

The top half of the cover features a large, stylized image of the Yemeni flag, with its characteristic red, white, and blue horizontal stripes and a green triangle at the top, set against a light blue background.

Republic of Yemen

# Social Fund for Development

Annual Report

# 2009



*In the Name of Allah, the  
Gracious, the Merciful*

Annual Report 2009  
Social Fund for Development

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H. E. President of the Republic

*Ali Abdullah Saleh*

## IMPRINT



## Social Fund for Development, Yemen

### Annual Report 2009

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Faj Ettan, P.O. Box 15485

Sana'a, Republic of Yemen

Tel.: +967 1 449 671

449 669 / 8

Fax: +967 1 449 670

[sfd@sfd-yemen.org](mailto:sfd@sfd-yemen.org)

[www.sfd-yemen.org](http://www.sfd-yemen.org)

Graphic design and layout:

Wael Al-Anesi | [www.wael3d.com](http://www.wael3d.com)

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## SFD at a Glance



SFD was established as an autonomous, State organization under the Council of Ministers in 1997 by Law 10. The Fund aims to contribute effectively in the implementation of State plans in both the social and economic fields. To this end, SFD seeks to enable individuals, households, micro-entrepreneurs and poor and low-income groups to gain access to employment and production by providing services, facilities and credit for contribution to the reduction of unemployment and alleviation of poverty.

To secure autonomy and flexibility, SFD is supervised by a Board of Directors chaired by the Prime Minister and composed of members representing the government, private sector and civil society.

Since its establishment, SFD has received extensive and expanding

financial support from the government and the donor community. Thus SFD has become an active State institution with operations implemented throughout the country, prioritizing poorer communities and investing in several sectors and programs. These include Education, Health, Water and Sanitation, Agriculture and Rural Development, Rural Feeder Roads, Small and Micro Enterprise Development, Social Protection, Labor Intensive Works Program, Cultural Heritage and Training & Capacity Building of Partner Institutions.

SFD achieves its goals through four main programs:

- Community development initiatives facilitate access to basic social and economic services, mainly in underserved rural as well as some urban areas.
- Capacity building of local partners along with efforts to support capacities and organize communities, some government agencies and Non-Governmental Organizations (NGOs).
- Small and Micro-enterprise Development projects enhance small and microfinance services by supporting intermediaries such as NGOs and financing institutions, and develop the business sector to provide non-financial services for small entrepreneurs.
- Labor-intensive works focus on creating job opportunities to temporarily absorb unskilled workers.

Through these programs, the SFD seeks to empower communities and promote local development, expand and enhance economic activities, build capacities and expand partnerships, and increase efficiency within and outside the SFD.

These goals are outlined in SFD's Mid-Term Vision (2006 - 2010) as well as Phase IV Vision (2011 - 2015), developed to ensure that interventions are consistent with and support implementation of the government's third and fourth Five-Year Plans for Economic and Social Development and Poverty Reduction (2006 - 2010) and (2011 - 2015) respectively. Projected costs for SFD Phase IV amount to nearly \$1,126.7 million.

SFD's first (1997 - 2000) and second (2001 - 2003) phases of operations expended \$90 million and \$200 million respectively. The third phase, originally planned to run from 2004 - 2008, was extended to 2010 to synchronize with government plans and strategies.

SFD funding has come from diverse domestic and external sources. These include the Yemeni government, World Bank, Arab Fund for Economic and Social Development, European Community, German Development Bank (KfW), International Fund for Agricultural Development (IFAD), Islamic Development Bank, Netherlands, OPEC Fund for International Development, Saudi Fund for Development, UK Department for International Development (DFID), United States, United Nations Educational, (UNESCO), Italy and Oman.

In addition, communities that benefit from SFD interventions contribute to project costs by providing labor, construction materials, other in-kind contributions and cash.

By the end of 2009, the SFD had committed about \$1,009.4 million to 9,596 projects. These projects have generated some 36.6 million days of employment.

# Board of Directors

His Excellency Dr. Ali Muhammad Mujawar  
Prime Minister and Chairman of the Board

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Dr. Amat Al-Razzaq Hummad  
Minister of Social Affairs and Labor and Vice Chairman of the Board

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Abdulkarim Ismail Al-Arhabi  
Deputy Prime Minister for Economic Affairs, Minister of Planning and International Cooperation and Managing Director of the Social Fund for Development

---

Rashad Muhammad Al-Alimi  
Deputy Prime Minister for Defence & Security and Minister of Local Administration

---

Numan Taher Al-Suhaibi  
Minister of Finance

---

Dr. Abdulsalam M. H. Al-Joufi  
Minister of Education

---

Dr. Ibrahim Omar Hejri  
Minister of Technical Education and Vocational Training

---

Dr. Abubakr Abdullah Al-Qirbi  
NGO Representative

---

Dr. Tariq Sinan Abu Luhoum  
NGO Representative

---

Abdulrahman Dhaiban  
Expert Representative

---

Muhammad Ana'am Ghaleb  
Expert Representative

---

Muhammad Hassan Al-Zubeiri  
Private Sector Representative

---

Abdullah Salem Al-Rammah  
Private Sector Representative

---

Ahmed Muhammad Da'meem  
Banking Sector Representative

## Statement of the Chairman of the Board of Directors



### **Dr. Ali Muhammad Mujawar**

Prime Minister  
Chairman of the SFD Board of Directors

Perusing the 2009 Annual Report of the Social Fund for Development (SFD) and its impressive activities and events we feel contented by SFD's steadily rising record of achievement attained over the last thirteen years. Indeed, we believe that, since its inception in 1997, SFD has been highly successful in its objectives to contribute to State economic and social development plans and national poverty alleviation efforts by providing job opportunities and deeply involving local communities in the development of their regions.

We are also pleased with SFD's accelerated pace in completing the third phase of its operations, which commenced in 2004 and was extended until the end of 2010 to conform to the Third Five-Year Plan for Economic and Social Development and Poverty Reduction (DPPR - 2006-10).

Furthermore, SFD has embarked early in preparing its next phase of work (2011-15), also in line with national development plans.

We are confident that SFD will continue to focus its efforts on expanding the economic benefit of its work. Interventions in small and micro-enterprise development and labor-intensive works are two areas where SFD has a leadership role in addressing the needs of young people and the most vulnerable and impoverished groups in our society.



## Statement of the Managing Director



### **Abdulkarim Ismail Al-Arhabi**

SFD Managing Director

In 2009, The Social Fund for Development (SFD) continued to strive to support the country's micro-economy facilitating a better life for a significant segment of the Yemeni people. SFD initiatives like Labor-Intensive Works Program (LIWP) in 2009 created 718,090 job opportunities, primarily in rural communities. Such programs are providing hope for vulnerable Yemenis and helping them to build a better future part of the success story of government-led reform efforts.

SFD activities shown in this annual report for 2009 are not mere statistics, but rather they reflect the positive impact throughout the country by the nearly 9,600 sub-projects (worth some \$1.009 million) since inception that have directly benefited the real lives of some 9.3 million men and 10.5 million women (the latter constituting about 53% of the total direct beneficiaries). Similarly, these initiatives have generated temporary job opportunities amounting to around 36.6 million person days.

As SFD heads into the Fourth Phase of its operations (2011-2015), we are proud to present in this report a glimpse of the human impact of our investments, as well as to highlight activities that continue to contribute to development, governance and state building in the country.

Finally, we would like to highly praise the continued support provided to SFD by the political leadership headed by His Excellency Ali Abdullah Saleh, President of the Republic, as well as by the Government led by His Excellency Dr. Ali Muhammad Mujawar, Prime Minister and Chair of SFD's Board of Directors. In addition, SFD continues to deeply appreciate the steadfast support from the donor community and our partners in local development.

Such broad support of the organization has enabled the remarkable SFD team to focus on maximizing the impact of these investments. It is an honor to work with the distinguished and committed group comprising the staff of SFD. Thank you for all your efforts!

# EXECUTIVE SUMMARY

This report outlines activities conducted by the Social Fund for Development (SFD) in 2009, during which 1,442 projects were developed, with commitments exceeding \$218 million. These initiatives, expected to directly benefit 2.7 million people, created temporary job opportunities amounting to nearly 6.7 million working days.

During the year, SFD in partnership with stakeholders developed a draft vision for its fourth phase of operations (2011-15) which incorporated experiences and lessons learned during previous phases, international best practices, impact evaluations and regular internal and external reviews. The main goal of Phase IV will be for SFD to continue effectively contributing to national development goals, particularly in the area of poverty reduction. This will be pursued through four main programs: Community and Local Development to enhance the development role of local authorities and facilitate the access of poor communities to basic services; Capacity Building to focus on human resource investment, institutional development, strengthening of governance systems, exchange of experience and mutual learning, as well as promoting decentralization and local development; Small and Micro Enterprise (SME) Development to support relevant institutions in providing sustainable financial services to SMEs and business development services, as well as contribute to creating an enabling environment for this sector; and Labor-Intensive Works to enhance the role of communities in development and ensure the sustainability of investments.

In 2009, education projects continued to receive a significant proportion of SFD investments with 39% expended on the sector. Areas of focus included enhancing efforts to provide equal access to education, with increased attention on enhancing rural girls' education and community participation.

SFD also continued to emphasize traditional rainwater harvesting projects, while devoting special attention to raising hygiene and environmental awareness. In 2009, water and environment projects accounted for 33% of SFD investments.

Health projects, comprising 6% of SFD investments in 2009, focused on improving access to primary and reproductive health care, training female rural health workers and improving the performance of health institutes.

SFD also continued to advocate for the rights of groups with special needs and support efforts to integrate them into society by implementing projects targeting them and supporting NGOs addressing their needs. These projects accounted for 1% of SFD's 2009 total investments.

During the year, SFD continued supporting rural development through projects for rain-fed agriculture (2%) and integrated interventions (1%).

For the second straight year, SFD supported labor-intensive works targeting areas most negatively affected by the increase in food prices, as well as by climate changes. This program has been evaluated and it will be upgraded in its second phase, with SFD branch offices becoming more proactive in implementing activities. The program has so far created 753,760 daily job opportunities and reached 94% of the overall targeted households, with financial and physical achievement rising to 93%. This program was allocated 11% of investments in 2009.

During 2009, SFD focused considerable attention in supporting local authorities and enhancing decentralization efforts. It also helped build the capacity of NGOs and community organizations and emphasized the importance of training and building human and institutional capacity throughout the country. About 2% of the year's investments were expended in training and organizational support.

Within its Cultural Heritage preservation efforts SFD continued to support conservation and restoration of historical monuments and archeological sites of significant cultural value, with about 3% of investments in 2009 going to such projects. Moreover, SFD continued to build local capacity in this field nationwide.

During 2009, SFD also continued to strengthen microfinance programs to enhance their competitiveness and improve their services, both financial and non-financial. Small and micro-enterprises (along with business development services) accounted for 2% of the year's investments.

SFD's consistent progress has been enhanced by the constant expansion of its absorptive capacity and continuous improvement to its databases and management information system as well as training of its staff and consultants.

# PROGRAM AND SECTOR INVESTMENTS



## Targeting and Funding Allocation

In 2009, SFD programs were executed by seven implementation units addressing sector needs in addition to the LIWP. The sectors comprise Education, Water and Environment, Health and Social Protection, Agriculture and Rural Development, Training and Organizational Support, Cultural Heritage and Small and Micro Enterprise Development.

During the year, SFD approved 1,442 projects worth an estimated \$218 million (table 1).

Table 1: Approved projects, commitments and disbursement, 2009

Indicator	Planned	Committed	Achieved (%)
Approved projects	1.393	11.442	103.5
Commitments (millions of U.S. dollars)	187	218	116.3
Disbursements (millions of U.S. dollars)	127.6	139.7	109.5

## Funding Allocation in 2009

SFD is a demand-driven organization that has taken an active role in targeting vulnerable groups and the poorest communities, particularly those in remote rural areas. This policy relies on the most recent poverty indicators for the country and data from the 2004 Census of Population and Houses, the 2005-06 Household Budget Survey (HBS) and qualitative tools that further identify the most impoverished areas and neediest communities for allocation of resources.

The SFD utilizes three key targeting strategies:

- **Geographic targeting** covers all the districts in the country by distributing the majority of SFD resources based on the estimated number of poor and needy individuals in each governorate and subsequently in each district. In 2009, 511 projects totaling \$92.5 million (42% of the years 2009 total investment) benefited.

- **Community targeting** uses assessment tools and participative approaches to target communities within the broad, allocation framework. In 2009, 63 projects at an estimated cost of \$2.8 million (1%) .

- **Program targeting** allocates additional resources to design and implement programs and projects that address problems affecting specific communities and groups. In 2009, 812 projects cost about \$107 million (50%). Additionally, in 2009 LIWP funded 56 projects at an estimated cost of \$15.4 million (7%).

**Geographic targeting** covers all the districts in the country by distributing the majority of SFD resources based on the estimated number of poor and needy individuals first within each governorate and then within each district. Program implementation is continuously monitored and updated to ensure that geographic areas utilize their allocated funding. Additional analyses have been conducted using an aggregate poverty index—based on data from the 2004 Census— that is an average of seven basic indicators reflecting poverty.



October School in Al-Mukalla

This mechanism is premised on the assumption that the higher an area's poverty index, the worse are its living conditions and thus the more deserving of SFD interventions.

SFD projects and investments were expended as per the following four categories of village poverty indices (figure 1):

- Poverty index of 0–25%. This group of beneficiaries received 13% of total investments (49 projects).

- Poverty index of 26–50%. This group of beneficiaries received 28% of the total investments (133 projects).

- Poverty index of 51–75%. This group of beneficiaries received 33% of total investments (181 projects).

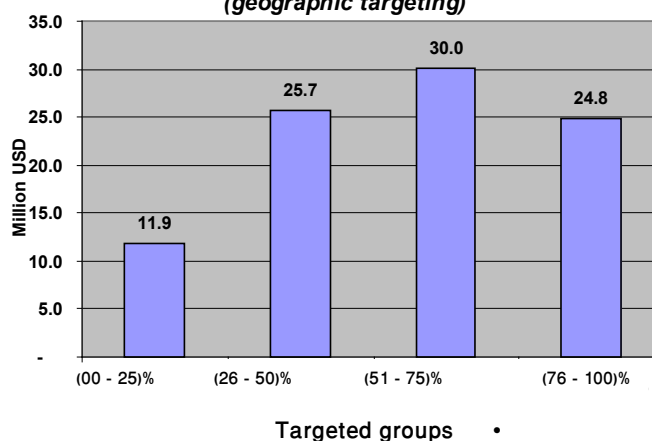
- Poverty index of 76–100%. This group of beneficiaries comprising the poorest and neediest areas received 27% of the total investments (148 projects).

Thus in 2009, \$55 million of geographically-targeted investments (59%) went to areas with a poverty index above 50%.

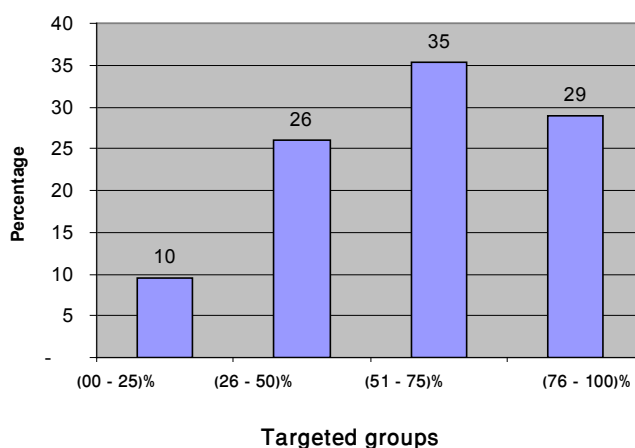
Community targeting utilizes assessment tools and community participation approaches to refine broad geographic and demographic indicators to ensure that the neediest areas receive support. Since inception, SFD has continuously improved its tools and deepened its engagement with communities. This approach allows more strategic investments within areas, as there are often diverse circumstances within districts as a result of social and economic factors.

Program targeting allocates additional resources to design and implement programs and projects that address problems affecting specific communities and groups. It includes the Integrated Interventions Program (addressing a broad range of needs in the poorest areas), providing equal access to education (allocating additional resources to areas with low enrollments of girls) and educational excellence (developing models to address low-quality education), as well as training programs (targeting issues such as a shortage of rural health workers or programs that qualify community groups). Additionally, funding for LIWP (creating job opportunities to temporarily absorb unskilled workers in vulnerable communities) falls under this category of targeting.

**Distribution of 2009 investments, by targeted group (geographic targeting)**



**Distribution of 2009 projects, by targeted group**



# EDUCATION



## 2009 SFD Education Significant Achievements

- TOT training for online courses for teachers and a series of professional development trainings to expand online course participation, launch environmental projects with collaborative stories and join a successful regional learning circle with Lebanon, Oman, United Arab Emirates & Egypt.
- Nine participants, including 6 teachers (3 male and 3 female), 2 female students and an SFD representative, attended an international conference in Morocco sponsored by International Education And Resource Network (i-earn) where they shared achievements of the Douroub program.
- Prepared & printed a life skills manual for literacy education courses.
- Community class approach designed to impart reading & writing skills to students that have dropped out of school to encourage them to return.
- National competition supporting talented and gifted Yemeni students in robotics.

TTable 2: Indicators for Education Sector 2009 and Cumulative

Indicator	2009	Cumulative (1997-2009)
Approved projects	435	33,943
Commitments (millions of U.S. dollars)	84.9	474.2
Completed projects	242	3,136
Disbursements (million USD)	58.8	3335.2
Direct beneficiaries (million)	0.188	22.3
Female direct beneficiaries (%)	52	445
Temporary employment created	2,926,416	117,369,530

**The education** sector has always consumed the largest category of expenditures at SFD. The vision for work in this sector is to contribute to the implementation of the national, basic and secondary education strategies and further declared international education goals. SFD seeks to achieve this goal through support to the Ministry of Education (MOE) in its leadership role in the sector and encourage partnership with relevant stakeholders to improve pre-collegiate education system outcomes in the country.

In 2009, SFD approved 435 projects worth nearly \$84.9 million these projects are expected to directly benefit 188 thousand people (51.7 % female). Since its inception in 1997, SFD has approved 3,943 education projects totaling \$474 million which directly benefited 2.3 million people (44.8% female).

### Providing Equal Access to Education

This aspect of SFD education sector investments aims to create equal opportunities in education for all and narrow the enrollment gap between boys and girls in basic and secondary education. SFD, in concert with MOE and other stakeholders, furthers this goal through the following: improve the educational environment to be more supportive and attractive to students; reduce overcrowding by increasing the number of classrooms

and rehabilitating existing buildings; furnish and equip schools; increase girls' enrollment in targeted areas by 20%; and strengthen community support for equal access to education.

### Infrastructure

During 2009, SFD developed 368 projects worth an estimated \$77 million. Investments included building 2,370 new classrooms and rehabilitating 214 classrooms with 135,810 students expected to benefit from these projects (46% female).

### Rural Girls' Education

SFD works in partnership with MOE efforts to increase girls' enrollment in targeted areas by 20% and strives to enhance community participation in supporting and advocating for girls' right to education.

Under capacity building activities a number of training courses were implemented under this component including: a course with various groups (literacy and schools students, teachers and local NGO leaders) on a range of life skills and practical topics; a workshop to refine a life skills manual for rural women with partners from the government and civil society; and a TOT course for consultants on "Life Skills for Rural Women." In 2009, SFD supported MOE commitment to increase

community participation in education through the following activities: a project to form and enhance student organizations in selected schools; an initiative to promote local community awareness of the importance of girls' enrollment; and constructing female teacher residences.

### Non-Formal Education

Literacy rates in Yemen are extremely low – the lowest in the Arab region and among the lowest in the world – and thus remain a high priority for SFD. SFD works closely with the Literacy and Adult Education Organization (an independent government body) which aims to reduce illiteracy among Yemenis 10 years of age and above.

In 2009, seven projects were implemented to train staff of literacy departments in targeted districts including: TOT in advanced sewing, handicrafts and home economics; collecting, reviewing and printing active learning materials for literacy classes; TOT in literacy instruction and preparing educational materials (21 districts in Al-Hudaidah); organizational support for literacy centers (lbb); and training female literacy teachers (seven districts in Taiz).

Also during the year, 22 training courses were implemented for literacy teachers, trainers and staff (481 participants). Training focused on educational supervision, administration, documenting skills and curriculum development for literacy, as well as sewing, handicrafts and home economics.

### Educational Quality

This component invests in quality education including: preschool and kindergarten education; gifted and talented programs; innovative approaches that introduce new technologies, pedagogy and curricula in the classroom; and support for the professional development of educators.

During 2009, SFD invested in 11 quality schools (Sanaa, lbb and Taiz), four pilot gifted and talented schools (Sana`a, Taiz and Aden) and completed four kindergarten projects (Hadhramaut, Al-Hudaidah, Dhamar and Al-Baidha). Such investments included five projects to equip pilot schools with science laboratories, workshops and operational activities and provide an advanced training course in the teaching of robotics. Additionally, projects were implemented to develop the English Language skills of teachers working in the gifted program and provide select schools with additional equipment and facilities for robotic and electronic instruction.

For capacity building, SFD efforts to improve the skills and abilities of education stakeholders targeted the needs of parents' councils, community education facilitators, teachers, social workers and students. Highlights of capacity building activities in 2009 included:- 39 training courses implemented for administrators, educational specialists, teachers, parents' councils and social workers (619 participants 78% female) in diverse subjects such as child rights, science laboratory specialist skills,

### The Sun Rises on Girls' Education

«Overcoming my shyness about my desire to learn began by taking the first step and talking to my mother, who then spoke to my father. When my mother told me 'Tomorrow you can go and register at the new girls' school built by SFD' I could hardly contain my impatience for the morning at this blessed tidings. The next morning the sun rose along with my hopes. My new teacher, Ameena, greeted me 'Welcome to our school!' I have been studying hard since then. Now I am 16 years old and I still remember how learning-deprived I was and how I bitterly saw my brothers and some girls going to school. I wished I had been one of them leading my own life, practicing my right to education and having the potential to play a positive role in my country. Praise be to God, some dreams came true. Now I look forward to continue my education in our girls' school.»

*Nada Abdo, 14 years old, Maqbanh District, Taiz Governorate*



### The Power of Literacy

«Our village did not have a school for girls and my parents were illiterate and raised in a culture that views both sexes in one classroom as shameful... I have a large family with many brothers and sisters and because my father was poor we did not enroll in school. That was yesterday. Today, life has changed... I am now enrolled in a literacy class built by SFD and my female teachers encourage me. Now I am excited to fulfill my dreams to become a teacher or physician so that I can help the poor... Now, Praise be to God, I know how to read and write and I feel confident I can fulfill my dreams.»

*Aziza Mahdi Abdulla, 18 years old, Literacy Center, Al-Sukhnah District, Al-Hudaidah Governorate*



Community Education in Al-Dhalae

linguistic communication skills for teaching Arabic and mathematics.

- TOT workshops in various topics were conducted including: Information Communication Technology (ICT) via the internet for Douroub schools; continuing support for English language oral and written skills of administrators; and supporting headmasters to monitor and evaluate performance in their schools.

- Trained teachers in robotics, implemented competitions within and between incubator schools (Aden, Taiz and Sana'a) and launched public competitions among students in science and mathematics.

### **Educational Decentralization and Institutional Support**

SFD provides institutional support to the MOE to help develop its administrative and institutional structures. SFD assistance also contributes to the development of Ministry measurement and evaluation, learning resources, education statistics and planning. Furthermore, in 2009 SFD continued to support government decentralization efforts of the education sector through a variety of projects. Such efforts are designed to enhance civil service employee staffing in MOE district education offices, improve communications between the cadre and other educational institutions, ensure monitoring of decentralized processes and facilitate the efficient distribution of school supplies.

Activities in 2009 included a project to develop an MIS for the General Department of School Mapping in MOE and train employees in its operations (10 employees). Additionally, 31 projects were implemented to build and furnish education offices in many governorates. Identification of benefiting education offices was based on clearly defined selection criteria that include prioritizing needs such as the number of students, teachers and educational cadres at the district level. Also during the year, SFD constructed, furnished and equipped three education offices (Sana'a and Al-Hudaidah).

## **SFD Phase IV (2011-2015): EDUCATION SECTOR VISION**

**Goal:** Contribute to the achievement of the Yemeni Government's National Basic and Secondary Education Strategies and commitments to MDG for education and the Global Education Declaration by supporting efforts to provide quality education for all.

SFD will implement this goal through support and assistance to activities of the MOE and its cadre and leadership through investment in common objectives, coordination and integration with stakeholders in the education sector built upon experience and expertise gained during earlier phases. During Phase IV SFD envisions its role to contribute through the following:

- Provide equal opportunities for male and female students in both rural and urban areas and increase education enrollment rates by developing, expanding and improving infrastructure services for basic and secondary levels.

- Narrow the gap between male and female enrollment at basic and secondary levels in rural areas (where the gap is more than 80%) through programs that encourage enrollment and retention and strengthen community participation in the education process.

- Invest in quality education including preschool and kindergarten education, gifted and talented programs and innovative approaches that introduce new technologies, pedagogy and curricula in the classroom and support the professional development of educators.

- Develop the administrative and institutional capacity of MOE departments and governorate and district offices through infrastructure, institutional strengthening and decentralization of educational services.

- Support non-formal education focusing on literacy and adult education through infrastructure, inclusion, professional development and modernization of training programs, curricula and research.



Al-Hami Kindergarten, Al-Mukala - Hadramaut

# WATER AND ENVIRONMENT



## 2009 SFD Water & Environment Significant Achievements

**SFD** is well ahead of the implementation schedule achieving 87% of its obligations in the Rooftop Rainwater Harvesting Cisterns Project. Demonstrating SFD leadership in water resource management is the 20,789 roof rainwater harvesting cisterns with a total capacity of 939,695 m<sup>3</sup> serving 212,531 beneficiaries.

- The consultative process of developing Phase IV vision for the sector resulted in broad stakeholder consensus on selection criteria for future SFD investments targeting the most water-scarce communities. The three agreed criteria are working in communities where: 1) there is a 0% household connection to water pipes; 2) the incidence of poverty is between 50% to 100%; and 3) a minimum requirement of at least 300 residents.

Table 3. Indicators for Water and Environment, 2009 and cumulative

Indicator	Water		Environment	
	2009	Cumulative (1997–2009)	2009	Cumulative (1997–2009)
Approved projects	405	1,487	29	235
Commitments (millions of U.S. dollars)	65.7	149.2	6.1	41.6
Completed projects	103	937	16	162
Disbursements (millions of U.S. dollars)	11.7	67.9	2.5	16.2
Direct beneficiaries	374,809	2,770,792	291,715	2,497,870
Female share of direct beneficiaries (%)	50	50	49	49
Employment created	1,672,632	4,743,640	92,890	1,438,775

**Since** its establishment in 1997, SFD has focused its interventions on sustainable management of natural resources. In the water sector this has emphasized rainwater harvesting and positive indigenous traditions that maximize this valuable commodity.

This leadership role has eventually received broad stakeholders support and influenced more sustainable policies at the national level. The consensus on the minimum standard for rural water coverage is now: «The availability of 30 liters per capita daily of improved water within not more than 30 minutes round trip fetching time throughout the year.» The agreed definition of an improved water sources is: a well, spring or rainwater harvesting cistern that is covered, with a clean catchment area and a water lifting device. A further relevant definition that has recently been agreed upon is: «The availability of methods for disposing human wastes in a hygienic manner without causing environment pollution or spreading diseases». During the year, 434 projects were approved in both water and environment sectors at an estimated cost of \$71,9 million. Since its inception in 1997, the SFD

has approved 1,722 water and environment projects totaling an estimated \$191 million (table 3).

## Water Sector

**SFD** water sector initiatives focus on increasing access to potable water in poor communities and raising hygiene awareness. During 2009, water initiatives focused on low-cost projects, with an emphasis on local community participation and utilization of existing knowledge and traditional practices. During the year, interventions comprised rainwater harvesting (cisterns and water tanks) through the Rooftop Rainwater Harvesting Cisterns (RRHC) Program, piped water systems, small dams and providing training to partners. During 2009, SFD approved 405 water projects worth \$65.7 million and 29 environment projects worth \$6,1 mmillion (table 3).



