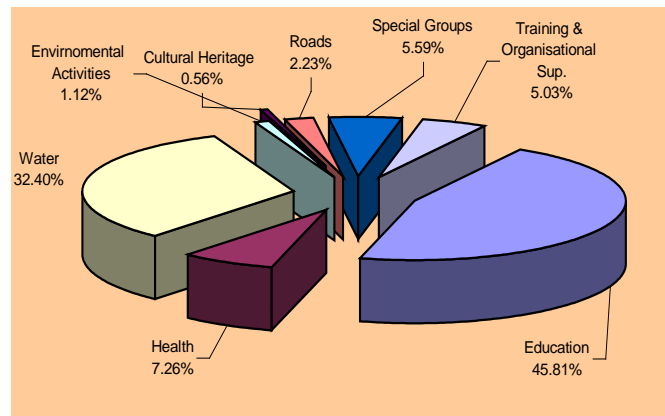


Investment by Sector (4th Quarter/ 2000)



Cumulative Investment and Disbursement According to Program

Program	Commitment (\$)	Disbursement (\$)
Community Development	72,197,062	34,944,117
Capacity Building	6,850,311	6,267,909
Small and Micro Enterprises Development	2,688,671	2,191,200
Total	81,736,044	43,403,226

Completed Projects as of December 31st, 2000 *

Sector	No. of Projects	Investment (\$)
Education	372	19,006,025
Health	61	2,967,453
Water	56	3,943,480
Environment	3	356,564
Roads	3	202,860
Micro Enterprises	4	283,787
Special Need Groups	1	98,747
Integrated Intervention	1	8,231
Training	31	391,664
Organizational Support	22	193,134
Total	554	27,451,945

*Completed and not closed projects and their final cost is subject to change

Social Fund for Development

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SFD Cumulative Investment and Disbursement as of 31/12/2000 According to Governorates

Governorate	Number of Projects	Committed (\$)
Sana'a Capital	97	7,369,981.86
Sana'a	105	4,799,237.60
Aden	44	4,139,795.01
Taiz	124	6,968,104.98
Hodiedah	103	6,798,567.13
Lahj	38	2,655,003.74
Ibb	80	5,089,619.63
Abian	32	2,162,346.69
Dhamar	82	5,003,204.20
Shabwah	33	1,663,307.12
Hajjah	87	4,395,229.160
Baidha	29	2,001,035.91
Hadhramout	81	5,668,308.64
Saadah	38	1,837,751.70
Mahweet	57	4,233,383.55
Maharah	23	1,483,080.52
Maareb	24	1,309,367.46
Al-Jawf	22	1,138,418.74
Amran	85	4,323,293.37
Al-Dhala'a	19	1,370,111.12
More than one governorate	34	541,478

SFD Cumulative Investment, Disbursement, Expected Number of Beneficiaries, and Job Opportunities as of 31/12/2000 According to sectors

Sector	No. of Projects	Committed (\$)	Disbursed (\$)
Education	701	39,633,000	20,971,794
Health	149	7,961,000	3,778,797
Water	202	13,320,000	6,114,907
Environment	21	3,605,000	1,493,606
Cultural heritage	6	647,000	234,010
Roads	13	1,443,000	320,780
MicroEnterprise	17	2,394,000	1,894,397
Special Groups	19	4,442,000	1,042,487
Integrated Intervention	1	8,000	7,329
Training	41	852,000	573,008
Organizational Support	63	669,000	401,387

Sector	Beneficiaries		Job Opportunities	
	Direct	Indirect	Temporary	Permanent
Education	396,932	85,033	1,492,018	669
Health	684,168	50,515	201,390	591
Water	656,356	9,992	473,151	4
Environment	398,009	0	115,707	0
Cultural Heritage	16,850	4,900	22,689	4
Roads	153,836	75,996	96,012	0
MicroEnterprise	12,446	60,163	3,758	56
Special Groups	33,786	300	143,509	40
Integrated Intervention	9	0	92	0
Training	15,996	390	10,381	37
Organizational Support	12,478	8,269	13,020	64
Total	2,380,866	295,558	2,571,272	1,465

