



In the Name of Allah, the Most Beneficent, the Most Merciful

Social Fund for Development

2013 Annual Report

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The Social Fund for Development at a Glance

The Social Fund for Development (SFD) was established in 1997 to enhance the country's social safety net and to contribute to reducing poverty and achieving Yemen's development goals. SFD contributes to increasing access to basic services, enhancing economic opportunities and reducing the vulnerability of Yemen's poor.

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

SFD achieves its goals through four main programs: Community and Local Development, Capacity Building, Small and Micro Enterprises Development and the Labor Intensive Works Program (Cash for Work).

By the end of 2013, SFD had completed the third year of SFD Phase IV (2011–15), during the first three years of which (2011–2013) SFD developed about 4,139 projects worth nearly \$793 million.

SFD constitutes an important implementation tool in the government's Transitional Program for Stability and Development (2012–16), the Mutual Accountability Framework (between the Yemeni government and donors), the National Strategy for Water, the National Strategy for Food Security, and the National Plan for Youth Employment (2014–16). Moreover, the National Dialogue Conference is expected to come up with a number of important directives at the political, developmental and administrative levels, which will be reflected in all the strategies and plans—including SFD's.

Board of Directors

SFD's Board of Directors (BoD) consists of 14 members as follows: the Prime Minister (Chairman of the Board); the Minister of Social Affairs and Labor (Vice Chairman of the Board); the Ministers of Planning and International Cooperation, Local Administration, Finance, Education, and Technical Education and Vocational Training; 2 NGO representatives; 2 private sector representatives; an expert Representative; a banking sector representative; and SFD's Managing Director (Rapporteur of the Board).

Meetings of the Board of Directors

During 2013, SFD BoD held 4 meetings on February 3, March 10, July 8 and November 25. Three of these meetings were under the chairmanship of Mohammed Salem Basendwah, Prime Minister and Chairman of the Board, and the fourth meeting was chaired by Dr. Amat Al-Razzaq Ali Hummad, Minister of Social Affairs and Labor and Vice Chairman of the BoD. In these meetings, the BoD discussed and approved the procedures for the nomination and selection of the SFD Managing Director as well as the 2013 Annual Work Plan and the 2014 draft budget, in addition to SFD's 2013 Auditor Report and the Human Resources Manual.

Statement of the Chairman of the Board of Directors

As a major component of the country's social safety net, the Social Fund for Development (SFD) was established by the Government to contribute to the effective implementation of the State's plans for economic and social development and poverty alleviation. Impressively, SFD has shown an increasing ability to absorb internal and external funds, adopting clear-cut targeting policies for efficient and transparent allocation of funds to serve poor communities and needy people—a characteristic SFD needs to strengthen further.



The National Reconciliation Government highly appreciates SFD's ability to continuously develop its activities and interventions, adapting them with the national developments at various levels. SFD's success in this regard was particularly noticed during 2011 events and in association with recent developments, especially those pertaining to the country's transformation from a "centralized" to a "federated", decentralized system. Within this context, SFD has assumed the initiative to outline the general features of the next phase of its operations to accommodate these developments.

We count on SFD's role in complementing national efforts exerted to alleviate poverty and contributing effectively to the implementation of the Transitional Program for Stability and Development (2014–16), the National Strategy for Food Security, and the National Plan for Youth Employment.

We seize this opportunity to call on other development institutions in the country to benefit from SFD's experience, and to develop their work and performance to participate actively in the realization of the developmental outcomes of the comprehensive National Dialogue Conference.

We also call on the media to shed light on SFD's activities and successes as part of the national development efforts aimed at alleviating poverty and improving the living conditions of the poor.

Mohammad Salem Ba-Sendwa
Prime Minister
Chairman of SFD Board of Directors

Statement of the Managing Director

The 2013 Annual Report of the Social Fund for Development (SFD) clearly shows that SFD has continued its effective contribution to achieving the goals of the national Plan for Social and Economic Development to Alleviate Poverty, as well as in implementing sectoral strategies. The report also demonstrates SFD's persistent efforts to strengthen its role within the social safety net, to increase access to basic services, to promote economic opportunities, to lessen the sufferings of the poor, and to improve their living conditions.