## Rainwater harvesting: Cisterns and Water Tanks

In 2009, SFD approved 55 rainwater harvesting projects, including 68 cisterns (66 covered and 2 open), 48 kourfan with total capacity of 361,219 m<sup>3</sup> as well as 57 sedimentation tanks, 74 animal water troughs, a 25,096 meter long gravity pipeline and 35 communal tap investments. These projects served 53,668 beneficiaries.

Projects also included expanding low-cost options for collecting rainwater from house rooftops and training consultants on their implementation. In this intervention area 51 projects providing 4,759 covered tanks with total capacity of 266,784 m<sup>3</sup> were approved to serve approximately 61,000 beneficiaries



## Rooftop Rainwater Harvesting Cisterns Program (2009-2010)

The RRHC program was approved in September 2008 with a budget of \$20 million contributed by the SFD for the period from January 2009 to December 2010. Projects were developed and an implementation plan prepared to cover commitments by mid-2009 to ensure the completion of the program and closure of projects before the end of 2010.

During the year, 277 projects were approved at an estimated cost of \$55.2 million, community contributions totaled \$37.8 million and SFD contribution \$17.4 million, thus achieving 87% of SFD obligations. The projects included 20,789 roof rainwater harvesting cisterns with a total capacity of 939,695 m<sup>3</sup> to serve 212,531 beneficiaries.

Increase of both the number of projects and completion rate for this project is because most RRHC projects were completed in 2009 instead of 2010. This situation also explains the high percentage of project achievement in the water sector in some branch offices (Ibb, Taiz, Aden, etc...).

## Piped water systems

In 2009, the SFD approved 31 projects to provide 59,230 beneficiaries with improved water through the installation of 168,575 meters of pipe, including 6,076 household connections and 21 communal taps.

## Small Dams

In 2009, the SFD approved three multipurpose small-dam projects with a total capacity of 337,703 m<sup>3</sup>, providing water to 32,853 beneficiaries in addition to two projects adding sedimentation traps to previously completed small dams. The projects were implemented in the Districts of Al-Mahweet (Al-Mahweet), Al-

## Reinvigorating Water and Self-Help in Wadi Hadramaut

A number of villages in the District of Amed (Hadramaut) depend on a 55-year old drinking water project that is one of the oldest local service projects entirely community operated and maintained. The Khanfar Water Network Project provides villages in the area with clean drinking water, however a blockage along the six kilometer long system led to service interruption. Consequently, women and children suffered on long trips to fetch water.

SFD recognized the historic and practical value of this project and worked with the local community to build an 80 m<sup>3</sup> reservoir and replace damaged pipes. This new storage facility supplements the original reservoir of 100 m<sup>3</sup> and now all the villages have adequate service. The 80 year old Sheikh of the area and Chairman of the Beneficiary Committee Mohammad bin Salim Al-Habshi recalled «Shortly after the project finished, torrential floods arrived causing much destruction but our pipe, which crosses several wadis, remained undamaged. Now the project is serving the community 24 hours daily during the rainy seasons and six hours daily during the heat of summer.»

SFD also strengthened community management of the project. In a recent interview Abdul Rahman Abdullah Ba-Harethan, member of the beneficiary committee and operator of the project pump, noted «Each household now has a water meter and pays a monthly fee for the service to cover maintenance, operations and salaries for the operator and fee collector.» Abdul Rahman recalls the situation before the project when «people suffered greatly. However, when SFD intervened, it resurrected hope and empowered local leaders instilled a spirit of self-help which we hope will prevent a similar crisis in the future.»

Qabbaytah (Lahej), Arma (Shabwah), Nata (Al-Baidha) and Anss (Dhamar).

## Partner Capacity Building

During this year, 161 consultants were trained on small dams and rainwater harvesting in SFDs branch offices (Taiz, Al-Hudaidah, Sanaa, Amran, Dhamar and Al-Mukalla) and incorporated into SFD MIS to seek their assistance in project study and implementation.

In addition, a workshop was held in the Dhamar branch office training 30 engineers (field workers and supervisors). Participants discussed a number of RRHC projects, identified problems faced by engineers in the field and compiled recommended solutions. Another workshop was also held for branch managers and water project officers to discuss RRHC and work requirements and exchange experiences between branch offices. Additionally, the Technical Unit conducted a workshop for all SFD water and environment project officers to standardize project technical specifications in the two sectors.

Yemen's capital city of Sana'a currently faces an increasing water crisis with a continuous decline in groundwater level in Sanaa Basin, coupled with rapid population growth. To address this situation SFD co-sponsored a workshop with the local Water and Sanitation Authority of Sana'a to discuss this water crisis and explore potential solutions. Participants included senior government officials and stakeholders from various agencies working

in water and environment.

In 2009, a survey assessing water and sanitation projects in rural areas of the country (under the auspices of the GARWP) was launched to establish a database assessing rural water and sanitation service coverage and technical specifications. SFD contributed to this effort by providing transportation for field teams and participating in the analysis of data.

A further activity of the sector in late 2009 was the participation of SFD in a study tour to Syria organized by GTZ's Development of Historic Cities in Yemen Project. The trip aimed to introduce participants to the infrastructure services of historical cities in Damascus and Aleppo, relevant restoration and maintenance projects and the sophisticated methods and techniques to protect such cities. In addition, a number of workshops and meetings held with officials in the two cities.

## Environment Sector

SFD environment projects aim at increasing access of poor communities to sanitation improving their hygienic and environmental conditions. In 2009, investments addressed wastewater management, solid waste management and training of partners. During the year SFD approved 29 environment projects worth \$6.1 million (table 3).



Bani-Jawbah Dam- Sa'adah

### Wastewater Management

In 2009, SFD approved seven wastewater management projects serving an estimated 33,000 beneficiaries. This included two projects in the historic city of Shibam (Hadhramaut) supplying materials and equipment for the sanitation network and establishing a sanitation station for the city and neighboring areas. The projects include 16,150 meters of sanitation network, 1,455 communal taps and manholes and 1,696 household connections.

During 2009, 121 awareness campaigns were conducted using the approach of Community-Led Total Sanitation (CLTS). Since launching this innovative program the cumulative number of campaigns has reached 307 and, to date, 26 villages have been declared Open Defecation Free (ODF). As a result of this approach, local communities design collective activities to stop open defecation, share and build toilets with the end result of increased sanitation coverage. The population

## Hijrat Al-Muntasir: leading the way to a cleaner and healthier future through CLTS

During 2009, 25 well-trained SFD project officers and consultants worked in six villages in Amran applying the Community-Led Total Sanitation (CLTS) methodology. The seven month program included awareness raising and environment activities such as removing human waste, cleaning up garbage and opening 63 dry toilets with the full participation of the community. In May 2009, SFD launched a celebration in the village of Hijrat Al-Muntasir in Jabal Aial Yazid District announcing its status as open defecation free, the first such village in Amran Governorate and the second in the country under the CLTS approach.

SFD introduced CLTS in Yemen as a pilot and continues to champion its sustainable environmental and health impact. The awareness raising campaigns focus on instilling among community members a sense of shame and disgust, as well as a recognition of the health and environmental consequences of open defecation. The program then seeks to change behavior through self-help initiatives to build low-cost sewer systems and latrines that have an enduringly positive impact, particularly for women and children.

Prior to the campaign, like many villages in Yemen Hijrat Al-Muntasir suffered from a filthy local environment due to a lack of toilets, wastewater treatment and garbage, with an accompanying high incidence of diarrhea and intestinal worms, especially among children. Other than the two mosques and school toilets, the 70-house village had only 12 toilets in village houses. The community responded positively to the program and they decided that they must overcome the phenomenon of open defecation. Therefore, they began collective efforts and now every house and public facility includes a toilet connected to a top-covered sewer hole.

Mohammed Mohammed Ali, a local resident, shared "Our community was shocked when we learned of the filth and disease that is spread by flies when its polluted, six, hairy feet touch food or drinking containers. This fact was discussed extensively in social gatherings and homes and is now common knowledge." Mohammed also added "We only took action when we were fully convinced of the cause of diseases, especially among our children, and felt a sense of shame when visited by guests from outside. We needed a catalyst to help us see the problem and to figure out how to fix it. SFD provided that encouragement and helped us direct our own efforts."

At the announcement festival, Secretary General of the Local Council of Amran Saleh Al-Makhlous and Member of the Local District Council Saleh Al-Quzahi emphasized the importance of activities carried out by the program team. They praised the resulting awareness and increased capabilities in the community to improve their living environment by addressing the risks of accumulated human waste and its negative public health impact. Both speakers noted the stark contrast in the health and environmental situation in the target area after the intervention, as well as a key program output of deepened community awareness and commitment to self-help.



A New solid waste project in Socotra



sPollution in Socotra

that will be covered by the 2009 campaigns was 33,356 and the cumulative population was 175,800. Considering the average achievement in sanitation coverage for each campaign is 70% then the population covered with sanitation as a result of the approach was 23,350 in 2009 and 123,060 cumulatively. As an incentive for villages to become ODF areas SFD has begun offering silver impregnated ceramic water filters to villages that have been confirmed in achieving this status.

### **Solid Waste Management**

In 2009, SFD approved three solid waste management projects including a pilot project to solve the problem of mishandling of the bathrooms in a school in Al-Hudaidah utilizing the CLTS approach. The second project established a fish auction market in Balais (Al-Maseelah District of Al-Maharah). The third project supported a cleaning campaign of Jiblah City (Ibb) in cooperation with GTZ's Development of Historic Cities in Yemen Project.

### **Partner Capacity Building**

A workshop was held attended by representatives of the Japan International Cooperation Agency (JICA) and SFD staff in which the CLTS approach was presented. The workshop established a foundation for cooperation between SFD's CLTS programming and JICA to utilize this innovative approach in their activities.

Additionally, training was provided to 61 in addition to five water, environment and health project officers on CLTS in SFD branch offices (Amran, Hajjah, Ibb and Taiz).

## **SFD Phase IV (2011-2015): WATER & ENVIRONMENT SECTOR VISION**

**Goal:** Contribute to national strategies and MDGs in support of community-led solutions to improved drinking water through rainwater harvesting techniques and increased sanitation and hygiene in poor and vulnerable areas.

SFD will strive to achieve this goal by providing capacity building support and assistance to the government and other relevant development partners, drawing on the experience and expertise gained through SFD Phases I, II and III. It is estimated that during Phase IV, SFD investments in water and environment will serve 4,417 communities. SFD's Phase IV vision for its role in these two key sectors will contribute to the following:

- Target water scarce rural communities utilizing the following selection criteria: 1) have 0% household connection to water pipes; 2) have an incidence of poverty between 50% to 100%; and 3) minimum requirement of at least 300 residents. Additionally, targeting will exclude areas that have previously benefited from SFD and Public Works Project (PWP).
- Continue to support rainwater harvesting as the most suitable alternative to address water scarcity in Yemen and community-led total sanitation as an excellent tool to speed up the sanitation coverage in rural areas. Promote among other stakeholders the adoption of these tools as critical interventions that feature community participation and leadership in sustainable natural resource management.
- In urban areas pilot and demonstrate rooftop rainwater harvesting to achieve the following: as an alternative to complement water received through the network in main cities; to minimize wastewater and storm water built up in the basements of homes; and as an alternative to mitigate flooding during the rainy seasons and enhance groundwater recharge.
- Modify the questionnaire for the next nationwide census (expected 2014) to include indicators of coverage in water and sanitation as pre agreed definitions in order to improve future SFD targeting.
- Encourage the General Authority for Rural Water Projects (GARWP) to become officially involved in rural sanitation.

# HEALTH



## 2009 SFD Health Significant Achievements

- In cooperation with MOPHP and UNICEF, supported the development of the Home-Based Maternal and Neonatal Care program designed to enhance midwives competencies and skills and improve maternal and neonatal health outcomes as part of the National Health Strategy (2010-2025).
- Leadership in the development of a Mental Health National Strategy which brought together decision makers from relevant line ministries including MOPHP, MOE, Ministry of Social Affairs and Labor (MSAL), Ministry of Technical Education and Vocational Training (MTEVT), Ministry of Higher Education, Ministry of Interior (MOI) and the Ministry of Human Rights.
- A variety of activities in the health sector during the year were implemented in partnership with government and key stakeholders setting a new precedence for cooperative learning and collaborative implementation of investments.

SFD interventions in the health sector support the efforts of the Ministry of Public Health and Population (MOPHP) to extend basic health services and enhance system performance and human resource management in order to contribute to the achievement of MDGs. Such investments include a wide range of projects developed in partnership with MOPHP through programs designed to:

- Expand and improve access to Primary Health Care (PHC) services;
- Expand and improve reproductive health services;
- Strengthen health education;
- Improve access to proper mental healthcare services.

Table 4: Health Sector projects 2009 & Cumulative

Indicator	Health Sector	
	2009	Cumulative (1997-2009)
Approved projects	95	879
Commitments (millions of U.S. dollars)	13.6	73.6
Completed projects	120	647
Disbursements (millions of U.S. dollars)	8.8	44.3
Direct beneficiaries	1,240,843	6,586,846
Female share of direct beneficiaries (%)	64	62
Employment created	311,335	1,916,599

Table 5: Health Sector projects per main programs in 2009

Main Program	No. of projects approved	Estimated Amount \$	Beneficiary Female	Beneficiary Male	Total Direct Beneficiaries
Expand & improve access to primary healthcare services	44	6,107,505	195,816	182,202	378,018
Expand & improve reproductive health services	45	7,232,476	581,201	235,492	816,693
Strengthen health education	1	40,000	Institutional Support: Health Institutes		
Improve access to proper mental healthcare services	5	170,290	21,398	24,734	46,132
<b>TOTAL</b>	<b>95</b>	<b>13,550,271</b>	<b>798,415</b>	<b>442,428</b>	<b>1,240,843</b>

During 2009, SFD approved 95 health projects at an estimated cost of \$13.6 million, eight implemented through headquarters and 87 by branch offices. Direct beneficiaries are expected to exceed 1.2 million people (64% female).

### Partnerships

SFD 2009 health sector activities to strengthen partnerships with MOPHP and other stakeholders towards achieving MDGs comprised the following activities:

- SFD and UNICEF organized a three-day consultative workshop in Sanaa to exchange information and expertise to better understand one another's key programs and to discuss coordination in planning and implementing activities. During the meeting a cooperation agreement was revised and work plan agreed upon for a proposed project to enhance community midwife training.
- SFD contributed to a joint initiative for Basic Development Needs in Bait Al-Faqih District (Al-Hudaidah) co-funded by ILO, UNFPA, WFP, WHO and UNICEF. This program aims to improve the health and living conditions in the district through mobilizing and organizing communities in self-management and supporting and encouraging communities to work together as partners in planning, implementing and monitoring development efforts.
- SFD, MOPHP and the Netherlands Embassy agreed to expand the Maternal and Neonatal Health (MNH) program to include new areas (Al-Hudaidah, Hadhramaut, Al-Mahweet, Hajjah and Soqatra Archipelago), as well as continue working in the current five governorates (Taiz, Ibb, Lahej, Amran and Al-Dhale).
- In coordination with MOPHPs General Directorate for Family Health and UNICEF, it was agreed to expand the Integrated Management of Child Illness program to 51 districts that have not received support from any agency (Al-Baidha, Taiz and Shabwah).

### Institutional Building

In 2009, SFD began supporting the development of a Mental Health National Strategy, bringing together decision makers from all relevant line ministries. It is anticipated that the strategy will be finalized in mid-2010. Also in support of mental health services during the year SFD furnished and equipped the National Mental Health Program in the MOPHP and the Mental Health Guidance and Research Center at the University of Taiz.

In 2009 SFD, in cooperation with the MOPHP and other stakeholders, supported a review of Health Institutes. The purpose of the review was to better understand challenges and opportunities facing the institutes, as well as identify future priorities and strategies for SFD support.

A further institutional investment of SFD in 2009 in the health sector was support to national efforts to strengthen reproductive health services by scaling up the Home-Based Maternal and Neonatal Care Strategy. SFD joined with UNICEF in this effort by training community midwives and trainers in this methodology.

### Improving Access to Healthcare Facilities

#### Increase Access to PHC Facilities

Yemen's primary health care system is the first level of the system which provides preventive and basic curative services. SFD support for this component aims to increase primary health care coverage by rehabilitating existing health units and centers, building permanent facilities to replace temporary ones, equipping and furnishing health facilities and establishing and training community health committees. In 2009, 36 projects were approved with an estimated cost of \$5.4 million and direct beneficiaries totaling 377,834 (52% female) in 12 governorates.

#### Reduce Maternal and Infant Mortality

Activities under this component are designed to strengthen reproductive health services by constructing basic and comprehensive emergency obstetrics centers and mother and child health centers, as well as equipping newborn facilities. In 2009, 23 infrastructure projects were implemented in support of reproductive health services which will directly benefit 798,560 individuals (71% female).



SSFD supports Nashir Institute for Health Sciences- Aden

### Building National Capacity

"SFD's building of more classes helped us to enroll more students...Before we only had around 500 students per year, now we are able to enroll 1,000 in all different health fields."

Health Institute Director  
Sana'a Higher Institute

## Strengthening Skills of Health Care Providers

### Increase the Number of PHC Service Providers

This aspect of SFD health sector activities seeks to train mid-level health professionals in all specialties related

to primary healthcare (physician assistants, dental assistants, nurses and lab technicians) or secondary healthcare (x-ray technicians, OT (Operating Theatre) technicians and anesthesia technicians). In 2009, three projects were implemented: qualifying 30 female students in professional nursing for Saadah hospitals; training 24 students (from various districts of the Saadah) as laboratory technicians; and qualifying 40 students as OT and anesthesia technicians (Hadhramaut, Shabwah and Al-Maharah).

### Improve Capacities of PHC Providers

This component aims to enhance the efficiency of primary health care (PHC) providers through on-the-job training. In 2009 the following projects were implemented furthering this component:

- One project to qualify 40 health staff working in Taiz hospitals;
- For child health, three projects were implemented training health staff and local female communicators on early detection and community-based therapeutic nutrition for malnourished children under the age of five (Sana'a Governorate and City and Al-Mahweet). This training is part of the cooperation between SFD, MOPHP and UNICEF during 2009.

### Increase Medically-Supervised Deliveries

This component focuses on conducting pre-service and on-the-job training for community midwives and awarding scholarships to girls studying midwifery in Yemen from all governorates with the aim to improve maternal and neonatal health care services. In 2009, the following projects were implemented furthering this goal:

- 14 projects consisting of training courses (each 18 days in duration) in Home-Based Maternal and Neonatal Care for 260 community midwives (Al-Hudaidah, Raimah, Al-Dhale', Taiz, Ibb, Hadhramaut, Dhamar and Al-Baidha);
- One project for 20 community midwife trainers from several governorates in Home-Based Maternal and Neonatal Care. This program designed to enhance midwives competencies and skills as part of the HBMNC strategy developed in cooperation between MOPHP and UNICEF.
- One project to qualify 21 young women to study for a BS in Midwifery. Candidates are employees that to be selected in a transparent process from general/rural hospitals and specialized maternal and childhood centers (Saadah, Lah`j, Hajjah and Amran).

### Reproductive Health Awareness

Under this component four projects were developed in 2009. Three projects trained 100 Traditional Birth Attendants (TBAs) from wisab Al-Ali and Al-Safel districts (Dhamar) and Mukha district (Taiz). Additionally, one project targeted six girls' schools in Al-Qahirah District (Taiz) to raise awareness on tetanus and the importance of vaccinations.

## Mawthan Health Unit; a white candle invading the darkness of deprivation

Some sub-districts of Hubaish District in the Governorate of Ibb provide a typical example of community isolation due to various reasons including difficult topography. For Mohammed Hajib, a citizen of one of the sub-districts who works in the city of Ibb, this isolation meant that he was only able to visit his family in the area once every two years. Mohammed shared that in the past when he visited his village he saw no changes to reduce the deprivation blanketing dozens of villages. In view of this difficult situation, the SFD Ibb branch rapidly responded to a number of project applications from the area to address pressing needs.

One SFD investment was a road that broke the isolation of Bani Shabib sub-district. This was particularly critical for the Mawthan community which was the furthest from the Zolmah, the District center, and the lowest point in the area. While responding to Mawthan needs, the community decided that health care was an urgent priority. In exploring the effectiveness and sustainability of SFD interventions assurance was secured from the district health office to support the health unit staffing and operations. SFD then began community mobilization to ensure local ownership and support for the facility. The health committee that was formed comprises citizens from the area, the director of the unit, two unit members who are qualified to treat primary health care needs of the population and the community midwife. This community midwife is well qualified to serve the needs of women and children in the area.

Mohammed Ali Saleh is a Mawthan resident who insisted on voluntarily guiding the SFD team visiting the sub-district. Mohammed recalls that before the road was completed folks from the area needing health care not only had to make a difficult two-hour trip for treatment to the nearest health unit in Al-Sh'awir (the center of the sub-district), but also had to bear the cost of such travel. «Some people,» continued Mohammed «used to take a pickup truck to Al-Sh'awir which cost about YR3,000 (\$15) and others went to Ibb city and back for YR15,000 (about \$75) because the road was long and rocky.» In the new facility, the health specialist displayed the daily log showing that patients not only came from Mawthan but from 17 villages in the District, as well as from 20 villages in the neighboring Hazm Al-Udain District.

The Mawthan community has expressed gratitude at the newly established, equipped and furnished health unit. The unit is now able to provide vaccinations, services in neonatal, reproductive and family planning, as well as diagnose and treat common diseases, perform minor surgery and dispense essential medicines. The Sheikh of Mawthan noted that «The members of the unit are enthusiastic to serve the surrounding community through their work at the unit and in health education campaigns.»

surgery and dispense essential medicines. The Sheikh of Mawthan noted that «The members of the unit are enthusiastic to serve the surrounding community through their work at the unit and in health education campaigns.»





On-the-job training-Burum, Al-Mukalla - Hadhramaut

## Hope Coming True

"I left school some years ago...I asked my father to let me complete my education but since he is poor he could not send me to the city to complete my studies... So I stayed at home, sometimes working on the land...but when this learning opportunity came it helped me to achieve my dream to complete my studies... I am so grateful to SFD."

Female student in community midwife course from Al-Jawf

## Improving Access to Mental Health Services

Two projects were developed to promote mental health awareness in schools and improve mental health services in juvenile centers (Sanaa City). One project was also developed to train medical staff and paramedics from health facilities on mental health care (Ibb).

## SFD Phase IV (2011-2015): HEALTH SECTOR VISION

**Goal:** *Contribute to the achievement of the objectives of the National Health Strategy (2011-2015) and MDGs related to health.*

SFD will strive to achieve this goal by supporting MOPHP to develop institutionally and strengthen its cadre and leadership role in the health sector, as well as assist other relevant stakeholders. This support is based on common goals, coordination and integration with all stakeholders in the health sector drawing on the expertise gained over the course of SFD Phases I, II and III. SFD's vision for its role in the health sector during Phase IV comprises the following:

- Continue to provide infrastructure investment to increase basic health service coverage with a focus on the development of an integrated approach that includes provision of primary healthcare services, improvement of access to services and enhancement of community involvement.
- Qualify professionals to meet health care needs in disadvantaged areas and operate primary healthcare facilities.
- Improve the administrative and institutional capacities of the MOPHP at the governorate and district levels through supporting infrastructure and institutional capacity building, as well as strengthening the decentralization of healthcare services.
- Develop mechanisms and systems for strategic planning of health resources through supporting information systems and capacity building.
- Invest in quality of services through improving primary healthcare facilities and the skills of primary healthcare service providers.
- Continue to support health education through increasing absorptive capacity, improving the learning environment and strengthening capacity of technical and administrative personnel.
- Increase coverage of reproductive health services through increasing deliveries under medical supervision, expanding infrastructure, training cadres and focusing on improved quality of training and service outputs.
- Expand and improve mental health care services in alignment with the framework of the National Mental Health Strategy.



Health Center, Madgal-Al-Jidaan-Marib

# SOCIAL PROTECTION



## 2009 SFD Social Protection Significant Achievements

- Supported an assessment of the institutional capacities of the Disability Fund in order to address weaknesses and enhance strengths.
- Supported expanding services to the visually-impaired including strategic interventions in diagnosing and treating low vision needs in the country. This included training teachers and health care professionals in early detection and intervention and drafting a manual that will be finalized in 2010 and printed for nation-wide distribution.
- Piloted Community-Based Rehabilitation (CBR) approaches in identifying persons with disabilities that could benefit from home-based skills building activities. Such activities were conducted in one or two districts in each of nine governorates to develop a screening and referral system, as well as increase outreach capacities within the limitations of funding and capacity.

SFD focuses its work policy in social protection through supporting government, NGOs and community initiatives to provide social protection to special needs groups and at-risk children and youth. SFD social protection activities work closely with the MOE, MOPHP, MSAL, MOI, Ministry of Planning and International Cooperation (MOPIC), key stakeholders such as the World Bank and Yemeni civil society to develop national strategies and seek solutions to service, coverage and human resource needs in the sector. Such policy engagement has been contributing to the National Social Protection Strategy, the National Disability Strategy and the Strategy for the Handicapped Welfare and Rehabilitation Fund.

SFD strategic and program engagement in social protection focuses on inclusive education, facilitating rural services through Community-Based Rehabilitation (CBR) activities, improving early childhood services and supporting relevant research. SFD encourages civil society organizations to extend outreach services to the countryside, establish and expand early intervention activities, raise awareness on the rights of children and persons with disabilities, promote social protection and reinforce alternative and subsequent care programs.

In 2009, 63 projects were developed worth nearly \$2.8 millions. It is expected that 4680 persons shall benefit from these projects (32% female).

Table 6: Social Protection Sector, 2009 & Cumulative

Indicator	Social Protection	
	2009	Cumulative (1997-2009)
Approved projects	63	500
Commitments (millions of U.S. dollars)	2.8	28.7
Completed projects	42	376
Disbursements (millions of U.S. dollars)	2.3	21.7
Direct beneficiaries	4,680	193,230
Female share of direct beneficiaries (%)	32	39
Employment created	49,443	744,376



## Inclusive Education Program

This program seeks to integrate children with special needs in public education by supporting the inclusive education program of MOE and investing in NGOs to implement pre-integration rehabilitation in preparation for mainstreaming children with special needs in public schools.

In 2009, SFD interventions supported infrastructure in public schools to facilitate the integration of children with disabilities by introducing various structural facilities, wheelchair accessible toilets and new classrooms for developmentally-disabled and deaf children. These interventions also include providing schools with requisite educational aids, furniture and equipment, as well as training educators to address the needs and integration of children with special needs. SFD also works to strengthen cooperation between schools and NGOs and the Handicapped Welfare and Rehabilitation Fund to provide hearing aids and Education tools for the children with disabilities.

Within this program, 17 projects were implemented in various governorates (Sana'a City, Aden, Taiz, Ibb, Amran, Hajjah, Dhamar, Al-Maharah and Hadhramaut). These projects aimed to integrate children with special needs children with visual disabilities, physically disabled and hearing disabilities in public schools (55). Investments also trained teachers and social workers on the social and educational integration of children with special needs (418).

In 2009, five additional projects were implemented to enhance special education centers in various parts of the country (Sana'a City, Taiz, Aden, Hadhramaut, Lahej, Amran, Ibb, Al-Hudaidah, Dhamar, Abyan and Al-Dhale).

## Early Childhood Development

This program invests in the development of children with special needs ages 0-8 years by supporting early childhood development programs and national policies and strategies that target this age group. The most important of these projects are early detection and intervention (curative and preventive), social intervention and support to kindergartens and pre-school education.

Within the first program, two projects were implemented to establish early detection and intervention services (Sana'a City and Dhamar). Additionally, two projects were approved and are currently under implementation to build the capacities of kindergarten teachers of children with disabilities to enhance social integration of the foremost care-deserving groups (Ibb and Dhamar).

## Inclusive Communities Approach

### Community Based Rehabilitation

The CBR is a strategy to address the needs of persons with disability within their home and community in order to achieve equal opportunity, social integration and inclusion. Such an approach maximizes limited resources and capacities by engaging families and rural communities in addressing the needs of disabled children. In 2009, three projects were initiated under this component; two to establish CBR services (Hajjah and Sa'adah) and the third trained 14 consultants as CBR trainers in the seven governorates covered by the CBR.