SFD Newsletter

October - December, 2000

Editorial

The fourth quarter of year 2000 coincided with the end of the First Phase of the SFD operations during which the SFD did very well as far as its overall performance is concerned. The outstanding performance of the SFD during the First Phase can very easily and clearly be concluded from the genuine data, facts and figures included in this report which at the same time provide the necessary evidence and proof of the exceptionally great success of SFD. The SFD's capacity had been strengthened during the previous years, enabling the SFD to shorten the implementation period of the First Phase from five years to three years and allowing it to proceed firmly with great confidence to implement the Second Phase of its operations during the years (2001-2005).

The Second Phase operations are believed to be a real challenge, which may not be the subject of high expectations or underestimation. However the SFD is very confident of its capability to meet the challenges of the Second Phase. This high level of confidence in the SFD and the strength possessed are drawn from the competent, enthusiastic and dedicated SFD staff obtained during the implementation of the various activities in participation with the local communities. It also stems from the valuable support provided to the SFD by the numerous donors whose partnership with SFD is deepening with time, and constituting the corner stone of success, continuity and the expansion of SFD operations.

The second meeting of the Board of Directors in the Year 2000

The SFD Board of Directors held its second meeting for the year 2000 on Sunday 29 October 2000 at the Head Office of the SFD. 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 SFD draft budget for the year 2001.
- The SFD general performance report covering the period from January 1st - September 30th.

The Board approved the draft budget for the year 2001.

Prince Talal Ben Abdulaziz in the SFD

SFD hosted the negotiation between the Arabic Gulf Fund for Development (AGFUND), headed by His Highness, Prince Talal Ben Abdulaziz and the Ministry of Social Affairs, headed by H.E Mr. Mohammed Al-Battany, to establish a Bank for the Poor in Yemen. During the meeting SFD's professional contribution concerning the technical side of the bank's establishment was discussed. SFD is regarded as the first organization in Yemen to carry out micro-credit schemes in a systematic manner.

World Bank Vice President visit SFD

On the 16th of November, the Vice president of the World Bank for MENA Region, Mr. Jean-Louis Sarbib and the World Bank Resident Representative in Sana'a, Mr. Gianni Brizzi, paid a visit to the SFD. During the visit, SFD Managing Director gave a brief presentation about the SFD activities and achievements.

Twenty million NLG contribution to the Social Fund

On 29th of November, Mr. Abdulkarim Al-Arhabi, SFD Managing Director with H.E Mr. Bert J. Ronhaar, Netherlands Ambassador to Sana'a, signed a twenty million NLG (Dutch Guilders) contribution for increasing and expanding the school facilities in urban areas. Dr. Yahya Al-Shoaibi, the Minister of Education witnessed the signing of the Agreement. The amount contributed by the Netherlands Government is considered to be generous and a positive response to the proposal submitted by SFD in early October 2000 to the Netherlands Embassy in Sana'a to reduce crowding in educational facilities in urban areas through expanding schools or building new ones.



H.E. Ambassador of Netherlands and M.D. of SFD signing the agreement

- **Education:**
 - In the framework of the program to reduce crowding in urban schools, the SFD has signed an agreement with the Ministry of Education to expand 24 primary schools in Sana'a City, which will include the building of 70 classes for 30700 students in minimum. The intervention includes providing all schools with the necessary annexes such as laboratories, libraries, activity rooms....etc. as well.
- **Cultural Heritage:**
 - During the quarter the unit finalized the preparation of a project designed to pave 8000m of lanes in the old city of Sana'a. This intervention will include changing the old water supply network and lighting the streets that will be paved.
 - Rehabilitation of AL-Woshali and Jamal EL-Deen Meqshamas in the old city of Sana'a was started.

