The launch of the SFD’s Phase III and Donors’ Meeting were convened on 08 October 2003, and concluded with great success. These significant events virtually reflected the increasingly advancing performance of the SFD as a national institution actively involved in the development process and constantly improving its record of accomplishment.

The importance of the two major events was further enhanced by the sponsoring and participation of His Excellency President Ali Abdullah Saleh in the Opening Ceremony. In addition, the President delivered a speech in which H.E. praised the role played by the SFD and reaffirmed the continuation of support to the Social Fund by the Political Leadership. The President also indicated that the Government had been instructed to increase its contribution to the SFD’s credit to enable it to continue contributing to poverty reduction and to the realization of the nation-wide development objectives. Furthermore, the serious and rigorous discussions— that took place during the technical sessions of the Donors’ Meeting— drew lessons from the experience of Phases I and II and concluded the general trends of the Phase III, which is scheduled to start with the beginning of the new year (2004) and extend to 2008.

World Bank to Fund Phase III

Development Credit and Project Agreements were signed in Paris on 20 October 2003 by the Republic of Yemen and the World Bank. The credit, mounting to $60 million, will contribute to financing SFD’s Third Phase. WB’s officials praised the significant success achieved by SFD during Phases I & II, deeming the Fund an institutional model that proved to have high effectiveness and efficiency in using resources, which has been reflected in the continuous support received by the SFD from Yemen government and its agencies.

Under the auspices, and with the participation of His Excellency Ali Abdullah Saleh, President of the Republic, the opening ceremony of the SFD Third Phase Launch and Donors’ Meeting were convened on 08 October 2003 in Sana’a under the motto “Community-Based Development”. His Excellency opened also the SFD’s exhibition—which demonstrated various photos, models and publications reflecting SFD activities and achievements, as well as products of some beneficiaries—and praised the efforts exerted by the SFD in implementing projects in different regions of the country and in encouraging local communities to contribute to the development process, emphasizing the importance of benefiting from the local raw materials in construction pursuant to the nature of the respective area. His Excellency also attended the inauguration ceremony of the third phase of SFD operations, and delivered a speech in which His Excellency praised SFD’s management for the good performance of the Fund.

H.E. Saleh also delivered a speech, in which he confirmed the continuous support received by the SFD from all Yemeni government and its agencies.

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**Social Fund for Development Newsletter**

**Third Phase Launch & Donors’ Meeting**

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WB to fund Phase III..... (Cont. from page 1)

Participation in the negotiations and signing protocol included Mr. Ahmad Qassim, the Yemeni Prime Minister and Minister of Planning & In’t Cooperation, Mr. Abdullah Ar-Al-Muhayya, Managing Director of the Social Fund and some SFDe’s senior officials, Yemen’s ambassador to the USA, and a number of WB officials.

SFD contributes to supporting decentralization, local development and M&Cs

A Memorandum of Understanding (MU) was signed in Sana’a on 07/12/2003 by H.E. Sadeq Ameen Abou-Ras, Minister of Local Administration, and H.E. Abdullah Ar-Al-Muhayya, Minister of Social Affairs and Development, Managing Director of the SFDe, and H.E. James Roali, Country Resident Representative of the UNDP. The MU aims to organize the cooperation to support decentralization and local development through the execution of the national program that specifies tasks towards achieving this goal. The SFDe will contribute to financing and implementing the coming and expenditures model, as well as building local capacity and Local Councils’ capacities. The program will be implemented by the SFDe in some districts and by the UNDP in others—sharing the same methodology in application.

The Managing Director and UNDP Res. Rep. also signed an agreement on supporting Micro Credit Programs (MCPs), by which the UN provides the program with technical support (experts, other contracting arrangements). The SFDe offers credit resources and technical support, as well.

Education Unit

During the fourth quarter of 2003, 83 projects were signed, including the construction or rehabilitation or completion of 658 classrooms—respectively. The projects also include the construction and equipping of a lecture hall for Amran’s Education College and two kindergartens in Al-Taiziyah as well as providing part of the funds required to the Ministry of Education’s offices in Dhamar and Al-Baidha governorates.