### Rural Outreach Program

In order to facilitate outreach services to persons with disabilities in their homes and communities, SFD encourages NGOs to extend inclusive services to the countryside. Within this approach, two projects were implemented. One project supported an organization of the deaf in Lahej and another supported an NGO serving the blind in Ibb. Both organizations were encouraged to extend their services to rural areas outside the main cities in these governorates.

During 2009, SFD conducted an assessment of over 10 years of engagement with Yemeni NGOs to contribute to strengthening the sector, supporting services and deepening the impact of investments.

One sector of Yemeni civil society that SFD has a long history of engagement is with NGOs serving special needs groups (82 organizations have received funding). As part of this assessment 29 NGOs that had received support for their work with special needs groups responded to the survey. There were a number of questions in the survey related to services in rural areas provided by civil society organizations. One issue consistently identified by respondents was the challenge of funding for outreach



Disability Natural Therapy Center-Mukalla

services to special needs groups in rural communities. SFD is cognizant of such constraints and in its Phase IV vision will seek to provide strategic support to NGOs to expand coverage to underserved and vulnerable rural children with special needs.

### Rights-Based Approach

This program seeks to improve services in the central prison, social care centers, and services for the foremost care deserving groups. It also aims to improve services rendered by safe childhood centers and support policies, strategies and programs to prevent violence and the trafficking of children. In this context, the following projects are under implementation:

- Two projects to improve the services rendered to 210 residents at two centers for the elderly (Sana'a City and Al-Hudaidah).
- One project to establish a cultural center for children and youth in Al-Eez village, Aflah Ash-Sham District (Hajjah), an area which is considered a launching point for smuggling children out of Yemen.
- Five projects to increase the rate of birth registration by supporting the Civil Status and Civil Registration Authority to establish an electronic registration system, design a database and train staff in an effort to preserve the rights of children (Sana'a City, Aden, Taiz and Ibb).
- Three projects to support alternate and subsequent care non-custodial issues with at-risk children (orphans, juvenile delinquents, etc.). These projects sought to build the capacities of the child protection and social observation departments and to train staff in orphanages and juvenile centers (Sana'a City and Taiz).
- One project to train 15 vulnerable boys and girls from the shantytown of Sa'awan (on the outskirts of Sana'a city), the legal, social, environmental and behavioral issues.
- One project to train border officials, local council and relevant government employees, educators and immams & mosques and conduct an awareness raising campaign via TV and radio on the dangers of misusing of motorbikes (Ibb).

### Institutional Support

This program is concerned with capacity building of organizations that are actively involved with special needs groups. In 2009, the following 11 projects under implementation sought to empower organizations to enhance services:

- One project to support the higher council of motherhood and childhood to establish an MIS, consistent with its national mandate to draft and follow up on policies related to childhood.
- Eight projects to build the technical capacities of members of civil society organizations and government entities actively working in the field of disabilities (131 from Al-Hudaidah, Hadhramaut, Hajjah and Abyan).
- One project to support sports activities for the physically disabled (Taiz).
- One project to establish a gender-segregated physical therapy center in the Ataq Central Hospital (Shabwah). This project included providing necessary medical

### Disabilities & Democratic Elections: Association for Qualifying the Physically Disabled, Amran City

This very active organization led by the physically disabled was established in 1998. Every three years they hold elections for their steering committee of 12 and in 2007 the election was hotly contested. Over 300 members (out of 1,300) attended the general assembly gathering and elected a new slate of officers. While such democratic practices are a hallmark of participation, they can pose challenges for building the skills and experience of such organizations as there is often limited handover training for incoming leaders. However, the new leadership of this NGO continues to break down barriers which isolate the disabled through; education, vocational skills training and delivering services throughout Amran Governorate.

equipment, improving facilities and training staff.

### Supporting Policies and Strategies

This program is concerned with capacity building of organizations that are actively involved with special needs groups. In 2009, the following 11 projects under implementation sought to empower organizations to enhance services:

- One project to support the Motherhood and Childhood Supreme Council to establish an MIS, consistent with its national mandate to draft and follow up on policies related to childhood.
- Eight projects to build the technical capacities of members of civil society organizations and government entities actively working in the field of disabilities (131 – Al-Hudaidah, Hadhramaut, Hajjah and Abyan).
- One project to support sports activities for the physically disabled (Taiz).
- One project to establish a gender-segregated physical therapy center in the Ataq Central Hospital (Shabwah). This project included providing necessary medical equipment, improving facilities and training staff.



(Safe Childhood Center and next to it the Blind Welfare Center- Aden)

## Successful Rural CBR Program: gaining support and recognition of disabled children

During Phase, III SFD piloted CBR activities in select rural areas as a principal intervention addressing the needs of children with disabilities. Program outputs are; rehabilitation, providing with equal opportunities and the social integration of disabled children within their community. Social integration is furthered through activities such as awareness campaigns around disability issues and capacity building for the local committees to strengthen local councils administratively and financially. Additionally, the approach trains CBR staff in conducting surveys of the disabled and equips local facilities with the necessary rehabilitation equipment.

One of the rural areas where the program intervened was in a cluster of neighboring villages in Al-Haimah Ad-Dakhliya District, Sana'a Governorate. During initial assessments it became clear that there was very limited knowledge and understanding among community members about disability issues and the disabled. In asking about children with disabilities in the area individuals stated "There are no people with disabilities in the community. Children with disabilities die immediately after birth." However, the field survey found that there were 157 children with various forms of disability (mental, physical, audio and visual). One of the project's early activities was to form an official committee in this community known as "Al-Haymah Ad-Dakhliyah CBR Committee" to conduct training, equipping and advocacy activities to support program goals.

One early success of the program was increased awareness among residents of this rural area that, in turn, result in support to families in a rights-based approach to address the needs of their disabled children. Subsequently, the CBR committee has successfully communicated with the government's Handicapped Welfare and Rehabilitation Fund and secured medical assessments to qualify children for services and determine medical and hardware needs. The committee coordinator Khaled Hussein said "Now I am receiving names of disabled children from nearby areas that I have not visited before, but they heard of our committee. They came seeking services for to their children. They are also asking about our committee, its functions and outputs, meaning that people just need awareness and they will apply for such services." The Al-Haymah Ad-Dakhliyah CBR Committee is now formally recognized by the local council and which has now assumed its responsibility to provide services for the disabled in the area.



## SFD Phase IV (2011-2015): Social Protection Sector Vision

**Goal:** Promote inclusive social and educational programs which promote equal rights and opportunities for vulnerable and at-risk children and youth contributing to national strategies that further such issues.

SFD will strive to achieve this goal by providing support and assistance to relevant ministries in achieving their social protection strategies based on common goals, coordination and integration with all stakeholders in the sector, drawing on the experience and expertise gained through SFD Phases I, II and III. During Phase IV, SFD will seek to achieve this goal through the following activities:

- Support government and NGOs in serving and promoting the rights of vulnerable and at-risk children and youth to improve their quality of life.
- Participate in building the capacity of professionals that work with special needs groups including services providers, civil servants, social workers and consultants.
- Through a rights-based approach, contribute to raising awareness and sensitivity to the rights of vulnerable children with disabilities by working with families, community groups, local authorities, civil servants and civil society organizations serving special needs groups.
- Utilize CBR methodology, particularly in rural areas, that maximize limited resources and institutional capacities in Yemen by engaging families and communities in addressing the educational and social needs of children with disabilities.

# Agriculture & Rural Development



## 2009 SFD ARDU Significant Achievements

- Integrated Interventions Program (IIP) working in Haradh District (Hajjah) furthered social change by working with the broader community and marginalized residents of the area to secure land and build them homes .
- Conducted an extensive baseline survey in Rainfed Agriculture and Livestock Program (RALP) targeted communities. This process launched SFD M&E activities to a new level of learning and reflection (see the below summary of findings).
- Began active focus for raising awareness on the environmental, social and economic damage caused by qat and piloted activities to replace it with other cash crops.

Table 7. Indicators for Agriculture and Rural Development, by sector, 2009 and cumulative

Indicator	Agriculture		Integrated Interventions Program	
	2009	Cumulative (1997–2009)	2009	Cumulative (1997–2009)
Approved projects	74	125	30	168
Commitments (millions of U.S. dollars)	3.6	6.4	1.3	11.2
Completed projects	17	31	30	88
Disbursements (millions of U.S. dollars)	1.2	2	2.0	8.4
Direct beneficiaries	52,562	85,896	78,119	222,136
Female share of direct beneficiaries (%)	48	49	22	41
Employment created	103,412	134,046	30,600	377,326

## Agriculture

### **Rainfed Agriculture and Livestock Program (RALP)**

2009 witnessed the expansion of RALP to 23 districts in five governorates, as well as interventions in institutional building and socio-economic development. During the year, 12 projects were completed, 8 implementing the programs first and second phases (selection of target communities and assessment of rural production), while 3 projects focused on building the capacity of consultants and rural producer groups and committees as well as conducting training courses and awareness campaigns. The last is a pilot project that explored mechanisms to combat the damage to fruits and dates caused by bats in Al-Maqaterah District (Lahej Governorate).

Main outputs included completing organizational and institutional capacity building and development of productive sub-project for 687 rural producer groups and committees in 92 local communities in 11 districts. The projects include: raising and marketing livestock; providing veterinary services; supporting bee keeping and honey production; promoting modern techniques in grain, fodder and poultry production; increasing water use efficiency in irrigation; and supporting soil conservation.

In addition, 138 new local communities in the remaining 12 target districts were selected and workshops held with elected district local councils aimed at introducing participants to the project, its mechanisms, standards and types of interventions (Sanaa, Aden, Al-Hudaidah and Hajjah). The workshops also disseminated information on selection criteria and processes and concluded with listing the communities for the project subsequent interventions.

As mentioned above, a project baseline survey was carried out among respondents and a database established (see below summary of baseline survey findings). Also in 2009, the implementation of a field study on conservation of agricultural terraces was conducted in Hajjah, Al-Mahweet and Al-Hudaidah.

In 2009, SFD planned to implement 66 programs at an estimated cost of about \$2.6 million. However, during the year 63 projects were developed worth nearly \$2.8 millions. It is expected that 23,027 persons shall benefit from these projects (11,341 female) It is expected that 4,680 persons shall benefit from these projects .

In the context of capacity building, 28 training courses were held, benefiting 1,400 participants with three types of training provided. The first was on-site training for producer groups in technical, production, management and accounting. The second focused on practical training to qualify 49 villages health workers in veterinary and animal care. The last category of training aimed to prepare a team of male and female consultants with modern knowledge and practical skills on various topics. An example of this type of training was that provided to eight female bee keepers from target districts on bee care and honey production.

In addition, 170 multi-disciplinary agricultural consultants were selected, divided into eight teams and provided with a refresher training courses. Their assistance was then sought in conducting field-based follow-up of groups, providing technical support and building technical and organizational capacity.

Similarly, three training workshops were held with 80 consultants to prepare them to conduct capacity building activities with producer groups and committees in eight districts (Sanaa, Hajjah, Al-Hudaidah and Al-Mahweet). Additionally, a training course was implemented for 20 leaders in women's cooperatives on composting and the safe use of chemical pesticides. It is anticipated that trainees will work in raising awareness among women in more than one governorate.

A training course was also held on irrigation and the use of fertilizers benefiting 20 participants. Three other courses addressed extension planning and preparation of extension programs with 66 participants

representing relevant agencies in various governorates. Finally, a TOT course was implemented in domestic poultry rearing targeting 20 trainees from a number of governorates.

Under infrastructure for RALP, studies were conducted for rainwater harvesting, soil conservation and terraces maintenance projects. A project is being implemented to preserve the agricultural soil and protect palm trees in Al-Maqaterah District (Lahej) and several studies were carried out with the participation of beneficiary communities on the maintenance of agricultural terraces, cultivating coffee and diversion channels to take advantage of wadi run off.

Finally, the SFD participated in a number of technical coordination meetings between the three components of RALP with a number of parties working in rural development. In addition, more than 30 follow-up visits were conducted, including a joint field mission with World Bank project officers, various SFD staff and other agencies involved in project implementation.

### **Water for Agricultural Development**

This sector, established at the beginning of 2009, focuses on small dams, irrigation systems, watershed management and land protection, as well as qat substitution projects with a primary focus on raising awareness.

#### ***Irrigation from Surface and Groundwater***

In 2009, three dam irrigation projects were approved. Previously funded SFD dam irrigation projects were implemented in Sanaa and Al-Jawf Governorates.

#### ***Watershed Management***

Ten land protection projects were approved to improve traditional irrigation systems (Shabwah, Sanaa, Al-Mahweet, Lahej and Hadhramaut). A project was also approved to conduct studies on funding six watershed management projects in rain fed agricultural areas.

#### ***Irrigation From Rainwater Harvesting***

Of the four approved small dam projects, one aims to address a previous SFD supported small dam in Shabwah Governorate and another focuses on a small dam in Hajjah. The third small dam project is located in Taiz, and the last is a harvesting rainwater cistern pilot



Rural Groups products. Al-khabt-Al-Mahweet

project lined with polyethylene to irrigate trees on the campus of Sana`a University as a demonstration model.

### **Qat Replacement**

Funding was approved for four projects, two aiming to find appropriate agricultural alternatives to qat in Maswar (Hajjah) and Al-Soudah (Amran) and the other two to raise awareness on negative impact of qat.

### **Training and Awareness**

A project was completed at SFD's branch office in Aden to train consultants in small dams.

### **Integrated Interventions Program**

SFD's Integrated Interventions Program (IIP) is carried out through a multi-sector development approach designed to improve economic and social conditions in extremely vulnerable poor areas and enhance community capacity to undertake self-initiatives to develop their areas. In addition, the program seeks to involve local authorities in planning, implementing and managing development projects.

### **Building Community and Local Authority Capacities**

During 2009, IIP focused on enhancing the role of community structures in targeted areas with the participation of local authorities as a basis to strengthen partnerships between communities, local authorities and development institutions. The program implemented several activities including training courses and workshops for members of local authorities and development committees, as well as some government district offices in targeted areas.

### **Economic and Agricultural Activities**

The program conducted training courses to build farmer capacities and improve economic conditions. Training included household kitchen gardens, agricultural marketing, animal health and production, bee keeping, vocational agricultural education, traditional crafts such as weaving palm frond handicraft products, crop protection and coffee cultivation.

### **Education Interventions**

Nine schools were completed in program intervention areas. In addition, a study of teacher training needs was also conducted in all the relevant areas and a training package was developed. to establish a field follow-up plan.

## **RALP Rural Producer Groups: a successful pilot project expanded**

The 2009 RALP expanded its geographic scope beyond Al-Hajjalah District, one of the poorest and driest districts of Al-Hudaidah Governorate. Based on the successful results with nine rural producer groups over the last three years in the villages of Al-Quroon and Al-Sumurah, SFD decided to increase the number of groups to 100 (36 groups have been financed and 61 groups formed with funding expected in 2010). It is hoped that these new groups, working with existing ones in the area, can work together to exchange experiences and knowledge in relevant activities.

Ibrahim Ahmed Ibrahim, Member of the Local Council and Head of the project's Sheep Rearing Rural Producer Committee, noted that, for him, the biggest benefit of the project was that it served to unite hearts and minds of people in the area and enhance solidarity. Ibrahim noted that his five member group «Started out by purchasing 18 sheep. Today we have 61 ewes and 30 lambs!» Ibrahim confessed that although he and others in his group were raising sheep before the project, he feels he has learned a lot and that now his prior knowledge seems very limited. «We used to spend money and buy things without recording expense. The training drew our attention to this fact. Now we take steps only after a consensus on the best decision for the interest of the group. Working within groups teaches commitment, good planning and contributes to the success of our investments.»

Mohamed A. Al-Mutairi a member of the «Sincerity» Bee Keeping Producer Group said «We feel that our project has evolved. We started out with 20 bee hives and now we own 51. Over the past year our sales have climbed to 514,000 YR, which we use to cover bee food and transportation in search of bee pastures. We were trained in alternative nutrition, honey filtering, uses of wax, best types of beehives and marketing and promotion. Nevertheless, we now suffer from drought so it is difficult to find good pastures and there has been a huge increase in the price of sugar to feed bees. Had it not been for the project, we would have been bankrupt.»

In the village of Al-Sumurah Ahmed Ahmed Al-Qaiyem and Ali Mohamed Abdullah, who are respectively the head and accountant of the "Candles" bee keeping producer group, expressed their satisfaction with their group. "We started our project by buying 30 bee hives. Now we have 60 hives and have earned more than 800,000 YR thanks to the quality of the product. Despite drought conditions, the knowledge we gained through project training rescued our efforts. The high quality training package taught us how to diagnose diseases and increase productivity through modern breeding methods. We were also taught to diversify so we purchased dozens of goats and sold the offspring. Now we have 32 goats to support our bee keeping efforts."

### **Literacy and Community Education Interventions**

Several training courses were held, targeting female literacy teachers in IIP areas, with focus given to literacy training and follow-up methods, TOT and the formation and training of community education and awareness teams.

### **Health Interventions**

In 2009, action guidelines were developed to enhance health services in rural areas. Additionally, training was conducted with ten TBAs drawn from various IIP locations who, upon completing their training, will provide primary health care and reproductive health services in their communities. In addition, a field manual was developed for health awareness programs, which will assist in the implementation of health and environmental awareness campaigns that will include nutrition, diarrhea, water, personal hygiene, cleanliness, prenatal and postnatal care, malaria, child immunization and family planning.

Finally, eight schools in the integrated intervention areas were selected for the first phase of the health promotion program, which aims to improve the health status and reduce morbidity among elementary age students (male and female), as well as to raise awareness and involve schools in promoting health issues.

### **Drinking Water Interventions**

Water project in four villages in Mawiyah District (Taiz) were completed and handed over. The project consists of constructing three tanks along with distribution network and pumps. Two other water projects were also completed in Haradh District (Hajjah).

### **Community Mobilization**

As community mobilization is one of the program's major inputs, a team of male and female consultants from various governorates was formed. In addition, two training courses were implemented in community participation attended by 44 participants and a community mobilization course qualified 28 consultants. Finally, 23 trainers were trained in the same topic.

### **Program Implementation by SFD Branch Offices**

In 2009, the preparatory phase for implementing the program through SFD branch offices commenced. The first workshop for project officers involved in the program was held in which implementation procedures were designed. Similarly, the selection phase was concluded through carrying out office screening and field studies by a team of consultants with nine new areas selected in accordance with program criteria and poverty indicators.



## **SFD Phase IV (2011-2015): Agriculture and Rural Development Sector Vision**

Goal: Contribute to the achievement of the project plan

ARDU will contribute to achieving Phase IV vision based on applying experience gained and lessons learned to programmatic interventions that add value and maximize impact. This support is based on common goals, coordination and integration with all stakeholders in agriculture and rural development drawing on SFD Phases I, II and III. The organization's vision for its role in these sectors during Phase IV comprises the following:

- Contribute to strategies that support rain fed agriculture.
- Contribute in raising awareness of the harmful impact of qat and promote the cultivation of alternative cash crops.
- Continue rainwater harvesting interventions for agricultural purposes and improve irrigation efficiency with a focus on increasing economic returns for the poor.
- Continue to provide technical support to bee keepers and the development of interventions in this area
- Support rural women and build their capacity to engage in the development process.
- In fisheries, provide limited attention and gradually contribute to improve marketing infrastructure, including cooling, storage and processing. Also conduct studies to provide models to develop this sector and improve earnings for poor families who utilize this resource as a principal source of income.
- Work in coordination with SMED to strengthen rain fed agricultural incomes in rural areas through micro-finance and savings associations, especially for disadvantaged groups in remote areas.
- IIP continue to target the poorest areas of the country and utilize local, regional and international evaluation results, lessons learned and pilot experiences to expand the program to poor settlements and neighborhood in urban areas.



## Integrated development: a unique approach in Yemen

For two community clusters of 14 villages with 3,200 residents in the sub-district of Al-Atanah of Haradh District (Hajjah) extreme levels of poverty led to IIP interventions to promote social change and create social capital. After extensive needs assessment and preparation of a comprehensive development plan with participation of the community and the local authority, a 14-member Local Development Committee (LDC) was elected and trained. The committee provides the key catalyst for intervention as it coordinates and manages all activities of the program.

The LDC in the IIP model eventually becomes an organization capable of independently running community development initiatives by other donors. In 2009, this occurred with the LDC in Haradh working with organizations such as CARE Yemen (assisting to prepare studies and participate in supervising and distributing relief materials to folks displaced by the Sa'adah war) and ACCESS Plus (combating child labor managing to return 405 working children to education). Moreover, the LDC volunteered their expertise to implement 10 development projects outside their area with funding from the local council. As a result of these commitments, they have effectively participated in achieving 23 out of 37 projects that were included in the IIP action plan for the area.

Working through this active LDC, IIP built two water network projects in the targeted villages. Low monthly user fees cover maintenance and operations and, in the future, will finance other investments. Other projects support health, environment and education campaigns that have contributed in raising educational enrollment, especially among girls; girls enrollment increased from 16 in 2005 to more than 400 in 2009. Additionally, 350 women benefit from adult literacy classes that the program created and expanded. The LDC participated in establishing four separate parent committees to address education problems and maintenance in the schools. Due to high levels of poverty, poor health care services and confidence in traditional midwives, IIP trained 14 traditional midwives in hygiene and improved obstetric care. The intervention also focused on agriculture-related training courses that have raised awareness on the proper use of pesticides and fertilizers.

In addition to hosting significant numbers of displaced Sa'adah war families recently, Al-Atanah also hosts 140 marginalized families who emigrated from Saudi Arabia without any property. Despite the complex and difficult process, the LDC with the support of the project cooperated to help families get properly documented and supported gaining free land for housing and helping the village develop policies to address these difficult circumstances. One of the newcomers to the village, Ahmed Abbas, said «The program managed to integrate our families with the surrounding communities by involving and giving us access to all available projects. This was particularly important in the schools where we worked with them and involved our two representatives in the LDC.»

The Head of the LCD Mohammed Mowassam concludes «After implementing most components of the intervention our sub-district has become rich in various development services and is successfully contributing to poverty alleviation. We feel remorse that previous projects did not encourage empowerment, as we regard this as one of the secrets of development sustainability.»



Activities of forming small rural production groups- Harath - Hajjah



## Training & Organizational Support



### 2009 SFD TOSU Significant Achievements

- Deepened self-directed development initiatives and strengthened decentralization through the Empowerment for Local Development (ELD) program. Activities designed to maximize local resources were furthered at the village level during the year in a number of areas within the frame of self-help projects initiatives..
- Developed a strategic expansion road map for the Rural Advocates Working For Development (RAWFD) program to increase the effectiveness of the program which was established in 2004 to instill the concept of volunteerism, promote knowledge of SFD & engage rural university graduates in activism and advocacy for sustainable community development.

The Training & Organizational Support Unit (TOSU) contributes significantly to SFD state building efforts through its support to build the capacity of key elements in the government, civil society and private sectors. This includes contributing to government strategies in the decentralization process through the Empowerment for Local Development (ELD) program.

TOSU invests in human capital and institutional capacities for various agencies and groups identified from among SFD partners in all sectors. Training activities include developing curriculum and qualifying cadre nationwide to deliver management and program implementation skills. TOSU organizational support activities aim to build the capacities of SFD partners to provide productive services and contribute to sustainable community development. Organizational support also includes constructing facilities, providing necessary equipment and building administrative systems and tools such as databases and networks.

### SFD Sector Cooperation

SFD sector units often cooperate to achieve specific sub-project or agency-wide objectives. TOSU often serves as a bridge providing training to accompany other investments. An example in 2009 of such cooperation was when the Cultural Heritage Unit, SMED and TOSU supported Talha Marna, an NGO serving women-run associations and cooperatives that produce Yemeni handicrafts. The Cultural Heritage Unit restored the building in the Old City of Sana'a used as a retail outlet for traditional crafts produced by women. Through SMEPS, SMED is providing marketing support and TOSU is providing training and organizational support to the NGO.

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Table 8. Indicators of Training and Organizational Support, by sector, 2009 and cumulative

Indicator	Training		Organizational support	
	2009	Cumulative (1997–2009)	2009	Cumulative (1997–2009)
Approved projects	92	636	39	475
Commitments (millions of U.S. dollars)	2.5	12.8	1.6	22.8
Completed projects	61	536	41	407
Disbursements (millions of U.S. dollars)	2	9.4	3.8	17.5
Direct beneficiaries	15,784	100,558	56,466	638,139
Female share of direct beneficiaries (%)	32	39	28	47
Employment created	50,665	192,037	13,831	590,386

to provide productive services and contribute to sustainable community development. Organizational support also includes constructing facilities, providing necessary equipment and building administrative systems and tools such as databases and web sites.

During 2009, the number of committed projects reached 131 at an estimated cost of \$4.1 million distributed between training and organizational support: 92 projects totaling \$2.5 million and 39 projects worth \$1.6 million respectively (table 8). According to the TOSU annual plan the sector completed 81.9% of its planned targets and 92% inclusive of funding commitments.

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The 2009 Plan projects focused on developing the qualitative aspect, and at the frame of main and urgent fields concerned with training and building the human and institutional capacities for various targeted agencies and groups. Targeting included the local authority staff and institutions, as well as consultants in various components, such as training on Empowerment Program work methodologies, local authority support, institutional assessment studies, raising the capacities of some governorates main offices, qualifying development trainers, and the development of strategic plans. This is beside training and empowering local development committees, supporting self-help initiatives, training consultants in related fields, implementing institutional development assessment studies, formation and training of project committees and community participation, as well as identification of needs and priorities, qualifying consultants, university graduates, engineers, technicians, and small contractors in issues relevant to SFD mechanisms, policies and contracting and implementation methods including community contracting. This is in addition to continuing to qualify, train and develop the capacities of bee-keepers in a number of governorates and in various phases.

Organizational support targeting of governmental, non-governmental organizations and local authority has been expanding through on-site and specialized training, as well as provision of necessary equipments. This is in addition to institutional support aiming at building and developing the capacities of some governmental establishments, local authority organs and governorates main offices.

### Government Organizations

Interventions in support of government organizations provided both training and organizational support. Such support also includes activities that contribute to the professional development of SFD staff and consultants. During the year this included activities

### Assessment of SFD Support for Yemeni NGOs

Results from a survey of 77 organizations that had received support from SFD found the following:

- 77.7% had received funding from SFD for two or more projects, indicating that their performance had met expectations;
- Training was included as part of SFD support for 45.9% of organizations and 40.5% of NGOs received equipment and supplies;
- With regards to the training received from SFD, 57% rated it as "Excellent" and 40% as "Good."
- 98.1% of NGOs noted that interactions with SFD were clear and transparent;
- 54.7% rated as "Excellent" and 35.8% as "Good" the overall support they received, with 94.3% stating that it achieved its intended purpose.

The NGO survey found that among SFD recipient organizations 7% work in villages with a population less than 1,000, 26.3% serve communities with between 1,000-5,000 residents and 63.9% provide services in rural communities.



such as coordinating with the Unit Program to further developing a GIS system at SFD and developing the capacity of procurement staff.

Activities also included providing consultative services to various government agencies and information sharing meetings to develop the SFD Phase IV Vision (2011-2015). Support also involved an institutional assessment study of the General Authority for Social Security and providing support to the General Department for Women in governorate level offices of MOLA, Productive Families Center (Taiz) and a public library (Ibb).

In addition to providing consultative services, equipment and improving systems, interventions also included training in skills related to the actual needs of each agency.

### Non-Governmental Organizations

SFD support of the NGO sector dates back to inception and is a key strategy to enhance community participation thereby strengthening engagement of marginalized groups and contributing to sustainability.

Additionally, it is viewed that such involvement will improve service delivery, particularly in underserved and remote areas in sectors such as working with Special Needs Groups. Training topics include a wide range of subjects in non-profit management such as strategic planning, institutional development, fundraising, voluntarism,

advocacy, conflict management, marketing, communications or the legal status of NGOs, as well as specific skills such as sewing, handicraft production or secretarial skills. In an effort to strengthen SFD support to NGOs in 2009 TOSU began investing in compiling a series of seven training manuals on various key management topics. TOSU has established committees of local and international experts to review and refine the manuals which will also be tested to ensure that they not only incorporate international best practices, but that they are appropriate for the Yemen context.

