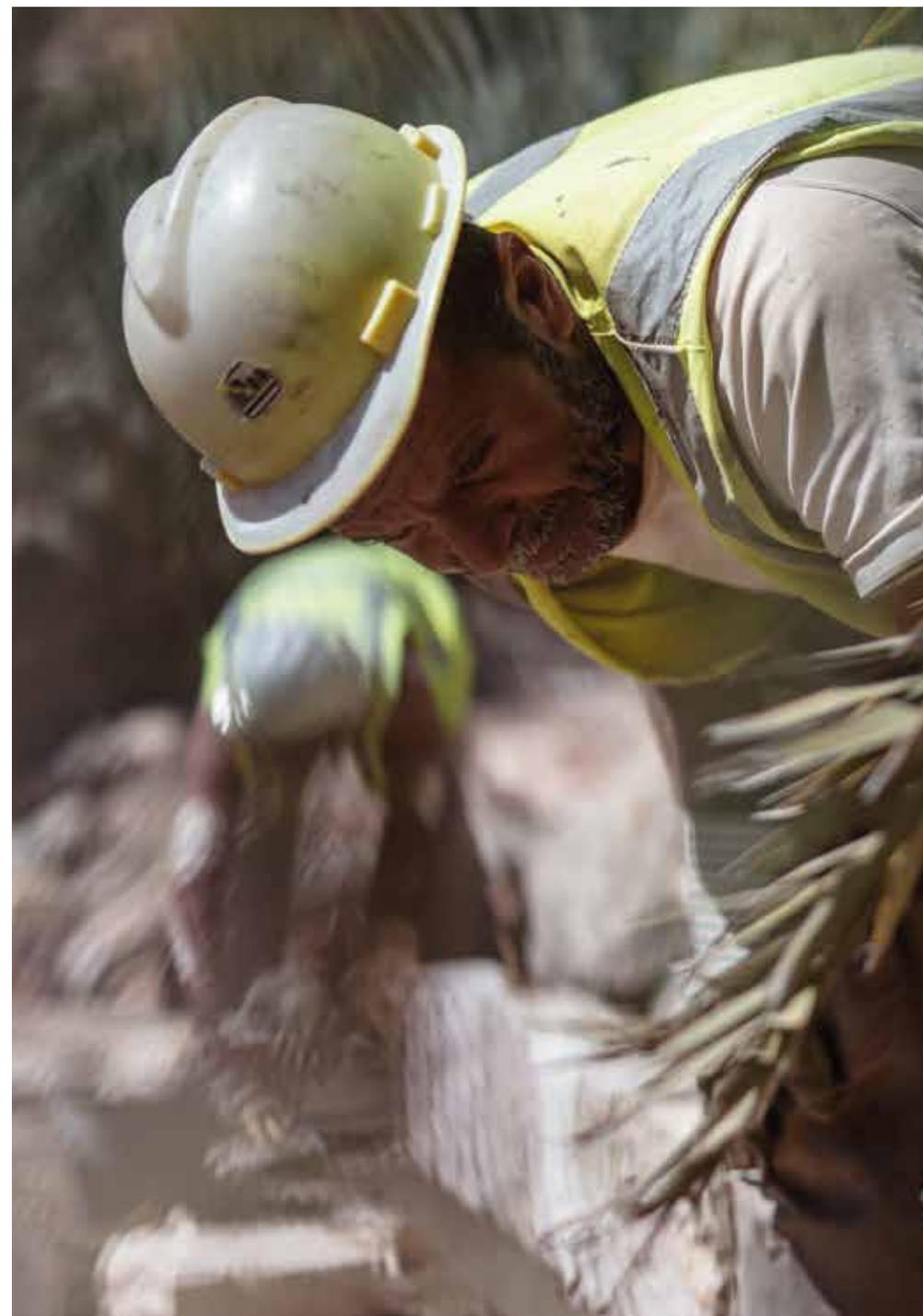
Yemen has become the world's largest humanitarian crisis in light of the severe deterioration of services and income due to the conflict escalation since 2015.

Being the largest social safety net player in Yemen, the Social Fund for Development (SFD) has responded to the crises by adjusting its development intervention modalities to focus on emergency response, which has differently stood out in Yemen in order to provide protection to mitigate the impact of the conflicts and shocks on the lives of the most affected communities.

After two decades since its establishment in 1997, SFD invests now in 13 key sectors through three main programs: Social Safety Net (SSN) Community and Local Development (CLD) and Small and Micro Enterprises Development (SMED). The SFD's interventions involve several attributes of notably long-term impact, community engagement and multi-option response.

The SFD's emergency crisis response plan (CRP I & II) aims to meet the most urgent needs of the displaced and vulnerable groups and create opportunities for livelihoods and access to basic services in education, health and water as well as to microfinance programs in order to protect small and micro business owners.

The SFD response would not have been ripen had it not been for the close assistance and support of donors including the World Bank, DFID, UNDP, EU, IsDB, German and Dutch Governments and others.





Statement of the Managing Director

We can say achievement under increasing challenges and various requirements briefly describes the reality of the SFD's activities and the relevant circumstances in the year 2019, which was overwhelmed by regular and emerging challenges at the desk as well as the field reality. New challenges, specifically difficult local and external administrative requirements, have been added to the ones existing on the ground, including the frequent fuel shortage, fluctuations of the local currency exchange rate and the precarious security conditions in areas of armed confrontations.

Yet, the slowdown and shortage of funding remains the SFD's largest challenge, as the expenditures of 2019 is 20 per cent lower than those of 2018; subsequently, the SFD may only reach the lowest case scenario of delivering the objectives of the Crisis Response Plan II.

Despite the exacerbation of the already dire humanitarian and living conditions in Yemen, there are still manifestations of adaptation, resilience and self-help taking place at the level of local communities, families and business

which can be considered an encouraging phenomenon and vivid opportunities for developmental work that potentially contributes to breaking out the static circles of the food aid distribution and shifting to a more sustainable and stable reality. Nevertheless, the international aid—already limited and decreasing—is still almost completely focusing on the relief and humanitarian aspect, which unfortunately is continuing to worsen.

On the other hand, about 155 thousand people have been added to the beneficiaries of the SFD's various cash transfer programs, bringing their total number to more than 340 thousand by the end of 2019. These include those benefitting from the temporary income provided by the Cash-for-Work Program that responds to the priorities of local communities as well as pregnant and lactating women from the poorest families—in particular, cases of malnutrition—and other groups of beneficiaries in various sectors and programs such as roads, water, empowerment for local development, community initiatives and funds invested to productive and income-generating activities, mainly agriculture using improved technologies, etc.

Some 129 verification visits conducted by the independent third party and donor-associated agencies have confirmed that all communities' members surveyed were "satisfied" with the project identification process, of whom 29% "highly satisfied", with the percentage increasing when it comes to identifying the beneficiary households and individuals within the community.

On the other hand, the respondents who were "not satisfied" with the speed of performance and payment of due wages make up only 22% vs. 69% saying they are "satisfied" and "very satisfied" and 9% neutral.

This is the tangible achievement all SFD's workers are proud to have delivered under extremely difficult conditions. And certainly, there were valuable

observations that will be made use of—as usual—to develop and improve performance.

It is worth mentioning that 2019 was also the year of social and environmental protections, including occupational health and safety, as this aspect has received unprecedented attention and witnessed remarkable development in the SFD's work. In this regard, a specialized team was hired, all project officers trained and some 3 thousand consultants, technicians and beneficiary-committee members educated on relevant issues, in addition to distributing more than 60 thousand relevant informative publications across the SFD's branch offices.

Finally, we want to do more—and we can, if potentials and conditions allow.

Abdullah Ali Al-Dailami

SFD Managing Director

Executive Summary

The Social Fund for Development adopted emergency and crisis response planning starting from 2016 in order to respond to the changing needs of the vulnerable Yemenis as a result of the ongoing conflict. Since 2016, SFD has approved and started the implementation of 2,243 sub-projects, of which 149 were completed during 2016-2017, while 1,231 sub projects were completed during 2018-2019. Currently there are 742 sub-projects under implementation with a total estimated cost of \$141 million approximately. The 742 sub-projects are distributed over various sectors, with the majority under the Water & Environment sectors (190 sub-projects), followed by Education (131), LIWP and Roads (129) and Agriculture sector (100), while the remaining come under the different other sectors.

Since 2016, SFD has provided more than 367,000 people with temporary employment opportunities under the different programs (Social Safety Net and Community & Local Development) of whom 91,497 direct beneficiaries during the period January–December 2019. Out of the total, around 26 percent were females, 14 percent were IDPs and 59 percent youth. The overall activities of the SFD created more than 11.6 million workdays and provided more than 3 million people with access to key services and community assets.

As for SFD funding, 20 agreements were effective by December 2019 with a total amount of \$589.9 million, with \$401 million received (of which \$285 million received under Crisis Response Plan II “CRP II”). The funds for CRPII come from 11 donors and 24 agreements, of which 11 were closed across the period 2018-2019.

This report provides a summary of SFD's activities and operations during 2019 as part of the CRP II, which is a continuation of SFD's work under emergency context. CRP II aims to provide an effective and quick response for Yemenis in

need and complement the humanitarian response by providing tailored interventions to improve the living conditions of the targeted communities.

The report also elaborates SFD's operations including technical, funding and operational activities under the three main programs: Social Safety Net (SSN), Community and Local Development (CLD) and Small and Micro Enterprise Development (SMED).



Activities and Progress per Program and Sector

SOCIAL SAFETY NET

Social Safety Net (SSN) is currently the largest program with investment size of \$163.2 million from a total investment \$ 272.1 million representing about 62%. The sectors include Cash for Work (CfW), Cash for Social Services (CSS) and Nutrition-Sensitive Cash Transfer (CCT). Communities will benefit from short-term job opportunities, mothers benefit from transfer linked to nutrition, and youth have enhanced skills and employment opportunities. Since 2018, under the SSN program, the total number of beneficiaries of wage support under the Safety net program was 336,707 compared to a target of 272,753 by 2019 exceeding the target for the year by 23%. Majority of beneficiaries are from the Cash for Works activities due to the intensity of the labour required to implement these activities. As stated before, 554 sub-projects started during 2016–2017 and continued over to 2018 representing 41% of the total projects under CRPII . The 554 sub-projects contributed to about 50% of the achieved indicators for number of wage-supported beneficiaries and working days under the SSN program.

The reason for exceeding the target is the CfW activities in which substantial number of sub-project that started mid/late 2017 and completed in 2018 contributed to the achieved results. The total number of females benefiting from temporary employment was 83,713 compared to 85,536 as a target. The slight difference comes mainly from the CfW activities in which achievement of female participation reached 98 percent of the 2019 target. More details into the achievements and activities under the three sectors are provided below.

COMMUNITY AND LOCAL DEVELOPMENT (CLD)

CLD program aims to restore basic services through supporting the construction of service delivery infrastructure in the fields of Health, Education, WASH, Cultural and Heritage, Agriculture and community empowerment. Activities

under this program assume that reconstruction and rehabilitation of essential public and community infrastructures along with supporting the operation of the services will lead to improve community access to basic socio-economic assets and service delivery. During the reporting period, the CLD program has provided more than 50,695 beneficiaries with work opportunities including 6,695 were provided with short-term employment opportunities through organizational support activities and contractor under the rehabilitation and reconstruction activities of the health sector creating more than 1.1 million working days. These activities created access to services to more than 710,000 community members. Description on the activities per sector is provided in sections below.



EDUCATION



The education sector has been directly affected by the conflict since March 2015. More than 1,500 schools have been damaged, 51% of teachers have not received their salaries since 2016, and nearly 2 million school-age children (36% female) are not enrolled in school as well as one million students need assistance to ensure education continuity. As such, the challenges facing education in general and girls' education in particular have been exacerbating.

RESTORATION OF BASIC SERVICE DELIVERY

Since 2016, the SFD-supported interventions contributed to supporting the perpetuation of the educational process and responded to the emergency needs in education. This has been pursued by employing the youth to provide education services, supporting rural girls' education, training of educational staff, and expanding the activities of community education and literacy for youth and working women.

Education activities are implemented across two programs of which the Cash for Social Services and Youth Employment in Education is implemented as part of the Social Safety Net Program; while under the Community and Local Development Program educational activities include facilitating access to educational services through the training and capacity building of teachers and infrastructure activities such as schools rehabilitation. In this context, SFD resumed infrastructure activities as a result of the Arab fund lifting the financing suspension back in 2018 as well as part of the KfW new financing which supports an integrated approach including schools rehabilitation and construction; provision of furniture and learning materials, training for educational staff, contracting unemployed educated youth to deliver community-based education services and transportation support to unpaid teachers and schools administrators. Additionally, training activities are also supported from the DFID Yemen Social Protection (DFID YeSP).

As of December 2019, SFD completed the rehabilitation of 50 classrooms all

of which are from the Arab Fund financing providing access to 1,250 students of which 55 percent are females. The percentage of females is expected to increase with more activities aimed towards increasing females' access and benefit from educational services.

Since January 2019, preparations took place in order to start implementation of the KfW two agreements, as of December 77 sub-projects were developed and under implementation with an estimated cost about EUR8 million.

TABLE 1: EDUCATION PROGRESS INDICATORS VS. TARGETS (YEAR 2019)

INDICATORS	Baseline (2016 + 2017)	ACHIEVED			TARGET
		DEC 2018	DEC 2019	Baseline + Achieved	year 2019
Number of classrooms and school facilities constructed, rehabilitated and equipped	5	41	50	55	-
Number of teachers, facilitators, education personnel and community members trained	-	1,639	1,639	1,556	1,790
Female 30%		363	363		537
Number of students having access to education	239	1,085	1,250	1,489	-
Female (80%)	144	560	686	830	

CASH FOR SOCIAL SERVICES

During January – December 2019, with the start of the school year in September 2019, the total number of youth employed to provide educational services increased to 3,935 compared to 2,096 for previous year (53% increase). Although the number of employed youth has exceeded the target by 400% and this is mainly because about 50% of this indicator was for activities that started in 2017 and continued over 2018. As well, the number of female educators exceeded the target with 48% (and have been employed during the period). This comes as SFD continue to encourage female participation and prioritize female employment as well as to encourage female education.

he activities under the Cash for Education aim to contribute to the stabilization and enhancement of access and use of formal basic and secondary education and quality of education in rural and urban areas with special attention for girls' education. The following table shows the progress under this activity. Activities are supported by several donors including WB/UNDP, KfW, DIFID YeSP and IsDB.

TABLE 2: EDUCATION/YOUTH EMPLOYMENT IN EDUCATION

INDICATORS	Baseline (2016 + 2017)	ACHIEVED			TARGET year 2019
		DEC 2018	DEC 2019	Baseline + Achieved	
Number of youth recruited and receiving wages for education services	NA	2,096	3,935	3,935	1,000
Female (35% in 2019 and 2020)		1,019	1,907	1,907	350
Number of youth providing community-based rehabilitation targeting persons with disabilities (15%)		NA	NA	NA ³	150
Number of beneficiaries of education services	NA	20,960 ⁴	87,475	87,475	40,000
Female (39%)			38,489	38,489	15,600
Number of workdays created from education interventions	NA	136,737	NA ⁵	NA	189,000

Vocational Literacy Program for Poverty Reduction (VOLIP)

VOLIP is a five-year program jointly funded by the IsDB and OPEC, with a total amount of \$21.4 million. The project aims to contribute to the reduction of rural poverty in four areas (Lahj, Al-Hudaidah, Sana'a and Al-Mukalla) through empowering poor rural families with literacy proficiency, market-oriented vocational training, entrepreneurial skills, and access to microfinance and business counseling services. The program has five components:

1. Access to non-formal basic education.
2. Youth's Vocational Literacy.
3. Training of Women Workers;



³Activities to support SNG groups resumed in 2019, results will mostly be reported in 2020

⁴Average number of students per employed youth is 10

⁵This will be reported once the school year is over.



4. Microfinance; and

5. Capacity building.

As of December 2019, SFD through this fund rehabilitated and constructed 79 literacy classes and community learning centers benefiting 4,441 children aged between 9-15 of whom 71 percent are females as well as liberating 2,200 women from illiteracy.

Under the "Vocational Training of Young People and Adolescents" component, SFD supported 1,673 young people with short- and long-term vocational training (of whom 63% are females "F"). While 2,169 (87% F) youth aged 16-24 benefited from literacy education. Whereas, for the rural women vocational training component, SFD supported 904 rural women with short and long-term vocational training and 2,257 women aged 25-50 years with literacy education – making the total of women support with vocational training and literacy classes 3,161.

In addition to capacity building for beneficiaries, this program supports the training for teachers, supervisors and government body members in which during the year the following received training

- 505 hired literacy classes and community education teachers received training (95% Females).
- 76 hired literacy classes and community education supervisors trained of whom 74% Females.
- 62 members of government project partners received one training course or more – 39 % females.

To support poverty alleviation, this program also aims to support beneficiaries with access to economic opportunities through training and access to finance. As of the end of the year, 2,109 youth received training of entrepreneurial skills of whom 59% are females. Furthermore, 1,271 women business owners received training on business entrepreneurship. Out of the total youth and businesswomen received training, 247 received loans through the loan guarantee program and microfinance institutions.

