Malion's incense and Fatima's Grocery

Below are two true stories of life where a couple of women from Lahj and Sana’a have played the role of heroes with support of one of the SFD-funded micro-finance institutions.

Malion's incense

The crucial circumstances dared not prevent Malion from continuing her life, searching for hope to lead a new, prosperous one. She searched, thought deeply and was not desperate at all until she heard about the Lahj branch of the National Microfinance Foundation (NMF). She then applied the first loan of YR30,000, which helped her make various kinds of wicker.

With broader participation with its agreement supporting SFD

Malion headed for the NMF’s branch to know more about its services. She started thinking that such an institution was tailored to achieve dreams of people like her. She fast applied the second loan of YR60,000 to distribute her products in her town of Al-Haithah and suburbs.

As she paid the loan back, she broadened her dreams. She got the second loan of YR30,000, which helped her make various kinds of wicker. She got the third loan of YR60,000 to start another business in making incenses and locally emerging at all until she heard about the Lahj branch of the National Microfinance Foundation (NMF). The hope revived in achieving her aspirations and making a better future for her and her children.

Then the fourth and fifth loans of a total sum of YR60,000 were used to start another business in making incenses and locally processed perfumes.

Customer Malion M. has thus benefited from the loans of the National Microfinance Foundation. And she still aspires to expand and develop into larger enterprises.

Fatima's grocery

The husband of Fatima A. is peddler selling apples and oranges on his small cart. This kind of work has not prevented their family from fulfilling their necessary needs. The house rents have accumulated and needs of their six children increased. Fatima sits down in silence looking at the sky and suppliant to God to get them out of this ordeal!

She never gives up. She looks for any work that may help her. But when she speaks to her neighbor “Hilalah” in Al-Salam part of Al-Qa’a area in Sana’a city, she suddenly felt happy when Hilalah told her about the role of the National Microfinance Foundation (NMF) to help her.

Hilalah explains to her all she knows about the institution that it helps the revenue-limited people to improve their living.

Fatima runs to the institution and takes a number of loans in various times. She starts her business with a grocery in her area. “My family’s conditions have improved,” says Fatima, “My daughter and I are working in the grocery at the morning and my husband continue there afternoon. Income increased to double.” Fatima’s younger daughter Asia interrupts saying, “Now, if we need anything from our parents, they can provide it to us shortly.”

Fatima adds, “We were living an unbearable hardship... We failed to save money and the food was not enough while the house is full of sons who need their educational needs. Now we are out of this hardship; we pay the rent, fulfill the school needs and pay back the loans.” Fatima describes her relation with the NMF “The NMF is honest and good. We give their rights and they give us ours. We deal with each other nicely and they do not disturb us.”

Today, Fatima is planning to get a new loan to fill the grocery with various commodities.

SFD Communication Strategy finalized

The Monitoring and Evaluation Unit implemented the fourth and final phase of developing SFD communication strategy, which aims to improve the SFD performance and increase the stakeholders’ awareness of its development activities, experiences, policies and intervention criteria and eligibility as well as to exchange information and experiences with those institutions and enhance and promote aspects of support. During this phase, the draft strategy was developed and a workshop held on 8 August 2009 attended by SFD unit heads, branch-office managers and project officers of water, education and training in all branches. Discussions aimed to enrich and develop proposals to strengthen communication with communities and community leaders as well as with local government agencies, local media and relevant organizations in terms of coordination and information flow among branch offices and with the units.

Two other workshops were also held on 12 August 2009, one with the officials of ministries and governmental institutions and partners civil society organizations and the other with representatives of international development organizations and donors. The workshops aimed to inform participants of developments and the results of interviews as well as audience survey study, which clarified partner parties’ perceptions of the SFD and the means of communication that these parties prefer. Participants’ feedback was concluded, taken into consideration and incorporated in the final version of the communication strategy and its action plan for the next three years.

The SFD has developed the strategy based on wide participation within and beyond the institution, and the Fund seeks to enhance participation by distributing the plan implementation tasks to various branches and units. This was preceded by the agreement on the development and expansion of SFD communication means and building the capacity of the relevant staff—in addition to other activities.

Social Fund for Development

Malion's incense and Fatima's Grocery

Republic Decree on approving the Kuwait Fund loan agreement supporting SFD

Law No. (28) for the year 2009 was enacted on August 26, 2009 on the approval of the loan agreement concluded on 22 February, 2009 between the Government of the Republic of Yemen and the Kuwait Fund for Arab Economic Development, mounting to $14 million Kuwaiti dinars (equivalent to $50 million) to contribute to financing the Social Fund for Development Phase III.

Social Fund for Development

Launching the showroom of the Ancient Al-Jawf kingdom Monuments

In partnership between the SFD and UNDP

Social Fund for Development

Declaration of the Yemen Microfinance Network

In partnership between the SFD and UNDP

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Social Fund for Development

Launching the showroom of the Ancient Al-Jawf kingdom Monuments

Social Fund for Development

Al-Iryani: Yemen civilisation dates back to 2000 BC

At the opening of a Sana’a National Museum-based showroom of the monuments of the ancient kingdoms of Al-Jawf, which was funded and supervised by the SFD and UNESCO, Dr. Abdulkarim Al-Iryani, the Political Advisor to H.E. President of the Republic, praised this achievement. He said, “The contents of this room has undoubtedly proved that the civilization of Yemen dates back to 2000 BC and that the displayed antiquities are very important proving that our civilization was as ancient and advanced as those civilizations of Mesopotamia and the Nile Valley and that the Yemeni people have an ancient history and does not date back to the 17th century BC as widely circulated.”