With a focus on rural NGOs, applications for support generally come through SFD branch offices, followed by assessments of requesting organization and the type of support needed. In 2009, SFD investments in NGOs in both training and organizational support benefited associations in various parts of the country including Sana'a Capital City, Amran, Hajjah, Saadah, Ibb, Taiz, Hadhramaut, Al-Maharah, Shabwah, Al-Dhale, Aden and Al-Hudaidah.

## Local Authorities

SFD interventions supporting the decentralization process and local authorities are considered a continuation of support to the Government by means of training and organizational support. In 2009, training interventions included the following:

- Training local authority members on ELD work methodology and supporting Local Councils in participatory planning in the districts of Saafan (Sanaa), Maswar (Amran), Hajr (Hadhramaut), Al-Hasha (Al-Dhale), Al Misrakh (Taiz) and Bilad Al-Taam (Raimah).
- Conducting an institutional assessment study for the MOLA office in Saadah that involved drafting a strategic vision, as well as training staff on preparing an implementation plan for the proposed strategy.
- Qualifying development trainers for local authorities. The intervention included training 200 trainers in seven governorates (males/females). Additionally, two training courses were held targeting trainers from the main office of MOLA.
- Training consultants on developing strategic plans and supporting the strategic plan of Al-Baidha Governorate.
- Raising the capacities of staff in the main office of Al-Udayn District (Ibb) on a range of subjects including the local authority law, strategic planning and applied topics such as computer applications and secretarial and administrative skills.

In 2009, projects contributing to organizational support targeting local authorities included:

- Conducting institutional assessment studies and providing organizational support to a number of governorate and district level local council offices (Al-Dhale, Mareb, Hajjah, Ibb, Al-Mahweet, Raimah and Shabwah).
- Implementing activities related to decentralization and Local Development Support Program.

## Safiyah... from marginalization to Village Cooperative Council

Safiyah, a young woman living in a village of the Hasban sub-district of Al-Misrakh District (Taiz), used to sit on the sidelines and watch life go by because she has polio and is an orphan. However, she carried in her heart the strength that glistens in the brightness of her eyes.

In 2009, the village of Qardein was brought into SFD's Empowerment for Local Development (ELD) Program. This initiative is premised on the idea that people do not need much to make improvements in their lives, they just need someone to help encourage them and serve as a partner in development, not treat them only as beneficiaries.

Safiyah was able to find a role for herself in ELD and launched her energies through its various empowerment and research activities. When SFD came to her village to introduce the ELD program, this courageous young woman nominated herself for membership in the Village Cooperation Council. She approached the ballot box thinking to herself «Even though I have lost my feet and my father, I can still move my hands, hear and see. I can also talk and express my ability to contribute to my community and love others.» Since her election Safiyah has been able to participate with her male colleagues on the Village Cooperative Council.

From ELD she has also learned about her right to live and learn which accompanies her duties in life; those duties that make her an important human being. Later on, Safiyah was able to communicate with the Disabled Fund and receive support to enroll in the Faculty of Arts, Social Studies section, and live with her female classmates in the university student dormitory. Safiyah of today is different from Safiyah of yesterday, since yesterday she did not have a community role to play and today she has been able to seek self-fulfillment and to help others. Safiyah is thankful to SFD and the ELD program and SFD is grateful to Safiyah, because she has actualized the program's objectives to bring women and marginalized groups into development decision making.



## Local Communities

### Training

Forming and training 753 local project committees in various sectors (Amran, Sanaa, Dhamar, Taiz, Ibb and Hadhramout). 93 LDC from various governorates were trained in conflict management, development issues, administrative skills, drafting organizational regulations and evaluating training programs.

- Identifying priorities for 2010 projects and formation of coordination and follow up committees. Activities included the implementation of preliminary studies and needs assessment in targeted areas covered by Taiz, Al-Mukalla and Dhamar branches.

- Supporting self-help initiatives through a TOT on animal husbandry in 11 sub-districts of Al-Nadirah District (Ibb). The intervention comprised training courses for participants from 20 settlements in the District.

### Organizational Support

ELD interventions included two projects, the first supporting the local authority in participatory planning, community mobilization and empowering communities to assess and prioritize needs to contribute to the district plan in Maswar District (Amran). The second project was a field study conducted in four sub-districts of Al-Marashi (Al-Jawf).

## Private Sector / Individuals

Interventions in this area working with consultants that support a wide range of SFD interventions comprised the following:

- Training the heads and members of fieldwork teams for ELD program. Training targeted 404 committees distributed among the branches of Al-Mukalla (83 committees), Aden (95 committees), Al-Hudaidah (110 committees) and Amran (116 committees). Activities involved training courses in ELD methodologies and a training package for trainers of development committees. Additionally, a number of other related training activities.

- Training consultants in implementation of institutional development assessment studies (from SFD main office and Al-Hudaidah, Ibb, Al-Mukalla and Aden Branch Offices).

- Completing training in issues of community participation for the consultants registered in the SFD database system. Trained consultants in subjects including Participatory Rapid Assessment (PRA) methodology, criteria of SFD interventions and mechanisms of beneficiary committee formation and training (Al-Mukalla, Ibb, Al-Hudaidah, Aden and Taiz).

- Support to various branch office training needs such as a TOT in bee keeping, training bee keepers on the production of royal jelly and raising queen bees in the Districts of Al-Saddah and Al-Nadirah (Ibb). In addition, projects were implemented that included: training bee keepers in rural areas of Amran Governorate; TOT on

### A Volunteer From Al-Jawf

"Before the training I would often sit in qat sessions and hear about conflict issues and pretty much tune out. After becoming an SFD volunteer and learning some tools of conflict management I began listening and eventually even offering suggestions and solutions. People began listening to me. This was very affirming for me personally and made me feel respected."



Electing beneficiary committee members

simplified book keeping for NGOs; qualifying contractors and consultants on implementation and contracting methodology and SFD standards; and qualifying new engineers in project supervision.

## Rural Advocates Working For Development

RAWFD (meaning tributaries in Arabic), established in 2004 by SFD, this program targeting rural university graduates throughout the country was designed to instill the concept of volunteerism, promote knowledge of SFD and engage young people in activism and advocacy for sustainable rural community development. Since that time the program has evolved into a core six week training that has engaged nearly 2,000 young people (35% female) between the ages of 22 and 30 from 13 governorates and subsequently provided 550 participants with work opportunities with SFD. In 2009, an assessment and strategic expansion was undertaken to increase the effectiveness of the program and generate ideas for the future program directions. Additionally, during the year the project trained RAWFD volunteers in the following: Taiz on forming community committees in SFD projects and trained on ELD mechanisms and community mobilization processes.



## Hopes of Amal

The high mountains of Bani Matar and their steep slopes could not prevent Amal from dreaming. They also could not stop her from cherishing her dream to reach the University of Sana'a, only tens of miles away from her village but in her reality the university was light years away. However, Amal did it. She was able to cover all that distance, as other girls from rural districts of Sana'a had already realized their dreams.

While studying at university, Amal became aware of unemployment and the difficulty of finding a job and she worried that her return journey home might face as many difficulties as her arrival. At the end of the final academic year, Amal heard about SFD's RAWFD Program that was designed to assist rural young men and women to help themselves and their communities. So, she enrolled and became deeply committed to its vocabulary and topics and the ideas about Yemen's future that it envisioned. Eventually her husband Kamal, from rural Al-Mahweet, joined the program.

Later Amal was able to assist RAWFD to get started in other governorates and support various SFD activities in rural areas in many parts of the country. Now Amal dreams of helping other young women from rural areas to realize their dreams. Amal's enthusiasm and abilities in human development have enabled her to find work and she and Kamal, accompanied by their baby, now traipse around many rural areas in Yemen. At present she is working as a Field Officer in the Orphan Program at Islamic Relief, an international relief and development NGO. Today, Amal is working not only for herself, but also for others.

## Sadeq Avenges Poverty

Sadeq used to traverse the Mareb-Al-Jawf-Sana'a road passing rocky hills and arid lands in order to attend university in Sana'a. While crossing those physical distances and watching the Bilqis temple in Mareb being slowly devoured by sand, he was covering even longer distances in his imagination.

During his final year of university studies Sadeq and a group of students from various districts in Mareb enrolled in SFD's rural university volunteer program, now called RAWFD. This program provided Sadeq and his fellow students with important information on development challenges and assets in Yemen and that development is about supporting people to help themselves and their communities.

Sadeq returned to his village with his heart full of hope and with a transformed vision. He became aware that the Bilqis temple was more than a pile of old rocks and Mareb dam was more than a reservoir. Sadeq started to read history and to see the humanity of his fellow Marebis, even when they caused harm to one another through traditions such as revenge killing. He began to feel that many acts of conflict or violence are rooted in poverty and ignorance.

23 year-old Sadeq became confident that he could bring back the spring of peace to his area. So he became active in local NGOs and eventually he and some of his fellow SFD volunteers took the initiatives and established an organization that was originally called the Mareb Youth Group and which has now evolved into the "Youth Leadership Council for Non-Governmental Organizations." The primary goal of the organization is to build the capacity of local NGOs in Mareb Governorate working in development. They decided that the initial focus of their activities would be the negative impact of revenge killings in Mareb.

Sadeq knew that changes in attitudes must start at an early age education. So he and his colleagues helped local school children begin to use art as a means of expression and change. So children, with the support of their parents, began depicting the pain of their families resulting from blood feuds and revenge killings. Through their drawings the children started teach adults and themselves about alternatives to violence.

In fact, development should start with people, for them or through them. This is what RAWFD has tried to do. Since 2006, Sadeq has been participating in this and other similar programs as an active trainer. Through this work he has been able to convey key development messages to communities that are similar to his own. By joining with SFD Sadeq has been able to travel to many parts of his homeland and help to empower communities in governorates as diverse as Al-Jawf, Ibb, Al-Dhale, Aden, Sana'a and Abyan. communities in governorates as diverse as Al-Jawf, Ibb, Al-Dhale, Aden, Sana'a and Abyan.

## SFD Phase IV (2011-2015): Training & Organizational Support Vision

Goal: To provide institutional support and capacity building and transfer knowledge and skills to governmental institutions, local authorities, local communities, NGOs, Community-Based Organizations and the private sector (consultants and contractors).

SFD will strive to achieve this goal by providing support to the strategies and policies of relevant ministries and assist other SFD sectors based on common goals, coordination and integration with all stakeholders, drawing on the experience and expertise gained through SFD Phases I, II and III. During Phase IV SFD will seek to achieve this goal through the following activities:

- Strengthen institutions that are involved in poverty alleviation and local governance by focusing on human resource development, institutional development and systems, as well as exchange of experience and mutual learning.
- Promote decentralization and local development through organizational development and capacity building of local councils and local authorities to enable them to plan and implement projects efficiently and effectively, as well as monitor and evaluate performance objectively and transparently. Such programs will equip local communities to support local authorities and activate their role in monitoring and ensuring accountability.
- Support associations and cooperatives to serve the needs of poor households, youth, the unemployed, women, children and special needs groups in underserved areas.
- Qualify recent university graduates from rural areas through the Rural Advocates Working For Development (RAWFD) program to promote youth voluntarism and contribute to development in local communities throughout Yemen.
- Support the establishment and functioning of public libraries that serve children and youth, strengthen cultural development in local communities and which are managed by the government, NGOs, youth clubs or schools.



Social Mapping by community , Sa`afan - Sana`a •

## Cultural Heritage



### 2009 SFD Cultural Heritage Significant Achievements

- Signed an MOU with the Ministry of Culture which articulated a shared vision and outlined areas of cooperation to work together to achieve common objectives in the preservation of Yemeni cultural heritage. This achievement is particularly significant to provide heightened cooperation in the sector during Phase IV.

- Improved internal synergy of the sector with other SFD units and operations. For example, the sector cooperated with SMEPS to further the marketing of Local handicrafts through a variety of channels including fair trade as an effective channel to contribute to cultural heritage preservation. The initiative will particularly focus on enhancing income generating opportunities among women and in rural areas.

Yemen enjoys a rich, unique, diverse and very much endangered cultural heritage expressed particularly in urban and architectural heritage, archaeological and historic monuments and a large number of other tangible and intangible heritage assets. SFD is aware of the danger facing the practices of smuggling, distortion, lack of proper conservation and maintenance, and the demise of traditional building skills. Yemeni cultural heritage is a considerable potential economic resource. Moreover, the conservation interventions require intensive-labor work and building capacities as well ,however the inhabitants of tens of historic cities are mainly of the poorer population.

Realizing the above considerations, SFD related strategies have reflected an increasingly interest on the economic aspects of the related projects and generated employment opportunities and capacity building of traditional

Table 9. Indicators of the Cultural Heritage, 2009 and cumulative

Indicator	2009	Cumulative (1997–2009)
Approved projects	44	231
Commitments (millions of U.S. dollars)	7.0	43.5
Completed projects	15	138
Disbursements (millions of U.S. dollars)	6.8	30.8
Employment created (days)	286,033	1,900,124

builders and local intervention trainees. Besides, it has adopted revitalization, studying and marketing the traditional crafts.

The number of approved projects during this year had reached 44 projects at an estimated cost of nearly \$7 million, bringing the cumulative number of projects in this sector (1997-2009) up to 231 projects at an estimated cost of more than \$43.5 million (table 9). Progress made in samples of the most prominent projects:

#### The Great Mosque

During the year, approximately 443 m<sup>2</sup> of the wooden ceiling were conserved, bringing the conserved area up to 65% of the total area of the wooden ceiling. In addition, about 52 wooden beams were replaced by steel I-beams to bear the load and re-roofing the



affected areas according to the traditional techniques.

The working team dismantled, re-installed and consolidated the seriously deteriorated masonry courses of the upper walls bearing, as well as consolidated about 10 of the pillars of the south portico by strengthening its capitals by iron rings, in addition to re-installation of wooden mattresses in the bottom of the rafters, strengthened and filled the empty spaces in between and replaced the damaged ones.

The wooden bands of 155 cm long and 30cm high in the western portico in addition to the carved inscriptions band of 30 m long were all re-fixed in the first portico in the northern part.

In addition, the team developed the study of the surrounding buildings with the aim to make a general vision for addressing the vicinity of the mosque from urban and architectural point of view in conformity with the value and the planning status of the mosque within the context of the Old City.

A number of Carbon-14 tests were conducted on samples of selected organic materials to determine the chronological age of such materials in order to learn more about the true age of the building. As such, the project conducted similar tests for more cross-sectional analyses on wooden coffered and beams.

About 53 different archaeological excavations were carried out in many parts of the mosque, an area of 290 m<sup>2</sup> of recent plaster in the walls of the north-west portico was removed, and several models on samples of plaster in various internal and external parts were made along with protecting layers. As well, the porticos of the southern part of the mosque were documented after removing the recent plaster.

In addition, the project team carried out Qadad work for areas that were renovated in the affected ceiling with an area of 100 m<sup>2</sup>, restored the cracks in the top layers of Qadad as well as tracing and documenting about 620 meters long of inscribed and decorated bands by tracing on nylon papers, then on to transparent papers, discovered and read 12 plates of human and animal drawings as well as stone and wooden texts, made entry of 57 field information cards, and downloaded 117 information cards into the database.

With regard to the infrastructure interventions needed to accomplish the work and functions, a platform with an area of 550 m<sup>2</sup> was prepared to accommodate bear the members of various working groups who will perform conservation, consolidation, and maintenance works, appropriate securing for the archaeological excavations, columns, arches had been done as well as preparing a store of an area of 54 m<sup>2</sup> for the project's materials.

On the other hand, the contents of two southern libraries were transferred to Dar Almakhtotat (House of

Manuscripts) and to the western library as a prelude to the restoration and rehabilitation works, and an assessment study was conducted to the building and defined the the most important emergency interventions to be carried out.

About an area of 155m<sup>2</sup> of the external walls of the library was coated with a plaster of special specifications and was polished to make them more erosion and rain resistant, and the two southern libraries were connected together.

Finally, 95% of the ablution facility was completed including a ground floor for lavatories and a ground floor for ablution with special ones for handicapped users and an upper floor for management office for the custodians of the mosque in the future.

#### *Al-Gawza Garden*

Al-Gawza Garden has been noted for its almond trees and is the only recreation site in the area. SFD intervention in this garden focused on cleaning and removing garbage and building retaining walls to protect the area. Additionally, the project paved and created sidewalks to restore and protect the foundations of buildings overlooking the site. Moreover, a cistern, rainwater diversion channels and irrigation network were built and fruit tree seedlings were planted.

#### *Shibam / Kawkaban*

The Great Mosque in the city of Shibam / Kawkaban (Al-Mahweet) is one of the most important Islamic architectural monuments in Yemen. In 2009, SFD completed structural repairs of nearly 50% of the decorated coffered wooden ceilings that were at risk of collapse. The new ablution and W.C's facilities were finalized in a design that harmonizes with the architectural and historic context of the mosque and the city. Further restorations included developing a system to utilize grey water from ablutions to irrigate the gardens adjacent to the mosque.

The general environs of the mosque were also improved including installing an electric generator and completing 75% of fence. Improvements to the mosque complex project also entailed renovation of administrative premises and the upper levels of the Al-Thulth samsarah (caravansary) adjacent to the mosque. Finally, a specialized workshop is currently under construction to be used in the restoration work as well as training facilities for the conservation of the decorated wooden ceilings.

#### *Maintenance of Ghail Al-Awar Tunnel*

Sunk in the rocks at a depth ranging from 5-18 meters below ground level and extending for 600 meters from the water source northwest of the city to the holding pond, the Ghail Al-Awar tunnel is considered a significant historic structure in Shibam City. Located all along the tunnel are boreholes connecting the watercourse to the surface (locally known as Al-Khawaw), providing air and



light to this innovative indigenous water management system. During the year, SFD restoration work focused on the channels main course including cleaning and removing waste, reconstructing damaged openings and securing the channel against infiltration of dirt and waste. In addition, a number of openings were exposed to demonstrate to the local community and tourists the importance of this system of water management that is found in many parts of Yemen. Finally, the source was deepened to increase the volume of water flow and an archaeological documentation of the tunnel and its surroundings was completed.

### *Al-Ashrafiyyah Mosque and Madrasah*

Al-ashrafiya Mosque & Madrasa in Taiz is one of the most important historical, architectural, and decorative monuments, dates back to the 8th century AH (14th century AD), not only on the local level, but in the Islamic world, as well. The building in general is characterized, its design, mural paintings, decorative plaster work and wood by historic, artistic and aesthetic high values.

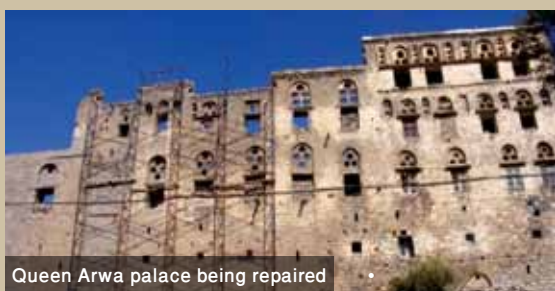
State of conservation of the building:

The building in general and the decoration, inscriptions and colorful mural paintings in particularly; are vulnerable to damage due to aging and neglect for long periods, and improper interventions for the purpose of maintenance and protection, the rain water infiltration caused damages and distortion of various parts of the decorated domes and walls, which led to a considerable distortion of the overall picture of the building from the inside.

In last three phases of the overall restoration project threats had been neutralized from construction, architecture, and infrastructure aspects for the area surrounding it. Large parts of the mural painting in the domes and walls of the western part of the prayer hall have been conserved, where all consolidation, fixing, cleaning, and injection works have been accomplished in addition to more than 80% of re-touching works for the domes and walls of the western side of the prayer

### **Queen Arwa**

The famed Yemeni Queen Arwa bint Ahmad bin Muhammed bin Al-Qasim Al-Sulayhi, also known as Al-Sayyidah, ruled Yemen during the Sulayhi Dynasty from 1074 AD until her death in 1138, for 10 years as queen consort and over 50 in her own right. Queen Arwa was an outstanding leader effectively ruling her country for over 60 years and even today is viewed by Yemeni society with great pride. The Yemenis of the 11th century bestowed upon Queen Arwa the honorary and affectionate title of Bilqis Al-Saghira (the little, or young, Queen of Sheba), as well as Al-Hurra (which means a free, or sovereign woman).



Queen Arwa palace being repaired

### **National handicrafts... from documentation to global marketing**

One aspect of Yemeni culture heritage that SFD has been investing in preservation is in traditional handicrafts that have come under fire from many quarters in recent years. Such handicrafts echo ancient Yemeni traditions yet tied to contemporary aspects of material culture. A number of recent international exhibitions on arts and heritage in Europe and Asia have featured Yemeni handicraft traditions which have subsequently generated cheap imitations that have done grave damage to the authentic local crafts men and women that have produced them.

SFD has sought to mitigate this situation through its investments in the handicraft sector seeking to market and improve incomes for Yemeni artisans. Towards that end, the SFD Cultural Heritage Unit conducted a comprehensive survey and documentation of traditional handicrafts in the areas of Socotra Archipelago, Zabid and Old Sana'a. Then, the SFD-run Small and Micro Enterprises Promotion Service (SMEPS) began piloting handicraft development in Old Sana'a tailoring products to the taste of international consumers, while maintaining their unique Yemeni character. The project soon yielded purchase requests from Europe in large quantities that exceeded the capabilities of artisans whom SFD had trained, so more producers were trained and brought into the production process. The craftsman and trader Ali Al-Khawlani noted that his shop has received orders from abroad for the purchase of Yemeni stylish pots that employ about 200 craftsmen. Another silversmith and businessman Kamal Rubih added «these projects have redirected Yemeni handicrafts worldwide and provided a positive alternative for local artisans. This has given new life to many after a long slump following the sharp decline of foreign tourists and the entry of counterfeit products to the Yemeni market.»

All these results were shaped by the indispensable information of the survey and documentation process, which provided a vital foundation for SMEPS and the international development and marketing expert who used its information throughout the duration of the second project. The rigorous historical and contemporary documentation process included photography of production and prepared digital maps using GPS to pinpoint workshops and retail outlets for every craft within the markets, alleys and neighborhoods of Old Sana'a. Amat Al-Bari Al-Aadhi, the national expert and head of the team that conducted the survey mentioned «the documentation output was an indispensable reference for all those interested in the development and promotion of traditional Yemen crafts.

It also created an easy access to most craftsmen including their addresses and phone numbers. This initiative provided an essential catalyst to make Yemeni handicrafts more profitable and to introduce this rich heritage to the global market.»



hall, which covers an area of (335 m<sup>2</sup>).

Work is continuing on to complete re-touching of this part. Also conservation works in the domes and walls of the eastern part of the prayer hall with the same area have been started and completed 80% of cleaning, consolidation, injecting, and fixing works, but re-touching works have not been started yet. Since the beginning of the year 2010, about 2% of the area of the grand dome (400 m<sup>2</sup>) has been cleaned and consolidated for the purpose of testing and examination. The domes and walls of shrines which have an area of about (225 m<sup>2</sup>) have not been touched yet and it is expected to be done in the year 2010 in addition to the existing inscriptions on the walls of the open to the sky courtyard which has an area of (30 m<sup>2</sup>) and the curved wooden panels of the shrines with an area of (58 m<sup>2</sup>) as well as the ancient. Large parts of Qadad which are directly connected to the fine restoration works will be completed according to the progress in the fine restoration works. The building is also in need of new proper electrical network and a new lighting system commensurate with the historical, architectural and decorative values and nature of the building.

It should be noted that the fine and architectural restoration works is implemented by a Yemeni team (12 young men and women) who had been trained and qualified and selected out of 30 trainees to work on the his project in the previous phases with the assistance of experts from VENETO the Italian Institute of Cultural Heritage in Venice.

#### Dar Al-Ezz

In 2009, conservation work continued on the Palace of Al-Sayyidah Arwa Bint Ahmad Al-Sulaihi, known as Dar Al-Ezz in Jiblah (Ibb). Large portions of the buildings southern facade at the second and third floor levels were restored during the year. Additionally, excavations and archaeological explorations were conducted in various parts of the palace to seek further information about the history of this monument, its components and stages of construction.

Concomitantly, restoration work was initiated to restore the integrity and protect the Al-Negmiyah mosque adjacent to the palace which included analysis of the site to learn more about its history. Finally, Sultanate Sidrah was annexed to the palace (after compensating the former owners) and archaeological explorations initiated, as well as constructing a fence to protect the site.

#### The Historic City of Zabid

Zabid is recognized by Yemenis and international bodies such as UNESCO as one of the most important historical cities in Yemen, containing a large number of historical monuments most notably the Al-Ashaer mosque, founded by the great companion Abu Musa Al-Ashaeeri in the eighth year of Hijira (629 AD). SFD has sought to preserve the cultural heritage in this historic Yemeni city by supporting a diverse range of restoration projects in a number of architecturally significant public monuments. As such, SFD total investments in the area through the end of 2009 are approximately \$15 million.

SFD interventions aim to improve infrastructure and

social services, increase commerce, create new markets for traditional handicrafts, generate job opportunities and improve residents' income and ability to maintain their buildings. In addition, SFD interventions seek to explore avenues to overcome disputes over property, raise awareness of the value and importance of local and national heritage and support the supply of traditional building materials such as qudad. Major projects implemented during 2009 included the following:

- **Street improvement.** An 800 m<sup>2</sup> section of city streets was improved including paving, installing manhole covers, rainwater diversion channels and other infrastructure improvements associated with paving.

- **Guesthouse rehabilitation and local labor training.** Almost all the consolidation and structural restoration of the Dar Al-Dheyafah (guesthouse) was completed in 2009 including finishing the walls, roofs and facades using traditional slaked lime.

- **Main gate.** Restoration and assembling of the main wooden gate have been completed activities which included training three individuals with a background in carpentry and sculpture. Likewise, eight other trainees were also qualified on some architecture crafts such as plastering and firing of traditional mud bricks.

- **Traditional handicraft survey.** In cooperation with the General Organization for Antiquities and Museums (GOAM), SFD began documentation of the traditional handicrafts of Zabid City. Eventually, the survey will expand to the surrounding area and include visual, historic and ArcGIS details in terms of manufacturing, tools, raw materials, production sites and the names of families still engaged in such craft. Outputs of the project will include regional documentation and the publication of an illustrated book.

#### National Capacity Building

In 2009, the process of enhancing the capacity of a national documentation team established by SFD continued. Activities of this team included finalizing the documentation of a number of important architectural monuments as part of the annual program (and on the sidelines of the training activities) and incorporating photogrammetry in the documentation process. Four advanced training courses were completed under the supervision of French experts from the National Geography Institute, with the trainees. Documented monuments by the team in the past year included: Al-Sati Dome in Yareem District (Ibb); Al-Musanna Bridge (Ibb); Ghofarah mosque (Al-Mahweet); Ouraf Dome in Wesab Al-Ali District (Dhamar); and various aspects of the two Great Mosques of Sanaa and Shibam/Kawkaban (Al-Mahweet).

Also during the year, SFD built the capacity of skilled technicians in pottery study and classification for archeology. As such, SFD, in collaboration with GOAM Office in Dhamar Governorate, funded the training of 20 archaeologists working in various museums and GOAM branches, including students in the Antiquities departments in various institutions of higher education in the country. Training focused on the basics of pottery

classification, pottery drawing and techniques of manufacturing and decorative typologies during various periods of Yemeni history.

#### Al-Sawda Archeological Site Protection

Al-Jawf region was part of the ancient Sabaeen Kingdom (1,000 BC to 6th century AD) and the center of the Ma'in Kingdom (7th century BC to 1st century BC), thus considered a main civilization center of ancient South Arabia. The importance of Al-Jawf historical sites has been recognized by UNESCO, which has worked in collaboration with the SFD to save the monuments of Al-Jawf, in particular Al-Sawda which has been exposed to vandalism and illegal excavations. SFD support has included restoration of damaged bronze sculptures and inscribed wooden palm frond stalks known as 'usub (see text box), as well as the preparation and opening of Al-Jawf archeological display within the National Museum showroom. SFD has also supported the electronic documentation of the 3,600 artifacts from Al-Jawf in the database at the National Museum (Sanaa) and publishing a series of three books on the artifacts.