The Annual Report displays the 2013 expenditures on projects and programs, which have reached a record level in SFD's history, amounting to approximately \$234 million—a fact that attests to the continually expanding scope of SFD-supported interventions, especially in the poorest and neediest areas throughout the country.

Seeking to achieve its development goals, SFD has enhanced the implementation of particular programs such as the Empowerment for Local Development Program, which mobilizes local communities and deeply involves them in the various stages of the implementation of projects. SFD has also sought to revive communities' spirit of self-initiative and self-reliance on their own resources and capabilities—as Yemenis have been known for their legacy of initiatives and cooperation, and not simply as passive recipients of aid.

Also during the year, SFD has tackled new horizons of activity, responding to the needs of the poor and to development priorities nationwide.

In this context, SFD began to prepare for the implementation of the Cash-for-Work for Education Services Program, which aims to create employment opportunities for young men and women as well as the Vocational and Literacy Project to Alleviate Poverty aiming to alleviate poverty, especially among unemployed youth and women in rural areas. SFD also launched preparations to implement medium- and long-term labor-intensive projects, which are expected to help provide more sustainable livelihoods for local communities.

Similarly, SFD began preparations for the implementation of the Motherhood and Childhood Health Voucher Program, which aims to ensure women's access to quality healthcare during pregnancy and after delivery in targeted areas. The year also witnessed SFD beginning preparations for the Integrated Nutritional Interventions to target the areas most affected by food insecurity as well as Conditional Cash Transfers.

In its pursuit to keep up with the national developments at the political and administrative levels, as well as in the living conditions of Yemeni people, SFD developed in late 2013 the general outlines of Phase V of its operations (2016–20). Phase V seeks to address these new national developments, including by incorporating the recommendations of the comprehensive National Dialogue Conference.

Finally, SFD's record of accomplishment and successes could not have been attained without the continued support of the country's political leadership, the National Reconciliation Government, and the donor community as well as the dedication of SFD's staff—all deserving of gratitude and appreciation.



Abdullah Ali Al-Dailami
SFD Managing Director

Executive Summary

Over 2013, SFD developed 1,438 projects worth approximately \$ 331 million (including beneficiaries' contribution), with direct beneficiaries amounting to approximately 2.5 million people (55% female) and temporary employment exceeding 10.6 million workdays. During the year, 1,174 projects were completed worth \$148 million. Disbursements reached about \$234 million.

Cumulatively (1997–2013), the total number of projects committed in all sectors has amounted to 14,642 projects worth approximately \$2 billion. Of this figure, 11,101 projects were completed costing nearly \$1.3 billion (also including beneficiaries' contribution). The overall temporary employment created has exceeded 64 million workdays. Disbursements amount to nearly \$ 1.4 billion.

Summary of Sectors

Education, as the principal basis for comprehensive development as well as for creating local job opportunities, continued to account for a large share (21.4%) of SFD project investments during the year. In the education sector, focus was given to the provision of equal educational opportunities for males and females as well as across urban and rural areas. During the year, SFD started preparations to implement two programs: The first is the Cash-for-work for Education Services Program, which aims to create employment opportunities for educated young women and men—while facilitating access to education services in poor communities. The second one is the Vocational and Literacy Project (VOLIP) aiming to alleviate poverty, especially among women and rural populations, through providing skills and appropriate funds necessary to enable them to achieve self-development. Focus on the VolIP was given to reading and writing and professional skills geared towards the needs of the labor market, and then facilitating access to financial services.

In the water sector, SFD continued to emphasize traditional rainwater harvesting projects, with a focus on raising hygienic and environmental awareness. Water and sanitation projects accounted for 32% and 0.3% of SFD investments, respectively.

SFD also continued its support for the Labor Intensive Works Program (LIWP), designed to target the poorest communities and individuals affected by the difficult economic conditions. In 2013, LIWP commenced with preparation to implement initiatives that will benefit poor local communities for 3–5 years, with the long-term engagement expected to induce medium- to long-term change in the lives of communities through building more sustainable livelihoods. This program also targeted groups such as secondary and university graduates through the Cash for Social Services Program, as well as other programs targeting young people through providing them with skills in education and health, and on-the-job skills. SFD's commitments to the LIWP (26% of total investments)

are distributed across the Cash-for-Work Program (20.3%) and the Roads Sector (5.7%).

