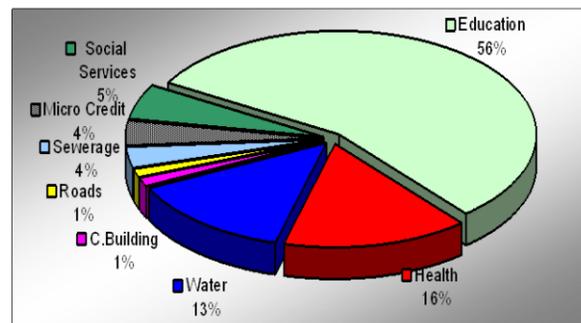


Completed Projects as of June 30, 2000

Sector	No. of Projects	Investment (\$)
Education	304	14,434,215
Health	42	2,045,886
Water	40	2,899,800
Capacity Building	45	365,485
Roads	1	39,180
Sewerage	2	101,357
Micro Enterprises	1	16,871
Income G.	1	28,467
Total	436	19,931,261

Investment by Sector (2nd Quarter/ 2000)



Beneficiaries and Job Opportunities:

The following tables show the expected number of beneficiaries and job opportunities from SFD programs and projects committed during the second quarter of the year 2000.

No. of Beneficiaries

Group	Direct Beneficiaries	Percentage (%)	Indirect Beneficiaries	Percentage (%)
Men	38,232	21.4	10,285	23.3
Women	39,543	22.1	10,178	23.0
Boys	48,931	27.4	13,066	29.7
Girls	52,051	29.1	10,600	24.0
Total	178,757	100	44,129	100

No. of Job Opportunities

Group	Permanent (person)	Temporary (person-day)
Male	137	187,779
Female	66	256
Total	203	188,035

SFD Accumulated Investment and Disbursement up to 30/6/2000 According to Governorate

Governorate	No. of Projects	Committed (\$)	Disbursed (\$)	Percentage of Disbursement
Sana'a Capital	62	3956227	1241693	31.39
Sana'a	138	6219983	3293575	52.95
Aden	37	3951369	847979	21.46
Taiz	116	5797597	3872216	66.79
Hodiedah	72	5,239,186	3162577	60.36
Lahj	36	2239134	1126768	50.32
Ibb	73	4301282	1974218	45.90
Abian	22	1360980	688524	50.59
Dhamar	62	4150170	1821328	43.89
Shabwah	29	1389903	611932	44.03
Hajjah	83	3937484	1537533	39.05
Baidhaa	25	1472885	630159	42.78
Hadramout	55	3080785	2148331	69.73
Saadah	33	1651634	548403	33.20
Mahweet	31	2524814	869692	34.45
Maharah	19	943615	631624	66.94
Maareb	17	903809	553176	61.20
Al-Jawf	9	512797	195533	38.13
More governorates	31	485238	229099	47.21
Total	950	54,118,892	25984362	900.37

SFD Accumulated Investment, Disbursement, Expected Number of Beneficiaries, and Job Opportunities up to 30/6/2000 According to sector

Sector	No. of Projects	Committed (\$)	Disbursed (\$)
Education	577	28,172,056.69	15,328,952.52
Health	126	6,746,909.78	2,851,116.80
Water	106	7,703,427.24	4,489,484.33
Envi. Activities & Sewerage	21	3,541,556.25	62,667,488
Roads	9	885,193.30	144,924.85
Cultural Activites	2	357,950.00	13,722.11
Social Services	10	3,159,076.68	106,048.92
Capacity Building	85	1,116,343.92	605,127.63
Micro Enterprise	14	2,436,378	1,818,309.97
Total	950	54,118,891.86	25,984,362.01

Sector	Beneficiaries		Job Opportunities	
	Direct	Indirect	Temporary (person-day)	Permanent (person)
Education	288,468	43,464	1,038,815	3,628
Health	600,636	50,506	169,630	1,151
Water	422,072	8,498	237,329	167
Environmental Activities & Sewerage	247,395	4,900	120,269	151
Roads	94,836	93,996	70,822	0
Cultural Activities	14,960	0	12,350	3
Social Services	2,454	2,500	101,359	160
Capacity Building	10,649	6,115	19,205	446
Micro Enterprise	11,031	60,163	2,865	154
Total	1,692,501	270,142	1,772,644	5,860