#### Other Projects

- **Masnaah Mariya (Dhamar)** is one of the most important and distinctive Himyari sites located on a high rocky cliff accessible only through two narrow channels. This naturally protected archeological site is sheltered from almost all sides and was a perfect location to be presented as a complete model of archaeological sites in Yemen. SFD in cooperation with Dhamar GOAM Office has implemented Masna'at Mariyah archaeological site protection project in Dhamar, which has been severely damaged by heavy rains. The project included the protection of archaeological layers of the site by erecting simple walls and renovating the archeological walls of the site.
- In the historic City of Thula, the project of protecting the historic city wall was almost finalized and the rehabilitation of Al-Mayah cistern and environs completed. Also underway is a project protecting and restoring the Thula Fort road.
- In the **Old City of Amran**, SFD completed the rehabilitation of Al-Sayyed Yahya meqshamah (mosque green space) and the restoration of the western portion of the Great Mosque. Also, the project paving and improving watercourse of the Old City was received by the community.
- Within the framework of the Yemeni-French cooperation in **support of cultural heritage in the cities of Aden and Taiz** a number of activities were concluded including studies, training and renovation. In Taiz work was completed on the renovation and reuse design of Bab Al-Mousa as an awareness and promotion center for the city's cultural heritage. In Aden, a building was identified for renovation to serve as a similar cultural and awareness facility.
- In **historic Sa'adah**, SFD completed the fourth and final stage in restoring the traditional city wall and rehabilitating Al-Nezari and Al-Taie walls is near completion with work on Sabeeh and Shaiban walls continuing.

#### A Window into Ancient South Arabia

The discovery in 1970 of the first of thousands of inscribed wooden palm frond stalks dramatically contributed to understanding of ancient South Arabian society. These unique and precious artifacts known as 'asib, plural 'usub, date primarily from the 1st through the 3rd centuries AD, although there are a few pieces possibly dating back as far as the 4th century BC. 'Usub contain texts that are personal such as private messages, letters and information about business transactions. For example, one such message requests the recipient of the message to redeem his she-camel, left as security with the sender's master.

#### SFD Phase IV (2011-2015): Cultural Heritage Vision

Goal: To serve as a catalyst in the effective and efficient management and preservation of Yemeni tangible and intangible cultural heritage.

SFD will strive to achieve this goal by providing support to the strategies and policies of relevant ministries and assist other SFD sectors based on common goals, coordination and integration with all stakeholders, drawing on the experience and expertise gained through SFD Phases I, II and III. During Phase IV SFD will seek to achieve this goal through the following activities:

- Enhance the conservation status of Yemeni World Heritage cities of: Historic Town of Zabid (1993); Old City of Sana'a (1986); and Old Walled City of Shibam (1982).
- Expand national capacity at various levels of technical administrative engineering and support in cultural heritage preservation. This outcome will include cooperation with the training arms of ICCROM (International Centre for the Study of the Preservation and Restoration of Cultural Property) and United Nations Educational, Scientific and Cultural Organization (UNESCO). Such efforts will meet clearly outlined learning outcomes and performance monitoring indicators.
- Conduct a thorough inventory and documentation of tangible and intangible cultural heritage of the country including the creation of a database of inventories.
- Invest in saving the most significant endangered monuments of cultural significance.
- Explore economic opportunities to increase income and alleviate poverty through the sustainable and responsible use of cultural assets that harmonizes with Yemeni cultural identity.

- Work was also completed on the **Al-Dhafeer City upper cistern (Hajjah)**, as well as a study and design for paving the old city's streets and public squares.

- Finally, within the realm of popular culture SFD is supporting a project to **convert popular stories into theater plays** in cooperation with Milathahab, a Sana'a based foundation specializing in the preservation of oral traditions of mothers and children in Yemen. This ground breaking initiative contributes to the development and consolidate of national culture and oral traditions, unprecedented in the Arab World. The project will also publish two books in Arabic and French with the text of the stories. The project also includes a technical workshop on how to use such stories and techniques of sound and lighting. This initiative is part of ongoing cooperation with the French government and Yemeni cultural preservation and included training for 25 employees of the Ministry of Culture and Milathahab Center.

## Small and Micro Enterprise Development



### 2009 SFD SMED Significant Achievements

- Piloted the Al-Amal Micro Finance Bank in 2008. It began serving clients in 2009 with expanded products and an increased clientele. Al-Amal Bank now has eight branches in Sana'a, Ibb, Taiz and Aden and has served 42,000 clients by the end of 2009.
- Established the Microfinance Network in partnership with UNDP. Also in 2009, the Network registered with the MSAL as a legal association.
- The new micro finance banking law was approved by Parliament and ratified by the Presidential decree.

Since its establishment, SFD has realized the importance of small and micro enterprises development as a fundamental element for poverty alleviation, economic growth and job creation. SFD has played a leadership role in the sector and continues to provide vision and impact in its efforts in this critical sector. Leadership in this sector has included supporting the development of the National Microfinance Strategy, the establishment of a number of microfinance institutions (MFIs), and a number of other programs with the objective of providing other supporting services to the financial sector. In 2009, SFD established the Yemen Microfinance Network in partnership with the United Nations Development Programme (UNDP) to provide training for MFIs, increase transparency, and promote good governance. Al-Amal Microfinance Bank, which was established by SFD in partnership with the Arab Gulf Programme for United Nations Development Organization (AGFUND) and the private sector as the first microfinance bank in Yemen, began lending in January 2009. SFD encourages and supports new initiatives within the MF sector, and realizing the importance of non-financial services as a key factor in developing SMEs, SFD established in 2005 the Small and Micro Enterprise Promotion agency (SMEPS) to facilitate the provision of specialized Business Development Services (BDS). During 2009, SMED Unit developed 30 projects at an expense of \$5.2 million, achieving 108% in terms of financial disbursement.

### Micro Finance

Support given to MFI programs is considered the main activity of the SMED unit. Such investments include significant on-going capacity building activities in terms of technical and financial assistance to the MFIs to help them expand their operations. As of 2009, the number of borrowers in MFIs has reached almost 42,000 active borrowers, of which 28,741 were female borrowers (SMED Portfolio Indicators 2009). In addition, there were 37,675 active savers, and the loan portfolio reached 2.242 billion YR. Since the establishment of SFD till the end of 2009, 291,800 loans have been distributed totaling more than 16.7 billion YR.

### Funding

SMED continued its funding activities to support various MFIs allowing them to continue providing their financial services to small and micro entrepreneurs who run income generating activities. SFD financing has allowed MFIs in Yemen to open branches in new areas and expand their operations. Funding to MFIs in 2009 totaled 400 million YR (the equivalent of almost \$2 million).

These resources were used to finance the Aden Microfinance Foundation with a loan amounting to 90 million YR (\$436,893), Nama' Microfinance Program with a loan of 50 million YR (\$250,000), the National Microfinance Foundation (NMF) with a loan of 120 million YR (\$582,525), Abyan MFI with a loan of 50 million YR (\$250,000), Sana'a MFI with a loan of 60 million YR (\$291,262), and Hadhramaut MFI with a loan of 30 million YR (\$145,631). Furthermore, funding for the Small and Micro Enterprises Promotion Services (SMEPS) program continued, as did support to Al-Amal Micro Finance Bank and the Yemen Micro Finance Network.

### Capacity Building and Technical Assistance

SMED Unit has made efforts towards increasing the efficiency of MFI employees through training courses, consultancies, exposure trips, and other means. Training courses totaled 22, targeting 378 MFI employees. The training covered several topics, including: microfinance accounting, strategic marketing, delinquency management, interest rate setting, field auditing, internal audit

Table 10. SFD-supported microfinance institutions and programs, cumulative, December 2009

Program	Number of active clients			loans Portfolio	Loans Portfolio at risk (%)	Accumulative		Location
	Borrowers		Savers			loans Amont (Million)	Loan (No)	
	Total	Women (%)	Total					
National Microfinance Foundation	11,944	97	15,897	301	5	2,149	62,301	Capital City, Al-Qa'edah and Yarim (lbb), Taiz, Hajjah (abss),lahj,
Namaa Program	5,888	34	1,056	196	2	1,477	32,242	Aden, Sana'a , Taiz
Alamal Bank	4,787	56	4,756	165	0	296	5,859	Aden, Sana'a , lbb
Abyan C&S	4,502	100	5,173	170	0	590	16,952	Abyan
Aden Microfinance Foundation	4,455	98	7,428	86	0	868	26,026	Lahj,Aden(Dar Saad,Al buriqa,Saad,Alburaifa, Almuala,Altawahi,Khur Maksar,Keriter)
Al-Awael MF Company	2,625	66	0	64	2	761	33,213	Taiz
SFSD	2,376	87	0	88	0	608	10,603	Capital City Sana'a
Sana'a Microfinance ( Azal)	2,061	68	1,410	61	3	794	20,771	Capital City Sana'a
Wadi Hadhramaut Savings and Credit Program	1,268	32	1,955	53	8	434	7,339	Seyun - Hadhramaut gov
Income - Generating Projects	0			0		1,690	67,495	
Small								
Small Ent. Dev SEDF	2,091	3		1,122	1	7,066	8,999	Sanaa Capital,Taiz,Aden,Al-Mukalla,Al-Hudaidah
<b>Total</b>	<b>2,091</b>			<b>1,122</b>		<b>7,066</b>	<b>8,999</b>	
<b>General total</b>	<b>41,997</b>		<b>37,675</b>	<b>2,242</b>		<b>16,733</b>	<b>291,800</b>	

ing, MIS training on Maeen Loan Tracking System (Version 2), operations risk management, using poverty scoring cards, financial analysis, product development for micro finance, HR management, loan officer training, marketing, and micro finance remote e-learning.

In 2009, the SMED unit covered with its auditing activities all MFIs, including field auditing of the portfolios of Aden MFI, NMF, Sana,a MFI, Al-Awael MF Company, as well as Hadhramaut and Abyan MFIs.

## Development of Maeen Loan Tracking System

A new version (Version 2) of the system, which will help MFIs track their portfolio more efficiently, has been issued after completing its development stage. MIS operators in MFIs have been trained on its usage and maintenance. Furthermore, the main offices of MFIs have been linked with their branches through the system.

## Auditing of MFIs

Auditing plays a major role in maintaining proper financial management of MFIs and ensuring accuracy of financial transactions according to well-established accounting rules and regulations. In addition to internal auditing, field audits were carried out on MF programs.



## SFD Micro Finance Partners Workshop

The SMED unit organized three workshops involving its partners, in which a number of issues were discussed. Among the most important issues was the first draft of SFD Phase IV investments in small and micro finance sectors and BDS. Furthermore, SFD trained a number of potential partners and discussed obstacles facing the expansion of MFIs.

## Annual Micro Finance Event

Under the slogan "Dreams Come True", SFD organized in the city of Aden its sixth annual event for this important activity with the aim of publicizing the micro finance industry in Yemen, and the services currently being offered by MFIs. The event provided an opportunity to a number of government bodies, as well as international and local NGOs in Aden to participate and become acquainted with the role played by MFIs in the economic development of the country. The event also provided a broader opportunity to micro borrowers in the Governorates of Abyan and Aden to participate, market their products and goods, realize financial gains, show their expertise and share success stories.

## Al-Amal Micro Finance Bank

Al-Amal Bank was established as an independent financial institution with shares held by the Yemeni Government through SFD (45%), Arab Gulf Program for United Nations Development Organizations (AGFUND 35%) and the private investors (20%). Al-Amal bank began full scale operations on January 1st 2009, and as of December 2009 had 4,787 active borrowers and 4,756 active savers. During the year, Al-Amal expanded its branches, and at the end of 2009 it had eight in Sana'a, Ibb, Taiz and Aden. The Bank provides poor clients engaged in productive activities (micro-entrepreneurs) with small and micro-loans to help them grow their businesses. A broad range of services provided by the bank includes : credit, savings, insurance, cash transfers, and foreign currency exchange.



The newly-established Al-Amal Microfinance Bank

## SMEPS Agency

SMEPS continued support of Business Development Services (BDS) in Yemen by signing an agreement with the World Bank and the Royal Tropical Institute in the Nether-

## Limitless dreams

The name of Zikra M. Kadaf is among the many women from Abyan governorate who have never surrendered to poverty. Zikra, providing a livelihood for her three children, realized the difficulty of her economic situation and the urgency of her children's needs. She thought deeply about a sustainable economic activity that could generate revenue and meet her financial needs. She came up with a number of ideas for lucratively competitive small businesses. Money was all she lacked.

Zikra had heard of the Abyan Saving and Credit Program operated by the Yemeni Women's Union and funded by SFD and that it assists women by providing loans to establish project to improve their income. So, Zikra contacted the program and the loan officer set a date to visit her at home. There, Zikra collected five female neighbors and the loan officer explained to them the terms of the credit and their responsibilities. All the women present agreed to take a loan from the program.

The women's group saved an amount in the program for three months. They took the first loan of 250,000 YR and paid it back within eight months. Zikra used her loan to open a small grocery store. This business was successful and she paid her installments back on schedule. When it was time for the second loan worth 400,000 YR Zikra designed and made a portable stage for weddings. Since then her idea has earned significant income and she was able to purchase a pick-up truck to transport the stage from one place to another. Now, Zikra is preparing to complete her loan repayment and has begun dreaming of opening a bread bakery shop.



Small & Micro Enterprise Promotion Service  
وكالة تنمية المنشآت الصغيرة و الأصفغر

lands to serve as the main consultants for value chain analysis in the fisheries, coffee, honey, qat and cereals sectors. SMEPS has already completed the study of several value chains in the sectors mentioned and published the results.

**Other noteworthy activities of SMEPS in 2009 included:**

- SMEPS coordinated the visit of a Yemeni delegation consisting of representatives coming from a number of associations, as well as individual traders and exporters of Yemeni coffee to participate in the BIOFACH-Nurnberg Exhibition. Discussions were carried out on developing opportunities to export Yemeni coffee to interested European companies.
- Several advanced training courses were implemented, covering activities such in the beauty industry in Sana'a, Aden and Al-Mukalla, with 170 trainees participating.
- Participated in the Ambiente Exhibition in Germany, which specializes in handicrafts, with the intention of increasing the export of locally produced handicrafts.
- In cooperation with the Community College in Aden, SMEPS conducted three advanced trainings for 54 trainees in maintenance and installation of containers and cold stores. Those who were specially targeted were engineers and technicians working in air conditioning and refrigeration workshops from several governorates, which included: Hadhramaut, Lahej, Abyan, Taiz, Al-Dhale', Shabwah and Aden.
- Identified and developed new product lines and markets including lemon pickles. The aim of the project was to identify a domestic producer of improved and safely packaged products that could be marketed locally. In addition the agency was also involved in identifying and developing locally produced pipes made according to local standards and yet able to compete with imported pipes.
- Handed over a counseling center it established in cooperation with the Chamber of Industry and Commerce in Hadhramaut. A large number of clients have already benefited from the services provided by the Center particularly the owners of small enterprises in various sectors.
- With support from GTZ, a contract was signed with the Post-Harvest Center for Research in Aden to develop incense sticks according to European standards using local raw materials and Yemeni workers.
- In coordination with the University of Science and Technology in Hadhramaut, SMEPS nominated three instructors from the Environmental Science and Marine Biology Department to attend a training course in using GPS devices related to the training of fishing cooperatives.

**New Initiatives**

During 2009, SMED Unit executed a number of initiatives - the most important includes the following:

**Establishing the Yemen Microfinance Network**

The first meeting between SFD and UNDP was held to discuss the establishment of the Microfinance

**Hope magnitude leads to fruitful business**

Tahir Al-Dhaibani's dream of owning a factory was not a mere imagining, but a mirror reflecting his willingness and creative determination to use his knowledge to support a career. Tahir started working in a grain mill using a primitive mill in his modest home. «I started out eight years ago and had many aspirations and ideas that were in vain because I had no capital to invest. But the first moment of my successful career began when I met the staff of the Sana'a Micro-credit Program promoting their services. I found what I was looking for so I decided to visit them.»

At the first interview, Tahir decided to obtain a loan from the program. "This action started a chain of events leading to the opening of my marvelous mill that stuns all who see it. It also was behind the transformation of my modest house into a large plant for grain grinding within a very short time." Tahir invented a local mill from simple material attached to three sorting pipes, instead of one, that divides the output according to flour, husks and poultry feed.

Since that first meeting with the program funded by SFD, Tahir has received five loans starting with 70,000 YR. Now, after eight years, he has become the owner of the most well-known grain grinding plant. He produces other kinds of cereals, innovating diverse, new ways of grinding them. He became a source known to many of the spices shops who suspended their deals with foreign products and replaced them with Tahir's better quality products. This enterprising man has also become an inspiration for many people who have heard his story.

Network, and it was attended by representatives from different programs and MFIs in Yemen. During the meeting, the establishment of the Network was announced, its strategy presented and approved, the Network's statute discussed and approved, and finally the Network's board members were elected. The main objectives of the Yemen Microfinance Network is to help micro finance practitioners in Yemen adopt international best practices in the industry, increase transparency, promote good governance, diversify products and services and improve the quality of services provided by institutions and micro finance programs, first among them training.

**BRAC Yemen**

At the invitation of the SMED unit, a team from Bangladesh Rural Advancement Committee (BRAC) visited Yemen for an initial exploration visit. BRAC is one of the largest organizations worldwide working in the field of micro finance; currently it has more than six million active borrowers. This initial visit was conducted to study the possibility of establishing a partnership between SFD and BRAC through the development of a strategy and action plan for financing small enterprises in rural areas.

During the mission, the team visited a number of mi-

crofinance programs and institutions, and met with several other stakeholders, as well. The team examined the infrastructure and working environment in Yemen and closely examined the microfinance industry and potential market for micro finance services and products, particularly in rural areas. The visit concluded with the commitment of SFD to assist in the formal registration of BRAC in Yemen to operate in the micro finance industry in partnership with SFD.

### **National Strategy for Micro Finance Steering Committee**

During the year, the SMED unit organized two meetings of the Steering Committee for the National Strategy for Microfinance which was developed in 2007. The meetings focused on enhancing cooperation and coordination between various stakeholders in implementing the National Strategy for Microfinance.

### **Graduation of "Out of Poverty" Project**

SMED, in collaboration with the Social Welfare Fund and the Consultative Group to Assist the Poorest (CGAP), conducted several activities related to the project. Most notably, the scanning process for selecting beneficiaries was completed and an initial ranking of poverty screening cards carried out. The project team will follow up on support to beneficiaries, provide them with the necessary guidance, and transfer assets to them. In addition, a study was conducted by an expert in the targeted areas to develop recommendations for livelihood activities for beneficiaries. The study also highlighted marketing channels for products and risks associated with each activity. Moreover, three separate workshops were held during the year and attended by the project team and the steering committee to discuss project progress and map out a detailed work plan.



KAB , now, a widespread curriculum for technical school



# Labor Intensive Work Program



## 2009 SFD LIWP Significant Achievements

- Conducted a study on the qualitative impact of LIWP on beneficiaries and communities. The results of this study subsequently contributed to shaping SFD Phase IV planning for investments in this sector.
- Developed a focus in the Global Food Crisis Response Project designed to raise awareness about the adverse health, nutrition and environmental impact of qat. Such activities are designed to work in tandem with infrastructure activities of cash-for-work program activities.

This SFD program was created in response to a government mandate to implement labor intensive projects that also provide temporary job opportunities to unskilled and semiskilled workers, in recent years SFD has developed two workfare programs. The first is in main and secondary cities, designed to absorb unskilled laborers migrating from rural areas. The second initiative targets rural areas distressed by rising food prices and drought. Both programs directly contribute to government poverty-relief efforts as well as mitigate the negative impact of global food and climate change crises.

## Labor Intensive Work Program (LIWP)

The LIWP Program is financed by the government of Yemen, and seeks to create 8-10 million days of employment from 2006–2010. As of the end of 2009, the program created about 4.6 million temporary job opportunities in urban and semi-urban areas.

In 2009, 40 projects were approved at an estimated cost of \$13.4 million. Some 718,000 job opportunities are expected to be created by these projects.



## Global Food Crisis Response Program (GFCRP)

The main goal of this program is to mitigate poverty and food insecurity caused by rising global prices and drought in the country in 2007. In 2008, the Republic of Yemen and the World Bank signed a \$10 million grant agreement, with the money to be used by SFD to create job opportunities by implementing labor intensive works projects through a cash-for-work approach. Accordingly, SFD developed projects to provide income to communities most affected by rising food prices, with \$9.1 million of the grant allocated for this purpose.



Table 11: GFCRP indicators as of December 2009

Branch Office	No of projects	Project cost (\$)	Actual Laborers		Expenditures (\$)	Other Expenditures (\$)	Physical Achievement (%)
			MEN	WOMEN	TOTAL		
Sanaa	15	1,323,700	11,086	5,603	1,104,815	75,883	97
Amran	7	632,888	1,049	11	439,151	111,776	88
Al-Hudaidah	4	885,380	4,527	89	744,253	96,295	96
Ibb	11	1,088,834	2,701	63	653,403	275,847	81
Dhamar	7	1,222,359	1,273	77	1,010,568	222,779	98
Taiz	14	1,405,067	3,039	169	1,161,922	233,651	100
Aden	25	1,271,500	2,976	39	866,234	262,205	94
Al-Mukalla	15	720,331	3,832	475	453,981	232,015	91
<b>TOTAL</b>	<b>98</b>	<b>8,550,060</b>	<b>30,483</b>	<b>6,526</b>	<b>6,434,326</b>	<b>1,510,450</b>	<b>93</b>

In 2009, ten projects were approved at an estimated cost of \$1 million, including resources to cover the expense of developing the program's second phase. These projects included: constructing rainwater harvesting (cisterns, natural tanks and stone tanks); improving and protecting existing rural roads; protecting drinking water sources (shallow wells and springs); paving public rural markets; protecting irrigation channels; improving and reclaiming agricultural land; and rehabilitating and restoring agricultural terraces.

About 96 projects have been implemented in various sectors and in different areas, worth some \$10.3 million, with the number of beneficiary families reaching 16,841, representing 94% of the total target and benefiting 16,841 families (female participation 14.7%).

### Awareness on the Hazards of Qat

Malnutrition is among the most serious problems facing areas targeted by the emergency program, as these areas are also among the poorest in the country. In addition to poverty, another significant factor contributing to malnutrition is low awareness about nutrition, how to provide balanced meals and lack of information on available local resources. Furthermore, this lack of awareness is exacerbated by household spending priorities that divert limited money away from the basic needs of their families, with qat being a major culprit. Therefore, the emergency program has sought to conduct awareness campaigns accompanying project implementation to raise awareness of the hazards of malnutrition and perils of chewing qat and its adverse effects on the individual, families, community and society.

In order to deliver health messages in a clear and simple way the program has developed a variety of channels including pamphlets, brochures, school events and cassette tapes. In addition, two training courses were held to raise awareness of malnutrition and qat in Sanaa and Aden with 58 trainees (50% female). Trainees then conducted field visits to 98 projects in the target areas to launch the awareness campaigns. Field follow-up visits sought to assess awareness campaign performance and effectiveness of the methods used to identify weaknesses and strengths.

### Developing the Second Phase of the Program

In preparation for the program's second phase, financed by €10.2 EU grant and £7.5 UK grant, a four-day workshop was conducted in the Ibb branch office to develop an action plan designed to improve performance. The event was attended by project officers and branch office managers. In addition, nine training courses were implemented to address field-targeting mechanism for this phase, with 324 consultants from all SFD branches participating.

### Rural Roads

The great importance of the road sector in SFD is attributed to the vital role this sector plays in peoples' lives in communities throughout Yemen. The road sector activities fall under the LIWP, with projects characterized by diversity and implemented via the community contracting approach.

## Cash-for-work, a newly SFD adopted approach for multi-purpose projects

The social situation in Al-Masajid, a remote village in Bani Al-Shwaishi sub district of Khamis Bani Saad District (Mahweet), is similar to many villages in Yemen that suffer from extreme poverty. When the SFD team examined the LIWP targeting criteria for the area, they found that villagers were suffering from acute food poverty with the local diet limited to traditional flatbread and peppers, clearly missing most essential nutrients. Other indicators of severe poverty were noted including poorly maintained roofs, allowing rainwater to flow in, as well as the torn clothes worn by many adults and children. In recent years the suffering of villagers had increased because of rising food prices and the difficulty of transporting food purchased from the market, reachable only on a 10-kilometer bumpy road. This global crisis contributed to reducing portions of households that share in buying a bag of wheat and increasing the size of their debt, as well as delaying their plans to repair their homes' leaking roofs.

Most Al-Masajid residents rushed to participate actively in a labor-intensive project to remove the prickly pear cactus (blanketing a large portion of arable land and negatively impacted agricultural and livestock production). During the work which involved 3,897 individuals in targeted households, it was noticed that there was a high level of solidarity between individuals; they cooperated to fulfill their responsibilities on time, while others worked on behalf of others due to old age or disability. Meanwhile, the SFD team conducted health education campaigns about the importance of committing to food diversification and the impact of qat on deteriorating the health, social and economic situation. It was noted that these efforts helped to reduce spending on qat and re-channel it to buy better quality and variety of food such as meat and vegetables.

Women also actively participated in the project and Zahrah was an example of dedication in the service of society. This widow supports four daughters in addition to a 75-year old neighbor who has no relatives. Zahrah worked diligently at a work site which was close to her home and was one of the first people to complete their work without problems and work more than planned. She was the happiest laborer in the area, because she used her wages to buy bags of grain for the first time, paid back debts accumulated as a result of rising food prices and also bought some new clothes for her daughters. Zahrah also used the roots of the removed plants as fuel for cooking in her home. "A sack of wheat has never entered my house," commented Zahrah. "I used to get a few handfuls of grains from farmers for working in their land. Since SFD has come to the village, I worked and received cash for the first time in my life." Zahrah's elderly neighbor said that he performed his assignment as requested. He said he was surprised by the amount of money he received for his work "I swear to God that this is the first time in my life that I have had 50,000 riyals (\$250) in cash." He added that he would spend that precious money on food.



The critical nature of such infrastructure was confirmed by the findings of the recent impact evaluation and follow-up visits which found the following:

- Link villages, sub-districts and district with district and governorate centers.
- Facilitate the transfer of patients (particularly emergency cases, which cannot be treated in health units available in rural areas) to the main hospitals in the cities.
- Facilitate villagers' access to development services (health, education, water, etc).
- Facilitate marketing of agricultural products from rural areas to the main markets, as the countryside is the main source of these products.
- Lower transportation costs and reduce basic commodity prices.
- Promote stability in rural areas and reduce urban migration.
- Reduce the cost of maintaining machinery and equipment.
- Facilitate domestic and international tourism.

Such impacts are critical in fulfilling SFD's poverty alleviation mandate, according to the National Poverty Reduction Strategy. Approximately 85% of the poor are concentrated in remote rural communities. Therefore, the SFD continued its efforts to support the improvement of rural roads in a cost-effective manner, emphasizing local community participation in planning, implementation and maintenance of rural road projects.

Actual projects implemented totaled 93 at an estimated cost of \$22.5 million, distributed as follows:

### **Rural Roads**

The number of rural road projects was 51 projects for a total length of 271 kilometers at a cost of \$10.3 million.



The number of beneficiaries is expected to be 152,700 and temporary jobs created were 482,300 working days.

### **Training and Workshops**

Ten training courses and workshops were held to qualify engineers and technicians in the preparation of studies and supervision of rural road projects under the Supervision of SFD branch offices in different governorates, with estimated expenses reaching approximately \$0.2 million, expected beneficiaries were 1,359 and temporary job opportunities created 1,085 working days.

### **Street Paving**

The number of paving projects for urban streets reached 32 projects with a total area of 361,859 square meters at a cost of \$12.1 million. The estimated number of beneficiaries was 182,000 and temporary jobs created around 627,000 working days.