BOX (1)

Nabeeha... from illiterate poor women to freethinking business woman

Nabeeha Omer Sahel Ahmed believed there was no right for girls in education. However, her belief has completely changed when VOLIP started to register both males and females to join entrepreneur and life skills training and then enroll them to vocational training. Nabeeha was one of these.

She says, "I saw the females in my community become a good model amongst the people in their areas. I started to rethink about my thoughts and views regarding education, and joined literacy class. I keep attending the class diligently until I became literate and then joined the entrepreneurship and life skills training. Later, I enrolled in a training for raising livestock (cattle, sheep and goats) and received a loan through Al-Amal Bank and bought 4 sheep."

"I am really very happy for the change of my life," she concluded.



BOX (2)

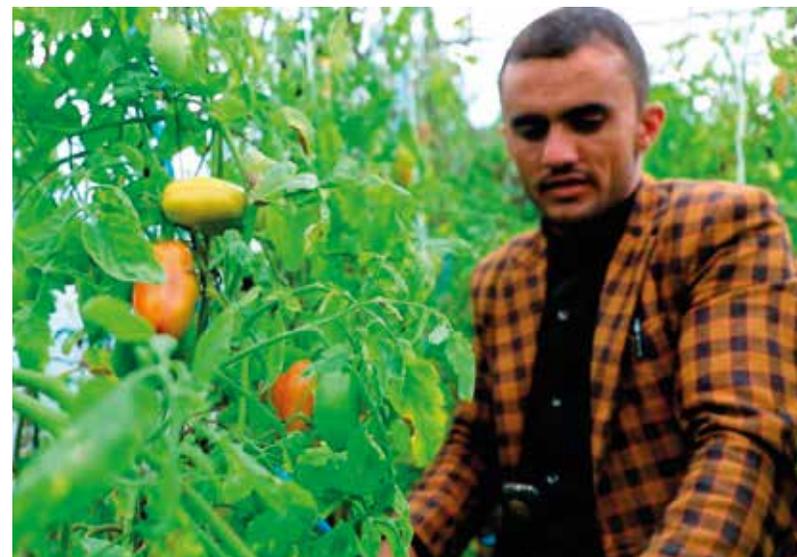
VOLIP builds capacity, brings about a sustainable job opportunity and food security

The Yemeni youths face many difficulties and obstacles preventing them to reach their ambitions and assert themselves at various levels. Among them is Saleh Al-Moazib, who suffered challenges but approached the VOLIP Program as a window of hope that provided him and his peer youths with an opportunity to obtain specialized training in entrepreneurship that strengthened the capabilities and skills of youth and enabled them to assert themselves and engage in the labor market.

Through entrepreneurship training, this opportunity linked Saleh to the realization of his dream by a practical step; developing a business plan and a feasibility study related to his personal ambition to create a greenhouse to grow vegetables. Then Saleh joined another VOLIP's professional training course in growing vegetables in greenhouses. Through entrepreneurship and vocational training, Saleh succeeded in getting a profit-free loan from his local community to fulfill his dream, and he bought a small piece of land and established a greenhouse to grow vegetables in one of the areas in Manakhah District, Sana'a.

"After I had finished my entrepreneurial and professional training, I successfully asked for a profit-free loan from my villagers to start my project", Saleh said.

"I then bought the land, the greenhouse, the irrigation dripping network and seeds. Now, praise be to God, my land has been producing good tomato crops and I managed to repay half of my debts. The greenhouse has become a source of income for my family. My intention is to keep working, buy an extra greenhouse, and produce crops other than tomatoes", he added.



HEALTH



During 2019, SFD implemented various activities under the health sector including the rehabilitation of health facilities, where 85 health facilities are being rehabilitated and/or reconstruction. The infrastructure activities aim at restoring and improving access to health services. As of December 2019, 65 health facilities have been fully rehabilitated and provided with equipment and furniture. The remaining are still at different stages of implementation.

The overall progress under the health sector is presented in the following table.

TABLE 3: HEALTH PROGRESS INDICATORS VS. TARGETS (YEAR 2019)

INDICATORS	Baseline (2016 + 2017)	ACHIEVED			TARGET
		DEC 2018	DEC 2019	Baseline + Achieved	year 2019
Number of facilities constructed, rehabilitated and equipped	NA	NA	65	65	60
Number of people employed in construction activities	NA	NA	2,490	2,490	3,500
Number of people benefiting from access to health services	NA	NA	131,594	131,594	263,170
Total # Female (50%)			68,631	68,631	131,585
Number of trainees in identification of severe stress and trauma for psychosocial needs, disaggregated by gender	NA				
Total # Female (30%)		1,245	4,904	4,904	1,396
		190	1,953	1,953	419

NUTRITION-SENSITIVE CASH TRANSFER PROGRAM

This program was initiated in 2014 as a pilot to target 5,000 households in three districts in Al-Hudaidah. It was suspended in 2015 and resumed operations in 2016 under the Emergency Crisis Response Project funded by the World Bank. The program was scaled up to 21 districts in six governorates with high malnutri-

tion prevalence, taking into consideration regional balance of south and north. The program is implemented through different components including monthly cash transfer, which was increased from YR 9000+ per household quarterly back in 2014 to YR 10,000 per household in a monthly basis since 2016 and increased again to YR 20,000 in 2017 to respond to the depreciation of the YR and the increase in the food prices.

The program has four integral components as the following:

- Monthly cash transfers for eligible mothers for 12 months conditional to attending health education sessions
- Transportation & accommodation fees and facilitating access to treatment centers
- Health education including public and house-to-house visits
- Training and employment opportunities for young women aged 18–35 years as community-based health and nutrition promoters.

The cost per beneficiary during the lifetime of the intervention range is \$590 - \$670. The project is guided by the general framework of the Social Fund's policy in targeting of poor communities and groups at greatest risk. The program targets the following:

- Households registered in the Social Welfare Fund (SWF) and displaced families having pregnant women and/or mothers with children under five.
- Families having malnourished children and/or malnourished pregnant and lactating women.
- Families having a child under 5 with disabilities and/or the woman is with disability.
- Unemployed young women.

Districts Selection Criteria include the following:

- High-priority districts according to indicators of malnutrition, and the density of unmet needs (defined list of nutrition sub-cluster).
- Availability of health and therapeutic services and coverage of health outreach services.
- Security access.

As of December 2019, there was no change in the achievement of this program since June 2019 of which SFD has supported 88,040 women with monthly cash transfers, treatment for 115,530 children and women (69,035 children and 46,495 women) compared to a target of 140,000 and 72,000 respectively. The program employed 3,767 of female community educators enrolled in the program creating more than 1 million workdays achieving 87 & 91 percent of the year targets for those 2 indicators. As the program is slightly under achieving this year due to completion the benefit rounds to beneficiaries. However, with the next round due to start in 2020, the indicators are expected to progress.

TABLE 4: HEALTH/CONDITIONAL CASH TRANSFER IN NUTRITION & YOUTH EMPLOYMENT

INDICATORS	UOM	Baseline (2016 + 2017)	ACHIEVED			TARGET
			DEC 2018	DEC 2019	Baseline + Achieved	year 2019
Number of youth recruited and receiving wages for providing nutrition services (100% female)	No.	633	3,608	3,767 ⁶	3,767	4,300
Number of children who have benefitted from the nutrition services Girls (50% from 2019&2020)	No.	15,394	38,937	69,741	69,741	72,000
Number of pregnant women and mothers who have benefitted from cash transfers and nutrition services	No.	13,380	84,794	88,040	88,040	105,000
Number of workdays created from health and nutrition interventions	No.	96,269	394,882	1,018,019	1,114,288	1,083,600

By the third quarter of 2019, SFD has started the preparations for the additional financing from the World Bank in which about USD 39 million will be invested in the nutrition program. Under this new financing SFD will be collecting information on women with children with disabilities as this was not part of the data collected in the previous targeting. This will allow SFD to report on the number

of women supported who has children with disabilities. During the fourth quarter, SFD has started the procurement process to contract a consultancy company to conduct the Nutrition screening to identify potential beneficiaries. The consultancy company has started its fieldwork in Al-Hudaidah and Hajjah, and will conduct the screening for 6 districts, five of which are in Al-Hudaidah.



⁷Information on disability under nutrition is part of the new patch that is currently being identified.

BOX (3)

Operation theatres now ready to save lives more than ever

Because of the brutal war and the increasing vulnerability of Yemenis, any service, whatever its status and capacity, has become important to people especially if the service is to save lives. The operation section at the Hospital of Mohamed Al-Durrah in Jehana District, Sana'a Governorate (serving 67,000 persons) is one of those sensitive health facilities that worked for years under a high rate of death risks because the section's design had not been meeting the minimum medical or safety standards; it originally had been a male ward in the building in the old building and as the hospital building developed and needed to start surgeries, two rooms and additional spaces were assigned as an operations section.

The section's tiles were cracked that usually required continuous and costly sterilization. The sewerage leakage on the operations section also led to the suspension of every activity in the section and workers were forced to evacuate it and refer patients to the Capital's hospitals, no matter how urgent. And the hands-washing basin located in the section's lobby had sometimes been overflowing leading to a complete cessation of operations until they were repaired. In addition, the presence of many windows in each room and being not tightly closed had also produced dust and contamination of tools and devices. The doors of the section's rooms were made of wood that was difficult to sterilize and became a source of infection and pollution. In the absence of a heater for newborns, the female nurses had to carry the newborn to the nursery section, where there was a heater. The lack of an adequate number of oxygen tubes reduced the access of cases to the service, and the sterilization device was causing rust to the surgical equipment. This situation led section to be paralyzed due to the frequent cessations as a result of contamination and frequent cleaning and sterilization that caused many health problems for workers.

In light of all those challenges, the Social Fund for Development (SFD) intervened to develop the design and to equip and furnish the section at a total cost of \$52,000 in a way that protected the lives of workers, patients, mothers and children from the risks of contamination and increased access to its services.

The section also has got a special heater to protect lives of the newborn in the cesarean section. The section was provided with a modern sterilization device, and the leaks from the sewage network were treated. The hands wash basin was moved to a suitable place and the operating room's windows and doors were changed to anti-bacterial aluminum doors. Today, the section has become able to receive 1,450 clients, mostly mothers and children, and perform operations on more than 653 patients during the last three months of 2019.

PSYCHO-SOCIAL SUPPORT

In addition to health facilities' rehabilitation component, EU funded project also includes a psycho-social support where activities include training and capacity building for schoolteachers, medical practitioners, and youth in order to scale up psychosocial support for crisis affected victims. As of December 2019, SFD has trained a total of 4,553 education personnel including teachers, social workers and school principals/vice principals, of whom 32.5 percent are females, as well as 351 primary healthcare staff, of which 32.5 percent females. Further as part of the repackaging of this component, SFD introduced youth employment in order to provide community based activities that will address skills aiming to relief stress, communication and conflict management, coping mechanisms, trust in others, self-worth, relationships with peers, and the sense of belonging to a community. SFD has employed 889 youth of which 531 are females (61%). The employed youth provided 33,262 community based activities benefiting 82,664 children (36% girls) and 26,698 adults (66.5% women). The activities ranged between group discussions, entertainment and recreational activities and awareness on epidemics such as cholera.



BOX (4)

A chronic trauma improving as integration started

Her eyes were looking all the time at the road expecting the return of her father after domestic violence had led him to abandon his family and settle in another town four years ago. Wafa, four years old, now, used to set by the house door or on the roof staring at the road most of the day without talking to anyone.

As the SFD's socio-psychological support team deployed to Shara'ab-Al-Salam District in the central Taiz Governorate scanned the potential traumatized cases. The facilitator Nassim identified Wafa's case and devoted a long time to successfully integrate Wafa with other children through several communication and entertainment activities.

“It was not easy for Nassim to change Wafa,” said Wafa's mother. *“And she is still supporting her to further improve her integration and regain trust, hope and smile for this traumatized child.”*



WATER, SANITATION AND HYGIENE (WASH)



During January-December 2019, SFD provided 263,023 beneficiaries with access to improved water sources with a storage capacity of 728,450 m³ representing 66 and 83 percent of the year targets accordingly. While the number of people who benefited from appropriate sanitation almost tripled with 39,091⁸ having access to appropriate sanitation through construction of 7,098 latrines. This component is implemented mainly under the LIWP and WASH sectors and it comes as part of SFD's support to communities to have improve sanitation condition decrease open defecation. The reason for this spike is due to completion of the majority of projects that were carried out from previous years in the first half of 2019. As the Cholera and AWD epidemic are still persistent, and expectations of outbreaks remain an issue, SFD's engagement in cholera awareness among supported communities continues, with about 1.8 million having access to awareness materials and messages on cholera and preventative behaviors. Awareness activities are implemented at refresher and serves as a reminder for the communities to take preventative measures and keep them alert to cholera. These refresher activities are performed through SFD's field consultants and technicians.

TABLE 5: WASH PROGRESS INDICATORS VS TARGETS (YEAR 2019)

INDICATORS	Baseline (2016 + 2017)	ACHIEVED			TARGET year 2019
		DEC 2018	DEC 2019	Baseline + Achieved	
Number of people benefiting from access to improved water	12,855	144,914	263,023	275,878	400,000
Storage capacity for improved water (m ³)	26,543	453,175	728,450	754,993	882,000
Number of people benefiting from access to appropriate sanitation	1,140	12,535	20,821 ⁹	21,961	
Number of beneficiaries who received cholera awareness messages	-	969,575	1,872,386	1,872,386	640,000

⁸The decrease in the # of people with access to sanitation from the previous report is to separate those who benefited under WASH from those under LIWP.

⁹The reason for the decrease compared to previous reporting is separating the beneficiaries of appropriate sanitation under CiW from those under CLD



BOX (5)

Building Latrines Subsides the Hardest Hardship on Vulnerable Yemeni Women

Yemeni women suffer the lack of several services, notably the lack of latrines in the time that population in 167 out of the Yemeni 333 districts need urgent, safe sanitation assistance.

All groups in the latrine-free communities suffer the impact of adaptation to open defecation, but women always bear the brunt of it since they have to wait all day until the full dark comes to go in groups to the open. Many women go through significant medical troubles, and most of the diseases go chronic as a result. Some others, in order to avoid this, feel forced to reduce their food and drink intake!

With the seemingly beginning of the third wave of cholera outbreak in March 2019, the SFD has been the only responder in Yemen against the epidemic with cash-based building safe household sanitation systems supported with awareness activities for the vulnerable in the hard to access communities.

Following advocacy outreach by SFD Amran team, two beneficiary communities have taken the initiative and agreed collectively that building a latrine be a pre-condition, on the groom side, to be included in the marriage contract. This agreement has been monitored by the community leaders and respected by the community members who have felt how latrines have reduced contamination, diseases and health bills.

SFD will continue effective response for the change of behavior and for gender empowerment, health and education during the worst days of Yemenis.



CASH FOR WORK



Cash for Works is the largest program implemented by SFD with majority of donors supporting this program including WB/UNDP, EU/UNDP, DFID YeSP, KfW and IsDB. As of December 2019, SFD has supported a total of 201,788 households from CfW activities representing a percentage of achievement about 159 percent from the year target and 100 percent from the overall target under CRPII. Further, a total of 329,005¹⁰ workers have enrolled (23.7% female, 14% IDPs, and 58% youth (16-35 years) achieving 123% of the year target and 82% of the overall target for CRPII. This is again attributed to the sub-projects that were initiated and received funding from sources prior to 2018. Nonetheless, looking at activities that started under CRPII (2018-2020) only, the number of supported households was 95,029 while the number of workers was 161,602 about 71 and 60.4 percent of the cumulative target until 2019 respectively. About 2.1 million is the number beneficiaries of services and assets created by the CfW. It is important to note that the overachievement of the overall results in this component is also attributed to the fact that majority of the CRP I funding flow was in 2017, therefore, many activities started in 2017 and were carried out to CRPII.

Several sectors contribute to the achieved results of CfW including Agriculture, Roads, LIWP, Cultural and Heritage and Water and Environment. As of December 2019, under CfW interventions, SFD constructed and rehabilitated 204,899 cubic meters of water schemes including ponds, irrigation tanks and cisterns representing 59% of the year target. The main reason for under-achieving this target is separating the Water and Environment sector indicators for the cisterns from being under the SSN and its reporting under the CLD; this comes as part of the continued revision of indicators and improvement of results reporting to avoid duplication errors and align reporting with objectives of activities in which WASH activities aim at providing service and asset, while CfW is to provide cash to the hands of beneficiaries. Furthermore, 5,964 hectares of agriculture land and terraces were rehabilitated, constructed and protected and 3,283 home food gardens were created supporting beneficiaries grow some vegetables to cover some of their food needs and earn an income from selling extra produce.

Road Sector

SFD improved 431 kilometers of roads, paved 692,490 square meters of stone areas and rehabilitated & improved more than 530,000 linear meters of sidewalks—compared to 141 and 230,788 achieved last year respectively. Almost triple the achievement of 2018, this is mainly due to the completion date of this indicator as its calculated upon achievement of sub-project.

In addition to the wage benefit and the above assets constructed/rehabilitated, the CfW activities contributed to building more than 12,023 latrines almost doubling the number of latrines constructed in 2018. The constructed latrines provided more than 127,400 beneficiaries access to appropriate sanitation. These activities aim to reduce the spread of cholera and other diseases. All these activities provided access to key services to about 2.1 million community members and created over 8.9 million workdays.