Cultural Heritage and Rural Roads Unit

• Several projects were accomplished, as well as the final handover of Al-Tadhamun Bridge project in the Capital’s Al-Safyia district, which considerably eased crossing of the wadi-occurrence (Al-Tishr) between which pedestrians and vehicles were passing, and improved the environmental and hygienic conditions.

Cultural Heritage

• Financing agreement for about 11 Mahashma (small gardens) in the Old City of Sana’a was signed with the Local Council (the sponsoring agency) and the Ministry of Endowment & Guidance (the owner and beneficiary). A number of Mahashma rehabilitation and fencing projects are being handled over.

• Works are underway to complete the two-story underground warehouse of Sana’a Museum, and are expected to be finalized mid-January 2004.

• Quotations of five local and Arab engineering bureaus to prepare the report of the construction project for Minah Museum are currently being analyzed technically and financially.

• Rehabilitation of the eastern part of Al-Usha Palace (Sayoun palace) is underway.

• The contract on Al-Kurbat Gorge in Zabed (Al-Mahashma) was signed by a contractor—from the same area—and the Urban Cultural Heritage Strategy Management Program (the latter being the sponsoring and executing agency of the project). Implementation work was already been initiated.

• Preparations are underway to establish a ‘Laying and Building Craftsmen Association in Wadi Hadratnam.

Water & Environment Unit

• Implemented and under-implementation projects in this sector reached 25 in the last quarter of the year; hence, cumulative number of water projects is 583. The quarter and cumulative commitments mounted to 1.5 and 36.4 million US$ respectively, while disbursed amounts are $1.5 and $26.2 million respectively.

• The radio series tape titled “Mus’d and Mus’eda” was produced. The social series—tinged with humor—contains several health messages.

Environment

• Five projects were either implemented or have become under implementation during this quarter, the total cumulative number of projects being 89. Commitments are respectively about 0.4 and 10.9 million US$ in the quarter and cumulatively, while disbursed amounts reached $0.4 and 6.7 million.

• The Social Fund is preparing to implement a pilot project to utilize the biogas in cooking and energy production. Biogas can be yielded from the degradation of organic substances, such as animal excreta and food remnants. In this regard, a regional expert visited some rural areas to collect relevant data and nominate the areas suitable for the implementation of the project.

Training Unit

During the fourth quarter, 27 projects were contracted:

Training Sector

In this sector, 19 projects were contracted, of which one project was closed during the same quarter. The training targeted:

• Local councils’ members in various governorates in “Developmental Concepts, Project Life Cycle and Analysis of Organizational & Administrative Problems”

• Extentionists and health workers in “Health & Environmental Awareness Methods” related to water harvesting projects in the governorates of Ibb, Taiz, Aden, Lahej, Abyan, Dale’, Hadratnam and Sana’a.

• Community Committees of water and feeder roads projects in Taiz Governorate.

• Forming and training of Community Committees in the governorates of Taiz, Al-Hudahdam, Dhamar, Hadratnam and Amran.

• Training SFDe officers and consultants in “Contracting Methodology to Implement M&Cs projects. SFD projects.

• Providing necessary training for rural students from Sana’a University in “Communication Techniques & Forming Community Committees.” The aim of supporting developmental work and contributing to providing work opportunities for the university students and graduates themselves.

• Training supervisors of Environment Friends’ Clubs in secondary schools (Wadi Hadratnam).

Health and Social Protection Unit

Taiz Branch Office manager represented the Unit in the semi-regional conference in Amman/Jordan on 15–18 December 2003 on “Integrating the Disabled in the Vocational Training Programs”, and visited a number of Jordanian special-concept organizations.

On behalf of the Unit also, Aden Branch Office manager and the HQ’s special-need groups officer participated in the “Arab Regional Conference for Educational Integrating of the Blind” that was held in Beirut/Lebanon during 16–18 Dec 2003. The conference, which was attended by 55 representatives of national & international organizations of Education of 11 Arab countries, aimed to exchange experiences and conclude recommendations supporting educational integration of the blind.

Health

The SFDe has agreed to finance 16 health projects.