Health projects accounted for 2.7% of SFD investments. These projects focused on improving access to primary healthcare services, supporting reproductive health through providing training for rural health workers (particularly females) and improving education in health institutes. SFD also started preparations for the implementation of nutrition programs targeting the districts most affected by lack of food insecurity as well as the provision of quality healthcare services for women during pregnancy and after delivery.

SFD also continued to support groups with special needs, accounting for 0.5% of investments in 2013. By targeting the groups themselves as well as NGOs working with groups with special needs, these projects have helped to integrate special needs groups into mainstream society. SFD also paid particular attention to these groups in rural areas by implementing community-based rehabilitation programs.

SFD continued to support rural development through the Rain-fed Agriculture and Livestock Project "RALP" (5.9% of 2013 investments) and the Integrated Interventions Program "IIP" (2.7%). The RALP continued capacity building and financing of rural female and male producing groups and rehabilitating watersheds in rural areas, while IIP continued implementing multi-sector developmental interventions targeting the poorest rural areas, operating through SFD's Branch Offices in different governorates across the country.

SFD also continued to support efforts to enhance the human and institutional capacities of NGOs and community-based organizations through training and organizational support, as well as through other programs aimed at enhancing their participation in development programs and projects. These programs amounted to 2.1% of SFD investments in 2013. During the year, focus was given to forming and supporting local structures and motivating them to contribute to the development of their communities through the Rural Advocates Working for Development and Empowerment for Local Development Programs.

In addition, SFD continued to support efforts towards the conservation and restoration of historical monuments and archaeological sites of significant cultural value, and to build national and local capabilities in this field. The Cultural Heritage sector received 1.7% of SFD investments.

SFD allocated 4.5% of its 2013 investments to support small and microfinance programs and business development services. The investments are expected to enable these programs to expand and improve the financial and non-financial services they provide to promote the creation and continuation of jobs, and to increase employability, particularly among youth and women.

SFD Phases

1

1997- 2000

Fund (million \$): 90
No. of Projects : 1615
Total No. of Beneficiaries
Male/Female (million people) :2.5
No. of Temporary Job Opportunities:
2.9 million workdays
No. of Donors: 6
No. of SFD Branches : 5

2

2001- 2003

Fund (million \$): 200
No. of Projects : 2014
Total No. of Beneficiaries
Male/Female (million people) : 4.2
No. of Temporary Job Opportunities:
7.3 million workdays
No. of Donors: 8
No. of SFD Branches : 7

3

2004- 2010

Fund (million \$): 960
No. of Projects : 6774
Total No. of Beneficiaries
Male/Female (million people) : 13.8
No. of Temporary Job Opportunities:
31.8 million workdays
No. of Donors: 16
No. of SFD Branches : 9

4

2011- 2015*

Fund (million \$): 1,126
No. of Projects : 8800
Total No. of Beneficiaries
Male/Female (million people) : 6.5
No. of Temporary Job Opportunities:
25 million workdays
No. of Donors: 14
No. of SFD Branches : 9

*The numbers represent what has been done until the end of 2013

Program and Sector Investments

The Social Fund for Development (SFD) is a demand-driven organization that has taken an active role in targeting vulnerable groups and poor communities, particularly those located in remote rural areas.

SFD projects and programs are executed by seven sectoral implementation units in addition to the Labor Intensive Works Program (LIWP), which includes the Cash-for-Work Program and Roads Sector. The sectors comprise Education, Water, Sanitation, Health, Special Needs Groups, Agriculture, Training, Organizational Support, Cultural Heritage, and Small and Micro Enterprise Development as well as the Integrated Intervention Program

During the year, SFD approved 1,438 projects worth an estimated \$330.1 million—including beneficiaries' contribution (Table 1).

Targeting and Distribution of Allocations

SFD's Community and Local Development (CLD) and Labor Intensive Works (LIW) Programs use a variety of community-level socio-economic welfare-related indicators and lack of access to basic services indicators to target its resources. SFD deploys two different approaches to targeting: Geographical Targeting, which allocates resources to districts in each governorate using a composite welfare index; and Special Program Targeting, which allocates resources to projects that address sector-specific service gaps.

Targeting in CLD Program

The CLDP deploys a combination of targeting mechanisms to target projects across a broad range of sectors. These include geographical targeting, special program targeting and social targeting for special needs groups.