¹⁰Of those about 133,000 worked under the head of household.

TABLE 6: CASH FOR WORK (INCLUDING WASH, CH, ROADS, LIWP & AGRICULTURE)

INDICATORS	Baseline (2016 + 2017)	ACHIEVED			TARGET year 2019
		DEC 2018	DEC 2019	Baseline + Achieved	
Number of direct beneficiaries of wage employment	23,564	243,974	329,005 ¹¹	352,569	267,453
Female (30%)	8,440	64,001	78,039	86,479	80,236
IDPs/Returnees (20%)	5,089	35,770	45,665	50,754	53,491
Youth 16-35 (35%)	14,289	142,347	191,141	205,430	93,609
Number of workdays created	1,072,759	7,359,985	8,964,310	10,037,069	7,221,240
Households benefiting from cash for works activities	10,733	142,160	201,788	212,521	133,727
Number of household members	75,131	995,120	1,412,516	1,487,647	936,087
Number of beneficiaries of CfW services	102,835	1,044,166	2,142,110	2,234,764	668,604
Area of agriculture land & terraces rehabilitated and protected (hectares)	751	3,041	5,964	6,715	3,576
Irrigation channels constructed/rehabilitated (meters)	12,540	32,853	60,601	73,141	47,826
Water schemes constructed/rehabilitated (cubic meters)	41,519	112,238	204,899	246,418	452,732
Number of latrines constructed or rehabilitated	1,890	7,034	12,023 ¹²	13,913	4,394
Length of roads improved (km)	35	141	431	466	914
Square meters of stone paved areas	40,299	230,788	692,490	732,789	298,654
Number of IDP houses and shelters protected, improved or rehabilitated	2,215	875	1,088	3,303	3,250
Number of home food gardens	285	1,854	3,283	3,568	1,300

¹¹Including 133,000 who worked under the head of HHs.

¹²The decrease is because of separating the latrines constructed under Water & Environment – results under WASH will be reported under CLD program.



BOX (6)

Al-Hussainat Is Back to Life After struggling the War Impact

Mona's happiness was indescribable as she didn't expect that SFD would provide the solution for her family and her very vulnerable community via a menu of cash, water and road services in a county where war has continued to suffocate most of the poor.

The impact of the continued conflict for the fifth year has forced this poor lady to beg others for nothing, but just to survive! The catastrophic deterioration of the situation has forced this family to skip breakfast from their daily meals and to keep bread only on the other meal menus. *"I swear to God, if we didn't have this work, we would have died of hunger. We got Yemeni Riyals 67,000. We bought wheat, sugar, food and some clothes for my kids. I bought medicine that I couldn't buy before SFD visited us",* Mona described how her family benefited from this emergency response. *"We have restored our dignity by this water, and this road... and restored dignity again as we stayed at home and no longer need to go out for begging some wheat or whatever,"* added Mona with a stronger voice.

The living conditions for the other families of Al-Hussainat (Al-Maghrebah, Hajjah) weren't quite different than Mona's. The livelihoods, in general, are inaccessible due to the rugged mountainous road leading to the nearest areas and markets, and to the return of many villagers who lost their jobs in the neighboring Saudi Arabia. The tragic situation for 1,000 villagers in Al-Hussainat has attracted the SFD team to target the affected people and to employ the affected providing them with a variety of lifesaving services. The response has created nearly 9,900 workdays (half of which for women) supporting 891 people from 144 HHs, rehabilitate two springs of drinking water and paved road.

The rehabilitation of 5 km long of the road has significant impact on addressing their different problems. *"Our first problem was the rugged road, if we have a patient, we carried him or her on a bed and walk along the valley because the car cannot reach our village. We used donkeys to carry food and other things or we carry them on our shoulders. If a woman is giving a birth, we cannot help her quickly. It needs time and effort, some of them die before arriving to a hospital,"* the beneficiary, Saleh Al-Hussaini described lifesaving situation.

The fruits of cash for work response never ended here, but through the process of work, 60 out of 63% workers have gained building skills in paving roads and cutting stones professionally. One of them as a witness said, *"We gained from CFW project a profession that has helped me and my family live with dignity. Now, we are ready to work at any project."* Another one, Ameen Ayedh, also said, *"We work here, we sleep at our homes now, we were sleeping at mosques in Al-Mahabisha town amidst the cold weather."*

BOX (7)

Female IDPs making their way to CfW contracting

I have become the first female contractor during the SFD emergency operations that started in 2015", Ms. Hafidha Al-Mansob (25 years) a displaced educated woman said proudly. She has been awarded a small tender after eight women had competed over painting a 300-meter long pedestrian pavement in a public educational facility in Ibb City.

A few weeks later, Ms. Elham Ghalib, inspired by Hafidha's success, took the same risk with male competitors and was accepted as the second female contractor, but under a larger contract of stone paving.

That has been a significant leap for both women since they regarded this opportunity as a wide window of hope for generating income and enhancing women's dignity and independence especially that they and their impoverished families have been leading a miserable life after they fled severe fighting in their city of Taiz three years ago.

The SFD had actually prepared these women by providing earlier capacity building for these specifically female IDPs of good education and work experience; *"We were engaged in cash-for-work projects such as plastering, pavement painting...etc., and trained on economic life skills", Elham explains.*

Hafidha's project has provided 11 displaced women who worked with her with a total of nearly 530 workdays. She was happy that she gained about \$150 in profit of this small project with determination to compete in larger tenders to come.



AGRICULTURE



Activities in the agriculture sector are implemented under SSN through CfW and community and local development. Activities under CLD are mainly implemented through the SAPRP project funded by the World Bank through the FAO. The projects aim to increase the use of productivity and nutrition-enhancing agricultural practices by smallholders in targeted project areas. This will be achieved by restoring and enhancing access to agriculture inputs, providing technical assistance and specific investments to improve agriculture yields and nutritional value and by upgrading and diversifying agriculture and livestock production and marketing.

By December 2019, SFD rehabilitated/constructed 49,830 m³ of on-farm water harvesting, pond and excavation of ponds harvesting. While also rehabilitating a total of 109 shallow wells with an increase by 2 since June 2019. In addition to rehabilitating and reconstructing 981 ha of land check dikes and gabions/ retaining walls in Wadi Beds, and small spate diversion canals compared to 40,189 m³ in the last reporting period.

This project also includes a component on the provision of input material to horticulture farmers for production and processing, in which SFD has already identified the targeted beneficiaries and provided them with input supplies. A total of 997 farmers received irrigation systems and planting material, whereas, 810 also received fertilizers and production input.

Finally, as the training for beekeepers was completed earlier in 2019, SFD provided 148 of the 700 trained beekeepers with beehives in order to support them with their income generating activities.

TABLE 7: AGRICULTURE PROGRESS INDICATORS VS TARGETS (YEAR 2019)

INDICATORS	Baseline (2016 + 2017)	ACHIEVED			TARGET
		DEC 2018	DEC 2019	Baseline + Achieved	year 2019
Number of beneficiaries from adding value to agriculture: farmers and beekeepers	-	136	700	700	850



BOX (8)

Providing agriculture assets fulfills food security and income

The ongoing conflict has compounded the impact of poverty and climate change which together have pushed huge numbers of smallholder farmers to stop working, abandon their farms and rely on the relief aid. This impact has further exacerbated the already poor food security and malnutrition, increased the volume of humanitarian needs and raised the need to import food.

Reducing vulnerability to the mentioned challenges, the SFD has continued its part of SAPREP's activities, especially through natural resource management mechanisms focusing on water and soil preservation, terrace agriculture, water harvesting tanks, horticulture and livestock development. The activities have aimed to provide the poor smallholder farmers access to labor wage, productivity increase based on the provision with technological equipment and knowledge.

In central Turban district of Lahj Governorate, the farmer Mohammed Salem sounded happy with his tomato crops being harvested in his farm after the spate water lately reached the farm through long channels.

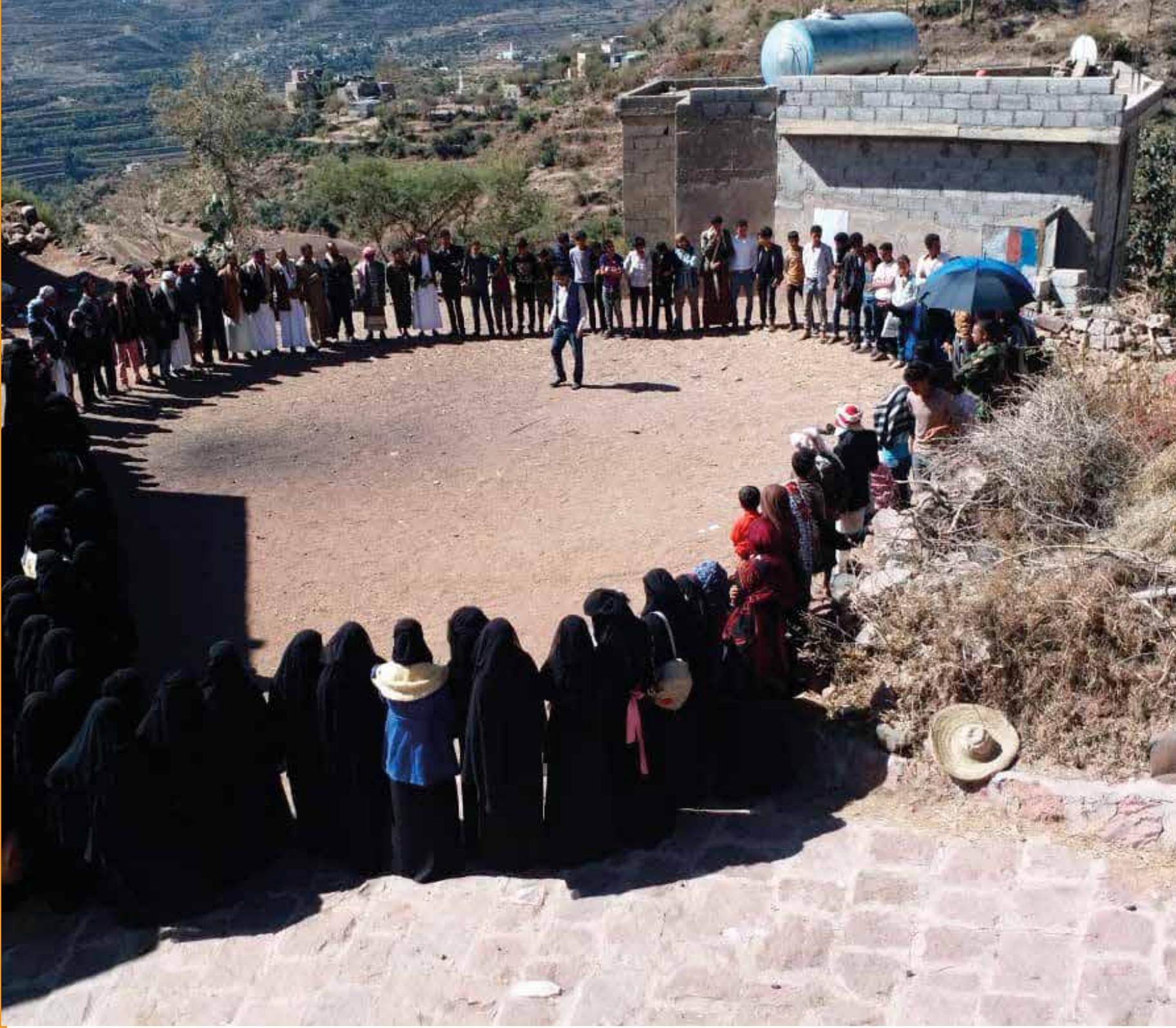
“The project has deepened the main watershed course protecting the surrounding agricultural lands”, describes Salem, “and then it has created several sub-channels to deliver some waters to the remote lands including mine”.

Salem intends to sell the crops in Aden City at good prices as the conflict has made it more difficult for vegetables coming from the northern areas to reach these areas.

“Due to the shortage of vegetables there, my colleagues’ and my crops will lately reduce the high market demand and get good profits. This had not happen for us in the past when the high fuel prices allowed us to grow limited lands with limited production”, added Salem.



TRAINING AND ORGANIZATIONAL SUPPORT



Activities under the Training and Organizational Support (TOS) aim at strengthening the capacities of local authorities and Village Cooperative Councils (VCCs) resilience and emergency response. This program is supported from several donors including the World Bank through the UNDP, the EU through UNDP (ERRYI&II, SPCRP) and the DFID YeSP.

By the end of December 2019, various activities had been carried out by SFD's Tamkeen Program that resulted in the implementation of 2,524 small-scale community based initiatives achieving about 132% percent of the cumulative target until 2019. While from Jan – Dec 2019, the total supported initiatives were 1,069 compared to the 2019 targeted 1,250 (about 88 percent). As in all of the indicators, the spike in the achieved results comes from the year 2018 leading to an overall achievement exceeding the target by 32%. The main reason for this is that 71 sub-projects out of 156 (45 percent) have started in 2016 and 2017 and continued over 2018 contributing to about 77 percent of the achieved results for the supported initiatives. Similarly, 4,205 youth (52 percent females) have been provided with short terms employment opportunities to provide support and guidance to communities in planning and implementing community and self-help based initiatives. Those youth created more than 226,566 workdays. The achievement of these indicators represents 130 and 88 percent of the target in 2019 respectively.

This program follows a bottom up approach in which communities plan and map their needs and needed resources which constitutes the community resilience plans. The input of these plans is then used to build the district recovery plans at the district and local authority level. Such an approach not only facilitates the planning process but also strengthen the relationship between local authorities and the communities to help maximize the benefit of social capital. Activities also resulted in benefitting more than 276,288 people from the services and community assets created as part of the training and organizational support activities. The following table shows the progress in capacity building output indicators:

TABLE 8: TOS PROGRESS INDICATORS VS. TARGETS (YEAR 2019)

INDICATORS	UOM	Baseline (2016 + 2017)	ACHIEVED			TARGET
			DEC 2018	DEC 2019	Baseline + Achieved	year 2019
Community based initiatives supported and implemented	No.	NA	1,455	2,524	2,524	1,900
Village Cooperative Councils formed	No.	NA	2,048	3,495	3,495	1,900
Youth trained and secured temporary job opportunity Total # Female (40%)	No.	NA	2,227 1,130	4,205 2,161	4,205 2,161	2,150 860
Number of beneficiaries of training and organizational support services	No.	NA	114,921	276,288	276,288	71,748
Number of workdays created from training/self-help initiatives	No.	NA	114,940	226,566	226,566	107,500



RUAWFD PROGRAM

The SFD's Rural and Urban Advocates Working for Development Program continued building the capacities of the SFD branch-office staff as well as university graduates.

In 2019, the program secured the Bronze Reward in the competition concerned with Youth Entrepreneurship for the year 2019 within the framework of UNESCO organization (The Youth Citizen Entrepreneurship Competition).

ELD (TAMKEEN) PROGRAM

The Empowerment for Local Development (ELD) "Tamkeen" Program works at strengthening the capacities of both local communities and district local authorities to adopt participatory planning in line with the available local resources. This is meant to build communication channels between the community and the local district authorities as well as utilize local resources in order to bring in development. The program works on enhancing community participation and strengthen the relations between local authorities and communities to support local decision-making and increase the benefit of social capital. During the year, the program facilitated the formation of 1,447 VCCs with approximately 50 percent female membership. The role VCCs play is to mobilize community members to develop integrated community resilience plans with the technical support of SFD-Tamkeen. VCCs also advocate for the needs of their communities to local authorities and NGOs. Tamkeen also supports enhancing Local authorities capacities to effectively plan, coordinate and monitor implementation of priority projects for enhanced basic services delivery. The supported VCCs and communities implemented 10,049 community driven self-help initiatives from which 3,915 were during 2019. During the reporting period, Tamkeen also started clustering the VCCs into Sub-district Development Committees (SDCs) and so far have formed 88 sub-district development committee.

By December 2019, SFD-Tamkeen program supported the formation of a total 3,495 VCCs and provided them with technical support to produce 3,495 Com

munity Development Plans focusing in resilience building activities and directions. The supported VCCs were located in 63 districts and 19 governorates with 27,960 elected members 50% of which are females. The program achieved about 183% of the cumulative target for 2019 with about 59% of the achievement coming from 2018.

In addition to the self-help initiatives, SFD's Tamkeen provide in kind support (in the form of supplies and materials) to supported communities to implemented community based initiatives. These small-scaled initiatives varied among different sectors (education, water, feeder roads, and life skills training). As of Dec 2019, the total number of small-scale initiatives Tamkeen has supported is 2,524 through matching grants for VCCs where SFD-Tamkeen provided 45% while communities contributed 55% of that amount, mostly in the form of materials or labor.

Throughout the year, SFD-Tamkeen also provided 1,978 youth with employment and training opportunities. The role of the youth is to provide support and facilitate the formation and mobilization of VCCs and communities. The employed youth generated more than 64,403 working days in 2019, Meanwhile, RUAWFD program have trained 945 youth (50% females) who have newly graduated from university and from Abyan, Al-Dhale', Lahj, Hajjah, Mareb, and some included youth from urban areas including Aden and Sana'a. The training is meant to equip the youth with skills and prepare them for the employment market especially in the development and humanitarian field either with SFD or other agencies.