• The Health Projects Officer participated in the workshop organized in Sana’a’s mid-December 2003 by the Ministry of Public Health in collaboration with United Nations and Partners of Applied Health Sector Reform for District Health System.

• The Health Projects Officer also participated in the training workshop funded by the SFDe and conducted by the British ICD for training Health Councils in 6 of Al-Hudahdam and Sana’a districts.

Special-Needs Groups (SNG’s)

Sixteen projects were agreed to be financed. They include:

• Support health activities in Mahawah-Aser area of the Capital City, including upgrading capabilities of female health workers and supply them with delivery kit bags, in addition to preparing and presenting the Female Health Workers Follow-up Program to execute awareness-raising programs for households.

• Support the activities of the Girls’ Social Guidance House in the Capital City, including the provision of 16-passenger bus.

• Rehabilitation and furnishing of the Central Prison’s dispensary in Al-Mahashma.

• Within the framework of the efforts exerted to expand the Inclusive Education Program (IEP) to Al-Hudahdam, Al-Mahwah, Bwit, Dhamar and Hadratnam governorates, the following activities were carried out:

• Five IEP teachers were sent to Jordan to obtain intensive university diploma in this field.

• Providing computer courses for 56 parents and other individuals working in IEP schools in Taiz and Abyan on the child’s rights, I.E., learning difficulties and supporting special-need children enrolled in schools, as well as community participation.

Integrated Interventions

2 projects were agreed to be implemented, with a total cost of about 53,000 US$, including the following:

• Training staff of Local Development Committees in Abyan (Al-Hudahdam) and Al-Luhayya (Al-Hudahdam) on mechanisms of improving economic feasibility of the agricultural products in the target areas of the Integrated Intervention Program.

• Training course for 45 beekeepers in Alwar on modern methods of beekeeping.

Training members of Local Development Committees in In-housing Grant contract: preparing training of the project, as well as preparation of project plans in coordination with the Local Councils.

Training women in Integrated intervention areas on ways, mechanisms and methods of cultivation of vegetable (self-sufficiency) gardens.

Forming and training two Water Users’ Committees in Ambasty and Hanadh villages (Alwar district/Abyan governorate).

Small and Micro-enterprise Development Unit

Declaration of Microfinance National Foundation

On 24/10/2003, the National Foundation for Micro finance was declared as the first foundation of its kind specialized in providing microfinance services in Yemen, with a capital of 20 million Yemeni Rials, including figures, businesses, banks and the Social Fund for Development have contributed in establishing the foundation. This rising foundation will manage a number of projects, mainly micro enterprises for the benefit of the rural population in the country, and especially in Abyan and Alkeidah. It is expected that the establishment of this foundation will contribute in strengthening the available capacities for the provision of MF services in Yemen.

Sanabel MF conference

A delegation from the Social Fund for Development has participated in the first annual conference of the Arab MF Networks (AMF), held in Jordan in 15–17 December 2003. A number of non-financing member SFD also participated in the meetings of the general assembly of Network, in which it was decided to establish a permanent headquarter. This in turn will increase the capacity of the Network in providing its services to the MF services in the Arab countries.

Informational Training Course on MF and Lending

The course was held for a number of NGOs from Lajh, Shabwa, Bbb., Hadratnam, Al-Mahashma, and attended by representatives of each NGO. The six-day course included a visit to Abyan MF pilot project, which is being supervised by the Women’s Unit in Abyan.

Training Course in Strategic Planning

The course was held in the SFDe Headquarters for MF programs. During the course, participants were acquainted on the methods of strategic planning and the tools used, including the use of the computer program “Microfin”. The program, which is a special tool for financial planning, was translated to Arabic by SFDe.

Seminar on Micro Activities Role and Development

The seminar was held in Sana’a during the period 21–24 December 2003 in cooperation with the Islamic Bank for Development –Jeddah. Attendance included Twenty- seven trainees representing a number of micro-enterprise activities and the Social Development Fund, in addition the Ministries of Industry and Vocational Training. A number of lectures exposed several experiences from different countries, as well as useful thoughts on the role of the NF of micro-activities and their development. In addition, efforts in the field in Yemen were presented during the seminar.