In Geographical Targeting, portion of SFD resources is allocated geographically among governorates, and then among districts in each governorate, according to a composite welfare index comprising two equally weighted elements: the proportion of poor people derived from the 2005/06 Household Budget Survey (HBS); and a composite deprivation index measuring degree of deprivation for a variety of socio-economic indicators derived from 2004 Census data. Participatory field verifications are a key element in the allocation of resources at sub-district level.

In 2013, 745 projects were committed under geographic targeting, worth approximately \$238 million, or 72% of total investments (Table 1).

Sector Targeting is designed to address gaps in the supply of basic services that are not addressed by the demand driven approach that characterises allocations under the geographic targeting mechanism. There are a number of programs in each sector, but the main ones are: the Water Scarcity Program and the Community-Led Total Sanitation "CLTS" Program (under the Water and Sanitation Sectors respectively); the Quality of Education Program; the Rural Girls Education Program; the Illiteracy and Adult Education Program; and the Institutional

Support for the MoE program (under the education sector); the Rainfed Agriculture and Livestock Program (under the agriculture and rural development sector). Each special program under the sector-targeting budget has its own eligibility criteria and targeting methodology.

In 2013, SFD developed 644 projects worth about \$91 million, or 27% of total investments.

Social Targeting is designed to ensure that particular special needs groups (SNGs) are targeted, and do not have to compete for resources with other groups targeted under the two previously mentioned targeting mechanisms. Special needs groups are defined as people living with disabilities; orphans; juveniles; street children; working children; and marginalised groups.

SFD has committed about 49 projects for this type of targeting, at an estimated cost of \$2 million during 2013.

Targeting	Projects		Commitments	
	Number	Percentage (%)	(millions USD)	Percentage (%)
Geographic*	745	52	238	72
Sector**	644	45	91	27
Social***	49	3	2	1
Total	1,438	100	331	100