BOX (9)

The Tamkeen Program motivates Daqin villagers to reopen Al-Hanak Road

The suffering is exacerbated to reach hospitals, universities, and schools, or to transport water and fodder. So life becomes hard in its simplest details, adding to the citizen concerns besides the concerns of effects of the existing war.

Since 2012, the main road connecting to the villages and district of Daqin and Hanak-Hajjah has been cut off, due to the falling and accumulation of stones in different parts of the road.

People were suffering from the alternative roads distance, in addition to the increase in transportation costs to and from their villages, and to and from health facilities, inside and outside the district. The women, children and low incomes people were the most suffering from this problem.

The Tamkeen empowerment for local development program by SFD, supported the formation of the (Al-Shaiba and Al-Hanak, Bani Daqqin and Bani Ajan, Jabal Al-Nosairy and Al-Matahana) villages cooperative councils (VCCs), which encouraged people to implement a self-help initiative to repair and reopen the road.

After repairing the road, the residents, economic, health and social lives changed to better, and there is easy access to various services inside and outside the district, and citizen's suffering in transporting water and fodder decreased.

People feel Comfortable and happy to achieve a dream they waited for more than seven years, through the cooperation of the villagers and motivating and encouraging of the empowerment program.



CULTURAL HERITAGE



Cultural Heritage (CH) projects are generally characterized by being diverse and technically sensitive. SFD's CH interventions have been affected differently since the war broke in 2015. Priorities of funding have changed and focused on delivery of humanitarian support. Additionally, implementation was also affected due to the lack of international expertise in the area of cultural heritage and preservation. Putting that into context, the CH activities were somewhat restricted to CfW, therefore, details under this section will highlight the achievements and progress in CH activities regardless of method of implementation as activities aim at restoration and preservation of cultural heritage sites and locations.

During the reporting period, SFD's cultural and Heritage provided 6,645 workers with temporary job opportunities under the Cash for Works activities and created more than 182,000 workdays. The activities benefited about 71,500 community members from services. Although the activities implemented are using CfW mechanism, yet, it targets historical or cultural sites and aims at preserving the cultural heritage of the targeted areas. As of December, activities have protected 28 historical sites. Additionally, during the year SFD trained 24 people in preservation methods, damage assessment and documentation and inventory of artifacts and historical scripts.

SFD signed an agreement with UNESCO that will re-initiate the CH activities under the CLD program. Preparations are currently taking place in order to start field implementation. Cultural and Heritage activities are funded by the World Bank/UNDP, UN Women and recently UNESCO.



SMALL AND MICRO ENTERPRISE DEVELOPMENT



The Program covers the provision of both financial and non-financial services related to the SME sector in Yemen. The SMED unit, provides financial services, as well as other related services such as training, capacity building, and loan guarantees to SMEs. Non-financial services are provided through the Small and Micro Enterprises Development Promotion Agency - SMEPS, which is a subsidiary of SFD. Such services include, for instance, training for SMEs, value chains, business development, grants and technical assistance.

SMALL AND MICRO ENTERPRISE DEVELOPMENT (SMED) UNIT

During 2019, SMED has continued implementing its activities, as well as initiating a number of creative projects aimed at increasing outreach and depth of the SME financial sector in Yemen. The activities included financing SMED's partner MFIs, monitoring their performance, technical assistance, consultancy services and training. SMED activities were geared towards helping the MSME sector recover from the negative effects of the War, expand its outreach, and keep pace with worldwide technological developments in a way to increase productivity and efficiency.

New initiatives undertaken by the SMED Unit have focused on improving governance in the Boards of MFIs, funding the opening of new rural branches by MFIs, the expansion of the Village Savings and Loan Associations (VSLAs) program, and new SMED in-house IT solutions. These include digital mapping of MFI clients, Android applications to help loan officers better assess agricultural and small loans, and automatically generate financial and performance indicators in the form of the SEEP Framework Report from the various MIS and accounting systems used by MFIs. This ensures the accuracy of data generated from the MFIs and allows for better performance monitoring as it reduces human error in data entry.

During 2019, disbursements made by SMED totaled YR11,205 million (USD20.8 million) approximately, of which YR5,613 million (USD10.6 million) were loans to support the growth of loan portfolios and extend lending services to SMEs, while YR5,592 million (USD 10.1 million) was disbursed as grants towards

improving MFIs' capacities (governance, service expansion, IT infrastructure, risk management, field audits, public relations and marketing). In addition, SMED also continued funding the Loan Guarantee Program (LGP), the Yemen Microfinance Network (YMN) activities, as well as support to SMEPS for its various emergency resilience projects in the agriculture, livestock, and health sectors. The following is SMED's main achieved indicators as of Dec. 2019.

TABLE 9: SMED PROGRESS INDICATORS VS TARGETS (YEAR 2019)

INDICATORS	Baseline (2016 + 2017)	ACHIEVED			TARGET
		DEC 2018	DEC 2019	Baseline + Achieved	year 2019
Number of Loans issued	38,811	20,524	51,171	89,982	30,000
Female (40%)	-		36%	36%	40%
Youth (startup) 10%	-		21%	21%	10%
Number of loan guarantees issued by the loan grantees Program (LGP)	-	691	996	996	1,425
Number of new MF branches in under/un-served areas	-	5	9	9	2
Number of mobile money service subscribers	-	437,915	917,254	917,254	600,000
Number of new VSLA groups formed & activated	-	-	84	84	280
Number of income generating activities created/sustained	-	-	66	66	840
Number of job opportunities created/sustained from MF services	-	9,469	25,595	25,595	12,000

BOX (10)

From scratch, Saddam managed to recover in food production (Abyan)

Saddam Al-Noubi (27 years old) is working to recover his business in agriculture after the 2011 armed conflict had turned his rented land into a war zone and, therefore, was totally ruined in Abyan Governorate, southern of the country. Abyan is one of the most chronic conflict spot in Yemen where the population has suffered multiple displacement, property damage and unemployment. Having suffered all the above, Saddam spent years collecting money for business recovery while his ruined land was gradually desertified and densely occupied by thorn plants. He collected about \$1,700 over years and has just spent it all on reclaiming the land in exchange of exemption of the renting fees for the coming two years as agreed with the landlord.

He has employed three men to assist him in preparing the land and the irrigation facilities. He approached the SFD-funded Abyan-based Al-Ittihad Microfinance Program (AMP) for a loan of an equivalent of \$2,000 and bought watermelon seeds. Now, as the lucrative melon is growing medium in size, he is waiting for the coming 40 days to harvest and sell the whole crop since melons are on high demand during the hot summer. Saddam speculates that the income of the sale will not be less than \$2,000. He plans to save more money from his coming sales and expand in land and buy an economical irrigation system.

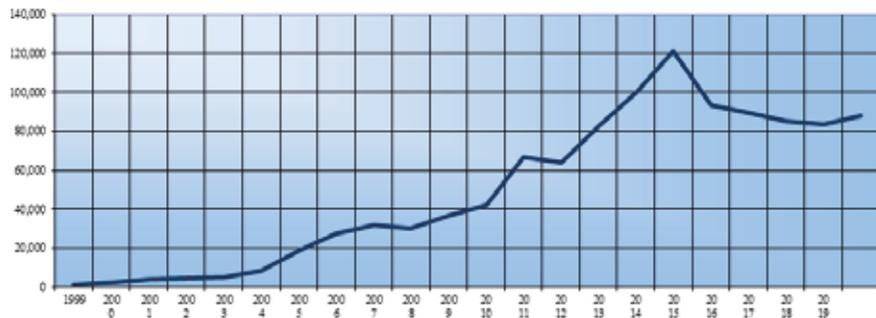
The IMP is the only Abyan-based development actor with three operational offices there providing employment and early recovery services. Its food production support is being scaled up quickly in Abyan. As a matter of conflict emergency planning, IMP - keeping its Hadhramaut office - has managed since the 2011 conflict to successfully scale up operations to other governorates (Aden, Lahj, and Al-Maharah) in addition to the program's two branches in Al-Shihr and Al-Mukalla (Hadhramaut).



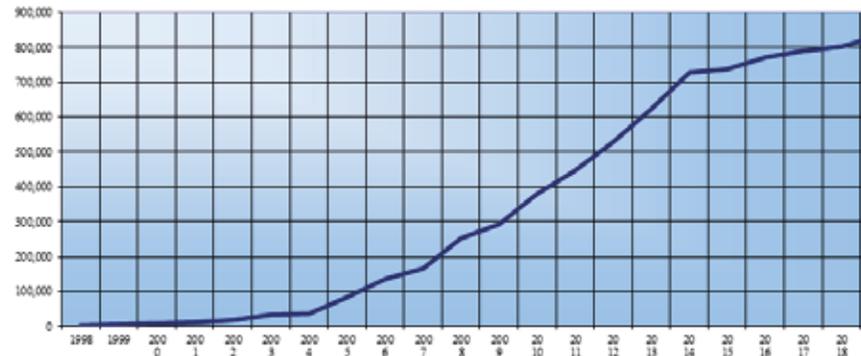
Loan portfolio indicators for microfinance programs and institutions until the end of December 2019

Ser. No.	Program	No. of dis-bursed loans	Active number of clients			Outstanding loan portfolio (Million YR)	Amount of Disbursed loans (Million YR)	PAR (%)			OSS	FSS	No. of Personnel	No. of loan officers	No. of Branch Offices	Area of operation
			Borrowers		Savers				Number of loans	Loan amounts (Million YR)						
			Total	Women (%)	Total											
1	Al-Amal Microfinance Bank	1,054	34,958	34	181,952	3,402	141	61	134,639	13,478	234	144	215	51	15	Capital City, Ibb, Taiz, Dhamar, Al-Mukalla, Al-Hudaidah, Aden, Hajjah, Abss
2	Al-Kuraimi Islamic Microfinance Bank	696	5,400	10	1,062,962	6,157	1,276	1	33,018	24,565	89	81	90	62	65	Capital City, Taiz, Ibb, Aden, Hudaidah, Dhamar, Al-Mukalla, Seyoun
3	National MF Foundation	536	12,165	26	25,914	3,347	766	15	158,495	15,327	99	64	186	90	20	Capital City, Taiz, Ibb, Al-Kaeda, Dhamar, Yarim, Hajjah, Lahj, Al-Hudaidah, Al-Torba, Damt, Shibam, Bajil, Aden, Mareb
4	Nama Microfinance Foundation	454	6,035	24	130	1,224	205	10	93,505	9,967	102	83	123	63	12	Capital City, Taiz, Hudaidah, Ibb
5	Al-Tadhamon Microfinance Program	223	4,817	25	0	1,795	180	3	43,794	12,579	120	120	65	30	15	Capital City, Taiz, Al-Hudaidah, Aden, Ibb, Hadhramaut, Lahj, Shabwah, hajjah, Amran Mareb
6	Hadhramaut Microfinance Program	206	6,803	31	5,707	1,029	81	17	38,445	5,984	123	113	72	37	7	Hadhramaut (Seyoun, Tarim, Al-Suom, Sah, Al-Qutn, Shibam, Al-Mukalla, Al-Shehir, Al-Hami, Al-Maharah, Shabwah)
7	Azal Microfinance Program	185	3,191	34	4,383	949	195	10	54,320	6,921	100	73	92	39	7	Capital City, Al-Mahweet, Amran, Dhamar
8	Al-Itihad Microfinance Program	171	3,473	74	0	587	58	16	52,588	3,804	57	39	95	41	8	Abyan (Zanjibar, Khanfar, Ahwar), Al-Mukalla, Al-Shehir, Aden, Lahj, Al-mahrah
9	Al-Awa'el MF Company	0	1,144	78	0	35	0	100	60,224	1,777	0	0	6	4	2	Taiz (Al-Camp, Howdh Al-Ashraf, Al-Rahedah, Sainah, Al-Kaeda)
10	Aden MF Foundation	0	9,802	66	7,065	666	0	77	54,019	4,376	68	43	65	34	5	Aden, Al-Buraikah, Al-Sheikh Othman, Lahj, Al-Dhale'
11	Other Activities & IGP	-	-	-	-	-	-	-	109,187	21,391	-	-	-	-	-	Several areas
Total		3,525	87,788	-	1,288,113	19,191	2,902	-	832,234	120,169	-	-	1,009	451	156	

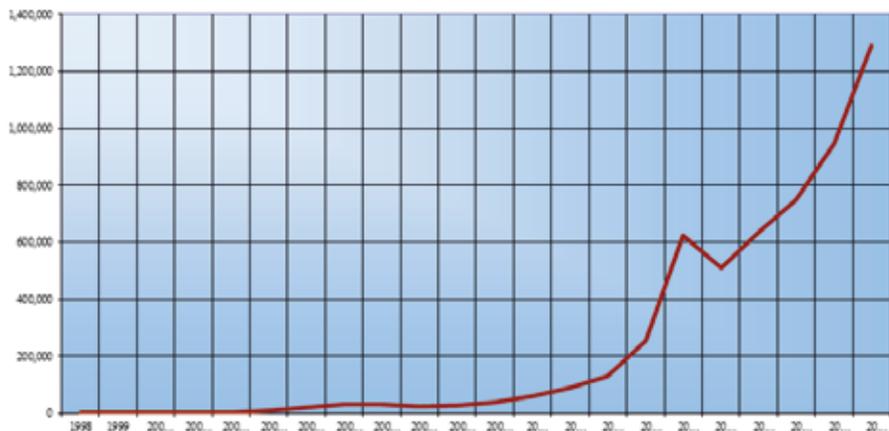
**Active Borrowers
(YEAR 2019)**



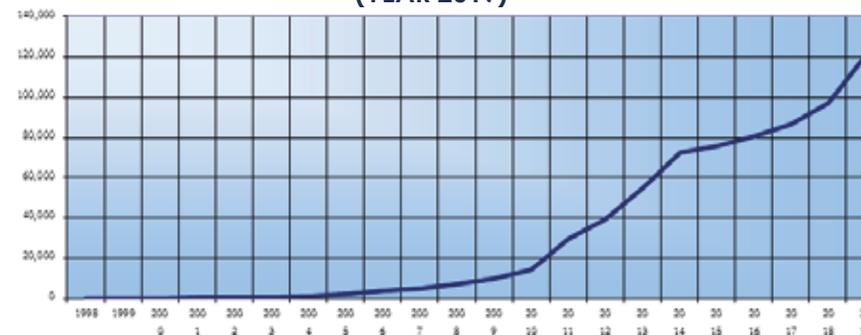
**Number of Disbursed Loans (Cumulative)
(YEAR 2019)**



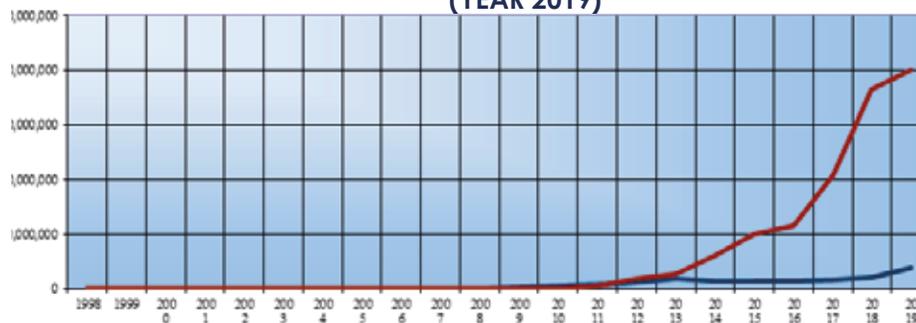
**Active Savers
(YEAR 2019)**



**Amounts of Disbursed Loans (Cumulative)
(YEAR 2019)**



**Outstanding Loan Portfolio & Saving Amounts
(YEAR 2019)**



SMALL AND MICRO ENTERPRISE PROMOTION SERVICES (SMEPS)

During 2019, SMEPS scaled up its activities that comes as a result of the learning from activities implemented under the crisis response I and in 2018 that included supporting over 6,000 beneficiaries leaving remarkable impacts on the community and market. In 2020 SMEPS intends to support additional 4,000 beneficiaries as part of its ongoing activities supported from DFID, WFP and IsDB. These activities aim to restore their livelihoods and strengthen the community, businesses and market resilience. In 2019 alone SMEPS was able to support 3,282 business owners varying between the agriculture, livestock breeders, Food for Assets (FFA) and other businesses; creating more than 940,000 working days and over 23,000 permanent and temporary jobs¹³ bringing the total supported business under CRP II to 9,769 business including the supported private health clinics that created over 2 million working days and over 94,000 job opportunities. The table below presents the overall progress indicators for SMEPS.

TABLE 10: SMEPS PROGRESS INDICATORS VS PROGRESS (YEAR 2019)

INDICATORS	UOM	Baseline (2016 + 2017)	ACHIEVED			TARGET
			DEC 2018	DEC 2019	Baseline + Achieved	year 2019
Number of business supported	No.	-	5,977 ¹⁴	9,075	9,075	6,000
Number of women primary health care (PHC) workers supported	No.	-	510	694	694	532

¹³About 20 percent of the jobs created are permanent.