Table 12: Rural Roads Sector 2009 & Cumulative

Indicator	Social Protection	
	2009	Cumulative (1997-2009)
Approved projects	93	603
Commitments (millions of U.S. dollars)	22.5	110.2
Completed projects	70	376
Disbursements (millions of U.S. dollars)	21.3	81.3
Direct beneficiaries	335.739	3.609.381
Female share of direct beneficiaries (%)	50	50
Employment created	1.131.165	6.359.273

## Bani Shabib road, a tomb of feuds and rebirth of tolerance and development

«When the people of Bani Shabib of Hubaish District (Ibb) walk on their SFD-built road, they tramp over 30 years of bloody conflicts,» said one community member when speaking about the 'community contracting' mechanism introduced by SFD in the project. This participatory approach is designed to create solidarity between community members, improve the economic situation and reduce project cost. The geographical isolation of the six villages of Bani Shabib has exacerbated a 30 year conflict over pasture between two cousin groups and refueled a cycle of bloody feuds resulted in eight deaths, scores of injuries and an absolute rupture between the groups, with only rare secretly exchanged visits. When SFD responded to the community application for a road it sought to address differences arising from interactions and a spirit of cooperation, dialogue and common interest has arisen between the disputing sides. Ali Ahmed Shabibi, a local leader commented, «The involvement of area residents in the project has forced the feuding cousins to mingle, share food and talk, although they have vowed not to discuss the past. They agreed to accept the court's verdict in their case in order to bury those conflicts under the SFD road.»

The elected project accountant Rashed Mohammed Fare emphasized that community contracting helped individuals focus on promoting transparency and strengthening confidence in development institutions to serve the poorest communities. Rashid narrated that the road brought unforeseen benefits to the area. «Now, a number of benevolent people started visiting the area regularly to distribute Zakat money and build mosques. We introduced harvesting and grain sorting machines to alleviate the suffering of women and girls, and the development institutions began to discuss and study a range of project ideas.» Rashed also noted that 70 residents earned income, gained skills and experience in building the road since all contractors and workers were from the area. One of the road contractors Jamil Shamsuddin reported that the road helped him to build his business, «As a contractor selected through an open and transparent bidding process I benefited from it. However, I also worked very hard in this project and made additions to the road voluntarily. I am proud to have worked with SFD on this road, despite the modest profit my business made, as there were other benefits for me. I gained experience in road building and I was able to really help my community through development of the area.» Jamil recalled that previously, «My work vehicles were often stranded in the village without work for days before damage caused by the rains could be repaired.»

The absence of an adequate road also contributed to illiteracy in the area as assigned teachers refused to assume their positions because of the difficulty in getting to villages outside the area. Additionally, few students are enthusiastic enough to walk a distance of 11 kilometers each day to the nearest school. Women and girls suffered when fetching water over rough terrain, as did folks needing medical attention who had to travel over rough roads to the nearest clinic in Al-Jabjab market paying around 2,000 YR (about \$10). Now five villagers earn money with their cars transporting individuals from the area to the market. A member of the Beneficiary Committee recounted that another project benefit was that one girl on the project committee gained enough confidence in herself and motivation to contribute to her community that she joined the two-year Midwife Training Program organized by SFD Ibb branch.



## SFD Phase IV (2011-2015): Labor Intensive Works Project Vision

Goal: to enhance the productivity of poor households through workfare activities by ensuring that public works interventions contribute to improving local productive capacities and livelihood opportunities (i.e. community and household asset creation by implementing labor intensive work projects that provide temporary job opportunities to unskilled and semiskilled workers in the poorest urban areas and in the poorest rural areas most affected by the global food crisis and climate changes.

SFD will strive to achieve this goal by working with relevant ministries and other SFD sectors based on common goals, coordination and integration with all stakeholders, drawing on the experience and expertise gained through SFD Phases I, II and III. During Phase IV, SFD will seek to achieve this goal through the following activities:

- Scale-up coverage to roughly 300,000 individuals annually in the 45-50 poorest districts of Yemen who will be assisted throughout the five years of this phase.
- Reorient the program to have a simplified targeting process and to target chronically vulnerable households.
- Begin supporting interventions in communities for periods of 3-5 years rather than just one year.
- Support interventions implemented that complement each other and have a focus on enhancing long-term productivity.
- LIWP will also aim to be responsive to various shocks that affect communities. There will be greater consideration of agricultural lands and terraces that can be rehabilitated for the benefit of poorer households, and there will also be a greater emphasis on projects that might maximize female labor force participation.



Maghrabt Al-Sagaa - Akamat Al-Zailah Road - Utumah - Dhamar •

## OPERATIONS



### Meetings of the Board of Directors

SFD's Board of Directors held three meetings in 2009 under the Chairmanship of His Excellency Ali Muhammad Mujawar, Prime Minister and Chairman of the Board. During the first meeting, held on 18 February, SFD's 2009 Annual Work Plan was discussed and approved.

The second meeting, convened on 11 April, discussed SFD's financial statements for the fiscal year ending on 31 December 2008.

In the third meeting, on 21 October, the Board of Directors discussed and approved SFD's draft budget for fiscal 2010 totaling 27.5 billion YR (approximately \$134 million), an 8.2% increase over fiscal 2009. An estimated 1,402 projects are to be implemented throughout the country under the approved budget.

### Geographical Information System (GIS)

As part of SFD continual efforts to utilize state-of-the-art systems Phase IV will convert the existing MIS data system into a GIS system with a live link established between both systems to maintain access to existing data and continue financial monitoring of the projects. Such a conversion is seen as indispensable for the improvement and enhancement of the SFD projects and activities. Towards that end in 2009, SFD brought in an external consulting company GISCON Solutions to conduct a comprehensive analysis of the needs and requirements for a complete SFD-wide enterprise GIS solution.

Currently, SFD holds up-to-date statistical data on population and poverty indicators in the different administrative levels of the Republic of Yemen. There is also a GIS base map of various administrative levels (e.g. governorates, districts, sub-districts and villages) attached with the population and the poverty information. Holding these datasets in a GIS database will ease the SFD tasks and projects that aimed at improving the SFD services in terms of alleviate poverty and offer services to the remote communities in the villages.

The development of the SFD enterprise GIS will enhance and improve the storage, presentation and dissemination of the information and findings using the GIS technology. This new system will also support SFD

to fairly distribute the services to the community allowing for better monitoring and assessment of their impacts. The system will aim to achieve the following objectives:

- Design and develop a central geodatabase that accommodates the SFD geographical and non-geographical data.
- Design and develop a user-friendly interface on top of ArcGIS to access and manipulate the relevant datasets in an easy manner.
- Develop a set of unit-specific applications that serves and supports the different units of the SFD to carry out their functions and mandates.
- Improve the knowledge of the SFD staff in the use and customization of ArcGIS and in the geodatabase model through formal and on-the-job training.

In order to achieve the above mentioned objectives, the following five main components will be developed as part of the SFD Enterprise GIS:

- **SFD Central Geodatabase:** A central geodatabase will be designed to accommodate and integrate all SFD related datasets. The main objective of this central geodatabase will be the integration of all datasets produced within the SFD projects, hydrological maps, geological maps and topographical maps for better display and analysis. This integration process of datasets will facilitate the analysis and production of thematic maps and enhance data accessibility, retrieval and management processes.
- **SFD Enterprise GIS Modules:** In addition, a spatial data manager in the form of user-friendly graphic user interface will be developed or purchased on top of the ArcGIS in order to allow the user to browse, retrieve, display, query and print the SFD geodatabase contents in an easy manner. A set of other standard mandatory modules will also be developed, in order to allow common interaction with the database for data updating, maintenance, administration and search.
- **SFD Enterprise GIS Applications:** In addition to the GIS enterprise modules, general applications useful for the SFD management and administration, which can be used by most of the units, will be designed and developed on top of the SFD central geodatabase. This includes projects tracking application, targeting application, initial filtering application and SFD impact assessment application.

**- Unit Specific Applications:** The SFD interface is the central geo-data management component of the overall SFD GIS. However, unit specific applications will be developed to solve specific problem or automate certain routine tasks (e.g. site selection for constructing a dam for water harvesting).

**Capacity Building Plan:** In order to improve the skills of the SFD personnel in the field of GIS and relevant technologies, a capacity building plan will be implemented during Phase IV. The plan will include a set of GIS training packages designed for staff members according to their level, abilities, skills and responsibilities. This plan will ensure that the training of staff is conducted in a logical and scientific manner and that the learning path of staff is maintained.

### Ensuring Cost Effectiveness

SFD continued to monitor project costs in 2009 and, at the same time, paid increasing attention to project quality.

In 2009, education project costs decreased slightly, with

### Enhancing Technical Support & Quality Control

SFD initiatives in all sectors are assessed by the Quality Control Section to ensure high-quality projects. Inputs were specified for the various stages of the project life cycle (studies and designs, implementation, supervision and follow-up, post-primary project handover and post-final handover). To target projects in these stages, teams visited 442 projects to assess their technical quality. The field visits found a clear improvement in the quality of projects, with 30% rated excellent, 55% good and 15% satisfactory.

### Nationwide Network: Branch Services & Hajjah Branch Opening

Since establishment, SFD has implemented its programming through a network of nine branch offices located throughout the country (see annex figure A10 for the complete list of branch offices). Each branch covers designated governorates with the average of 2.3 governorates per branch office and is responsible for the daily preparation, implementation and monitoring activities in its assigned area. This network facilitates community engagement, implementation and performance monitoring for the organization.

Table 13: Average construction costs for education projects, 1997/98-2009 (US\$ per square meter)

Type of structure	1997/98	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
One-story building	180.27	152.18	147.06	147.75	154.2	170.8	185.5	217.4	239	259.8	328.55	316.35
Two-story building	155.09	131.52	125.53	120.97	126.8	152.3	164.6	189.2	214	226	272.14	270.31
Three-story building	—	—	—	—	—	135.5	143	176.4	182	201.7	257.02	264.01
Average cost	163.14	139.42	137.24	126.98	136.1	154.2	167	192	210	225.6	273.88	272.10

\* Source: SFD's Procurement Unit

Table 14: Average construction costs for education projects by area, 2009 (US\$ per square meter)

Area	Number of projects	Average cost
Urban	37	247.70
Semi-urban	136	256.85
Mid-level remote	121	283.79
Remote and rugged	63	303.75
Extremely remote and rugged	8	406.37
Total/average	365	272.10

Source: SFDs Procurement Unit

the average construction cost reaching \$272.1 per square meter, down from \$273.9 in 2008 (tables 14 ). The reasons for this decrease include stability of labor and material costs and a relative drop in the cost of construction materials such as cement and steel.

It also provides a wide range of essential functions for SFD enabling the organization to program approximately \$14 million every month.

SFD has a dynamic group of staff in Sana'a as well as in its branch offices and is very administratively lean with 284 full-time staff (27% female), with 144 at the head-quarter office and the remainder distributed among the nine branch offices. To illustrate the organizational



efficiency of SFD, in 2009 this cadre of individuals disbursed total investments of nearly \$140 million. When divided by the number of staff in the organization it averages \$489,219.34 per individual team member. At the branch level, the most efficient of the offices was Taiz, where only 17 staff members disbursed nearly \$20 million, at an average of \$1,131,046.94 per individual team member.

A key component of the SFD workforce are consultants, contained in the organization's MIS. In 2009, SFD utilized the services of 9,556 consultants (28.2% female) in its nine branch offices and headquarters consuming \$9,161,670 in fees .

Many of these consultants, particularly those utilized in branch offices, are from the same rural communities that are served by SFD.

SFD has, in many ways, become a university for development studies. Thousands of local consultants have worked with SFD, gained experience and training, many of them from rural communities. When SFD hires permanent staff they often recruit from among this pool of successful consultants, provide them with ongoing professional development and gradually move them up the management hierarchy. Many senior managers at SFD have risen through the ranks of the organization, gaining experience, high quality training and field expertise along the way. This process has resulted in a rich resource of qualified Yemeni development experts that has enabled SFD to continue fulfilling its mandate, significantly contributing to development in the country and building the capacity of the government, private and civic sectors along the way.

### **Hajjah Branch Office Opening**

In 2009, SFD management made the decision to add a branch office for the Governorate of Hajjah thereby increasing the number to nine. This strategic decision was made primarily on the basis of need, as Hajjah is one of the most rural governorates in the country, has high levels of poverty and very limited basic services. Additionally, Hajjah's 31 needy districts were burdening the Amran Branch Office that is also responsible for 20 districts in that governorate, as well as 15 districts in Sa'adah.

### **Hajjah Context of Need**

According to the 2004 Census, the proportion of illiterate citizens in Hajjah governorate is 56.3% (74.2% female and 40% male), the 2nd highest governorate in the country, with 82.7% of rural women over the age of 10 unable to read and write. Among rural residents of Hajjah only 12.31% have access to potable water, 13.9% to sewage facility (3rd highest in the country) and 19.2% to electricity (3rd lowest in the country). The Yemeni Government's Poverty Reduction Strategy notes that only 4.4% of families in Hajjah are linked to paved roads and the incidence of poverty is 20.90% (urban) and 50% (rural) in contrast to the national average in rural areas of 40%.

# Institutional Development



## SFD Communications Strategy: “Communication for Change”

In 2009 SFD carried out an extensive consultative process to develop a communications strategy for the organization. The goal of the process was to more clearly communicate knowledge, experience and lessons learned to a wider audience, with a view to influence positive changes in attitudes and practices of various development actors in Yemen. The objectives of the communication strategy were to:

- Share information and exchange experiences;
- Improve SFD performance;
- Advocate for political and material support;
- Raise awareness to change perceptions and attitudes.

Funded by DFID and branded “Communication for Change,” the methodology of the strategy included engaging a range of stakeholders in interviews, focus group discussions, field assessments and content analysis. The process, led by an external international consultant, sought input from SFD staff, members of SFD targeted communities, influential actors at the local, regional and national levels, government and elected officials and Yemeni civil society leaders. The strategy emerging from this process included the following recommendations:

- Review existing material and generate new communication material and messages tailored to diverse audiences;
- Strengthen and expand SFD communication channels;
- Strengthen communication capabilities of SFD staff and establish institutional practices for improved external as well as internal communications;
- Clarify documentation and strategies for influencing national policy;
- Utilize special strategies for dealing with important audience groups; parliamentarians, influential people at the governorate level such as sheikhs or imams and marginalized groups such as women.

The strategy document provided a detailed breakdown of responsibilities for delivering key messages to target audiences by different units and branches of SFD. The strategy also outlined challenges in its implementation and articulated actions to manage and mitigate risks. Additionally, the strategy contained an action plan for implementation of agreed activities and messaging to improve communications. Furthermore, the strategy delineated detailed implementation monitoring including milestones and outcome mapping to contribute to com-

## Definition

Gender mainstreaming is a process of assessing the implications for women and men of any planned action and integrating their concerns and experiences as an essential part of the design, implementation, monitoring and evaluation of policies, programs and sub-projects. Sub-project identification, location and project components are all factors which shape the impact, sustainability and success of the SFD supported activities.

munication effectiveness and impact. Finally, as part of the monitoring and evaluation process it was agreed to conduct an internal mid-term review (mid-2011) and an external evaluation of the implementation of the strategy (end of 2012).

## Gender Mainstreaming Strategy

Yemen’s development challenges include significant gender inequalities with regards to key indicators such as literacy, education enrollments, etc... This situation hampers Yemeni development and reform efforts, as women are key actors not only in the domestic sphere, but also have essential economic responsibilities in areas such as agriculture, livestock raising and water management. Therefore, women are key partners in SFD poverty alleviation efforts and gender mainstreaming aims to include their needs, insights and participation in tandem with men in targeted communities to ensure the impact and sustainability of investments.

The goal of the SFD gender mainstreaming strategy is to increase the effectiveness of SFD and its interventions at all levels in promoting gender equality and empowering women. This strategy seeks both to strengthen SFD institutionally as a model of gender equity, as well as promote gender mainstreaming in program activities. The objectives of the strategy are focused on strengthening SFD as an institution to more effectively address gender issues and are as follows:

- Strengthen institutional mechanisms;
- Inform decision-making and resource allocation with gender analysis;
- Increase capacity of staff and consultants for gender sensitive work;

- Include more women in decision-making roles;
- Broadly disseminate understanding of the strategy and promote reflection on gender mainstreaming lessons learned.

The Gender Mainstreaming Strategy developed in 2008 included an action plan, indicators for all levels of activity and desired results and outcomes. In 2009 this plan was launched and during Phase IV it will shape programs and operations. Activities since launching the strategy have included: revising SFD Guidelines for Operation to conform to the strategy; conducting consultation and training sessions with SFD staff and consultants on gender mainstreaming; initiating design of a training manual for gender mainstreaming; and compiling quarterly reports on progress in implementing the strategy.

The following are highlights of achieving gender equity in SFD activities:

- The proportion of females in decision-making positions in the SFD has reached 13%, an increase from the 11% baseline at the launch of the strategy. In addition to gender equity in numbers, 74% of projects during Phase III in SFD were directed by senior female managers at SFD.
- In 2009, SFD utilized the services of 9,556 consultants (28.2% female).
- Since inception, over 10 million women have been served by SFD projects and approximately 12% of SFD beneficiary households are headed by a woman compared with 7.2% national average of households headed by women.
- In the education sector, since inception in 1997, SFD has approved 3,520 projects costing \$385 million which directly benefited 2.1 million people, 44% female.

## **Phase IV Visioning**

In 2009, SFD began developing the vision for Phase IV operations 2011-2015. Planned activities for this next phase of activities will benefit from the experiences and lessons learned during the previous phases, and with broader participation within SFD and its external environment represented by governmental agencies, development partners and civil society organizations.

### **Phase IV Objectives**

- Contribute effectively in achieving national development goals;
- Provide an example of an effective, efficient and transparent institution adopting best practices in development;
- Enhance the absorptive and implementation capacity of local authorities.

### **Phase IV Operations In Brief**

During Phase IV SFD will continue to develop its institutional structure and capacity to continue operations at a stable level to maintain the quality of interventions. The main features of Phase IV vision are as follows:

- Contribute to strengthening the decentralization process and developing the local government;

- Deepen partnership with government agencies, local communities, civil society organizations and the private sector;
- Transfer knowledge and information as well as developing pilot programs through partners;
- Enhance SFD's role as part of the social safety net through its four programs.

### **Community and Local Development Program**

The program aims to facilitate the access of poor communities to basic social services (education, water, health, rural roads and the environment). During Phase IV SFD will continue contributing to national strategies within the sectors covered by its interventions. SFD will also continue to respond to priority needs expressed by local communities, especially in rural roads, water and agriculture and ensure the participation of these communities in project implementation. During Phase IV, SFD will seek to move in partnership with localities to deeper levels through the expansion of activities related to empowering these localities in the implementation of local development projects.

### **Small and Micro Enterprises Development**

Since its establishment, SFD has realized the importance of small and micro enterprises development as a fundamental element for economic growth and job creation. The objectives of this component are to support the overall SMED program to: strengthen and build the capacity of local microfinance providers; and actively promote entry into the market by creating an enabling environment and encouraging the establishment of new financial service providers managed on a private sector basis by international investors with strong technical partners. During Phase IV SFD will strive to achieve the following:

- Continue to support MFIs to provide effective and sustainable financial services to Micro and Small Enterprises (MSEs);
- Encourage new local and international potential players to join the sector;
- Support institutions to provide effective Business Development Services (BDS);
- Contribute to creating an enabling environment for the MSE sector.

### **Capacity Building Program**

This program provides institutional support and capacity building that transfers knowledge and skills to governmental institutions, local authorities, local communities, NGOs and the private sector (individuals). During Phase IV SFD will continue to support institutions at the central and local level, focusing on human resources development, institutional development and strengthening of systems as well as exchange of experience and mutual learning. In addition, SFD will promote decentralization and local development through organizational development and capacity building of local councils and local authorities to enable them to plan and implement projects efficiently and effectively, as well as monitor and evaluate performance objectively and transparently. Additionally, such programs will equip local communities to support local authori-

ties and activate their role in monitoring and ensuring accountability. Moreover, SFD will continue to support associations and cooperatives to serve the needs of poor households, youth, the unemployed, women, children and special needs groups in underserved areas. SFD will also continue training recent university graduates from rural areas through the RAWFD program to promote volunteerism and contribute to development in local communities throughout Yemen.

#### Labor Intensive Works Program (LIWP)

In 2006, with support from the Yemeni government and other donors SFD introduced the LIWP to implement la-

bor intensive work projects that provide temporary job opportunities to unskilled and semiskilled workers immigrating from rural to urban areas. The program seeks to create 8 to 10 million days of employment amongst this target group. In 2008, the workfare program was introduced for interventions implemented through local communities, targeting some of the poorest rural areas most affected by the global food crisis and climate changes. The first version focuses on poor urban neighborhoods and the second on creating a favorable environmental impact. During Phase IV, SFD intends to continue implementing both versions of workfare activities benefiting from lessons learned from the LIWP evaluation.

SFD IV Key Indicators		Target Number
<b>Education including special needs groups</b>		
Number of classrooms constructed or rehabilitated		9,000
Number of pupils enrolled in SFD supported primary schools		365,000
<b>Health</b>		
Number of health facilities constructed, rehabilitated or equipped		800
number of health professionals trained		2,900
<b>Water, Sanitation, Agriculture, Intergrated Interventions, Cultural Heritage &amp; Roads</b>		
Number of households provided with new/improved drinking water sources		48,000
Volume of water stored in protected facilities M3		1,100,00
Number of Households provided with new/improved sanitation facilities		26,000
Number of hygiene and sanitation campaigns completed		5,000
Total length of roads built or upgraded		1,825
Number of remote rural villages which will be connected by feeder roads		2,920
Number of people directly benefiting from rural roads		438,000
Number of sites and monuments documented saved/conserved		50
<b>Economic opportunities created</b>		
Active number of clients		100,000
<b>Reduced vulnerability for the poor</b>		
Number of people directly benefiting from workfare assistance		300,000
Number of days employment created under workfare assistance programme		30,000,000
Number of community projects		791
<b>Stakeholders capable and empowered</b>		
Number of district authorities which are certified and implementing development projects funded by SFD		40
Percentage of village councils in pilots areas which are functioning effectively		1,500
Number of people and organisations trained in M&E. participatory methods, planning or other strategic information management disaggregated by sex		7,720

# Monitoring and Evaluation



Monitoring and evaluation activities provide support to SFD staff to monitor and track projects and programs they implement on a systematic and regular basis, as well as strengthen MIS, surveys and field studies to collect data and information through which SFD can assess efficiency, effectiveness, results and impact on targeted beneficiaries. SFD is working continuously carrying out self-assessment on its interventions, and thus develops its capabilities in this area. Additionally, SFD is subject to independent external evaluation where the role of the M&E Unit is to review methodologies and evaluation design and provide logistical support. The Unit also disseminates the results of such evaluations and discusses them with the various units in order to integrate lessons learned with the goal of improving program operations and impact.

During 2009, the M&E Unit monitored the implementation of its annual action plan, as well as responded to developments that have taken place outside the plan. The Unit carried out several activities related to monitoring and evaluation, managing relations with donors, in addition to serving as the focal point for media relations and communication with donors and other partners.

## Program Monitoring

SFD monitoring activities in 2009 included various tasks, notably the implementation of the annual Monitoring Plan which included issuing quarterly reports. Additionally, M&E Unit team members conducted field visits to select education, water, health and road projects to confirm project status, examine challenges and problems hindering implementation and assist in developing monitoring indicators.

### Quarterly reports

During the year, the Unit prepared quarterly reports describing the level of SFD including progress on performance targets for program indicators. Data for such reports was collected from the system linked to indicators from SFD Phase III and project documents, and then data was analyzed to describe the efficiency and effectiveness of SFD performance. Data examined included: number of projects and investment size and duration; number of direct and indirect beneficiaries; projected and actual employment created; monitoring

of geographic, sector and social targeting; project implementation pipeline by sector, branch and project officer; average operational costs and number of employees at headquarters and branch offices; and progress in implementing outputs to achieve annual targets.

### Progress in Achieving Phase III Outputs

During the year, the Unit produced data of performance indicators for the different sectors drawing on reports produced to monitor progress during SFD Phase III targets and milestones. Noteworthy was the progress in achieving Phase III output performance ratio of some education activities (completed and under implementation), exceeded planned targets, with the exception of the number of completed classrooms where the performance ratio reached only 57%.

It was also noted that water and environment projects exceeded Phase III projections (under implementation and completed) for most activities, with the exception of mechanized water and rainwater harvesting projects (65% and 75% respectively, in terms of the number of projects). As for the sectors of rural roads, cultural heritage, SMED and TOSU, they performed well with the majority of outputs exceeding planned performance percentages as per the SFD Phase III document.

### Electronic Field Visit Data

Summarized reports of site visits, conducted by M&E project officers and consultants, were developed and revised in collaboration with relevant branch offices and units. An explanatory guide was produced showing ways to design checklists for monitoring following up site visits through the MIS.

In cooperation with the IT Unit, the M&E Unit input data from site monitoring forms, which were developed last year. The forms contained six templates based on the project life cycle which included items related to project visits ranging from preliminary assessment to project handover. Such visits seek information on project status according to projections, identify causes for delays in implementation and document success factors. Such information is utilized to compile various reports throughout implementation. In analyzing the data, it is noted that the investment of field visits during the early stages of implementation greatly contributes to the successful fulfillment by various project stakeholders in their obligations.

## Evaluation

During the year, the Unit discussed the proposed methodology for the impact assessment survey (2009-2010) and reviewed draft tools. At the end of the year it was agreed to move forward in implementing the evaluation. That evaluation will include surveying 7,800 households spread over 360 project areas as sufficient to ensure effective results for sub-sectors being evaluated. The evaluation is characterized by its methodologies, tools and implementation processes.

### 2009 Institutional Impact Evaluation

Every three years an evaluation of SFD is conducted which includes institutional as well as impact-oriented components. The following summarizes findings of the process which concluded in 2009, focusing on the institutional impact of SFD through an analysis of its practices, projects and programs, and institutional development in the country at national and sub-national levels. The evaluation also sought to elucidate the organization's role in strengthening governance and community empowerment structures conducive to poverty alleviation and to outline possibilities for SFD's future role within Yemen's evolving developmental and institutional context.

The institutional impact assessment examined five areas of SFD investments: i) four sectors – water, local administration, education and social protection; ii) two decentralization programs – Decentralization and Local Development Support Project (DLDSP), an initiative funded by many donors (the first of which was SFD), and the ELD; iii) two community participation approaches – IIP and community contracting; iv) two cross-cutting concerns – SFD's role in conflict-sensitive development and gender sensitivity; and v) finally the future institutional impact of SFD.

### SFD NGO Assessment

In the spring of 2009 an external consultant conducted an assessment of SFD investment in Yemeni NGOs. This assessment found that after over a decade of activity SFD has significantly contributed to strengthening the

capacity of 351 NGOs, playing a particularly critical role in supporting organizations that operate outside of main urban areas.

The assessment found that SFD support to NGOs has indeed significantly strengthened individual organizational capacities. An index of capacity which included results from 30 survey questions sought to assess treatment and control NGOs with regards to governance, financial management & sustainability, coverage and organizational capacity. The index demonstrated that treatment NGOs have better capacity than those in the control group, with treatment NGOs having an overall 15% higher score. The most significant category demonstrating the difference between the two groups was in financial capacity and sustainability where the average score for treatment NGOs was 30% higher than among control NGOs.

In conclusion, the assessment clearly demonstrated that SFD has improved the capacities of hundreds of NGOs over its history. Moreover, the assessment reiterated that such support is one of the few sources of funding for many organizations, particularly those operating outside of the main urban areas. Through the SFD network of branch offices such support has been effective in providing another mechanism for the Fund to address Yemen's overwhelmingly rural demographics and high levels of poverty. By strengthening NGO service delivery capacities in poorer rural communities SFD is fulfilling its mandate through one of its critical strategic program components.

### Baseline Survey Rainfed Agriculture and Livestock Development Project

In line with SFD interests to develop and improve its interventions building on accurate quantitative tools to assist in setting priorities and defining necessary policies, the M&E Unit prepared and implemented a baseline survey of households in the RALP areas. This survey sought primary data at the household level with regards to agricultural holdings, assets owned, sources of income and type of residence. The survey steps were carried out in coordination with the SFD ARDU.