*Includes CLD and LIWP

**Including special programs within CLD and LIWP and projects for capacity building and SMED

***Targets SNGs

Table 1

Projects and commitments in 2013, by targeting type

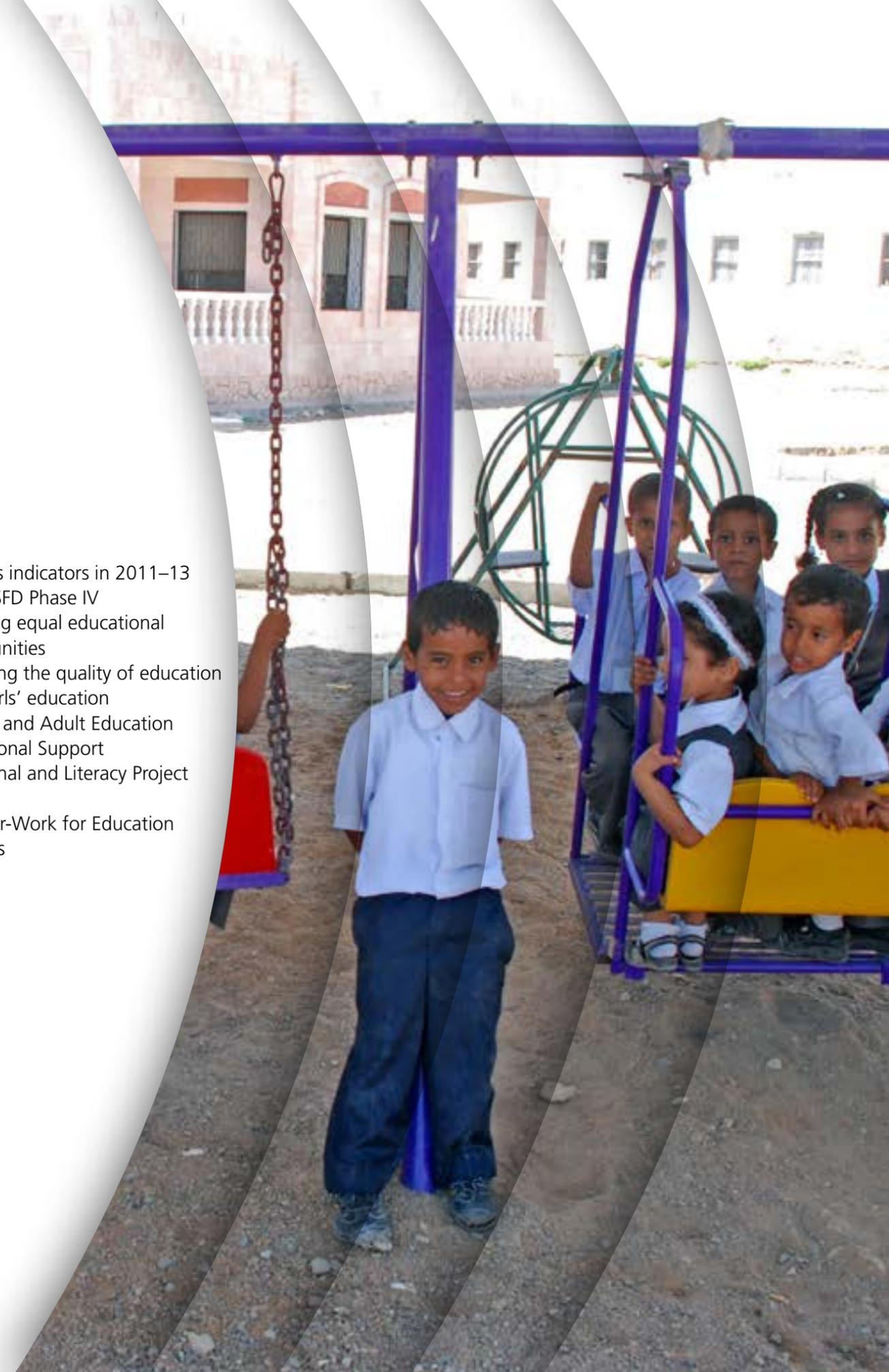
Targeting in LIW Program

The LIWP was formulated as a response to the food crisis of 2008 with two main objectives: (i) to provide wage income for beneficiaries in order to smooth consumption and improve food security; and (ii) to improve conditions of the community through providing basic infrastructure and community assets. LIWP aims to target food insecure households. In LIWP, resources are allocated to each governorate using the national poverty rate (proportion of overall poor in each governorate) derived from the 2005 HBS. Within governorates, districts are ranked according to the number of poor villages they contain, and LIWP targets the most impoverished district/sub-district and villages, with the size of interventions depending on the population size of each administrative unit. In addition to its rural geographical targeting, LIWP also develops special sub-programs that target the youth and works in urban and semi-urban areas, with the targeting unit being the unskilled laborers rather than poor communities.

Education

SFD's vision for the education sector is to assist and support the Ministry of Education (MoE) in implementing the National Basic and Secondary Education Development Strategy, the Literacy Strategy, the Millennium Development Goals and the declared global goals focusing on providing good education for all.

- Progress indicators in 2011–13 within SFD Phase IV
- Providing equal educational opportunities
- Improving the quality of education
- Rural girls' education
- Literacy and Adult Education
- Institutional Support
- Vocational and Literacy Project (VOLIP)
- Cash-for-Work for Education Services



During the year, SFD developed 309 projects at an estimated cost exceeding \$70.7 million (Table 2), with 10 and 209 projects completed and under implementation respectively. The projects include constructing, rehabilitating and furnishing 1,995 classrooms and 2,450 educational facilities, with 75,496 students (53% female) expected to benefit from these projects.

The SFD's educational interventions in 2013 reflected SFD's trends geared towards achieving SFD Phase IV planned indicators through providing equal opportunities for male and female students to access basic and secondary education. This is pursued by improving and expanding education infrastructure in rural and urban areas and narrowing the gender enrollment gap in basic and secondary education in rural areas. The SFD also aims at improving the quality of the education process through supporting pre-school programs, kindergartens and programs for gifted and talented students as well as supporting decentralization of the educational services, developing infrastructure of MoE's offices in the districts and expanding informal education and literacy programs.