During the ceremony, which was held in mid-August 2009 and attended by a number of officials, ambassadors and diplomatic corps members in Sana’a, Al-Iryani warned of the underway operations of looting, destruction and smuggling of antiquities in Al-Jawf, Marib, Baitan and other areas, which are prone to devastation damaging Yemen history. He said, “I hope this initiative of Social Fund comes as a driving force for all of us to work to protect the national monument and to excavate and search for them in order to display them to the public and the whole world.”

(Continued on page 2)

Social Fund for Development

Declaration of the Yemen Microfinance Network

The SFD and the United Nations Development Program (UNDP) held on 18 August 2009 the first meeting, in which the Yemen Microfinance Network was officially established. The meeting was attended by representatives of micro-finance institutions and programs in Yemen. During the meeting the network was officially declared, its strategy highlighted, Set of Rules discussed and the Board of Directors elected.

The establishment is in line with the National Microfinance Strategy, which aims at developing this industry.

The network will be in charge of providing technical assistance and capacity building for the staff of all MFIs as well as establishing a center for the exchange of information and expertise.

The goals of YMN are centered on promoting international best practices in the country, increase transparency, good governance, diversify products and services and improve the quality of services provided by MFIs.
For his part, the National Museum Secretary General, Abdul-Aziz Jindari, stated that this project was the fruit of intensive activities with a prompt response by the SFD to save and restore Al-Jawf antiquities.

In addition, during the period 1-21 July 2009, training was provided by the program trainers to 168 male and female teachers in 11 schools in the Capital City, Taiz and Ibb governorates (pilot phase). Training, which included the program’s three components, was conducted by three methods: Face to Face (through placing special areas and models for work over the network) and the use of Interactive Technology (one project), Policies and Directions (4), Educational Quality (3), and Learning Difficulties (1) and Talented and Creative Students (2). The third quarter witnessed the development of 4 projects, three under implementation: One in the collection, editing and printing active learning aids for literacy classes and two workshops in education, planning, programming and evaluation as in the 13th Youth Forum, both held in Morocco in July 2009.

In 2008, the SFD launched a local initiative for the protection of Yemen’s��文化 heritage, the Cultural Heritage Information System (CHIS), which is currently under development. Several thousand heritage items have been entered into the system and digitized. The CHIS is a prioritized project of the SFD’s Integrated Interventions. The project includes three phases: (1) Collection of tangible cultural heritage items, (2) Modeling and active learning, and (3) Implementation of projects on the ground.

The project team is considering the possibility of a regional initiative for the protection of heritage sites in the Gulf Cooperation Council (GCC) countries.
Training in archaeological pottery study

The quarter witnessed the completion of the archaeologists’ training project in archaeological pottery study in Dhamar. This comes in the framework of SFD’s efforts to build the capacity of institutions and individuals working in cultural heritage preservation. A specialized training course in the mentioned domain was implemented in the Regional Museum in Dhamar during the period 1-20 August 2009. The course was attended by 20 participants from most governorsates (representing offices and branches of the General Authority for Antiquities, museums and archaeological sections at Sana’a, Aden and Dhamar universities). In addition, attendees included a number of archeology graduates and relevant staff working in some SFD-supported projects. The course, based on Chicago University curriculum, focused on practical training in the initial classification of archaeological pottery as well as pottery description and analysis and drawing pottery utensils and pieces according to applied scientific methods. Moreover, the SFD—in cooperation with Dhamar Antiquities General Authority Office—has implemented Mescan’at Mariyeh archaeological site protection project in Dhamar, which has been severely damaged by heavy rains. The project included the protection of archaeological layers of walls of the site, which is one of the most important Himyarite sites distinct with its strategic positions as it is located on a high rocky cliff accessible only through two small controllable in-ways (North-Eastern and South-Western). Therefore, naturally protected from almost all sides, with gradient human settlement, the site is a perfect location to be presented as a complete model of archaeological sites in Yemen.

Al-Goza’ Garden and the Great Mosque misqahman in Sana’a

Implementation of Al-Goza’ Garden Rehabilitation Project was completed and a consultant was assigned to receive the project. On the other hand, the Great Mosque misqahman rehabilitation project was completed, as well, with retaining walls erected, collapsing fences repaired, aisles paved, a cistern and irrigation network established and the soil prepared for crop-growing.

Cultural Heritage Sector, Phase III indicators*

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>TARGET (2004–10)</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects</td>
<td>135</td>
<td>31</td>
<td>21</td>
<td>23</td>
<td>16</td>
<td>21</td>
<td>134</td>
<td></td>
</tr>
<tr>
<td>Consultants trained</td>
<td>350</td>
<td>52</td>
<td>60</td>
<td>41</td>
<td>30</td>
<td>30</td>
<td>40</td>
<td>253</td>
</tr>
<tr>
<td>Labourers</td>
<td>1,600</td>
<td>177</td>
<td>220</td>
<td>136</td>
<td>120</td>
<td>223</td>
<td>172</td>
<td>1,049</td>
</tr>
</tbody>
</table>

*Includes only under-implemented and completed projects as of 30/09/2009

Supporting Educational policies and directions

Four projects (worth nearly $783,000) were developed for building and furnishing the education offices in Sana’a, Hajjah and Al-Jawf governorates. One of these projects was approved and three under implementation.