Water & Environment Unit News

- **Water Harvesting Projects- Phase 2**

The number of projects under implementation during this quarter reached 15; 7 in AL-Mahweet, one in Amran, and 7 in Sana'a. These projects consist of 51 cisterns. The SFD's interventions include rehabilitation, expanding existing cisterns, or building new ones, when necessary, in order to meet the needs of the beneficiaries during the dry season. The interventions also aim at improving drainage channels, fencing the cisterns and installing hand pumps.
- **Other Water Projects:**

The number of water projects (excluding the water harvesting projects) under implementation reached 42 projects. With these, the total number of projects implemented during the quarter was 57 with an estimated cost of US\$3,291,441.
- **Environmental Sector:**

Two project agreements have been signed at an estimated cost of US\$186,340.
- **Capacity Building:**
 - During this quarter, Dr. Taha Taher, presented a paper entitled "Rainwater Harvesting: Hygiene Education" at a workshop about water and environment which was held at the Faculty of Agriculture, Sana'a University, from 13 -19 Oct, 2000.
 - Eng. Jaweed AL-Jilani participated in a special course on "Protecting Reservoirs and Dams from Pollution" which was organized by the Arab Organization for Agricultural Development from 4-9 Nov, 2000 in Sana'a. It's main subjects were:
 - Policies required to protect reservoirs and dams from pollution
 - Strengthening beneficiaries role in protecting lakes from pollution
 - Biological methods for fighting pollution

Training Unit News

The Unit financed and Implemented 8 projects during the 4th quarter of the year 2000. These included:

- Six projects for supporting associations and NGOs providing them with equipment and furniture to help them improve the services they offer to beneficiaries in local communities (Sana'a Governorate & Sana'a City).
- One training course to improve the capacities of the charitable associations and accountants in women NGOs' in the Basics of Accounts and Book-keeping.
- Nineteen trainees representing 19 associations and women centers in seven governorates took part in the course. One project to establish a Child Public Library, the fifth of its kind financed by the SFD in Sana'a City. Children in Al-Hasaba/ Al-Giraf district will benefit from this library.

- Completion of a project in Sana'a City for supporting the National Programme for Productive Families. This project included two components:
 - Training of trainers in sewing, embroidery and design for a period of 8 months.
 - Completing the construction of a training and exhibitions' facility annexed to the Head Office of the NPPF
- Thirty-four trainees, most of them not formerly employed, were trained. The graduating trainers will be distributed among a number of productive family centres around the country including, Aden, Hadramout and Hodeida, after the NPPF and competent Government bodies agreed to employ them permanently and grant them competitive salaries. The completed project also provided the National Programme supervisory staff with new management skills that will enable them to supervise and manage similar projects in the future in cooperation with NGOs. The training outputs of the project included clothes and handicrafts that were offered for sale. The return of sales collected will go to the Productive Families Centre and assisting this Centre to improve and develop its training and productive capacities.

Small and Micro Enterprises Development Unit News

- **Rift Valley Disease (RUF)**

A team from the Unit visited the areas affected by the RUF in Zuhra, Luhaia, and Maraweah. The team investigated the effects of the disease on the area. The team recommended that the SFD provide emergency food assistance to alleviate the suffering of the poor in those areas. In this regard, SFD signed an agreement with Wadi Moor and Wadi Siham Agricultural Cooperatives to distribute SFD assistance in the region. Around 7,000 families will benefit in Wadi Moor and Wadi Seham. The food assistance included white corn, which is bought from the local market. The assistance will help people sustain themselves as well as help the local farmers who will sell their corn crops to the project.
- **Group from Syria to Hodiedah Micro Credit program:**

A group of 7 workers from the UNDP project in Rural Development – Gabal Al Hus in Syria paid a visit to Hodiedah MC Program in the period 12-22/12/2000. The purpose of the visit was to learn from the program's experience in micro finance using Islamic banking methods. The participation expressed their appreciation for the good organization and the experience of the program

- **Wadi Hadramout program:**

A ten day training session was conducted for Program staff and Al-Nahdha NGO administrative staff. Programme procedures have already been established and it is planned to start its services in Sayun city before expanding to other areas in the Wadi.
- **The final report of the Baseline Survey of the Small and Micro Enterprise in Yemen:**

The Netherlands Economic Institute and the CSO conducted a baseline survey of the Small and Micro Enterprise sector in Yemen.