Table 2

Indicators for Education Sector

Indicator	2013	Cumulative (1997–2013)
Approved projects	309	5,313
Commitments (USD)	70,747,392	765,056,053
Completed projects	337	4,325
Disbursements (USD)	70,910,279	567,539,323
Direct beneficiaries – estimated	91,798	2,829,995
Female beneficiaries (%)	56	45.6
Temporary employment created (workdays)	1,652,835	25,108,932

Progress indicators in 2011–13 within SFD Phase IV (2011–15)

According to SFD IV indicators, SFD has planned to construct and rehabilitate 9,000 classrooms to increase access to the educational services in the targeted areas. During 2011–13, SFD developed 1,442 projects worth \$344 million, with 12,532 new, rehabilitated, and completed classrooms included in these projects. Of these, 5,202 classrooms completed and handed over to MoE and 7,330 under implementation. About 501,280 students, of which 48% are female, are expected to benefit from these classrooms.

In capacity building, SFD has planned to train 200 basic-education teachers, 1,000 literacy teachers, and 1,382 educational professionals. SFD developed 123 projects at an estimated cost of \$1.9 million, of which 77 projects completed. The projects aim to provide training for 6,643 teachers and administrative staff, supervisors, community and literacy facilitators, master trainers, rural girls, Parents' Councils, and community leaders. Training has been already provided to 2,905 kindergarten and formal and informal education teachers, 826 administrative staff and supervisors, and 555 members of student and community structures and Parents' Councils.

Results indicator	2011	2012	2013	Planned for SFD Phase IV	
Number of completed classrooms (constructed or rehabilitated)	1,602	2,706	5,202	9,000	
Number of completed educational facilities (constructed or rehabilitated)	1,870	3,301	5,448	9,000	
Number of students benefiting	Boys	32,132	55,146	76,843	201,600
	Girls	23,268	39,934	62,517	158,400
Number of formal-education teachers trained	Males	51	147	147	100
	Females	82	118	118	100
Number of informal-education teachers trained	Males	310	466	1,391	1,000
	Females	20	68	148	200
Number of administrative & educational staff trained	Males	80	331	459	782
	Females	57	134	185	600

Providing equal educational opportunities

This program aims to contribute to providing equal educational opportunities for males and females, both in rural and urban areas, and to increase enrollment in basic and secondary education. This is achieved through the establishment of new school buildings to accommodate new school-age children as well as through the rehabilitation of educational facilities and improvement of the educational environment. The interventions include furnishing and equipping school buildings to enable them to fulfill their role and promote a stable educational process.

During 2013, construction of 276 schools was completed (across the country's governorates) and handed over to the MoE at a cost of \$52.8 million. The Program built or rehabilitated 2,504 classrooms and 2,783 educational facilities, with nearly 58,840 students (49% female) and about 41,320 students (59% female) expected to benefit from the new and rehabilitated classrooms respectively.



Improving the quality of education

This component focuses on educational quality, including preschool and kindergarten education, gifted and talented programs, and experimenting with innovative approaches that introduce new technologies to education, as well as providing support for the professional development of educators.

In 2013, two Kindergartens in Lahj and Aden Governorates were completed and handed over to the MoE, each one containing 6 classrooms, 6 bathrooms and other rooms for administration, teachers, school health, activities, and storage. These kindergartens are expected to benefit 308 children (46% female). In addition, 60 female kindergarten teachers (from Al-Dhale', Shabwah, Al-Maharah and Hadhramaut Governorates) received training on working with 4–6 year-old children, learning by playing, puppet theatre, and classroom management. Similarly, 187 high school graduates (117 female) from Taiz, Aden and the Capital City were qualified in English Language and Computer.

SFD also supported the MoE to develop a strategy on educational quality improvement based on clear standards and measurable indicators. This was accomplished through seconding experienced experts to provide technical support to the ministry's staff and running a workshop to outline the relevant vision. Children, teachers and families were engaged in this process through a series of activities in 9 Governorates. SFD also provided training to MoE staff and SFD's education project officers on international standards for involving children in education and practices and ethics of data collection.

Rural girls' education

In addition to providing equal educational opportunities to males and females for educational enrollment, SFD gives special attention to girls' education by targeting the areas where female enrollment rates are very low and could be less than 20% in basic education. The Rural Girls Education Program is an initiative targeting more than 37 villages in 24 sub-districts of 7 Governorates (Amran, Al-Dhale', Al-Hudaidah, Sa'adah, Taiz, Dhamar and Al-Baidha). The program aims to increase girls' enrollment in the targeted areas and enhance community participation in supporting and advocating girls' rights to education as well as to contribute to the MoE efforts to enhance girls' enrollment.