Educational Excellence

A project was approved to develop the skills of teachers selected to work in the Gifted Students Program in English language. In addition, the list of students admitted this year was completed and the preparations for enrolling these students in the program classrooms were launched. Preliminary drafts of academic tests have also been prepared and preparations for applying them launched. On the other hand, the program staff participated in the Sixth Scientific Conference for the Gifted held in Amman (Jordan) on 26-29 July 2009. A working paper was presented on Yemen’s experience in caring for the talented.

Cultural heritage

During the quarter, nine projects were approved at an estimated cost of nearly $1 million. Thus, the cumulative number of the projects (since SFD establishment in 1997 until the end of September 2009), reached 227 projects, with investments mounting to about $43.5 million, and the temporary employment more than 1.9 million working days.

Restoration of Taiz Guest House, Al-Ashrafyia Mosque & Madrasah and Paving

Implementation of basic and construction works of the Guest House renovation project in Taiz was completed, with relevant studies prepared. The building will be used as a manuscript house.

In addition, Al-Ashrafyia Mosque and Madrasah (religious school) restoration works continue successfully as restoration of inscriptions and decorations in all the large and small domes is being carried out by the Italian team supported by Yemeni staff. Al-Qadad works in the building are underway concomitantly—on the exterior walls, roofs and domes. The project's electrical studies were completed by the Italian experts and reviewed by the project consultant, along with the Yemeni team.

In another context, within the Historic City of Zabid Pavement Project, three new areas in the city (Al-Qal'aah "Castle" Square, the Old Market and Harat Al-Alwayah) was approved, with funding provided by the SFD. In the same context, work is continuing to implement the Electrical Cables Provision Project in the city. Electrical ground wiring will be carried out prior to the first phase of pavement. The tender for the remaining quantities of cables was already announced to cover all parts of the old city. The overall objective of this project is to contribute to the elimination of the distortions arising from the random expansion of power lines—is parallel with pavement.

## Microfinance Programs Supported by SFD as of 30/09/2009

<table>
<thead>
<tr>
<th>No.</th>
<th>Program</th>
<th>No. of Active Customers</th>
<th>Loans Portfolio (Mln USD)</th>
<th>Accumulative Loans amount (Mln Yr)</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Borrowers</td>
<td>Women (%)</td>
<td>Savers</td>
<td>Total No.</td>
</tr>
<tr>
<td>1</td>
<td>The National Microfinance Foundation (NMF)</td>
<td>11,726</td>
<td>93</td>
<td>15,324</td>
<td>263</td>
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<tr>
<td>2</td>
<td>Nama’ Program</td>
<td>5,717</td>
<td>95</td>
<td>1,197</td>
<td>157</td>
</tr>
<tr>
<td>3</td>
<td>Aaden Microfinance Foundation</td>
<td>4,392</td>
<td>94</td>
<td>6,612</td>
<td>73</td>
</tr>
<tr>
<td>4</td>
<td>Abyan &amp; C &amp; S</td>
<td>4,295</td>
<td>100</td>
<td>4,907</td>
<td>98</td>
</tr>
<tr>
<td>5</td>
<td>Al-Amil Bank</td>
<td>2,691</td>
<td>51</td>
<td>2,678</td>
<td>99</td>
</tr>
<tr>
<td>6</td>
<td>Sana’a’s Microfinance (Adal)</td>
<td>2,612</td>
<td>77</td>
<td>1,953</td>
<td>7</td>
</tr>
<tr>
<td>7</td>
<td>SFED</td>
<td>2,543</td>
<td>90</td>
<td>0</td>
<td>91</td>
</tr>
<tr>
<td>8</td>
<td>Al-Aseel MF Company</td>
<td>2,272</td>
<td>99</td>
<td>0</td>
<td>47</td>
</tr>
<tr>
<td>9</td>
<td>Water Drainage &amp; C S</td>
<td>1,355</td>
<td>33</td>
<td>1,950</td>
<td>57</td>
</tr>
<tr>
<td>10</td>
<td>Al-Hudaydah MC</td>
<td>977</td>
<td>78</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>11</td>
<td>IGPs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>27</td>
</tr>
</tbody>
</table>

**SMALL**

<table>
<thead>
<tr>
<th>No.</th>
<th>Loans Portfolio (No)</th>
<th>Total</th>
<th>No. of Active Customers</th>
<th>Loans Portfolio (Mln USD)</th>
<th>Accumulative Loans amount (Mln Yr)</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2,049</td>
<td>4</td>
<td>1,083 2.0</td>
<td>8,999</td>
<td>6,651</td>
<td>Sana'a Capital, Taiz, Aden, Al-Hudaydah, Al-Mahala, Bib</td>
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</tbody>
</table>

**MCRO**

<table>
<thead>
<tr>
<th>No.</th>
<th>Loans Portfolio (No)</th>
<th>Total</th>
<th>No. of Active Customers</th>
<th>Loans Portfolio (Mln USD)</th>
<th>Accumulative Loans amount (Mln Yr)</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>673</td>
<td>100</td>
<td>987,035 453,810 2,878,940</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Training and Organizational Support

Interventions in the two sectors of Training and Organizational Support aim at providing services through training and building the human and institutional capacities of SFD staff and project officers, consultants, beneficiary committees, small contractors, technicians, local authorities, NGOs and governmental organs, who contribute to providing productive services, realizing community development, illiteracy eradication, dissemination of culture and supporting the educational process. These partners also acquire training in some fields mentioned in the “Training Sector”. Support also includes providing some necessary equipment, databases and management systems. The over-all support is to ensure and reinforce the organizational, financial and administrative sustainability for these partners.