SFD Newsletter

April - July, 2000

During the Spring Meeting of the IMF/ World Bank:
SFD-Yemen is a Leading Project in Community Driven Development

Yemen -Social Fund for Development has been selected by the CDD Group at the World Bank as one of the leading activist in Community Driven Development where the World Bank is a partner. SFD invited into two seminars held during the spring meeting of the IMF/World Bank to present its experience in community driven development. The first seminar was on Friday, April 14 for World Bank staff and selected members of the NGO community. The second session was on Sunday, April 16 exclusively for the participants of the IMF/World Bank Spring Meetings. The second meeting attended by numbers of Finance Ministers and Mr. Wolfensohn the President of the World Bank.

The First Meeting of the Board of Directors in the year 2000

The SFD Board of Directors held its first meeting for this year on 17th April 2000. The meeting was chaired by H.E. Dr. Abdulkarim Al-Iryani Prime Minister, Chairman of the Board. The following were among the main issues discussed:

The Audit Report for the 1999 SFD budget and the appointment of an auditor for the year 2000.

The Development Credit Agreement & the SFD Project Agreement (Second Phase) initially signed with the International Development Association.

The SFD performance during the 1st Quarter of the year 2000

The Audit Report for the year ending 31st December 1999 was approved, together with the appointment of an auditor for the year 2000.



Dr A. Al-Iriani Prime Minister Chairman of the Board during the meeting

Editorial

Approaching the start of the second phase of the SFD operation and after finalizing the second credit agreement with the WB-IDA amounting to US\$75 millions, the SFD is looking forward to mobilizing the additional US\$ 100 million required fund for the second phase. During the first phase the speed of utilizing fund fluctuated mainly because the resources coming from the different financiers were not all made available at the right time to respond to the actual needs demanded by the SFD operations. Stated differently, the availability of resources in terms of timing and allocations by the financiers as well as their magnitude were not all optimally synchronized. Therefore the funds which were made available at the right time were utilized faster and more efficiently. We are hoping that the lessons learned from the first phase will help in securing better flow of fund for the second phase.

The Second Credit Agreement of US\$75 Millions from World Bank-IDA

During the visit of H.E. Mr. Ali Abdulah Saleh the President of the Republic to the World Bank on April 3, 2000, the Minister of Planning and Development Mr. Ahmed Sofan initially signed the second credit agreement toward the second phase of the Social Fund for Development in the presence of the Managing Director of SFD Mr. Abdulkarim Al-Arhabi. At an earlier date successful negotiations were concluded in Washington DC (conducted from March 27 to April 3). Later on the Executive Directors of IDA approved the agreement on May 23.

On June 9, the Minister of Insurance and Social Affairs Mr. Mohamed Al-Betany signed the credit agreement. While the Managing Director of SFD signed the Project agreement.

Credit agreement from the Islamic Bank

On May 14, H.E. Mr. Ahmed Sofan the Minister of Planning and Development with H.E. Dr. Ahmed Mohammed Ali the Chairman of the Islamic Bank signed a credit agreement. According to this agreement the Islamic Bank will provide four million Islamic Dinars to the Yemen Government to finance operations of the Social Fund. The agreement was approved by the Council of Ministers on May 24 and it is now in the House of Parliament to be ratified.

Social Fund for Development

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System for Monitoring and Evaluation

During the period of 2/5-1/6 2000, Mr. W. Keddeman, a consultant specialized in impact evaluation conducted an identification visit with the objective to identify the prospect of developing a system for impact, and setting up an action plan for the coming year. During the visit he met with relevant officials and visited selected of SFD projects.