¹⁴Number of business decreased as there was a calculation mistake.



Monitoring and Evaluation

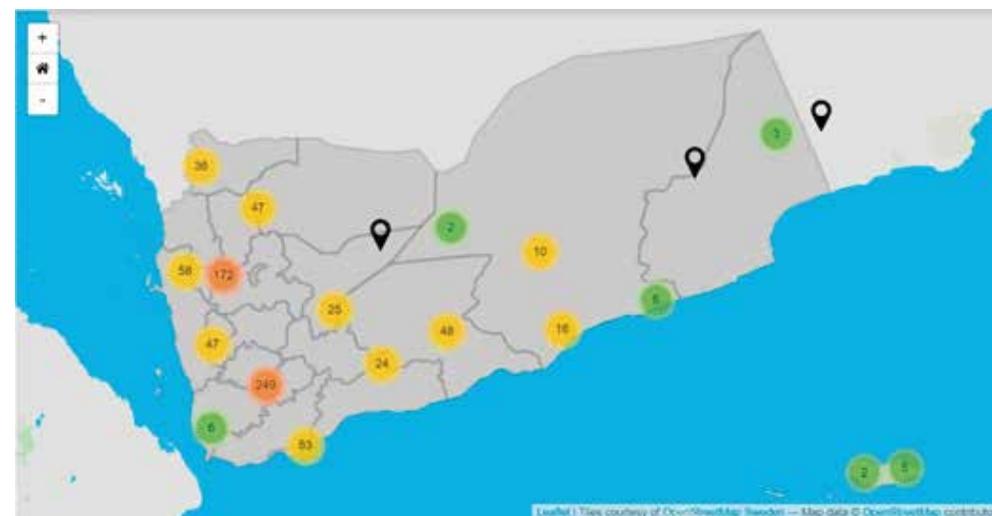
Monitoring and Evaluation (M&E) is a cross-cutting function across SFD's different functions and is implemented at different levels and at different stages starting at the project site with the field consultant and going up to the branch officer, technical officer, branch manager and up to headquarters where each technical unit is also part of the M&E activities, along with the specialized units represented by the M&E Unit and other units—each playing a role to ensure effectiveness of activities, quality of implementation and accuracy of data reported. In addition to internal monitoring activities, SFD's partners through third party monitoring (TPM) conducts independent monitoring activities through regular sites visits. An additional important element of M&E function is also the impact evaluations which are also part of SFD's phase strategies with support from partner donors. The following sections will provide details on the activities implemented during the reporting period.



SUMMARY OF PROJECTS STATUS AS OF DEC 2019

As of December 2019, there were 742 sub-projects at different stages of implementation including 698 that have field activities, 23 at desk review being prepped to start fieldwork and 21 at different procurement phases. The number of sub-projects under implementation has decreased compared to 1,000 by December 2018; this in part due to the delay of the approval of EMSPs as well due to decreased in the funds received during the year from \$157 million in 2018 compared \$127 million in 2019. On the other hand, 696 sub-projects were completed during 2019. The below map shows the distribution of active sub-projects in Yemen.

FIGURE 1: DISTRIBUTION OF SUB-PROJECTS ON MAP



The largest sector in terms of number of sub-projects is the WASH with 160 sub-projects representing 21.5 percent of the total sub-project under implementation during December 2019 followed by the education sector with 131 sub-projects (17.6%) and Cash for Work in third place with 91 sub-projects (12.2%).

ACCESSIBILITY

accessibility is constantly changing. As of December 2019, the number of inaccessible or difficult to access districts was 52 (compared with 48 in December 2018). The following two figures provide details on the accessibility, with the first offering a comparison on accessibility status between September and December 2019, while the second provides on the governorates and number of districts with difficult accessibility.

FIGURE 2: ACCESSIBILITY STATUS (SEP VS DEC) 2019

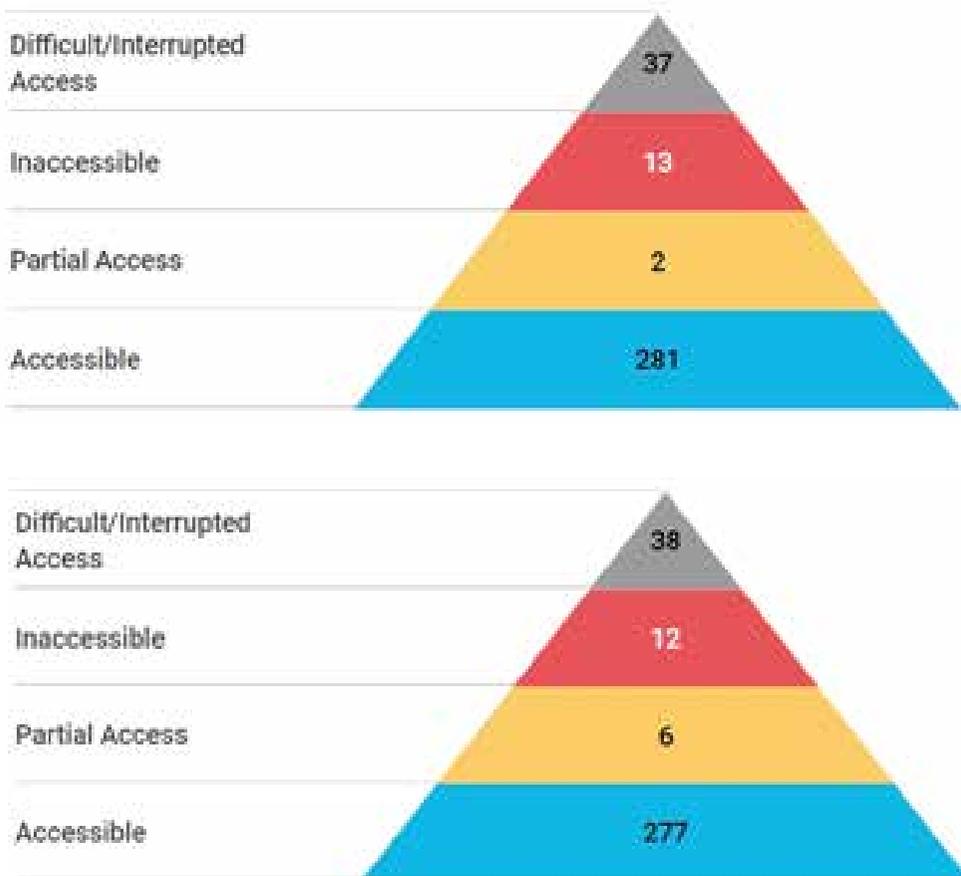
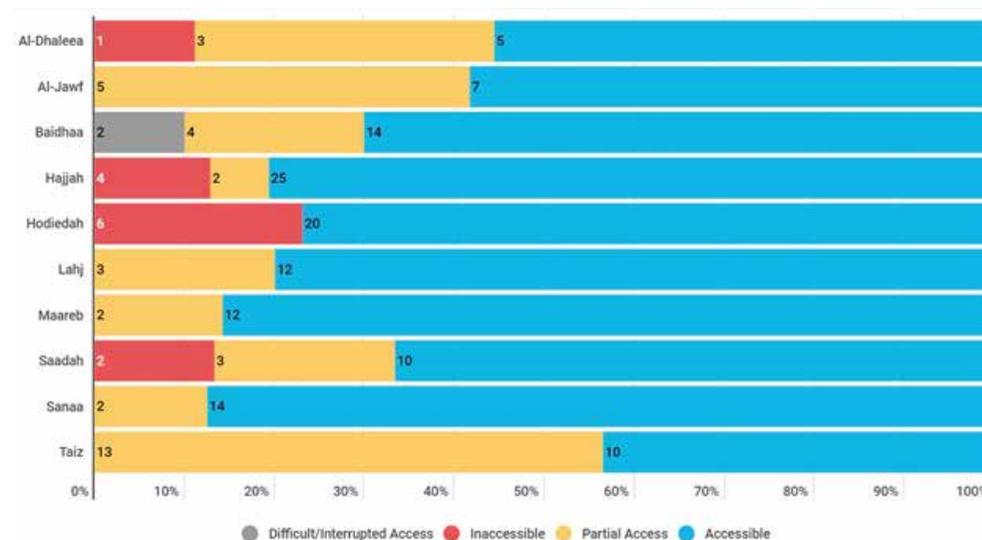


FIGURE 3: ACCESSIBILITY PER GOVERNORATE



ASSESSMENT of COMPLETED AGRICULTURE PROJECTS

During September 2019, SFD conducted an assessment for completed agriculture sub-projects. The assessment covered four governorates (Aden, Amran, Hajjah and Taiz) for all completed sub-projects at mid 2018t. The aim of the assessment is to know the operational status, beneficiaries satisfaction and quality of the sub-projects as well as to gaps and challenges. Total number of sub-projects visited were 26, of which 17 were to improve access to improved water while 4 are for rehabilitation and construction of agricultural terraces and 5 to rehabilitate irrigation channels.

The assessment found that 96 percent of the sub-projects are operational while one sub-project is partially operational due to damage to the protection walls rehabilitated as part of the activities. Also 96 percent of the beneficiaries stated that they participated in the consultations in the needs and prioritization of the community. About 76 of sub-projects had female participation during the consultation for sub-project selection. On the other hand, about 100 percent stated that they are satisfied with the sub-projects while 86

percent of the sub-projects were rated between excellent and very good. Grievances and knowledge in the system shows that 92% of beneficiaries in 24 sub-projects stated that they know about grievances system.

In relation to safeguards, all the visited sub-projects applied and followed the safety guidelines, while 75.3 percent of the water sub-projects are safe and don't have any risks in terms of pulling out water from the cisterns or tanks. None of the sub-projects created any conflict in the areas or between the community with 85 percent stating that it created harmony and strengthened social cohesion through bringing the community together to create a common good.

Water activities again proves to reduce the burden on families especially women by reducing the time of fetching water from about two hours to less than half an hour while also increasing the time for preserving water during winter (draught season) from around 2.5 months to 5.8 months.

Female participation and ownership was strong in the terrace rehabilitation activities where 100 percent of the rehabilitated terraces were female owned. Productivity has also increased in 100 percent of the supported agricultural lands.



THIRD PARTY MONITORING (TPM)

During the year SFD had three active TPMs (WB/UNDP, EU/UNDP & WB/FAO). TPMs visited 72 sub-projects. The TPMs assess effectiveness of implementation and quality of sub-projects, compliance with donor agreements, progress of implementation, beneficiaries participation and feedback as well as the effect of the project based on the goal of the intervention and on beneficiaries. TPM reports and findings are circulated to concerned departments and branch offices and actions are followed up. Majority of findings are of positive nature confirming SFD's ability to effectively deliver and respond to community needs in which the latest ECRP TPM findings reported that activities supported income generation opportunities and helped beneficiaries and their families afford food, health care and education for their children. The majority of beneficiaries were satisfied with the overall quality of the implemented subprojects as well as the timing and selection of these subprojects. They note that the projects are sustainable and facilitated the access to various services for community members including IDPs. They reported satisfaction with fiduciary aspects such as receiving their payments in full and not having to pay anyone in order to be selected as beneficiaries¹⁵.

While recommendations mostly revolve around improvement of environmental safeguards in the form of site safety and SFD has taken quick measures to improve safety in the means of implementation of environmental and social safeguarding plans prior to implementation, enforcement of the use of protection equipment, provision of first aid and insurance against injuries. Lack of grievances awareness were also among the points raised by TPMs in which also SFD has been improving through conducting field awareness, provision of complaints boxes at the field site and the branch office, free toll number and emails. SFD continues to improve its grievance system to ensure that all grievances are captured and resolved.

¹⁵Source: 12 TPM report ECRP.

OTHER ASSESSMENTS

In addition to the different assessments mentioned earlier, SFD and UNDP are conducting two assessments for the EU funded project Social Protection Crisis Response Project (SPCRP). The first is a lessons learned assessment in which the aim is to draw the lesson from the implementation of the SPCR as well as recommend wider mechanisms that can enhance social protection and improve the welfare and resilience of Yemeni people. The second assessment is a micro narrative assessment using SenseMaker. The SenseMaker will use the personal stories of beneficiaries of SPCR activities to draw in impact of the activities on the beneficiaries and identify gaps and future needs. Field work for both assessments will take place in 2020.

BENEFICIARIES REGISTRATION

During the year, SFD has been working on improving data collection in order to reduce data redundancy, improve quality of field reporting, increase efficiency and reduce human error risks in data entry. As of December 2019, SFD finalized the LIWP mobile application for computing of beneficiaries' dues, this application was developed in-house and launched for testing in the middle of 2019 with finally completing the testing phase and officially launching the application during the second half of 2019. Additionally, SFD improved the registration form for the LIWP program adding new fields to collect more data at the household level including data on people with disability. This will help SFD collect data on disability and target families having person with disability under LIWP activities.

Furthermore, SFD contracted a consultancy company to conduct the nutrition beneficiaries listing for the new patch of nutrition beneficiaries expected to benefit from the new World Bank additional financing. The listing will be implemented for 10 governorates in 17 districts. The listing forms also include data on people with disabilities this is to allow SFD track the number of mothers supported with children with disabilities. Currently the listing process started in Al-Hudaidah and Hajjah for 6 districts, the remaining governorates will start in March 2020.

COMMUNICATION ACTIVITIES

The communication team continues to measure the satisfaction of the communities benefiting from the SFD-supported interventions and the extent of benefits these communities gain from the SFD's interventions as well as to communicate their voices to donors and decision makers. This is done through a number of communication methods such as documenting the text and film case studies of projects. The team also continued to publish interactive communication materials on the SFD's website, social media as well as by communication with the public through social networks. On the other hand, communication activities have become a clear national advocacy activity at the national and international level aimed at restoring development along with relief works as Yemen enters the fifth year of widespread conflict.

SFD seeks deeper engagement with conflict-affected beneficiaries through field visits aimed at identifying their satisfaction and enabling them to make their voices heard about the impact of war and poverty and the effect of the response. SFD continuously makes efforts to promote communication products and raise the profile of the impact of the SFD's activities within the Emergency Crisis Response Project (YECRP) funded by the World Bank in partnership with the UNDP. In this context, the communication team participated in regular meetings of the project's communication group.

Moreover, 5 documentaries in the nutrition, water, microfinance, cash-for-work, education (VOLIP) and agriculture sectors were made for 4 donors, viz. the German and British Governments, the Islamic Development Bank and the World Bank. Projects in the agriculture and training (empowerment and RUAWFD) sectors. These products have helped the SFD's leadership to highlight the impact of the SFD-supported interventions and advocate for emergency and development works at the international level during meetings with donors.

On the other hand, in cooperation with the YECRP liaison team, the SFD continued to propose, coordinate and follow-up with the documentation of the

activities SFD is carrying out within the project. During the year, the team produced 6 high-quality documentaries.

The SFD's publications have been updated through social media and website to highlight the SFD's pioneering in implementing activities linking emergency and development work at the national level.

During the year, the communication team provided technical support to improve the design of the Dashboard program for the M&E's Monitoring Section, enriching it with success stories and relevant images. The team assisted the M&E's Funding Section by designing a number of its presentations submitted to donors.

SFD also issued the 2018 Annual Report for and 2019 quarterly bulletins.

PARTICIPATION IN GLOBAL DEVELOPMENT EVENTS

The Social Fund for Development (SFD) participated in the meetings held by the International for Food Policy Research Institute (IFPRI), which presented and discussed the results of the evaluation of the performance of the Cash Transfer Program in Nutrition in the presence of a number of international organizations and individuals interested in the field. SFD presented a summary of its policy in this program and the main results of the program evaluation.

During the event, a number of nutrition experts at the World Bank spoke, noting that this program is among the rarest nutrition interventions in the world, stressing the need for this program to become an inspiring experience for organizations working in this field in Yemen and the world.

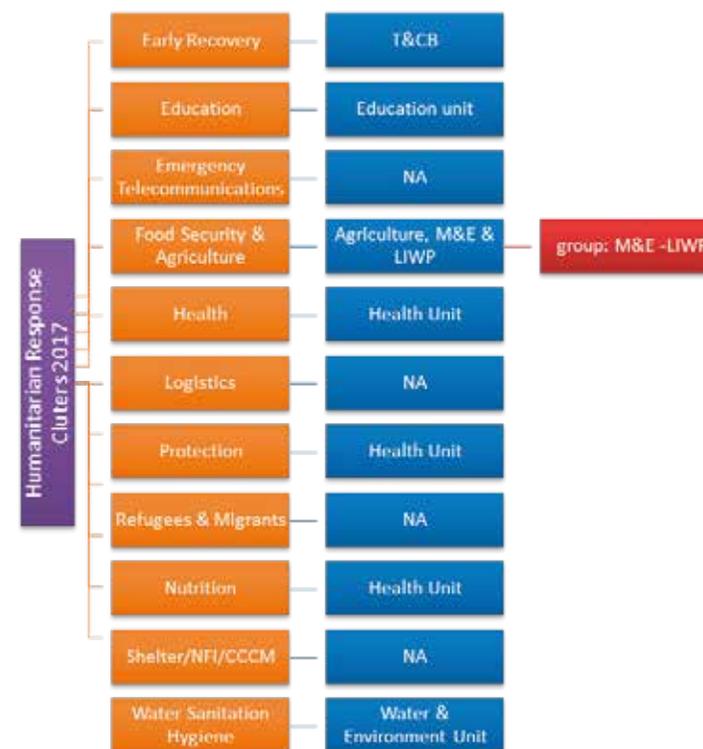
SFD also participated in the Berlin Forum (Germany) on the water crisis in the Middle East conflict-stricken countries. The discussions during the forum addressed the water crisis in countries ravaged by conflict and instability in the Middle East and ways to alleviate the suffering of people in these countries, who suffer from scarcity of water.