During the 3rd quarter, the number of projects in both sectors reached 15 at an estimated cost of $447,000. Of these projects, six are approved and nine under implementation. They target the following:

**Government Organizations**

Two organizational support projects were developed, the first one targeting the SFD through hiring an international consultant to develop the SFD's fourth phase vision, while the second project targeted the establishment of a public library in Ibb town, with components including necessary equipment and books as well as training in indexing and documentation.

**Non-Governmental Organizations (NGOs)**

Four projects were developed, two of them concerned with training the members of the Najjar, Na'am, and Al-Dhale’ governorate and seven associations supported by Amran branch. The other two projects are concerned with organizational support and targeting the Central Public Library in Al-Hudaidah town, and Tarbah Abi Al-Azar Association in Al-Madharib, Lahij governorate. Activities included training in strategic planning, products’ marketing, accounts, sewing, library management, indexing and documentation, secretarial work, management and organization, projects’ feasibility studies. This is in addition to providing necessary equipment and installations for the two projects related to organizational support.

**Local Communities**

Four training projects were developed by three SFD branches, as follows:

- **Ibb branch:** Formation and training of community contracting committees for 37 projects from 2009 plan;
- **Sana'a branch:** Training and empowering local development committees in Sa'afan district and formation and training of beneficiary committees for 89 projects from 2009 plan;
- **Amran branch:** Training and formation of 12 local development committees in Maswar district, Amran governorate. This is in addition to conducting a workshop for evaluating the implemented training program.

**Local Authority**

Three projects were developed. Two of these were concerned with training, with one supporting participatory planning by the local authority in Haid district (Hadramaut governorate), and the second project providing training to consultants in the development for strategic plans (Al-Ba’idha). In organizational support one project targeted the main office of Hajah governorate (2nd phase) by providing necessary equipment.

On the other hand the three projects targeting the local authority included training in management skills, funding techniques, financial resources, zakat revenues, administrative and financial affairs, community mobilization, formation of sub-committees and village councils, projects’ assessment and prioritization, strategic planning, development of strategic plans and practical applications.

**Private Sector (Individuals)**

Interventions included two projects, one project for training rural university graduates from the governorates of Al-Dhale’, Abyan and Lahij in development topics as well as computer applications, while the second project included two training components, i.e. bookkeeping and orientation in development issues and targeted some SFD branches’ consultants in various governorates.

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**Small and Micro Enterprises Development**

The Small Micro Enterprise Development (SMED) Unit has continued to provide financial and non-financial services to microfinance institutions and programs (MFIs), in addition to technical assistance to help them target male and female micro-entrepreneurs. The unit has carried out a number of activities during this quarter, including:

**Financing MFIs**

During the quarter, SMED has financed a number of MFIs that deliver financial services to the target group:

1. Financing the National Microfinance Foundation (NMF) with 40 million Yemeni Ryals (YR), which constitutes the second installment of a loan agreement totaling YR120 million; the loan will enable NMF to continue expanding its financial services to the target group, especially women;

2. In addition, SFD and NMF have signed a grant agreement in which the latter will receive YR8 million to help the institution develop its institutional building by installing an MIS in all branches. The MIS of the branches will be linked together as a single database to allow loan officers to follow up their loan portfolios in real time.

3. Financing of Nama’s MF with YR25 million as part of a YR50 million loan agreement signed with SFD for the purpose of covering Nama’s funding needs and enabling it to provide its financial services to small and micro entrepreneurs;

4. Financing of Abyan Credit and Savings Program with YR50 million as part of a loan agreement signed between SFD and the Bank of the Unit. The program will focus in the coming period on improving the financial services it provides in Abyan and Hadramaut governorates.

**Training and Technical Assistance**

During the quarter, SMED has implemented a number of training courses as follows:

**The Poverty Scorecard**

The Poverty Scorecard training course was held in Sana’a on 12–13 July 2009 and was attended by 18 trainees from various MFIs. The course was held in Sana’a on 12–13 July 2009 and was attended by 18 trainees from various MFIs.

**Management and supervision**

The course, which was held in Sana’a MF on 18–23 July 2009 on how to manage an MF branch, focused on branch supervision and coordination between the branch offices and the headquarters. Twelve staff from Sana’a MF participated in the training course.

**Distributivity management**

The course was held in Al-Awali MF in Taiz during the period from 15–18 August 2009, with 15 staff members trained in dealing with delinquent loans and on how to set the interest rate for financial products.

**Product Development**

The course was held in Sana’a during the period of 16–20 August 2009 and 18 trainees from the various MFIs attended the course. During the training course, the issue of facing MFIs in developing new financial products was discussed.