Evaluating the LIWP

### LIWP Beneficiary Impact Study (Phase I)

Conducted in August/September 2009 this study was designed to assess results of LIWP interventions, seeking to measure efficiency, sustainability and beneficiary impact. Additionally, the study was developed to contribute to the design and implementation of the upcoming quantitative assessment that will be conducted on the program. Additionally, it is planned to conduct a baseline survey in 70-80 areas with 50% targeted for LIWP Phase II and 50% with similar characteristics to enable SFD to measure impact by comparing treatment and control areas.

The qualitative study aimed to answer a number of questions relating to targeting, benefits, successes and positive and negative impacts. The study also included participant views on priorities, challenges and suggestions to improve the project. The study also sought to better understand constraints and opportunities in targeted communities, as well as socio-economic conditions to contribute to the design of a quantitative study for the project. Twelve projects were visited in eight governorates (Sana'a, Hajjah, Ibb, Al-Hudaidah, Taiz, Lahej, Al-Mahweet and Raimah).

The study found that project beneficiaries were generally satisfied with the work projects selected and that there were high levels of participation in the project areas of individuals in need. Although in some areas it was reported that soldiers and retirees worked, residents noted that their salaries are so low that they are also very poor. The study found that with few exceptions, 80%-90% of all households in the targeted areas benefited. High levels of household participation were not perceived to negatively impact other work such as agriculture, as many targeted areas were suffering from drought. In other areas farmers earned cash in the morning working on the project and farmed their land in the afternoons, or alternatively, some family members would be responsible for shepherding or farming task and others would earn cash.

Additionally, it was generally perceived by participants that income earned helped to reduce debt and improve nutrition. In six projects, all participants in the study reported that wages received were used to buy food, and then to repay debt owed to the grocery stores. Thus, as a result of the project, meals became more nutritious to include fruits, vegetables and meat. In nine out of 12 areas studied, beneficiaries noted that they were able to make modest investment to improve income, such as buying sheep. One beneficiary from Al-Udain (Ibb) said that as a result of wages from work on road maintenance and repair, "I was able to buy wheat and sugar, repay a debt and finally buy myself two calves." One respondent in Hajjah reported buying agricultural supplies to improve farm income. It was noted by informants that smaller households were able to invest more, or that households with members that had a skill were able to get higher wages; masons, car owners, rock cutters were in much higher demand than manual laborers. The project had a clear impact on debt repayment. Respondents in all the areas that were visited in the study reported that debt was repaid to the grocer and in one of the projects a hospital debt was repaid.



Government education officials evaluating SFD projects

## RESOURCE MANAGEMENT



During 2009, SFD began applying the Funding Sources Management Manual, designed to track funding resource cycles and ensure compliance with signed funding agreement procedures for both grants and loans. The manual contains clear actions for resource use, monitoring mechanisms and reporting.

In addition, development of the Funding Information System was completed. This system incorporates a donor database and information on project lifecycle stages, broken down into detailed timeframes to facilitate follow up on grants and loans. Work is also underway to include in the system, an allocation of projects to individual donors based on signed agreements and respective donor requirements. This function is expected to be operational in early 2010.

During the year, the status of funding continued to be carefully tracked by the SFD MIS which monitors the management of commitments, disbursements, utilization and replenishments, as well as the physical outputs for each funding agreement. The system also generates periodic and ad hoc reports that the SFD submits to donors and the government and prepares expectations of funding withdrawals. In addition, the system helps in reviewing draft funding agreements before final signature and incorporating feedback of relevant SFD units.

Finally, SFD follows up on the approval of loans with the Yemeni Parliament, MOPIC and Ministry of Legal Affairs.

### Donor Missions

A joint donor mission visited SFD between May 30 to June 10, 2009, and reviewed SFD Phase III with a focus on water, small and micro-enterprises and cultural heritage, as well as preparations for the World Bank managed European Commission grant, which will support the GFCRP. Representatives of the World Bank, UK Department for International Development (DFID), European Community (EC), German Development Bank (KfW), Netherlands and Saudi Fund for Development participated in the mission.

In addition, the mission conducted follow up and field visits to the LIWP projects (within the WB-financed GFCRP) implemented by the SFD in 80 sub-districts throughout the country. The team also discussed a number of cross-cutting issues, including poverty targeting, gender mainstreaming and funding as well as plans for SFD Phase IV (2011-2015). They also reviewed SFD preparations for its 2009 impact evaluation and Communication Strategy.

### Donor Investments

#### Arab Fund for Economic and Social Development loan III – 480/2005

This loan provides 15 million Kuwaiti Dinars (\$52 million) to finance 475 projects under SFD's Phase III CLD and SMED programs.

#### European Community Grant MED 2003

In November 2006, this €2.9 million grant agreement was signed with MOPHP to implement demographic and health projects in Lahej and Taiz Governorates under the framework of EC support to the ministry. Under the agreement, SFD supports 137 projects worth \$4 million.

#### France

The grant, allocated to support cultural heritage preservation activities in Taiz and Aden Governorates, was signed in November 2008 and worth €100,000 (\$129,600). The entire amount has been committed.

#### German Government (German Development Bank "KfW")

##### Third grant 059 66 2005

This grant provides €6 million (\$7.2 million) to finance 175 projects worth \$11 million, with the Government and beneficiary contributions covering the gap. The total contractual value amounts to \$9.6 million.

##### Fourth grant 248 65 2007

This grant, providing €5 million (\$6.8 million), was allocated to 191 projects worth \$10.7 million, with the contractual amount reaching \$5.8 million, as of the end of 2009.

##### Fifth grant 899 65 2008

This grant, providing €17.5 million (about \$23.8 million), was signed in December 2008 to support 76 projects at an estimated cost of \$15 million (the last two numbers don't jive? Is the last figure the contracted amount).

##### Sixth grant 038 65 2009

This grant, signed in October 2009, provides €8 million (approximately \$10.8 million).

In addition, procedures for the KfW seventh grant, providing the SFD with €5 million (\$6.8 million) are underway.



## **International Fund for Agricultural Development**

\$16.4 million loan signed in 21 January 2008 to support components of the SFD Rainfed Agriculture and Livestock Project.

## **Islamic Development Bank Loan YAR-0071**

A \$10 million loan signed in May 2007 supporting 61 projects under SFD Phase III, with contractual amount reaching \$6.6 million.

## **Italy**

### **Commodity aid 2005**

A \$951,000 grant to support girls' education and rural access roads in the Tehama region. The total amount has been completely committed.

### **Debt-for-development swaps (cultural heritage projects)**

A \$4 million grant to support cultural heritage projects. Commitments by the end of 2009 reached an estimated \$2.4 million.

## **Kingdom of Saudi Arabia (Saudi Fund for Development)**

### **Loan 24/422**

This loan, for 75 million Saudi Riyals (\$20 million), supports 136 education projects under the SFD Phase III community development program, at an estimated cost of about \$22.9 million, with the contractual amount approaching \$21.8 million.

### **Grant 1/1429**

This grant agreement provides 375 million Saudi Riyals (\$100 million) to support 634 community development projects for Phase III SFD operations. The entire grant had been committed, with the contractual amount reaching around \$54 million.

## **Kuwaiti Fund for Arab Development**

Signed in February 2009, this loan provides 14 million Kuwaiti Dinars (\$55 million) to finance projects under SFD's Phase III CLD and SMED programs.

## **Netherlands**

### **Education grant 16025**

This \$10 million grant was signed in March 2007 financing 84 projects. The entire amount has been committed and the grant was closed on 31 December 2009.

### **Education grant 18959**

This \$15 million grant was signed in November 2008 and is being used to finance 93 projects worth \$14.8 million, with the contractual amount reaching \$11 million as of the end of 2009. The grant is expected to conclude at the end of 2010.

### **Health grant 13253**

This \$0.92 million grant was signed in November 2005 to improve reproductive health services and emergency obstetric care in Al-Salakhana Hospital (Al-Hudaiah) and two other projects. The grant was closed on 30

June 2009.

### **Health grant 15849**

This \$8.5 million grant, signed in July 2007 to support 54 projects, has been entirely committed.

### **Health grant 17014**

This \$3,300,375 grant was signed in November 2007 to equip health centers and units in several governorates. The projects supported under this grant are being implemented by the SFD and MOPHP. The closing date has been extended to the end of 2010 to complete project implementation.

### **Microfinance grant 60844 SAA**

This \$750,000 grant has been used to support business development services and is being used by SMEPS, an autonomous subsidiary of SFD. The grant was closed on 30 September 2009.

### **International Finance Corporation (IFC) support grant 18374**

This \$385,000 grant, signed in July 2008 to support the International Finance Corporation, was closed 30 June 2009.

## **OPEC Fund for International Development**

### **Additional Loan for SFD III**

Following on the original \$13 million loan that financed 145 CLD and CB Phase III projects (closed June 2008), an additional \$16 million loan was signed between the Government of Yemen and the OPEC fund to finance SFD in 2009. This loan is now in the parliament awaiting approval.

## **Sultanate of Oman**

\$5 million grant signed 27 February 2008 to finance 45 projects. The grant is managed by the Arab Fund for Economic and Social Development and with the total amount completely committed it is expected to close at the end of 2010.

## **United Nations Development Program (UNDP)**

\$550,000 grant signed in July 2008 finances the establishment of the Yemen Micro-finance Network (officially established on 18 August 2009). The estimated project cost is \$550,000 and contractual amount \$530,000.

## **United Nations Educational, Scientific and Cultural Organization (UNESCO)**

UNESCO and the SFD signed two contracts worth \$140,540 to finance two cultural heritage projects.

## **United Kingdom (DFID)**

This grant, totaling £63.1 million (equivalent of \$109 million), supports 1,222 projects under SFD Phase III. The entire grant has been committed, with the contractual amount reaching approximately \$82 million.

## United States

### Health grant 416b/2002

This grant provides \$500,000 to finance training for health workers in Al-Jawf and Shabwah governorates and \$585,493 to finance training for health workers in Mareb and Sana'a Governorates.

### Community development grant PL-480/2003

This grant provides the SFD with \$500,000 to implement three community development projects in the Hajjah and Tehama (Al-Hudaidah)

### Infrastructure grant b-416/2004

This \$1.4 million grant supporting the implementation of 15 projects in Amran, Al-Jawf, Mareb, Sa'adah and Shabwah Governorates, has been entirely committed.

### Dar Al-Dhiyafa (Zabid) Rehabilitation grant

This grant, signed in September 2006, provided \$111,000 to rehabilitate Dar Al-Dhiyafa in Zabid (Al-Hudaidah).

### Program grant b-480/2006

This grant provides \$3.9 million to implement projects in various governorates. Twenty-three approved projects will be financed by the grant.

## World Bank / International Development Association

### Credit YEM-3861

In April 2004, the first agreement for this credit was signed for 41.7 million Special Drawing Right (SDR) (nearly \$62.4 million). In 2007, an additional funding agreement of 9.9 million SDR (about \$15 million) was inked. The closing date for the credit was extended to 31 December 2009. The loan financed 893 projects under SFD Phase III at an estimated cost of \$78 million.

### Credit YEM 4220 for Rain-fed Agriculture and Live-stock Project

The project and credit agreements were signed in September 2006 for SDR 14 million (some \$20.8 million), with 50% of the amount allocated for the SFD component. The credit is being used to finance 66 projects worth \$4 million.

### Global Food Crisis Response Program Trust Fund

Signed in July 2008, this \$10 million grant was designed to cushion the crisis in global food prices, mainly through supporting 98 labor-intensive work and institutional support projects. The entire amount has been committed and disbursed by the end of 2009.

### Yemeni Liquefied Natural Gas Company (YLNG)

\$411,290 grant was signed January 2008 to finance the construction of five schools in Shabwah Governorate, with three completed as of the end of 2009. The agreement's closing date has been extended until 31 March 2010.

## Yemen Government

The Labor Intensive Works Program grant was signed in July 2006 totaling 15.8 billion YR (equivalent to \$79.2 million) will finance 266 projects at an estimated cost of \$67.8 million and a contractual value of about \$55.3 million.

Table 15. Sources of foreign SFD funding for the third phase, 2009

Donor	Agreement number or description	Amount	Currency	Type	Signing date	Date of effectiveness
Arab Fund for Economic and Social Development	2005/480	15,000,000	Kuwaiti dinar	Loan	29/01/06	3/05/06
European Community	MED/2003/005-973	2,861,500	Euro	Grant	22/11/06	01/01/07
European Community	Trust fund 053450	7,840,000	Euro	Grant	02/02/05	02/02/05
France	Cultural heritage	100,000	Euro	Grant	26/11/08	31/12/09
Germany	KfW 2003 65 155	4,000,000	Euro	Grant	16/03/04	16/03/04
Germany	KfW 2004 65 757	5,000,000	Euro	Grant	20/08/05	20/08/05
Germany	KfW 2005 66 059	6,000,000	Euro	Grant	12/09/06	12/09/06
Germany	KfW 2007 65 248	5,000,000	Euro	Grant	04/12/07	04/12/07
Germany	KfW 2008 65 899	17,500,000	Euro	Grant	10/06/09	10/06/09
Germany		8,000,000	Euro	Grant	03/10/09	03/10/09
International Fund for Agricultural Development	Rain-fed Agriculture and Livestock	16,400,000	U.S. dollar	Loan	11/08/07	03/02/09
Islamic Development Bank	YAR-0071	7,000,000	Islamic Dinar	Loan	30/05/07	26/03/08
Italy	Commodity aid 2005	951,000	U.S. dollar	Grant	03/11/07	03/11/07
Italy	Debt-for-development swaps	4,000,000	U.S. dollar	Grant	30/07/07	30/07/07
Kuwaiti Fund for Development	—	15,000,000	Kuwaiti dinar	Loan	22/02/09	—
Netherlands	Microfinance 60844	750,000	U.S. dollar	Grant	24/11/05	1/1/06
Netherlands	Education 16025	10,000,000	U.S. dollar	Grant	26/03/07	01/04/07
Netherlands	Education 18959	15,000,000	U.S. dollar	Grant	22/11/08	22/11/08
Netherlands	International Finance Corporation 18374	385,000	U.S. dollar	Grant	29/07/08	29/07/08
Netherlands	Health 17014	3,300,375	U.S. dollar	Grant	24/11/07	16/12/07
Netherlands	Health 13253	920,596	U.S. dollar	Grant	28/11/05	28/11/05
Netherlands	Health 15849	8,500,000	U.S. dollar	Grant	18/07/07	01/09/07
Netherlands	Education 10784	6,100,000	U.S. dollar	Grant	20/11/04	20/11/04
Netherlands	Education 13202	8,500,000	U.S. dollar	Grant	28/11/05	01/12/05
Netherlands	Health 13256	3,000,000	U.S. dollar	Grant	03/12/05	03/12/05
Netherlands	Health 10829	2,750,000	U.S. dollar	Grant	20/11/04	20/11/04
Oman	—	5,000,000	U.S. dollar	Grant	27/02/08	27/02/08
OPEC Fund for International Development	959P	13,000,000	U.S. dollar	Loan	04/02/04	29/10/04
Saudi Fund for Development	422/24	75,000,000	Saudi riyal	Loan	12/12/04	28/08/05
Saudi Fund for Development	1/1429	375,000,000	Saudi riyal	Grant	02/04/08	02/04/08
United Nations Educational, Scientific and Cultural Organization	Cultural heritage	140,540	U.S. dollar		18/11/05	18/11/05
United Kingdom	SFDIII	63,100,000	Sterling pound	Grant	31/08/04	01/09/04
United States	Health 416b/2002 (Mareb and Jehanah)	585,493	U.S. dollar	Grant	17/04/05	17/04/05
United States	Health 416b/2002 (Shabwah and Al-Jawf)	500,000	U.S. dollar	Grant	17/04/05	17/04/05
United States	Community development PL-480/2003	500,000	U.S. dollar	Grant	08/11/05	08/11/05
United States	Dar Al-Dhiyafa (Zabid) rehabilitation	111,000	U.S. dollar	Grant	27/09/06	27/09/06
United States	Program b-416/2004	1,413,000	U.S. dollar	Grant	27/03/06	27/03/06
United States	Program b-480/2006	3,896,000	U.S. dollar	Grant	08/04/07	08/04/07
World Bank/ IDA	YEM-3861	51,600,000	Special drawing right	Loan	23/04/04	08/04/07
World Bank/ IDA	Rainfed Agriculture and Livestock Project	14,000,000	Special drawing right	Loan	11/09/06	06/08/07
World Bank/ IDA	Global Food Crisis Response Program Trust Fund	10,000,000	U.S. dollar	Grant	01/07/08	26/08/08
Yemen	Labor-Intensive Works Program	35,000,000	U.S. dollar	Grant	—	—
Yemen Liquid Natural Gas Company	Education (Shabwah)	411,290	U.S. dollar	Grant	15/01/08	15/01/08

Table 16. Sources and uses of funds, 2008, 2009 and cumulative (Yemeni Rials)

Source	2008	2009	Cumulative (1997–2009)
Yemeni government	6,803,940,000	7,358,189,500	28,555,139,739
World Bank/International Development Association*	3,163,325,309	2,853,876,659	39,109,918,804
Netherlands	2,062,430,400	1,422,959,732	14,975,316,613
Arab Fund for Economic and Social Development	14,628,205	14,164,828	111,737,526
United States	10,775,700	-	4,967,206,522
OPEC Fund for International Development	32,138,098	-	32,138,098
United Kingdom	4,183,693,500	4,722,998,407	15,310,293,663
German Development Bank (KfW)	978,752,454	1,336,167,438	4,986,522,254
United Nations Educational, Scientific and Cultural Organization	15,069,652	3,162,043	50,306,399
Saudi Fund for Development	2,704,818,187	10,266,188,383	4,934,414,515
Italy	581,772,050	780,772,050	199,000,000
Oman	399,500,000	-	399,500,000
Islamic Development Bank	99,935,000	1,567,199,967	284,156,563
France	28,033,820	-	28,033,820
Yemen Liquid Natural Gas Company	41,046,742	-	41,046,742
European Community	-	115,360,654	3,139,981,147
UNDP	-	13,330,116	13,330,116
IFAD	-	206,400,000	206,400,000
Other sources from previous years	-	-	14,607,750
Subtotal	24,032,042,121	26,343,597,667	152,028,832,594
Interest earned on bank balances	4,252,225,306	1,276,163,703	1,178,601,502
Sub-loan recoveries	1,343,706,707	302,039,688	376,735,569
Refunded payments previously disbursed	84,097,978	2,445,618,686	314,731,522
Other funds	695,574,396	982,194,951	476,825,497
Total	24,975,902,774	28,713,358,077	161,052,578,244
<b>Uses</b>			
Works and goods	16,359,698,464	21,822,622,582	108,709,457,989
Sub-loans	297,500,000	430,000,000	2,021,917,686
Vehicles and equipment for projects	1,324,197,105	1,491,270,181	9,866,481,417
SFD fixed assets	138,442,470	56,027,657	870,044,845
Consultancy services and training	2,767,277,838	3,576,673,283	17,047,934,570
Operating costs	1,092,912,717	1,281,129,667	6,718,082,602
Total	21,980,028,594	28,657,723,370	145,233,919,109

\*including managed trust funds provided by European community , Japan and Nether lands.

Source: independent Auditor report, February 2010.

# Annexes: Additional Data

Table A1. Commitments by program, 2009 and cumulative (millions of U.S. dollars)

Program	2009	Cumulative
Community development	108.1	757.6
Capacity building*	41.7	259.7
Small and microenterprise development	2.4	21.1
Labor-Intensive Works Program	1.1	11.5
<b>Total</b>	<b>153.3</b>	<b>1,049.8</b>

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

\*Includes SFD operating expenses and fixed asset costs.

Table A2. Disbursements by program, 2009 and cumulative (millions of U.S. dollars)

Program	2009	Cumulative
Community development	114.1	633.70
Capacity building *	22.0	99.90
Small and microenterprise development	3.6	18.00
Labor-Intensive Works Program	0.2	3.00
<b>Total</b>	<b>139.9</b>	<b>754.60</b>

Note: Amounts include operating expenses for SFD headquarters and branches (about 4.5% of the total in 2009).

\*Includes SFD operating expenses and fixed asset costs.

Figure A1. Distribution of commitments by sector, 2009

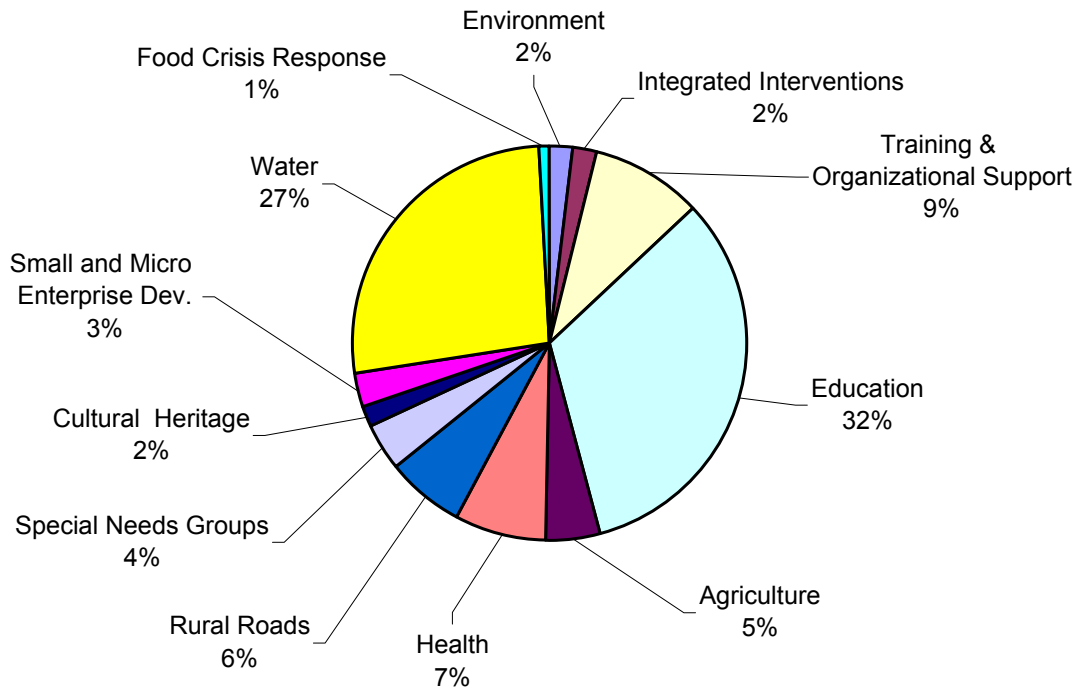


Figure A2. Distribution of commitments by sector, 1997–2009

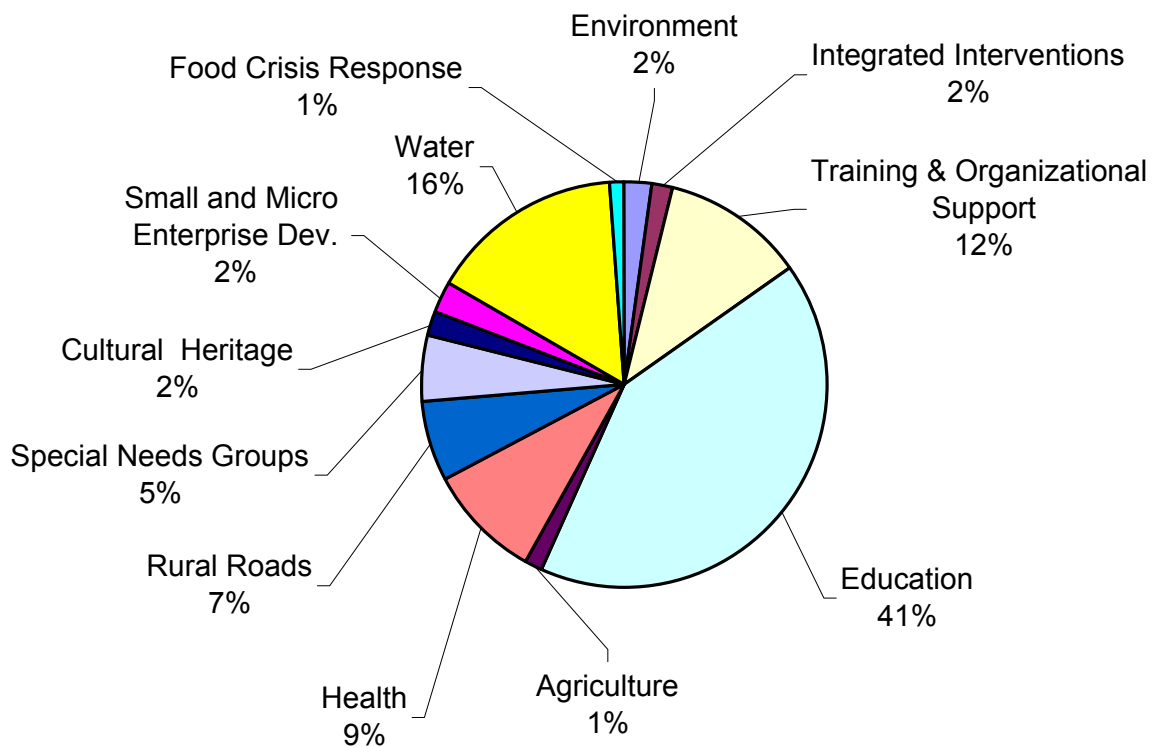


Figure A3. Distribution of commitments by governorate, 2009  
Millions of U.S. Dollars

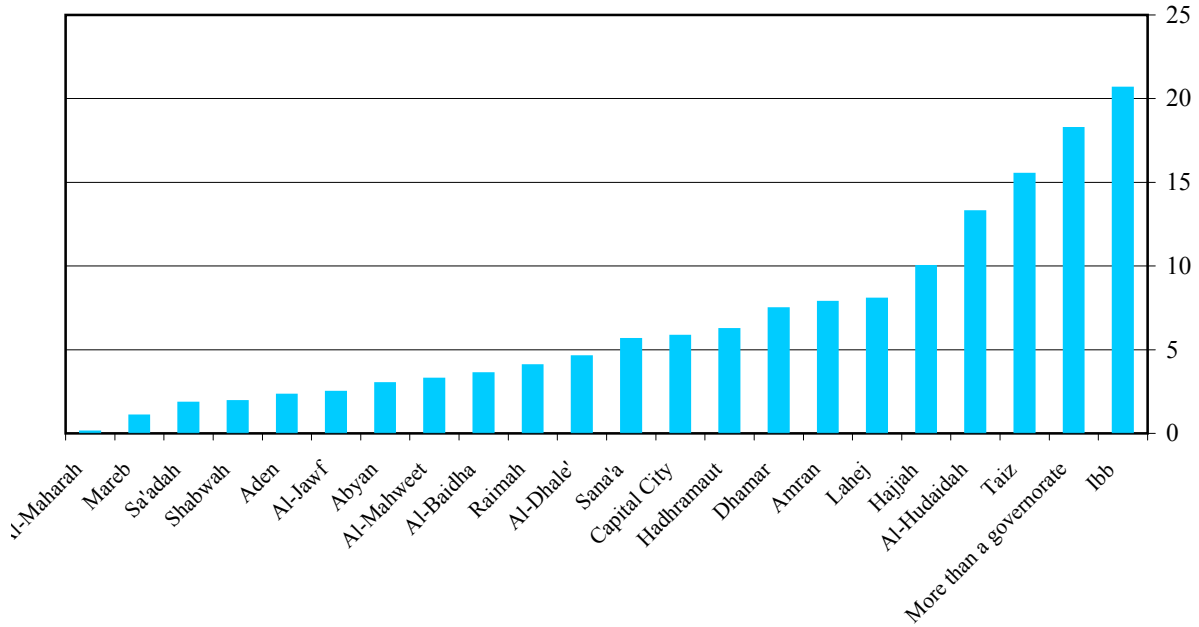


Figure A4. Distribution of cumulative commitments by governorate (1997–2009)  
Millions of U.S. Dollars