The event, organized by the German Government/KfW, witnessed the presentation of a documentary film followed by an extensive discussion on the SFD efficiency in responding to the population's need for water using different work patterns depending on the nature of rural/urban workplace.

UN CLUSTER COORDINATION

SFD is effectively participating at the national level in seven clusters relevant to SFD operations: FSAC, Early Recovery, Education, Health, Protection, WASH, and Nutrition cluster. SFD benefits from participation with the relevant clusters in learning and to coordinate with partners to align activities. Share information and reports on activities, coordinated field implementation, participate in trainings and benefit from updates from the clusters. Using updated data and assessments conducted by the clusters like the IPC for our targeting at the governorate and district level at the start of new funding. The below graph shows the SFD's participation in the different clusters.

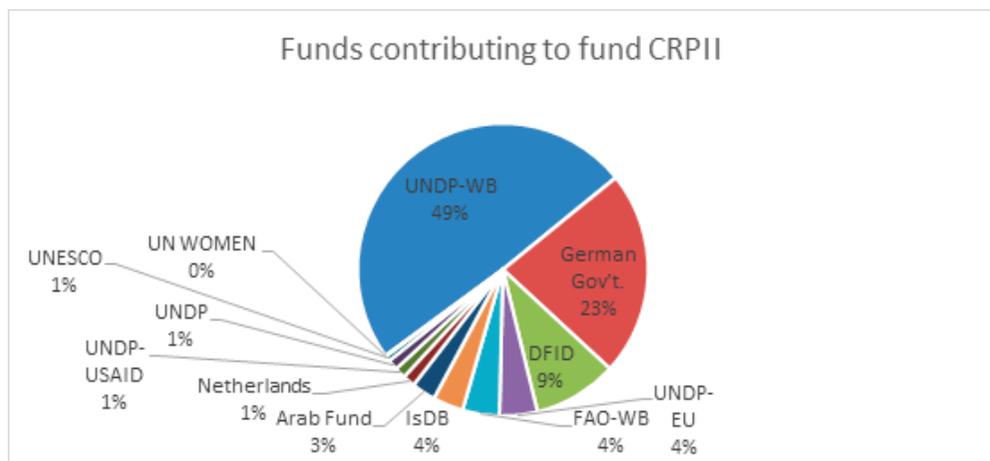
FIGURE 4: HUMANITARIAN RESPONSE CLUSTERS 2017



Funding Sources

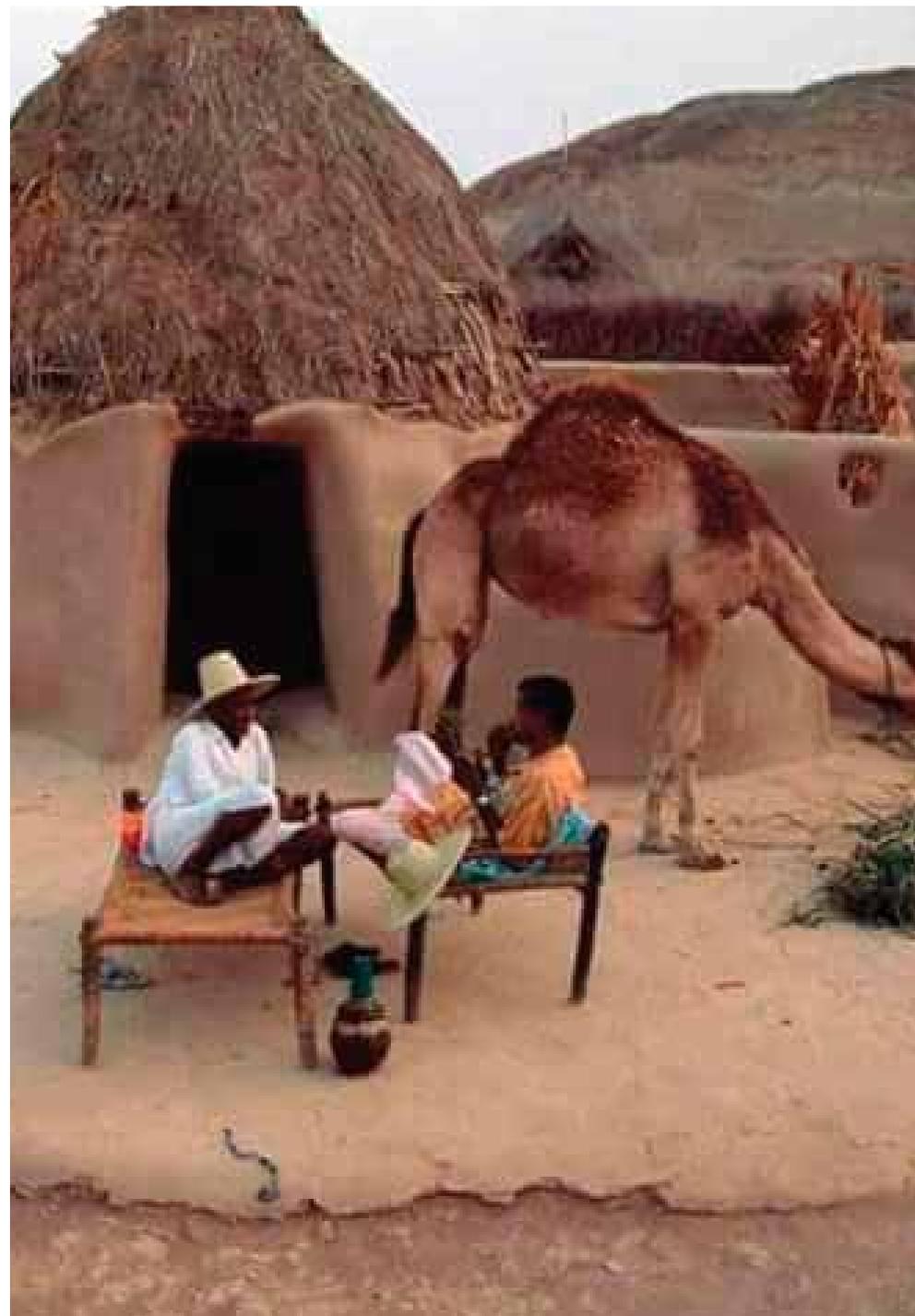
By December 2019, a total of 31 agreements from 12 donors had been available to contribute in the CRPII with a total amount of \$476 million of which 60% of the funds were received while 40% remains with the donors to be received in the following years as indicated in the graph below. About 49% of the available funds of CRPII is from the World Bank via UNDP, 23% from German government /KfW, 9% from DFID, 4% from FOA\WB, IsDB & EU via UNDP, 3% from Arab fund (remaining of the Loan for Phase IV), 1% from EKN, USAID via UNDP, UNSCO and UNDP and 0.08% from UN-Women.

FIGURE 5: PERCENTAGE OF AGREEMENT AMOUNT



FUNDING SOURCES CRPII JAN 2018 – DEC 2019

Since January 2018, SFD received a total of \$285 million that was utilized in projects under the Crisis Response Plan II representing around 56 percent of the total funds planned for disbursement under CRPII lowest funding scenario. During the year 2019, SFD received total funds of \$127 million while another \$144.6 million still remains from the active funds, bringing the total of funds under CRP II to \$ 476 million (including 46 million from new funds which will be received starting 2020). The table below shows all funding sources per donor and agreement.



Funding Sources

TABLE 11: RESOURCES RECEIVED PER AGREEMENTS AS OF DEC. 2019 (EQUIVALENT TO USD)

Donor	Agreement name	Status	Phase of operation	SIGN DATE	Received in 2018	Received in 2019	Total Received	Remaining
Arab Fund	Arab Fund Loan for SFD IV	Active	Phase 4	19-10-2010	5,040,101	-	5,040,101	7,662,295.24
DFID	CSSF Economic Stabilisation Project	Active	CRP II	26-11-2019		242,416	242,416	
DFID	DFID Yemen Social Protection (YeSP) Programme - Phase I	Active	CRP II	22-11-2018	14,389,388	28,253,413	42,642,802	1,573,664
FAO-WB	WB\FOA grant for YAPRE project	Active	CRP II	15-10-2017	3,948,900	9,026,818	12,975,718	6,537,587.15
German Gov't.	Germany/KFW Grant for SFD Education in Rural Areas	Active	CRP II	20-12-2018	500,000	68,634	568,634	5,722,508
German Gov't.	Germany/KFW Grant for Crisis Response Education	Active	CRP II	20-12-2018		569,671	569,671	5,149,549
German Gov't.	German Grant No. 2012 67 327 for Water Crisis Programme in Abyan	Close	Phase 4	19-12-2012	694,362	-	694,362	
German Gov't.	Germany/KFW GRANT for LIWP-BMZ-No.:2013 65 279	Close	Phase 4	20-05-2014	870,977	-	870,977	
German Gov't.	Germany\KFW grant for Strengthening Resilience through LIWP II	Active	CRP II	12-05-2017	-	3,336,281	3,336,281	2,063,719.42
German Gov't.	Germany/KFW GRANT for LIWP-BMZ-No.:2015 67 577	Close	CRP I	21-10-2016	3,893,190	1,647,366	5,540,556	

Donor	Agreement name	Status	Phase of operation	SIGN DATE	Received in 2018	Received in 2019	Total Received	Remaining
German Gov't.	Germany\KFW grant No.: 2014 41 005 for Strengthening Resilience through LIWP	Close	CRP I	21-10-2016	5,624,773	184,319	5,809,092	
German Gov't.	Germany \KFW Grant for SFD Water and Sanitation Programme II	Active	CRP II	21-11-2018		5,929,265	5,929,265	4,870,735
German Gov't.	Germany \KFW Grant for SFD Water and Sanitation Programme	Active	CRP II	13-03-2018	1,146,831	8,355,008	9,501,839	16,246,664
IsDB	Islamic Bank Loan for VOLIP program	Active	Phase 4	04-05-2010	1,617,597	1,283,159	2,900,756	3,258,530.32
IsDB	Islamic Bank Loans For Youth Employment Support	Active	Phase 4	07-03-2013	3,367,401	4,423,217	7,790,618	2,184,243.27
Netherlands	Netherlands Grant for Girls Education and Literacy Programme Activity No. 26489/SAA0118554	Close	Phase 4	28-05-2014	451,012	-	451,012	
Netherlands	EKN grant for Al-Baidha City water system	Active	CRP II	11-07-2019		1,400,000	1,400,000	2,100,000
Netherlands	EKN Fund for SFD Water & Sanitation Project Targeting Communities with High AWD/Cholera Attack Rate	Close	CRP II	07-12-2017	2,063,277	786,723	2,850,000	150,000.00
UN WOMEN	Women's Leadership, Empowerment, Access & Protection in Crisis Response -LEAP	Close	CRP II	09-09-2018	247,008	146,499	393,507	
UNDP	UNDP Grant for Yemen Emergency Crisis Response Project for WASH	Close	CRP II	31-05-2018	2,500,000	-	2,500,000	

Donor	Agreement name	Status	Phase of operation	SIGN DATE	Received in 2018	Received in 2019	Total Received	Remaining
UNDP-EU	Supporting Resilient Livelihoods and Food Security in Yemen -ERRY II	Active	CRP II	25-06-2019		150,700	150,700	2,349,300
UNDP-EU	UNDP Grant for Implementation of Rural Resilience in Yemen Project	Close	CRP I	27-07-2016	319,046	163,002	482,048	
UNDP-EU	Social Protection for Community Resilience in Yemen Project(SP-CRP)-Funded by European Union via UNDP	Active	CRP II	28-09-2017	5,602,841	4,717,205	10,320,046	6,697,650.20
UNDP-USAID	Yemen Emergency Crisis Response Project-USAID	Close	CRP I	10-12-2016	5,859,762	-	5,859,762	
UNDP-WB	Yemen Emergency Crisis Response Project IV- WB/UNDP	Active	CRP II	01-08-2019	-	15,569,563	15,569,563	74,530,438
UNDP-WB	Yemen Emergency Crisis Response Project II - WB/UNDP	Active	CRP II	27-03-2017	99,235,892	41,023,063	140,258,955	3,503,544.75
UNESCO	Protecting Cultural Heritage & Diversity In Complex Emergencies For Stability & Peace	Close	CRP II	15-11-2018	53,639	26,361	80,000	
TOTAL					157,425,997	127,302,682	284,728,679	144,600,428 ¹⁶

¹⁶Not including new funds signed in 2019 but not received yet.

NEW CONTRIBUTIONS SIGNED in 2019

During year 2019 eight new agreements were signed with total \$ 140 million. One agreement is additional financing from World Bank –UNDP of \$ 90 million. Two agreements were from German government-KfW with total amount of \$ 38 million to support : Crisis Response Education-Phase II and SFD Water and Sanitation Programme Phase III. Additional fund from UNDP-EU to support Resilient Livelihoods and Food Security in Yemen -ERRY II with total amount of \$ 2.2 million.

Another agreement with UNESCO was signed to support Cultural Heritage - Cash for work project with total amount of \$ 2.8 million. This is part of project with a total fund amounting to \$8 million for youth employment under cultural heritage sector and targeting four urban cities (Sana'a, Shibam/Hadhramaut, Aden and Zabid).

Moreover, another contribution was signed with EKN for Al-Baidha City water system project with total amount of \$ 3.5 million and two funds were signed with DFID and UNDP to support SMEPS projects with total amount of \$ 3.2 million.

TABLE 12: NEW AGREEMENTS SIGNED 2019

Donor	Agreement name	AMOUNT In USD
DFID	CSSF Economic Stabilisation Project	242,416
German Gov't.	Germany \KfW Grant for SFD Water and Sanitation Programme, Phase III	16,767,270
German Gov't.	Germany/KfW Grant for Crisis Response Education-Phase II	21,238,542
Netherlands	EKN grant for Al-Baidha City water system	3,500,000
UNDP	Yemen Emergency Crisis Response for Prevention of Famine	3,000,000
UNDP-EU	Supporting Resilient Livelihoods and Food Security in Yemen -ERRY II	2,500,000
UNDP-WB	Yemen Emergency Crisis Response Project IV- WB/UNDP	90,100,000
UNESCO	Cash for work: promoting Livelihood Opportunities for Urban Youth in Yemen-Phase I	2,806,536
TOTAL		140,154,764

COMPLETED CONTRIBUTIONS IN JAN-DEC. 2019

During the year, five agreements were closed with a total amount of \$ 5 million as follows:

TABLE 13: CLOSED AGREEMENTS

Donor	Agreement name	EQUIVALENT AMOUNT IN USD	
		AMOUNT	RECEIVED
UNDP/EU	UNDP Grant for Implementation of Rural Resilience in Yemen Project	2,168,183	2,122,406 ¹⁷
UNDP	UNDP Grant for Yemen Emergency Crisis Response Project for WASH	2,500,000	2,500,000
UNESCO	Protecting Cultural Heritage & Diversity In Complex Emergencies For Stability& Peace	80,000	80,000
UN WOMEN	Women's Leadership, Empowerment, Access & Protection in Crisis Response -LEAP	420,000	393,507 ¹⁸
Netherlands	EKN Fund for SFD Water & Sanitation Project Targeting Communities with High AWD/Cholera Attack Rate	3,000,000	2,850,000 ¹⁹
TOTAL		5,168,183	5,083,785

In addition, SFD is in the process of closing two grants from the KfW supporting Labor intensive program totaling \$ 11.3 million.

TABLE 14: KfW COMPLETED AGREEMENTS

Donor	Agreement name	AGREEMENT MOUNT	TOTAL RECEIVED
German Gov't.	Germany/KfW grant No.: 2014 41 005 for Strengthening Resilience through LIWP	5,400,000	5,809,092
German Gov't.	Germany/KfW grant for LIWP-BMZ-No.:2015 67 577	5,400,000	5,540,556

¹⁷ Differences due to the exchange rate when valued at signing the agreement and at the closing with the total received (donor transfer the fund using RIAL currency).

¹⁸Differences are being cleared with the donor.

¹⁹The remaining will be transferred upon submission the external auditor report.

NEW FUNDS UNDER PREPARATION

An additional £10 million from the DFID YeSP program is expected in the second quarter of 2020 making the total agreement amount to £44.48 million. In addition, there are two new funds coming from IsDB with total amount of \$12.5 million. These funds will be utilized to enhance rural development opportunities in agriculture infrastructure and to support on lending component as part of fisheries value chain.

SUSPENDED FUNDING AGREEMENTS

Six agreements remain to be suspended due to the current situation. These agreements' total cost to \$227 million, of which only \$64 million was received prior to March 2015.

Arab fund lifted the suspension of one agreement and SFD is currently following up with Arab Fund to lift the suspension for the second agreement for the Great Mosque Grant-Phase IV. The following table provides details on the suspended agreements.