**Human Resources Management and Strategic Planning**

The two courses were held in Aden MF and attended by 30 members of the institution’s staff (15 for each).

The first course focused on the ways to manage human resources in MFIs and included a practical program through which a number of managerial concepts were applied within Aden MFI context. Strategic Planning course was held on 29 August–03 November 2009 and the course was attended by 18 staff members on the steps of strategic planning and—as part of the training—a draft strategic plan for Aden MFI was made.

**Other Activities**

A presentation on e-Learning for MF loan officers

SMED organized a presentation on “E-Learning for MF Loan Officers” given by representatives of Commonwealth-Lanar Partnership on 2 July 2009. The event was attended by 28 representatives from various microfinance and small enterprises development institutions and the programs, which will increase the capacity and skills of MF loan officers, was presented to them.

The fifth meeting of the National MF Steering Committee

This event was organized by SMED and held on 6 July 2009 and it came to emphasize the cooperation and coordination existing among the various parties working in microfinance, which are implementing the National Microfinance Strategy.

**Small and Micro Enterprises Promotion Services (SMEPS) Agency**

The agency implemented a number of activities, the most important to continue to work in the Know About Business (KAB) program. In this regard, SMEPS has contracted a consultant to prepare the registration forms for the initial and final students who obtained the program, and conducted an analysis of these forms to assess the impact of the program in the SME sector.

In the area of new markets and production lines, the Agency continued its activities in the development of incentive sticks of Yemen, which aims to develop the industry and sticks, according to European standards, by Yemeni workers and using low raw materials. During August 2009, with support provided by the German Technical Cooperation (GTZ), the agency contracted the Post-harvest Research Center in Aden to conduct training courses in various fields, and to provide the initial and final students with training on this system in Al-Mukalla (Hadramaut).

**Business Edge**

For more information on the various projects implemented, the following fields and references are included:

- **Government Organizations**
- **Non-Governmental Organizations (NGOs)**
- **Local Communities**
- **Private Sector (Individuals)**

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**Training and Organizational Support Sectors, Phase III indicators**

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>TARGET (2004–10)</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workshops for NGOs</td>
<td>175</td>
<td>43</td>
<td>86</td>
<td>30</td>
<td>101</td>
<td>27</td>
<td>28</td>
<td>365</td>
</tr>
<tr>
<td>NGOs and cooperatives supported</td>
<td>200</td>
<td>41</td>
<td>28</td>
<td>28</td>
<td>31</td>
<td>28</td>
<td>10</td>
<td>166</td>
</tr>
<tr>
<td>User groups, communities and community-based organizations supported</td>
<td>1,000</td>
<td>66</td>
<td>232</td>
<td>267</td>
<td>351</td>
<td>432</td>
<td>957</td>
<td>1,885</td>
</tr>
<tr>
<td>Local councils and authorities provided with organizational support</td>
<td>70</td>
<td>9</td>
<td>10</td>
<td>15</td>
<td>12</td>
<td>22</td>
<td>20</td>
<td>80</td>
</tr>
<tr>
<td>Other public institutions</td>
<td>4,175</td>
<td>5,845</td>
<td>260</td>
<td>737</td>
<td>505</td>
<td>9,222</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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*Includes only under-implementation and completed projects as of 30/09/2009
**Includes almost all local councils in the country (330)
Integrated Interventions
During the quarter, focus was given to training in agriculture and economic empowerment. Training was provided to 28 female and male consultants from the development committees' members of the sub-districts of Al-Masharji (Lahij), Aswadah Al-Sheher (Hadibo - Socotra Archipelago), Dhamar, and Ibb (Bab). Training was also provided to the local authority members in the districts of Taiz (Al-Bahi), Taez, and Makkah (Ibb).

Another training course was held for 8 days in the cultivation of coffee, benefiting 13 farmers from Al-Khadham sub-district (Al-Gaban/ Rainmah) in addition to a course to qualify 14 female trainees in Aswadah in the field of weaving. Three training courses, benefiting 21 trainees, were also implemented on plant protection in the sub-districts of Dhamar (Hajjah), Al-Brayyah (Al-Hudaidaah) and Al-Makanae (Dhamar).

Similarly, two courses in community participation provided training to 44 consultants (of both sexes), followed by another course in community mobilization attended by 28 (female and male) consultants from all governorates. The training aimed to create local trainers in the field of local communities' mobilization within the integrated intervention areas.

In literacy and community education, a workshop for awareness teams' trainers was conducted and attended by 23 participants of both sexes, with the participation of the Literacy Department's Information and Public Relations Department.

Also, awareness voluntary teams were formed and trained to carry out awareness-raising campaigns to encourage women and girls to engage in literacy and community education classes in all areas of integrated interventions.

On the other hand, the quarter witnessed the implementation of the preparatory phase to implement the program through SFD's branch offices in different governorates. To this end, the target areas were selected based on SFD's selection criteria and selection manual, with office screening completed in accordance with poverty indicators and exploratory visits to the relevant areas. Moreover, a consultant team, comprising male and female members, was trained to perform the selection study, through which the target areas will be nominated. Preparations are currently being made for the implementation of the socio-economic survey of these areas.