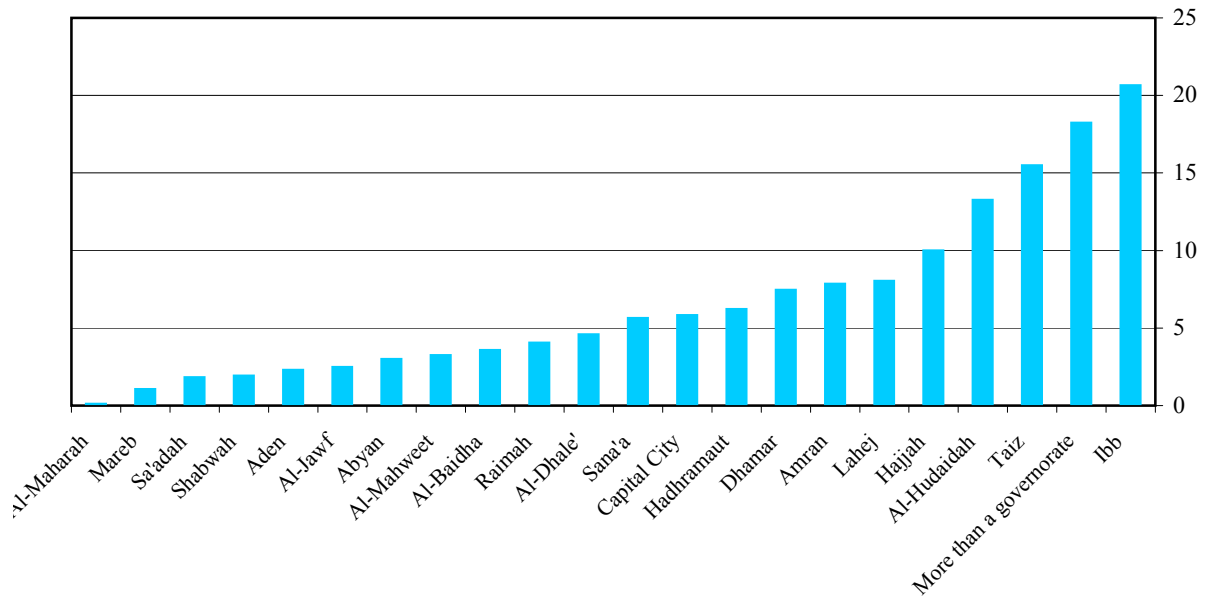


Figure A5. Commitments (1997–2009)

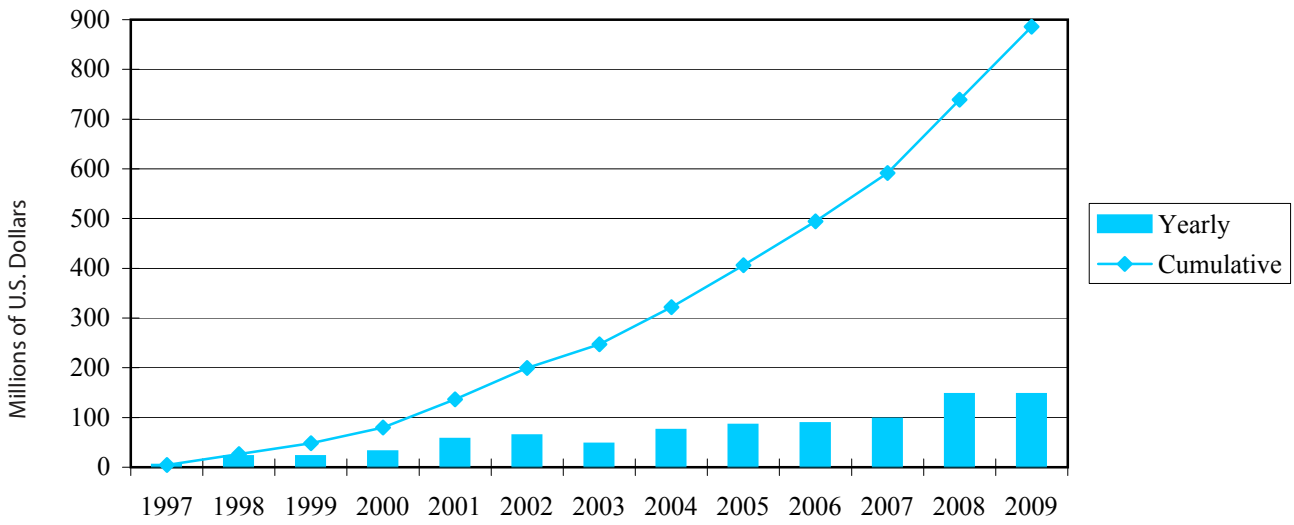


Figure A6. Disbursements (1997–2009)

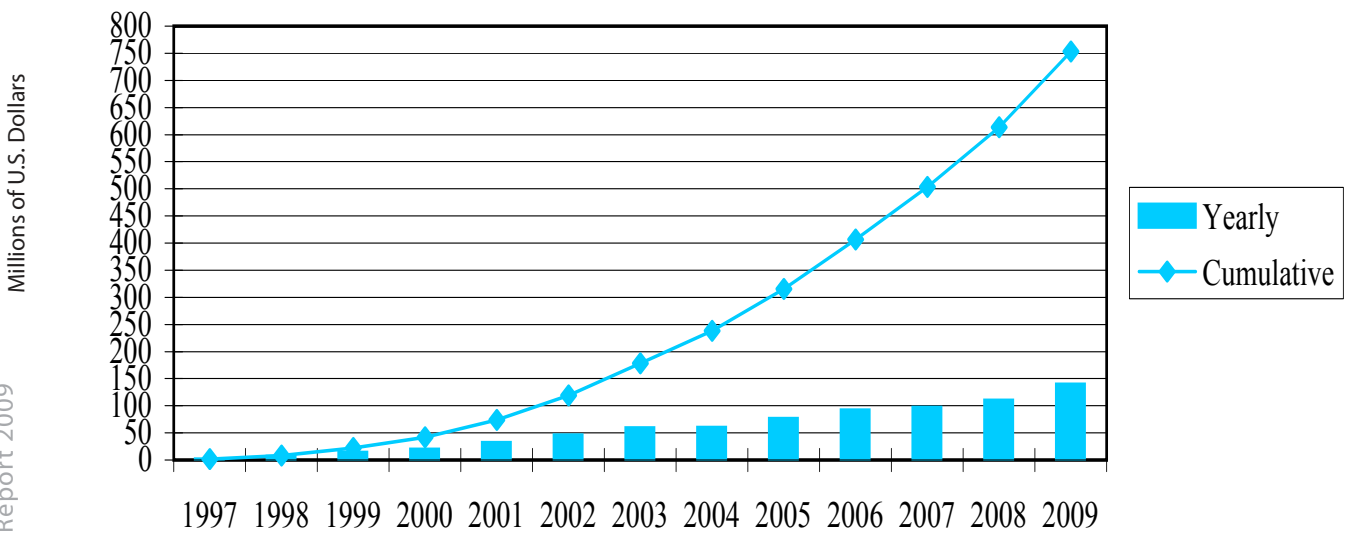




Figure A7. Project-ensued temporary employment (1997–2009)

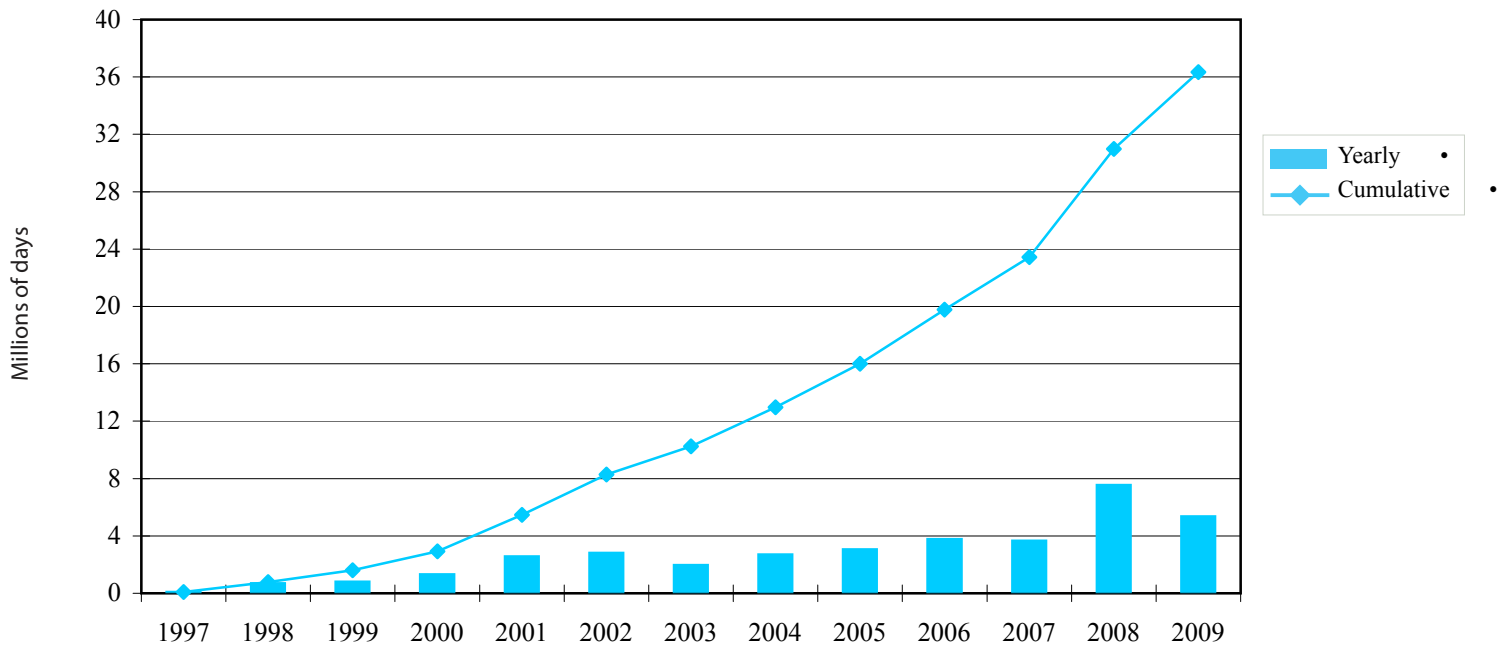


Figure A8. Number of direct beneficiaries of projects (1997–2009)

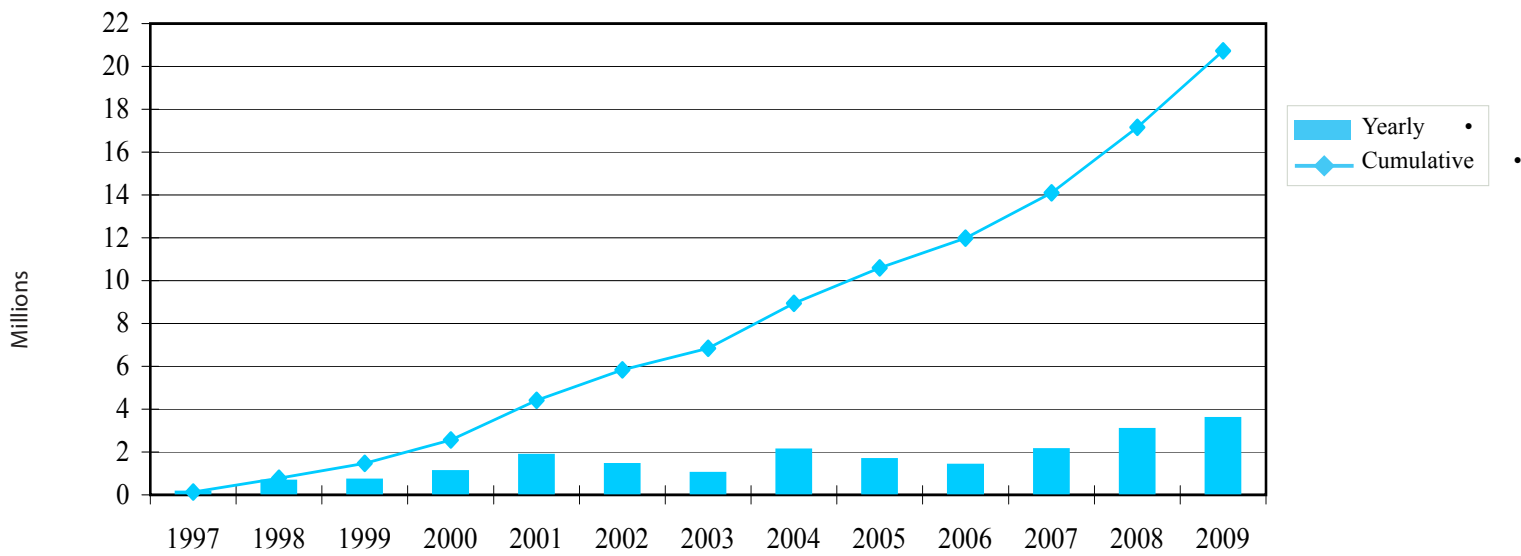


Figure A9. SFD organizational structure

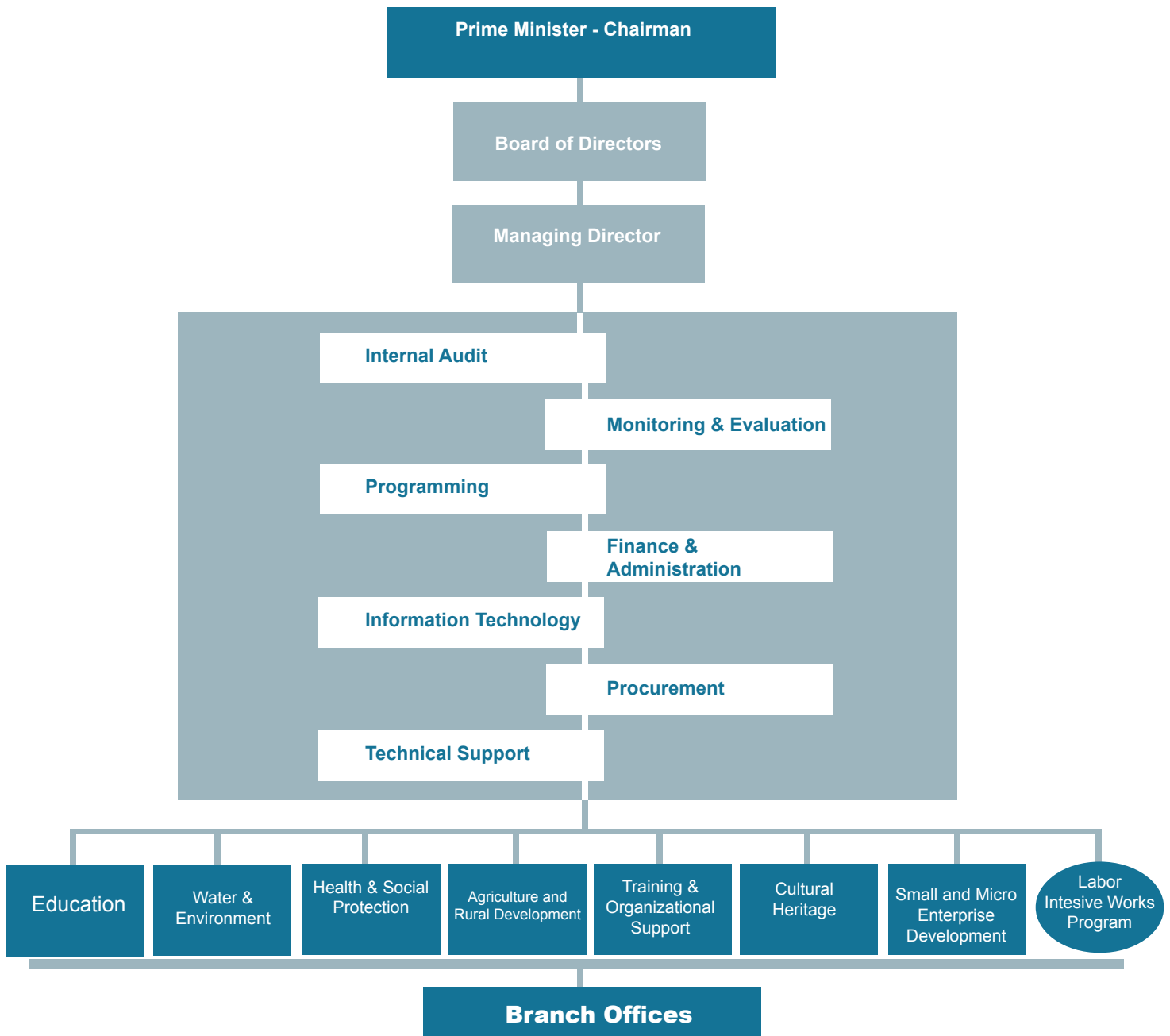
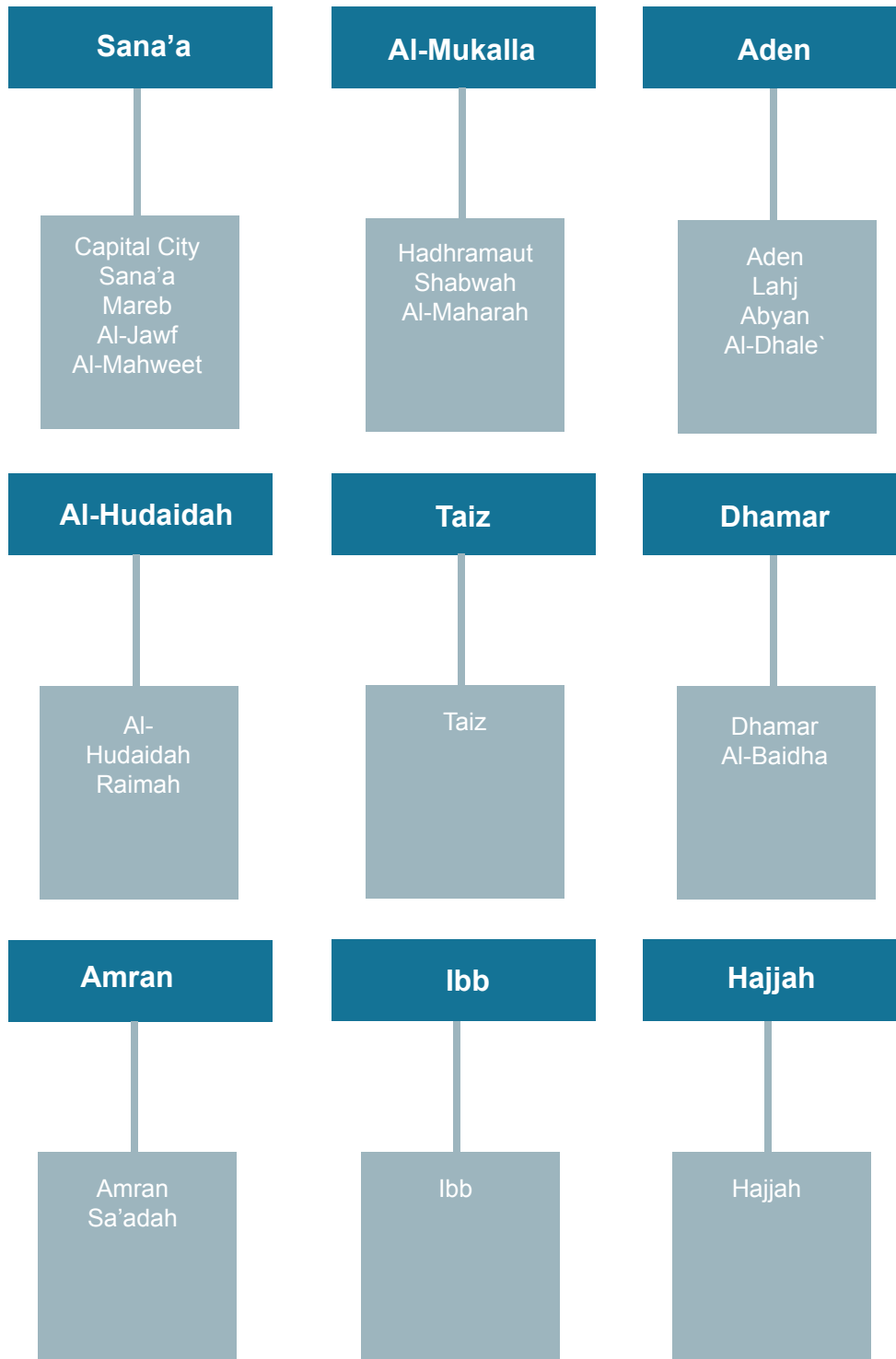
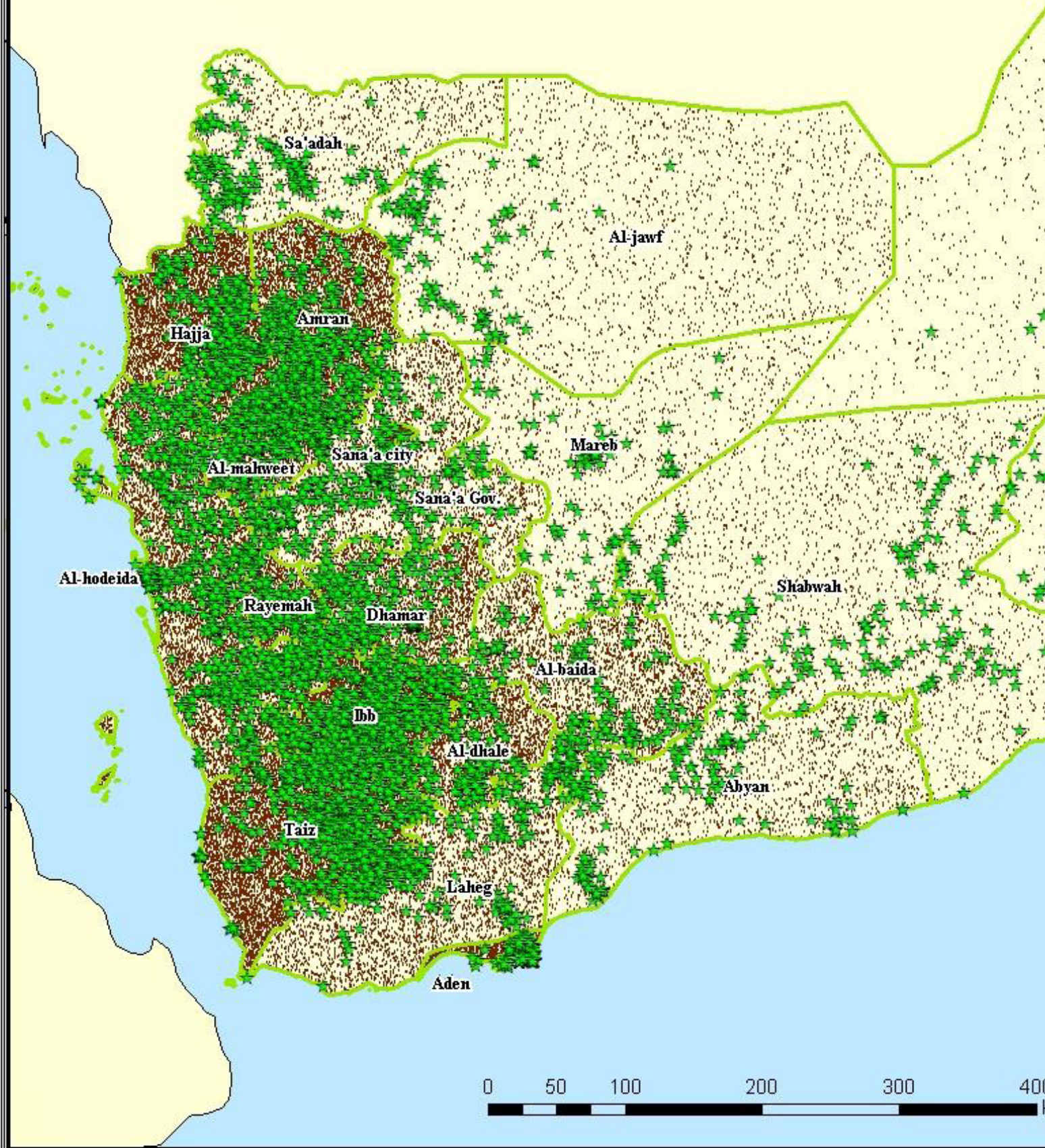


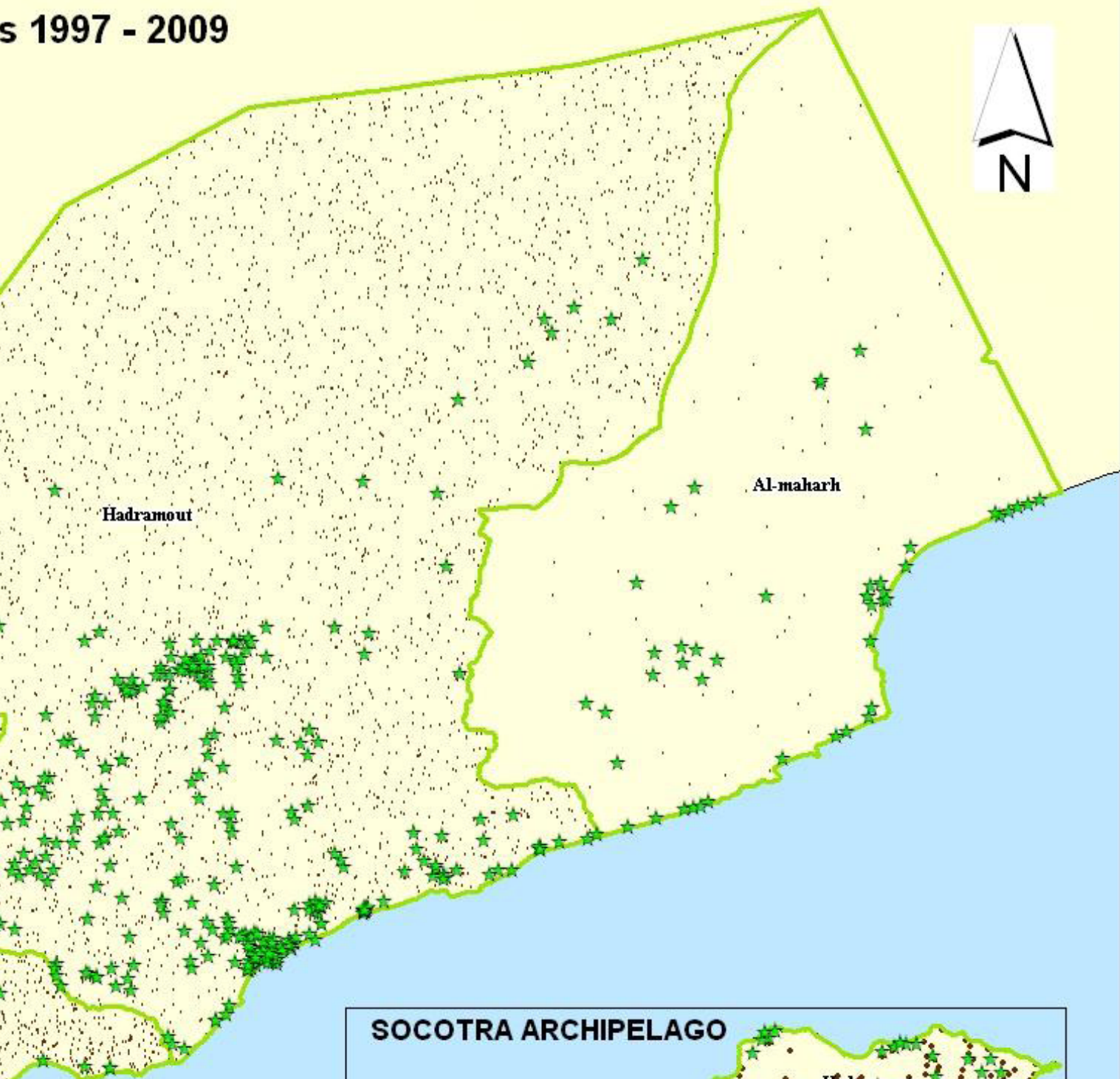
Figure A10. SFD branch offices and areas of operation



# Map Of Density of The poor AND SFDs' Project



s 1997 - 2009



**Legend**

- ★ SFDs' Projects
- 1 Dot = 100 Poor

Kilometers

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