SFD Staff Meeting

The SFD staff periodic meeting was held on the 27th of May. The meeting concentrated on discussion related to the following issues:

- The second credit provided from WB-IDA toward the second phase operations
- Performance and productivity of SFD staff
- The progress made by the Head Quarter and Branch Offices in the 2000 work plan
- Monitoring and evaluation indicators and the prospect plan in this regard for the next year
- The result of conducting the monitoring of 42 completed schools
- The second program of water harvesting modification in the civil work procurement document and disbursement method to be developed

Community Development Unit News

Water harvesting training

During the period of 3-6/6/2000 a training course in water harvesting was conducted for 130 local consultants to get acquainted with such schemes and community contracting. The training course includes: description of water harvesting program and its goals, technicalities for rehabilitation and expanding the cisterns, as well as the PRA techniques. The course included also components for raising health and environmental awareness among the local communities in target areas.

Participating in Conference

The SFD has participated in the First National Conference on "Place of Ancient Agricultural Practices and Techniques in Yemen Today" held in Sana'a last June. A paper on the Experience of the SFD on Traditional Water Harvesting and Irrigation was presented by Mr. J. Al-Jilani, senior officer, followed by a case study presented by Mr. A. Al-Mujahed, senior officer in the water sector.

Community Participation Activities

1. Orientation was made in the field for the PRA techniques by the SFD community participation officer for a group of employ from the MOE office in Radaa Al-Baidaa. This activity conducted on 7th and 8th of May.
2. Five days orientation were made for 9 participants, four female and five male, from the Coordination Unit of MOE participating in the Basic Education Program financed by the WB and implemented by the MOE. The first day was conducting in the SFD premises while the other four days were devoted to demonstration in the field. This activity took place during the period of June 14-19.

Capacity Building Unit News

The Capacity Building interventions have been diversified within the following two components:

1. The organizational capacity building during the 2nd Quarter of the current year concentrated on:
 - Training of trainers in sewing and embroidery for the National Programme of Productive Families. The trainees are being prepared to become trainers affiliated to various NPPF centers around the country.

SFD Participates in the International Conference on Social Funds

The Second International Conference on Social Funds took place in Washington D.C from 5-8th of last June. Over 300 delegates representing more than 60 countries attended.

After opening the conference by the president of the W.B, the world development report (2000/2001) was discussed and a number of papers addressing the role of Social Funds in poverty reduction were presented. Mr. AbdulKarim Al-Arhabi the Managing Director of the Yemeni Social Fund presented a paper on Poverty and Social Risk Management in Yemen. The paper highlights the poverty situation in Yemen, and the role of the Social Fund in social risk management. In addition, Mr. Al-Arhabi presented SFD's experience in Micro Finance in one of the breakout sessions. Mr. Abdullah Al- Dailami, the Head of Community Development unit, presented SFD experience in conservation cultural heritage, in the break out session of (Cultural Assets for Poverty Reduction).

In the last day of the conference (8th June), the regional social investment funds nets conducted their meetings separately.

Middle East & North Africa (MENA) net meeting was headed by Mr. Al- Arhabi. The parties played an effective role in reaching a realistic recommendation on the coordination needs of the network and the necessary mechanism for information flow and exchange of experience between different entities involved in poverty reduction in the region

Donor's visits

1. During the period from May 10-14, a mission from the Arab Fund for Economic and Social Development conducted a follow up visit to the Social Fund. The mission visited selected projects, and held meetings with the SFD's Managing Director, Senior, and technical staff. The mission consisted of Dr. G. Nakshbendi the Financial Expert, and Abdulhamid AL-Zigalae the Economic Expert.
2. On April 30, a mission from the US Agriculture Department along with Her Excellency Ms. B. Bodine the Ambassador of the United States to Yemen visited the Social Fund. During the visit the SFD Managing Director gave a brief presentation about the SFD current activities financed by the US Aid Counter Value.
3. On May 14, Ms. T. Wagner the Deputy Director of the USAID in Egypt along with Her Excellency Ms. Bodine paid another visit to get acquainted on SFD programs and activities. Ms. Wagner expressed her satisfaction for the SFD Development approach and wished the SFD more success.