Community-based Labor Intensive Works Program
This program comprises the Global Food Crisis Response Emergency Program and the Rural Roads Sector, which became recently within the framework of the Labor Intensive Works Programs.

The Global Food Crisis Response Emergency Program
During the third quarter, the paid due amounts reached nearly $6 million—or 81% of the total project contractual due amounts (compared to 74% during the second quarter)—and the number of beneficiary families rose to 15,755 representing 89% of the total target families. Similarly, financial and physical progress mounted to 89% and 92% (up from 73% and 82% in the previous quarter) respectively.

In addition, 65 projects were completed (out of the program's 98 total projects).

On the other hand, the awareness project on malnutrition hazards and Qat harms has been implemented in the program's target communities.

Finally, preparations are underway to implement the second phase of the emergency program, with the field civil works expected to be carried out during 2010. In this context, a workshop was held in SFD's Ibb branch office to develop the program's action mechanism for the new phase to improve performance and avoid the shortcomings of the previous phase. Training courses addressing field targeting for the second phase are also being implemented, with four courses conducted in Al-Hudaidaah, Al-Mukalla, Ibb and Amran branch offices for 136 female and male consultants.

Rural Roads

During the quarter, 12 rural-road projects were approved (at an estimated cost of more than $2.2 million), with the total length of these projects reaching 61 kilometers (km), as well as three street pavement projects (worth more than $1.2 million) with the total area mounting to 29,548 square meters (m²). The estimated number of beneficiaries from these projects is about 117,543 people and the temporary employment about 224,367 working days.

On the other hand, a training course was carried out for engineers from the SFD branch offices of Amran and Sana'a on preparing studies and overseeing rural-access roads.

Cumulatively, the number of rural-roads improved, protected or rehabilitated reached 376 projects, with the total length of these projects exceeding 3,357 km and the estimated cost being about $55 million. In street paving, also cumulatively, 174 projects have been implemented, with the total area approaching 1.93 million m² and the total cost of more than $12 million.

The total cumulative number of beneficiaries is 1.74 million people, while the total temporary employment generated by these projects exceeded 6.2 million working days—in addition to 48 training projects, worth nearly $0.7 million.

![Image](577x128 to 739x278)

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>TARGET (2004–10)</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects**</td>
<td>420</td>
<td>20</td>
<td>33</td>
<td>45</td>
<td>63</td>
<td>69</td>
<td>84</td>
<td>14</td>
</tr>
<tr>
<td>Beneficiaries</td>
<td>1,320,000</td>
<td>101,924</td>
<td>219,342</td>
<td>281,866</td>
<td>279,135</td>
<td>230,689</td>
<td>18,215</td>
<td>1,331,171</td>
</tr>
</tbody>
</table>

*Include only under-implementation and completed projects as of 30/09/2009
**Street-pavement projects are not included

Improving access to basic healthcare services
Emphasis has been placed, during the quarter, on the component of increasing coverage of basic healthcare services, with 9 projects developed to build and equip health units and centers in the governorates of Ibb (Hubbah, Al-Qafir, Al-Sayami), Dhaharm (Wesab Al-Safel), Sid'aadh (Razeq), Amran (Eiyal Sareeh), Sana'a (Al-Hast), Al-Dhaleel (Al-Dhaleel) and Hadhramat (Hadibo - Socotra Archipelago). In addition, two training courses were conducted to improve the services provided by health workers: One for 20 consultants in health needs identification study and the other was a guiding and refreshing course targeting SFD's mid-project officers. The two courses aimed at improving the social and health studies of the applications submitted to SFD health sector in the context of other social and economic determinants.

Expanding reproductive health and neonatal care services
Increasing deliveries under medical supervision
Six projects have been developed. Of these, four projects for the training of 80 community midwives from the two cities of Dhamar (Dhamar governorate) and Al-Hadith (Al-Badha) as well as the two districts of Al-Sheker (Hadhramat) and Al-Saddah (Ibb) on home-based maternal and newborn care (HBMNC). The two other projects aimed to train consultants in community midwives (the first batch) from several governorates on the same and qualify 21 staff employees from reference hospitals and maternal and child centers in Sa'dah, Hajjah and Amran governorates to get Midwifery B.Sc.

Reducing maternal and newborn mortality
Eleven projects were developed, with four of them are for the construction, furnishing and equipping of comprehensive emergency obstetrics of the Family Health Center (in Amran governorate) and the Al-Makha Rural Hospital (in Taiz).

The remaining nine projects aimed to rehabilitate and equip of emergency obstetrics units in the departments of essential obstetric Al-Dhaleel, (Taiz), and Ibb as well as to build and equip the Center for Integrative Care and reproductive health in a hospital in Hadhib (Socotra, Hadhramat).

Health
The number of projects approved in the quarter mounted to 33 worth about $6 million, benefiting directly some 81,000 people, and the cumulative number of approved, under-implementation and completed projects (1997-end of September 2009) mounts to 76 at a total estimated cost of nearly $72.8 and direct beneficiaries about 7.2 million people (4.6 and 2.6 million female and male, respectively).

Projects of the quarter include a program to evaluate government health institutes, another one for construction, furnishing and equipping Taiz-City Health Office-Training and Skills Development Program, which include building a referral hospital for skin and venereal diseases and building & equipping a physiotherapy section of the Artificial Limbs and Natural Rehabilitation Center—both in Taiz governorate.