TABLE 15: CLOSED AND SUSPENDED AGREEMENTS

Donor	Agreement name	AMOUNT In USD		
		TOTAL	RECEIVED	REMAINING
Saudi Fund	Saudi Fund for Development Grant for SFD 4th Phase	100,000,000	10,000,000	90,000,000
Arab Fund	Arab Fund for the Great Mosque Grant - Phase IV	1,770,000	640,370	1,129,630
Kuwaiti Fund	Kuwaiti Grant for Reconstruction	50,000,000	10,000,000	40,000,000
OPEC Fund	OPEC Loan 1234P	18,000,000	15,422,940	2,577,060
OPEC Fund	OPEC Contribution to SFD IV ²⁰	25,000,000	0	25,000,000
Abu Dhabi Fund	Abu Dhabi Fund for Development Grant	32,340,000	28,542,923	3,797,077
TOTAL		227,110,000	64,606,233	162,503,767

CRP II Funding Status

Currently SFD is still running under the lowest case scenario in which the total amounts available for CRPII is \$473 million (representing 93 percent of the total budget under this scenario) while the total amount received so far is \$284.7 million (representing 56 percent of the lowest case scenario budget). The below table presents the amounts received since 2018 and the funding gap.

Additionally, out of the \$284 million received under CRPII, a total of \$205.7 million was the contribution of agreements signed under CRPI & Phase IV (prior to 2018) while \$79 million was from agreements that were signed in 2018 and 2019.

TABLE 16: FUNDING SOURCES BY LOW CASE SCENARIO

LOW-CASE SCENARIO	FUNDING SOURCES (USD)
Total received amount	284,728,679
Remaining funds – to be received	188,412,776 ²¹
Total available (received and remaining)	473,141,455
Total required fund CRPII	510,000,000
Funding gap	36,858,545

As of Dec. 2019, SFD was able to mobilize new sources of funds amounting to \$231.3 million under the crisis response plan II, while another \$241.7 million came from funding sources and agreements that were signed prior to 2018. The total available funds amount to an equivalent of \$473 million (as in the following table):

TABLE 17: CLASSIFICATION OF FUNDING UNDER CRPII

FUNDING SOURCES	AMOUNT (USD)
Agreement amounts for CRP II	231,396,903
Remaining from previous agreements	241,744,552
Total available resources	473,141,455

²⁰ It was negotiated and signed by the government, but due to eruption of the conflict, it was not approved by the Parliament.

²¹ There is \$150K remaining fund from EKN, which will be transferred upon submission of the external auditor report.

FUNDING STATUS AS OF DEC 2019

TABLE 18: FUNDING STATUS AS OF DEC 2019

Donor	Agreement name	Status	Fund	Sources	USD			SIGN DATE	END DATE	First payment received	Program/sector covered
					TOTAL AMOUNT	RECEIVED	REMAINING				
Arab Fund	Arab Fund Loan for SFD IV	Active	Phase 4	Available Funds	100,000,000	92,337,704.76	7,662,295.24	19-10-2010	31-12-2020	03-10-2012	Community Development infrastructure & SMED Loans
DFID	DFID Yemen Social Protection Programme (YeSP) - Phase I	Active	CRP II	New Funds	44,216,466	42,642,801.85	1,573,664.15	22-11-2018	25-09-2021	22-11-2018	All except cultural Heritage
DFID	CSSF Economic Stabilization Project	Active	CRP II	New Funds	242,416	242,416		26-11-2019	31-03-2020		Business service (SMPEs)
FAO-WB	WB\FOA grant for YAPRE project	Active	CRP II	Available Funds	19,513,305	12,975,717.85	6,537,587.15	15-10-2017	09-08-2020	24-10-2017	Agriculture
German Gov't.	Germany\KFW grant for Strengthening Resilience through LIWP II	Active	CRP II	Available Funds	5,400,000	3,336,280.58	2,063,719.42	12-05-2017	31-12-2020	27-01-2019	LIWP
German Gov't.	Germany \KFW Grant for SFD Water and Sanitation Programme	Active	CRP II	New Funds	25,748,503	9,501,839.06	16,246,663.94	13-03-2018	31-12-2021	20-09-2018	Water & Sanitation
German Gov't.	Germany \KFW Grant for SFD Water and Sanitation Programme II	Active	CRP II	New Funds	10,800,000	10,800,000	4,870,735.15	21-11-2018	14-12-2021	18-02-2019	Water & Sanitation
German Gov't.	Germany/KFW Grant for SFD Education in Rural Areas	Active	CRP II	New Funds	6,291,142	568,634.12	5,722,507.88	20-12-2018	31-12-2021	24-12-2018	Education
German Gov't.	Germany/KFW Grant for Crisis Response Education	Active	CRP II	New Funds	5,719,220	569,670.69	5,149,549.31	20-12-2018	31-12-2021	24-12-2018	Education
German Gov't.	Germany/KFW Grant for Crisis Response Education-Phase II	Active	CRP II	New Funds	21,238,542		21,238,542.00	18-12-2019	31-12-2021		Education
German Gov't.	Germany \KFW Grant for SFD Water and Sanitation Programme, Phase III	Active	CRP II	New Funds	16,767,270		16,767,270.00	18-12-2019	31-12-2023		Water & Sanitation
IsDB	Islamic Bank Loan for VOLIP program	Active	Phase 4	Available Funds	11,260,000	8,001,469.68	3,258,530.32	04-05-2010	30-06-2020	09-07-2013	Education & SMED
IsDB	Islamic Bank Loans For Youth Employment Support	Active	Phase 4	Available Funds	25,000,000	22,815,756.73	2,184,243.27	07-03-2013	24-06-2020	04-06-2014	LIWP and business service
Netherlands	EKN grant for Al-Baidha City water system	Active	CRP II	New Funds	3,500,000	1400000	2,100,000.00	11-07-2019	30-04-2022		Water
UNDP	Yemen Emergency Crisis Response for Prevention of Famine	finalizing the start up	CRP II	New Funds	3,000,000		3,000,000.00	07-01-2020	31-03-2020		Business service (SMPEs)

Donor	Agreement name	Status	Fund	Sources	USD			SIGN DATE	END DATE	First payment received	Program/sector covered
					TOTAL AMOUNT	RECEIVED	REMAINING				
UNDP-EU	Social Protection for Community Resilience in Yemen Project (SPCRP)-Funded by European Union via UNDP	Active	CRP II	Available Funds	17,894,596	11,196,945.80	6,697,650.20	28-09-2017	30-06-2020	08-10-2017	LWP, Health and self-help initiatives
UNDP-EU	Supporting Resilient Livelihoods and Food Security in Yemen -ERRY II	Active	CRP II	New Funds	2,500,000	150,700.00	2,349,300.00	25-06-2019	30-06-2021	01-07-2019	Local Community
UNDP-WB	Yemen Emergency Crisis Response Project II-WB/UNDP	Active	CRP II	Available Funds	177,965,562	174,462,017.25	3,503,544.75	27-03-2017	31-03-2020	03-04-2017	CFW & Community Services, SMED/SMEPS
UNDP-WB	Yemen Emergency Crisis Response Project IV-WB/UNDP	Active	CRP II	New Funds	90,100,000	15,569,562.50	74,530,437.50	01-08-2019	30-09-2021	05-08-2019	CFW & Community Services, SMED/SMEPS
UNESCO	Cash for work: promoting Livelihood Opportunities for Urban Youth in Yemen-Phase I	Active	CRP II	New Funds	2,806,536		2,806,536.00	30-09-2019	31-08-2020		Cultural Heritage
Total					589,963,558	401,700,782	188,262,776				

Occupational Health and Safety

Occupational Health and Safety (OHS) is a multidisciplinary system protecting the safety, health and welfare of people at work.

During 2019, SFD developed anti-harassment policy and updated the OHS manual and forms (risk assessment and reporting, injury notification, investigation, accident report, monthly report, daily audit and work permit).

In addition, SFD conducted several training workshops on safeguards for 1,296 community committee members (37% F), 570 officers (19% F), 833 field consultants (4% F), 417 contractors and 47 accountants. The workshops aimed at increasing awareness on safeguards.

The total number of reported injuries in 2019 was 103, of which 5 were non-work related and happened off duty. Out of the remaining 98 injuries, 13 were classified as major. The majority of injuries (about 28%) were due to fall of a beneficiary, followed by car traffic accidents (24%) and 11% also traffic but by motor cycles, while another 11% was due to fall of rocks.



COMPLAINT & NOTIFICATION HANDLING MECHANISM (CNHM)

SFD is committed to improve accountability and protection of beneficiaries' rights.

To do so, SFD continues to improve the reporting on grievances. SFD has already established different lines and methods to ensure the availability of various means of reporting grievances that are suitable for everyone.

As part of improving feedback, SFD CNHM conducted several training and awareness on the grievance system for community members, direct beneficiaries and community committees. In addition to use of posters and brochures explaining the grievance system, during the year, SFD trained 1,951 members of 339 community committees members, 61,901 direct beneficiaries of which (28% are females) and 542,335 community members on the grievance mechanism and how to report a complaint. As part of ensuring staff and consultants are able to effectively provide awareness to targeted communities on grievances, SFD trained 400 consultants of which 44 percent are females and 413 of SFD staff (33% are females). The training aimed at building the consultants and staff skills to be able to deliver field awareness to communities and beneficiaries.

Additionally, SFD has developed a dashboard for complaints that provide details on complaints per branch, category, agreement, gender, reporting method and nature of complainer.

During the year, a total of 1,988 complaints and notifications were received (1,863 already closed and 125 still being processed), with the majority being financial in nature (39.5 percent), most of which are on payment of dues to beneficiaries and/or contractors, delay of payment from the bank, calculation of dues and payment of transport cost. This is followed by community-re-

lated complaints (about 27%), in which the majority are due to misunderstanding or misperception from community members on the nature of activities and targeting as well as to complaints on justice of interventions in which the majority are on selection of beneficiaries (either assets such as cisterns or employment). Contractual/procurement complaints come third (239, about 12 percent of the total complaints), with the majority on employment opportunities (mainly from consultants on not being selected for an employment opportunity).



Annexes: Additional Data

TABLE A1. COMMITMENTS BY PROGRAM
(MILLIONS OF U.S. DOLLARS)

Program	2019*	Phase IV (2011–2019)	Cumulative (1997–2019)
Community and Local Development	45.4	741.48	1,782.98
Labor Intensive Works Program	42.0	412.87	564.27
Capacity Building	5.0	71.55	102.65
Small and Micro Enterprises Development	20.3	126.51	157.11
Total*	112.7	1,352.41	**2,607.01

Note: Amounts are estimated based on annually approved projects as well as operating and fixed assets costs. Commitments may fall by 5–7% due to cancellation of some approved projects.

* Includes an estimate of beneficiaries' contribution.

** SFD receives funds in multiple currencies; therefore, there may be differences in the amounts due to fluctuation of exchange rates.

TABLE A2. DISBURSEMENTS BY PROGRAM*
(MILLIONS OF U.S. DOLLARS)

Program	2019**	Phase IV (2011–2019)	Cumulative (1997–2019)
Community and Local Development	36.2	626.40	1,386.50
Labor Intensive Works Program	52.7	348.10	469.70
Capacity Building*	11.8	119.40	144.50
Small and Micro Enterprises Development	21.1	109.70	119.40
Total*	121.8	1203.6	2,120.1

* Includes operating expenses and fixed assets' costs (approximately 5% of the total).

** Disbursements are for 2018 projects as well as for previous ones that commenced in preceding years.

FIGURE A1. DISTRIBUTION OF COMMITMENTS BY SECTOR, 2019

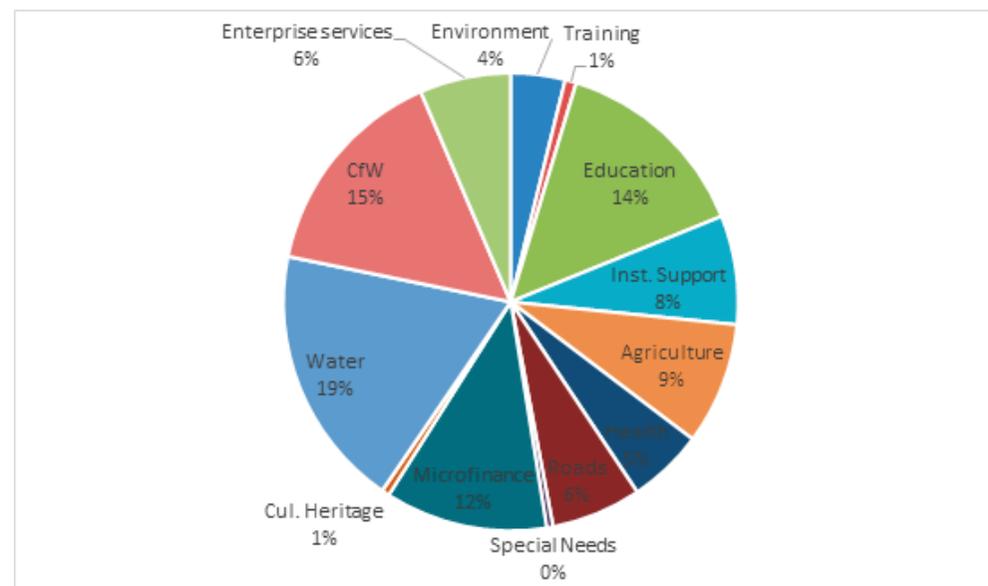


FIGURE C. DISTRIBUTION OF CUMULATIVE COMMITMENTS BY SECTOR, 1997–2019

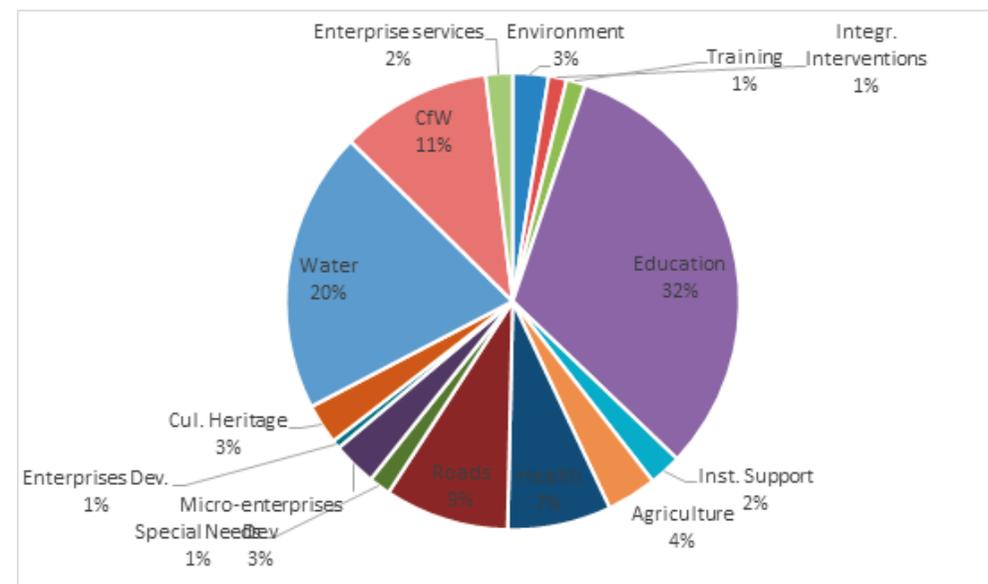


FIGURE D. DISTRIBUTION OF COMMITMENTS BY GOVERNORATE, 2019
(MILLIONS OF U.S. DOLLARS)

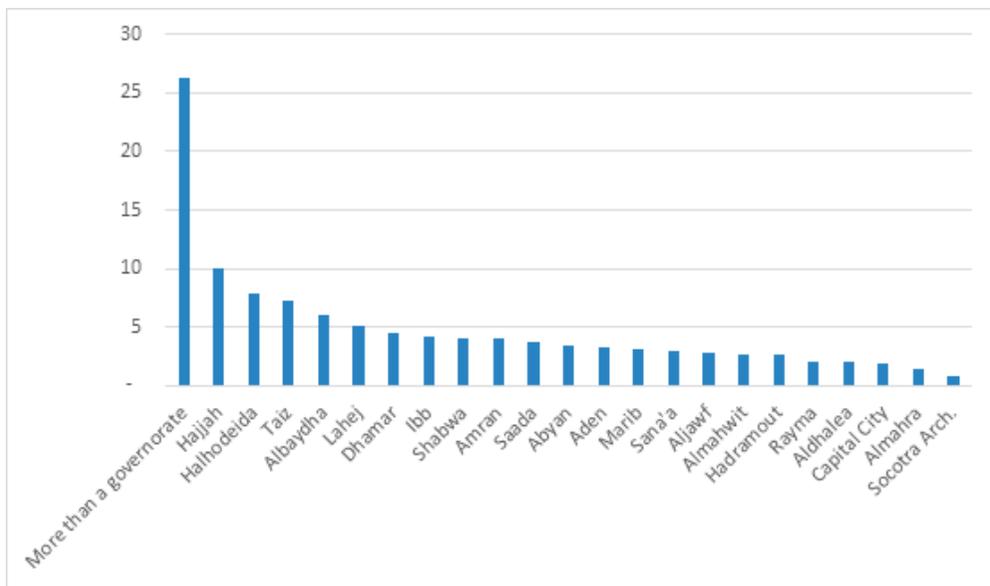


FIGURE G. COMMITMENTS, ANNUALLY & CUMULATIVELY (1997-2019)
(MILLIONS OF U.S. DOLLARS)