- Providing technical assistance and training to the General Directorate of Associations and Federations in the Ministry of Insurance and social Affaires. The assistance will enable them to communicate with various associations and disseminate information by means of a quarterly Bulletin, organize and improve the filing system, training staff in basic computing and archives, in addition to financing the compiling of a training package by specialized local consultants. This package will target the steering committees of various associations and NGOs, as well as SFD projects' committees.

- Co-financing a "Seminar on NGOs' Participation in Poverty Alleviation" attended by senior members in local NGOs and association aiming to improve the involvement and participation of NGOs in this field.

- Co- Financing the first Seminar on " The Place of Ancient Agricultural Practices and Techniques in Yemen Today" attended by local and foreign specialists and scholars in addition to NGOs with the aim of sharing experience and know-how related to this topic.

- Hiring a consultant to conduct a random impact assessment concerning four training projects previously implemented in the field of Basic Accounts for Agricultural Cooperatives and Agricultural Federation branches around the country

2. Support has also been provided for a number of NGOs and associations during the same period to enable them to reinforce their efforts aiming to train local communities, mainly females, in gaining certain skills that will help them improve their living standards. The SFD support is complementary and is limited to providing some necessary equipment and furniture to encourage the increase in enrollment for certain existing activities within each association like sewing, embroidery, handicrafts, home economics, literacy and typing. The impact resulting from such SFD interventions has been well illustrated through the participation in EXPO 2000 exhibition in Hanover, Germany of two NGOs supported by the SFD (namely Ghail Bawazir Center – Hadramout and Al-Ta'ahil association – Sana'a). Products from certain activities (textile weaving and handicrafts and embroidery) were exhibited in EXPO 2000.

Small and Micro Enterprises Unit News

- A team from the SFD headed by Mr. Ahmed Abou – Alyzied, International Consultant, conducted a midterm evaluation for Al-Odein beekeeping program, which is implemented by The Beekeepers Association of Al-Odein District. The results of the evaluation showed that the program was successful in reaching the target groups. The evaluation also showed that the program succeeded in choosing an economic activity that is suitable and beneficial to the environment in Al- Odein. Also, the team appreciated the SFD's technical and financial support for the program. The team recommended making adjustments in the agreement, which will help the program reach its goals, support the cooperative, and improve performance in the

The program conducted the fourth training course in beekeeping and honey production. It disbursed 26 loans, by which the number of the active borrowers has now reached 57 borrowers.

Training Course in Using the Accounting Manual for Micro Credit

After finalization of the Accounting Manual for the Micro Credit Programs, a training course for the accountants on its use was needed. The course was held from May 6 till May 11, 2000. The trainees were satisfied of the course, which took into consideration the particularity of each project. The designer of the Manual visited all projects to make the necessary changes and train the accountants on its use.

The Wadi Hadhramout Program for Financing & Saving

The agreement was signed on 30th May 2000. At the beginning the program will provide loans for micro enterprises in Sayun. In the second phase the program will extend its services to other areas near Say'on. The program's lending capital is 27,700,000 YR; and it's expected that the number of active borrowers during the first phase will be 200.

The following table shows the financial details of the programs till June 2000.

Program	Active No of Borrowers	Active No. of Savers	Outstanding Loan Portfolio (YR)
HodidahMF	1770	0	58,431,214
LSED	298	905	2,319,400
SahMC	389	0	10,592,360
WomenS&C-Aden	53	479	862,201
MarawahIGP	520	0	20,945,917
DarjajIGP	412	0	11,648,986
Beekeeping-Odain	57	0	3,091,130
WadiMorIGP	169	0	6,525,660
Total	3668	1384	114,416,868

Achievements of the second Quarter of 2000

The SFD has contracted 120new projects during the second quarter of 2000, with a total investment of about 5.3 million dollars.

Investment by Governorate (2nd Quarter/ 2000)

Governates	No. of Projects	Commitment (\$)	Percentage
ana'a City	4	203012	3.80
ana'a	6	256953	4.81
Aden	5	398093	7.45
Taiz	12	475926	8.91