The remaining projects focused on the following programs:

Groups with Special Needs
The number of projects approved during the quarter reached 24 and amounted to nearly $5.3 million, thus the total cumulative number of projects mounts to 495 worth about $27.6 million.

First: Community Development Program

Inclusive and special education
The program aims to integrate children with special needs in public education, with the field civil works expected to be carried out during 2010. In this context, a workshop was held in SFD's Ibb branch office to develop the program's action mechanism and its mechanisms, optical scanning equipment, resource rooms, individual plans and family counseling. The second project, in Dhaharm, aimed at training 67 male and female community midwives, in addition to providing integration schools in integration and its mechanisms, individual plans, development of senses, building concepts for children and ways to deal with them in addition to providing these schools' trained educators and its mechanisms, optical scanning equipment, resource rooms, individual plans and family counseling. The third project aimed at training Al-Hadith (Al-Badha) and Hadhramat (Hadibo - Socotra Archipelago). In addition, two training courses were conducted to improve the services provided by health workers: One for 20 consultants in health needs identification study and the other was a guiding and refreshing course targeting SFD's mid-project officers. The two courses aimed at improving the social and health studies of the applications submitted to SFD health sector in the context of other social and economic determinants.

Finance

Over the quarter, 15,755 beneficiary families were reached, representing 89% of the total target families. Similarly, financial and physical progress mounted to 89% and 92% (up from 73% and 82% in the previous quarter) respectively.

On the other hand, the quarter witnessed the implementation of the preparatory phase to implement the program through SFD’s branch offices in different governorates. To this end, the target areas were selected based on SFD’s selection criteria and selection manual, with office screening completed in accordance with poverty indicators and exploratory visits to the relevant areas. Moreover, a consultant team, comprising male and female members, was trained to perform the selection study, through which the target areas will be nominated. Preparations are currently being made for the implementation of the socio-economic survey of these areas.

Rural Roads Sector, Phase III indicators*

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>TARGET (2004–10)</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
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<th>2008</th>
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<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
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<td>18,215</td>
<td>1,331,171</td>
</tr>
</tbody>
</table>

*Include only under-implementation and completed projects as of 30/09/2009
**Street-pavement projects are not included
Another project was also approved to support the Al-Ain Association for the Blind Care and Rehabilitation in Ibb governorate. The project aims to assist the association in extending its education services to Hubais district through training the integration schools’ teachers on methods of teaching the blind, integration, mobility and the awareness of the local community in blind integration issues.

**Early Childhood Development**

This program aims at the development of children aged up to eight by supporting early childhood development programs and national policies and strategies geared to this age group. This is done through carrying out certain sub-programs as Early (therapeutic and preventive) Detection and Intervention and Early (health, educational and social) Intervention in addition to kindergartens and preschool education.

**Second: Institutional Support Program**

Institutional support and capacity building

This sub-program aims to institutional support to government institutions and NGOs to improve their performance in implementing development programs for

**Water and Environment**

The number of projects approved in both sectors, during the quarter, reached 97 projects at an estimated cost of approximately $14.6 million, benefiting directly about 88,000 people. This cumulative number of projects (1997–end of September 2009) to 1,685 projects worth about $186 million, with direct beneficiaries expected to exceed 5 million people.

**Water**

The rural water and sanitation projects survey was launched on 4 August 2009, aiming to establish a database to know the status and extent of coverage of these projects. Funding for the survey is provided by the Public Authority for Rural Water, the Netherlands government, Rural Water and Sanitation Project, UNICEF and the Public Works Project in addition to the SFD, with the latter contributing to the provision of transport for the field survey teams.

On the other hand, the SFD (represented by the Water and Environment Unit and the Implementation Unit of the Shibam Hadramaut infrastructure project) participated in the trip organized by the GTZ-supported Historic Cities Development Project to Syria during the period 28 September–05 October 2009. The trip aimed to introduce participants to the historic services of international cities in Damascus and Aleppo, relevant restoration and maintenance projects and the sophisticated methods and techniques necessary to protect such cities. In addition, a number of workshops and meetings with competent officials in the two cities were held.

**Environment**

The SFD continues to implement the Community-Led Total Sanitation approach, which aims to improve sanitation. In this regard, training was provided to consultants in various SFD branch offices on this approach and its application in villages, with 39 female and male consultants as well as 5 water and environment project officers trained on 26–30 July 2009 at Amran and Hajjah branches. The approach was then applied in 10 villages of Maswar, Jabal Iryal Yazeed and Taifia districts in Amran governorate. Similarly, 22 consultants (of both sexes) in Taiz and Ibb branches were trained on 15–19 August 2009, with the approach implemented in 10 villages in Dhi Shawh and Al-Tafid sub-districts of Hubais district in Ibb.