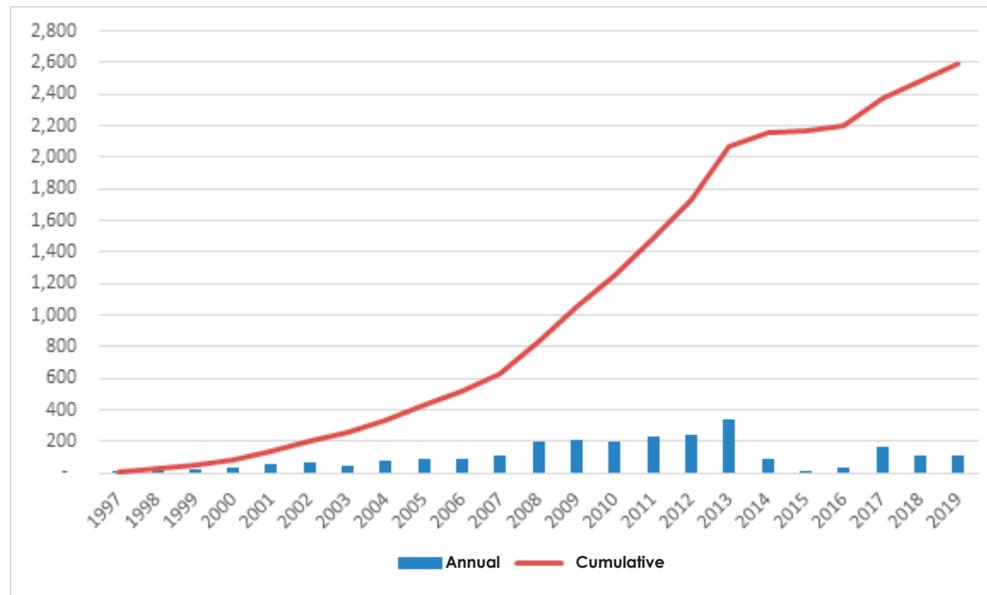


FIGURE F. DISTRIBUTION OF CUMULATIVE COMMITMENTS BY GOVERNORATE, 1997-2019
(MILLIONS OF U.S. DOLLARS)

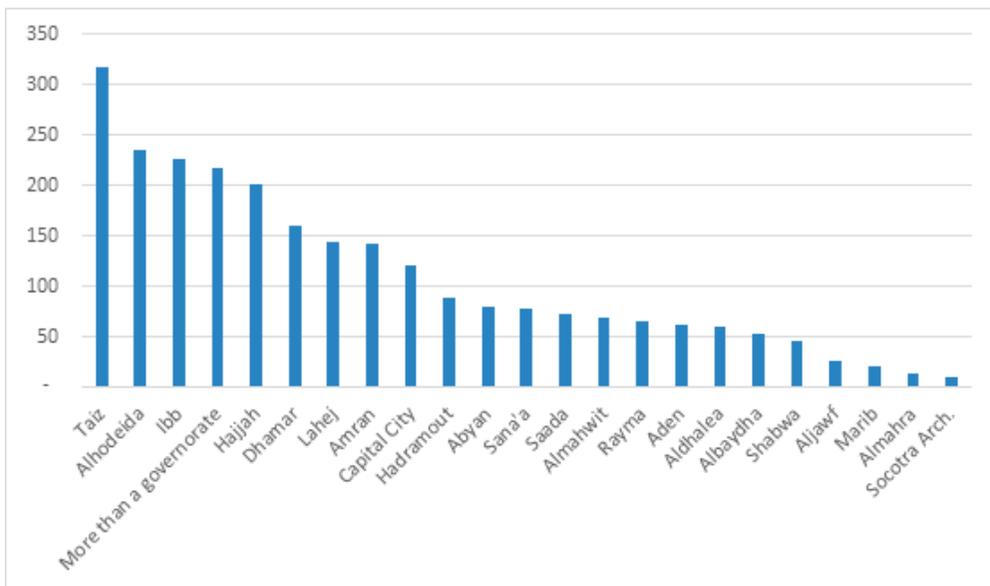


FIGURE H. DISBURSEMENTS, ANNUALLY & CUMULATIVELY (1997-2019)
(MILLIONS OF U.S. DOLLARS)

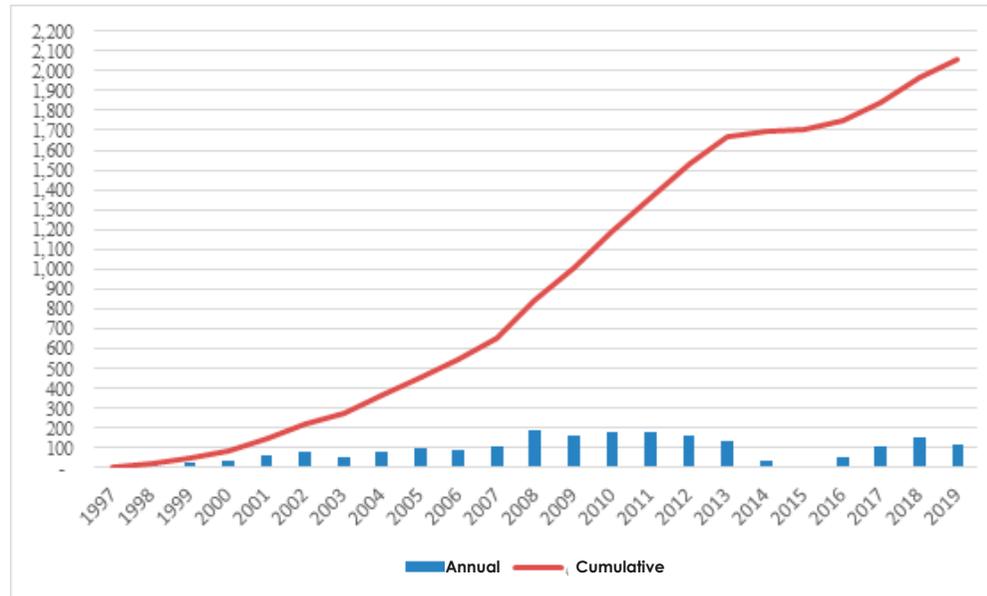


FIGURE I. EMPLOYMENT CREATED BY SFD-SUPPORTED PROJECTS, ANNUALLY & CUMULATIVELY (1997-2019)

(MILLIONS OF WORKDAYS)

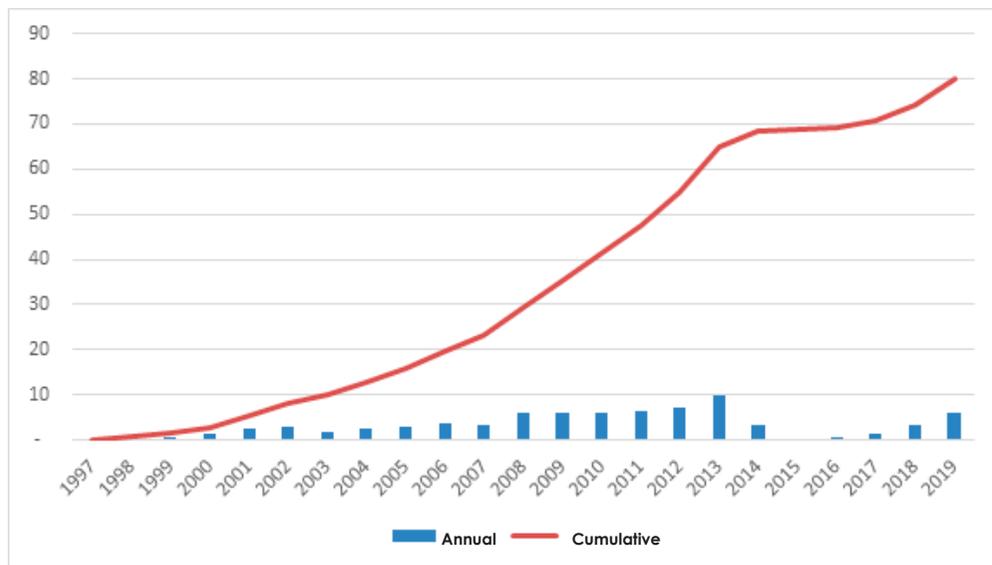
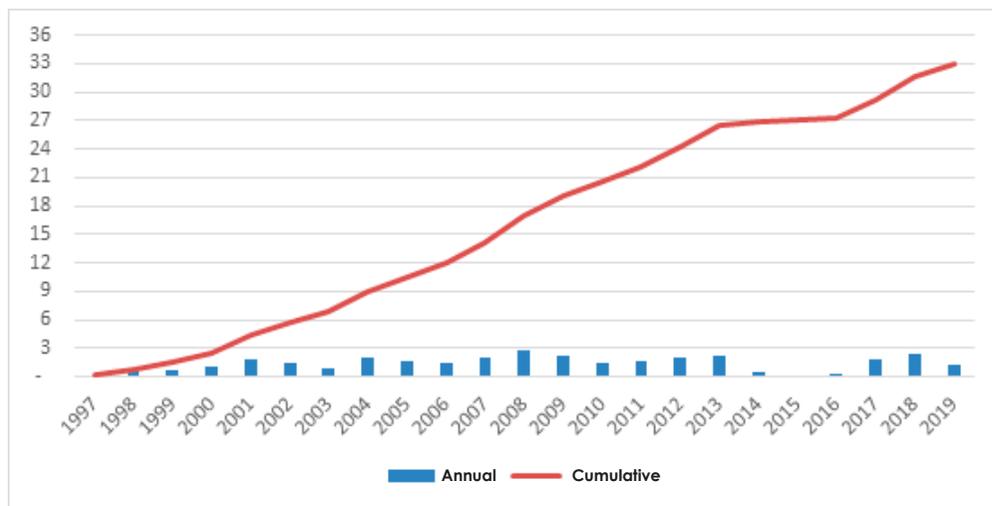


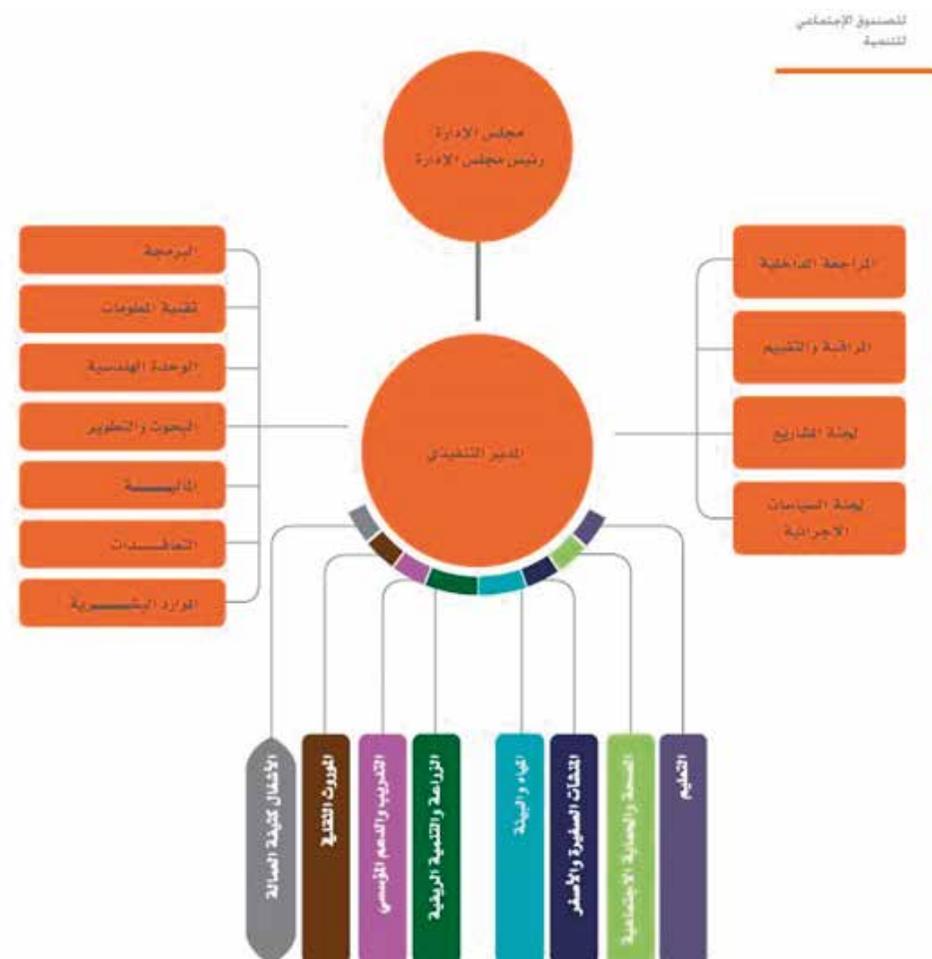
FIGURE J. DIRECT BENEFICIARIES OF SFD-SUPPORTED PROJECTS, 1997-2019

(MILLIONS)

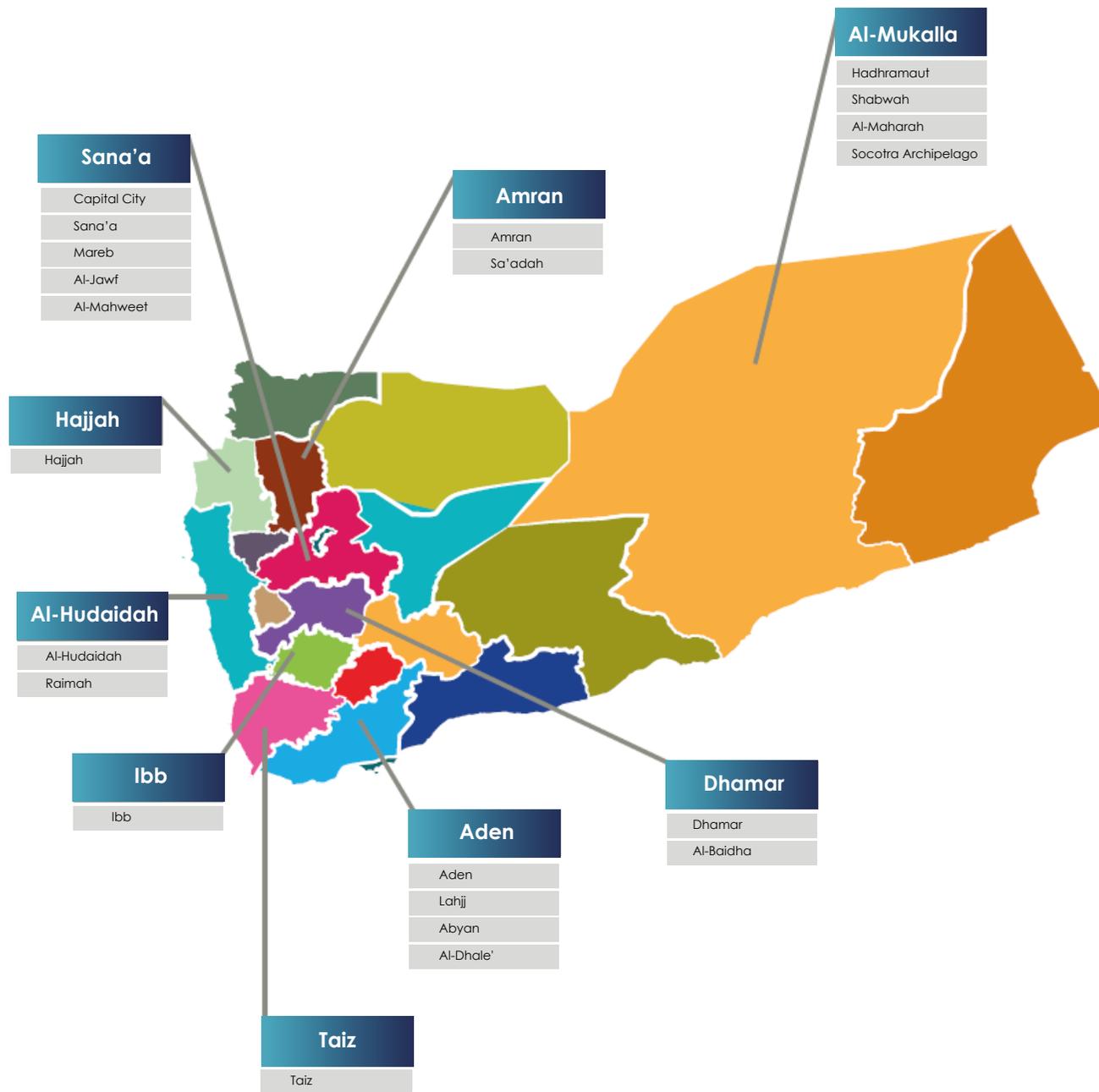


SFD Organizational Structure

FIGURE A9: SFD ORGANIZATIONAL STRUCTURE



SFD Branch Offices and Governorates Covered



Distribution of Poor Density and SFD Projects (1997–2019)