Syrian group during a field visits to one of the beneficiaries from Hodiedah MC Program



Although, according to the survey, the establishments suffer from high competition, market stagnation and weak infrastructure, 50% have plans for expansion. The study shows that small entrepreneurs need financial assistance, consultation in technology and production techniques.

The following table shows the portfolios of SMED programs as of December 31st, 2000:

Program	Active No. of Borrowers	Active No. of Savers	Outstanding Loan Portfolio (YR)
Micro Credit-Hodiedah	2002	-	74,532,000
Women Literacy-Hais	298	905	1,020,000
AlSeh Lending Programme	301	-	7,236,000
Women Saving Programme-Aden	5	288	42,000
Income Generating Maraw	818	-	15,174,000
Income Generating-Abyan	433	-	10,213,000
Income Generating-Orain	124	-	5,846,000
Income Generating-Wadi More	229	-	7,552,000
Total	4210	1193	121,615,000

Achievements of the Fourth Quarter of 2000
The SFD has contracted 182 projects during the fourth quarter of 2000, with a total investment of about 14.4 US\$.

Investment by Governorates (4th Quarter/ 2000)

Governorates	No. of Projects	Commitment (\$)	Percentage
Sana'a City	29	3,233,526.88	23.1
Sana'a	20	979,100	7.0
Aden	8	636,526	4.6
Taiz	13	1,344,955	9.7
Hodiedah	19	1,226,545	8.8
Lahj	3	281,020	2.0
Ibb	10	853,840	6.0
Abyan	2	305,000	2.2
Dhamar	12	884,314	6.3

SFD loses one of its staffs in Mukalla:

The Social Fund lost, at the end of Ramadan, Engineer Mansoor Ali Seif who was employed as Project Officer in Mukalla Branch. Engineer Mansoor Seif died as a result of an unfortunate car accident while he was driving on the road to Aden to spend the Eid vacation. Mr. Mansoor was born in the year 1967, was married and has two daughters. His main field of specialization was Civil Engineering. He graduated from Germany and was employed in 1998 by the SFD as a Project Officer. During his short career with the SFD, he contributed significantly in supervising many development projects located in Shabwa, Al-Mahara and Hadramout governorates.

Social Protection Unit News

- **Integrated Intervention Programme**

The programme has completed the selection process for identifying three rural areas for the pilot phase. The process included :

 - Setting eligibility and selection criteria.
 - Identifying 7 sub-districts of which 3 will be selected. This was based on applying selection criteria to the poorest 50% of all sub-districts according to available poverty indicators and using geographical maps illustrating population density.
 - Preparation of Field Research Questionnaires and select research methodologies which were a mixture of formal Questionnaires and Participatory Rapid Appraisal methods.
 - A one week Training Workshop for the researchers which included pre-testing of research questionnaires in the field.
 - Research in 13 main villages and their satellites in 7 pre-identified sub-districts. These villages are spread over 5 governorates.
- **Supporting groups with Special Needs**

SFD is expanding its support to groups with Special Needs. During this quarter, 6 projects were committed to groups working with the Blind and the Deaf. These projects focus on providing education and vocational training opportunity for the disabled. It is worth mentioning that SFD is putting special efforts into improving the management capacity of relevant bodies to assure quality and sustainability. For this purpose and with the enthusiasm of the Ministry of Social Affairs, SFD is advocating and supporting a new management mechanism for government -managed centers. The new mechanism provides a partnership with the government, NGOs and private sectors in the management and finance of facilities that provide social services to the disabled. Collective decision-making and transparency are