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**Health and Special Needs Groups Sectors, Phase III indicators**

**INDICATORS**

<table>
<thead>
<tr>
<th>Health</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects supporting health facilities providing quality services</td>
<td>310</td>
<td>15</td>
<td>33</td>
<td>21</td>
<td>148</td>
<td>81</td>
<td>353</td>
</tr>
<tr>
<td>Health institutes (His) supported to enhance health education</td>
<td>21</td>
<td>2</td>
<td>1</td>
<td>10</td>
<td>5</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>HEC staff trained</td>
<td>100</td>
<td>120</td>
<td>20</td>
<td>120</td>
<td>40</td>
<td>300</td>
<td></td>
</tr>
<tr>
<td>Education curricula upgraded</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>HEC libraries equipped and supplied with books</td>
<td>12</td>
<td>2</td>
<td>10</td>
<td>10</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teaching laboratories equipped with learning materials</td>
<td>21</td>
<td>20</td>
<td>10</td>
<td>20</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Psychiatric hospitals and care staff trained</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>120</td>
<td>110</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trained health-service providers</td>
<td>1,500</td>
<td>683</td>
<td>519</td>
<td>335</td>
<td>40</td>
<td>40</td>
<td>1,992</td>
</tr>
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</table>

**Special Need Groups**

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public schools supported with inclusive education</td>
<td>148</td>
<td>33</td>
<td>9</td>
<td>5</td>
<td>26</td>
<td>29</td>
<td>8</td>
</tr>
<tr>
<td>Disabled children in SFD-supported schools</td>
<td>8,000</td>
<td>3,633</td>
<td>1,304</td>
<td>754</td>
<td>1,140</td>
<td>1,063</td>
<td>798</td>
</tr>
<tr>
<td>NGOs supported by technical training to serve groups with</td>
<td>80</td>
<td>23</td>
<td>60</td>
<td>11</td>
<td>33</td>
<td>13</td>
<td>151</td>
</tr>
<tr>
<td>Communities made aware of inclusive-education importance</td>
<td>210</td>
<td>4</td>
<td>31</td>
<td>31</td>
<td>11</td>
<td>47</td>
<td>141</td>
</tr>
<tr>
<td>Faculty of Special Education</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Staff members qualified in disability</td>
<td>140</td>
<td>14</td>
<td>46</td>
<td>40</td>
<td>56</td>
<td>48</td>
<td>178</td>
</tr>
<tr>
<td>Pre-school rehabilitation and education centers for preschoolers</td>
<td>35</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Street children centers and juvenile detention centers</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>7</td>
</tr>
</tbody>
</table>

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**Water and Environment Sectors, Phase III indicators**

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rainwater harvesting projects</td>
<td>400</td>
<td>61</td>
<td>49</td>
<td>50</td>
<td>63</td>
<td>49</td>
<td>295</td>
</tr>
<tr>
<td>Water stored in reservoirs (m³)</td>
<td>3,000,000</td>
<td>867,250</td>
<td>1,113,250</td>
<td>1,044,257</td>
<td>355,250</td>
<td>807,327</td>
<td>87,703</td>
</tr>
<tr>
<td>Pipelines systems</td>
<td>140</td>
<td>22</td>
<td>13</td>
<td>20</td>
<td>10</td>
<td>17</td>
<td>5</td>
</tr>
<tr>
<td>Reservoirs</td>
<td>60</td>
<td>14</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>13</td>
<td>9</td>
</tr>
<tr>
<td>Hygiene and environment awareness</td>
<td>210</td>
<td>54</td>
<td>15</td>
<td>20</td>
<td>5</td>
<td>49</td>
<td>197</td>
</tr>
<tr>
<td>Wastewater management</td>
<td>21</td>
<td>10</td>
<td>4</td>
<td>3</td>
<td>9</td>
<td>4</td>
<td>45</td>
</tr>
<tr>
<td>Solid waste management</td>
<td>16</td>
<td>9</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>22</td>
</tr>
<tr>
<td>Soil and water conservation</td>
<td>10</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>6</td>
<td>5</td>
<td>1</td>
</tr>
</tbody>
</table>

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*Include only under-implementation and completed projects as of 30/09/2009

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**Agriculture and Rural Development**

Activities under the unit are distributed over the sectors of Agriculture (12 projects at an estimated cost of $0.9 million) and the Integrated Intervention (nine projects worth $0.8 million) and Water for Agricultural Development.

**Agriculture**

The Agriculture Sector witnessed, during the third quarter, the implementation and completion of a number of activities and projects, with 308 productive projects financed (within the 3rd component of the Rain Fed Agriculture Project), benefiting a similar number of rural male and female productive groups. The projects distributed over the districts in four governorates, include livestock raising, care and marketing, veterinary services, beekeeping and honey production as well as modern techniques in the field of grain, fodder, poultry, irrigation and soil.

Four projects were also completed, with three (in more than one governorate) relating to specialized training courses and awareness campaigns, training for consultants on community mobilization and productive groups foundation and consultants’ training on building the capacity of productive groups in the rain-fed areas. The fourth project aimed to integrated control of bats (in Lahij).

In addition, the quarter witnessed the implementation and completion of training projects, benefiting more than 300 male and female participants, with training comprising three types.

The first, on-site training for productive groups (of both sexes) in technical, production, management and accounting... while the second focused on practical training for the preparation of 49 village health workers in veterinary and animal care. The last type of training aimed to prepare consultants and provide them with modern knowledge and practical skills in different areas to involve them in the implementation of various activities of the third component of the project.

Overall training focused on poultry and animal health, seed production & technology, utilization of animal, plant and domestic wastes, beekeeping and honey production, mobilizing the target communities, assessment of the current status of rural production, plan preparation, building the capacity of farmers and agriculture-extension workers in the field of palm cultivation.