In 2013, 11 projects were completed with a total cost of \$58,562, aiming to establish 3 new community-education centers in rural areas of Taiz and Al-Hudaidah Governorates, and benefiting 230 girls. SFD also carried out 3 awareness campaigns in these 2 governorates, aimed at raising community awareness on the importance of girls' education. Training courses, targeting 625 people (of both sexes), were also held, focusing on Parents' Councils Bylaws, advocating for girls' education, child rights, home economics, first aid, and drawing and sculpture.

An additional 13 projects are also under implementation at an estimated cost of nearly \$201,000, aiming to support the infrastructure of the 8 girls' education centers and to provide training to 47 administrative staff of girls education and community participation departments in Lahj and Sana'a Governorates, with training focusing on strategic planning, monitoring and evaluation, management skills, and reporting. Similarly, 49 female community-education facilitators were trained on multilevel classroom management, active learning, life skills, waste recycling, food processing, and home economics.

Literacy and Adult Education

SFD has increased its attention to informal education and literacy programs by supporting infrastructure- and capacity-building-related activities to expand inclusion; and developing and updating training programs, curricula, and manuals. SFD carries out these activities in close association with the MoE's Literacy and Adult Education Organization (LAEO) and its Governorate offices.

During 2013, 21 projects were completed at a cost of \$206,000. The projects aimed to furnish and equip LAEO Office in Lahj Governorate, as well as to prepare and print the Professional Skills Development Manual for literacy and adult education counselors. Several training courses were also held for nearly 1,504 people (including 1,265 females) on topics such as effective management and educational leadership, adult education skills and teaching aids preparation, Life Skills Guide, sewing, handicrafts and home economics.

An additional 22 projects are also under implementation, at an estimated cost of nearly \$648,000. These projects include rehabilitating, furnishing, and equipping the LAEO department in Ja'ar City (Abyan) and the Literacy and Women Training Center in Aden city (Aden), as well as furnishing LAEO department in Ataq City (Shabwah). The projects also trained 269 counselors and administrative and technical staff at the LAEO offices on modern management, gender-based planning, professional development, and reporting. Moreover, training was provided to 525 LAE teachers and facilitators as well as to women's skills trainers from 6 Governorates on adult education skills, preparation of teaching aids, life skills, home economics, sewing, and handicrafts. In addition, the SFD supported experimenting and printing of women craft skills curricula, which target female literacy classrooms and women training centers, as well as printing the professional skills development guide for LAE counselors.

Institutional Support

SFD continued its efforts to develop and enhance the administrative and institutional aspects of the Ministry of Education and its relevant departments and offices in different districts and Governorates through supporting infrastructure and providing organizational support as well as by enhancing the decentralization of educational services.

During the year, 22 projects were completed at a cost exceeding \$3.3 million. These projects aimed to build, rehabilitate, furnish and equip 19 district education offices in 10 Governorates, and to provide equipment for the MoE's General Exams Directorate and its branches in 4 Governorates as well as furnish and equip 10 offices in Amran and Sa'adah Governorates.

Additionally, 9 projects are still being implemented at an estimated cost of \$1.8 million, aiming to build, rehabilitate, furnish and equip 7 education offices in Lahj, Hadhramaut, Al-Maharah and Sa'adah Governorates as well as to train 315 educational staff (of both sexes) in Sa'adah and Amran Governorates in planning, monitoring and evaluation.



Zaid Al-Moshki School, Taiz

Vocational and Literacy Project (VOLIP)

SFD launched preparations for the implementation of VOLIP in Al-Hudaidah, Lahj, and Sana'a Governorates. The project aims to alleviate poverty, especially among unemployed youth and women in rural areas, through providing skills and funding necessary to enable them to achieve self-development. The project focuses on reading, writing, and professional skills geared towards the needs of the labor market, and—subsequently—facilitating access to financial services in order to help streamline target groups in economic and social development at the local and national levels.

The project includes the education of out-of-school children, training of young people and rural women, microfinance, and institutional support.



Al-Mazraq School (most of the students are LDPs), Haradh

Cash-for-work for Education Services

This program aims to create employment opportunities for about 1,150 young men and women through the development and enhancement of their skills and competencies to work as teachers and facilitators for basic education and literacy and adult education, as well as by contributing to facilitating access to education services in the target communities. The SFD estimates approximately 750,000 workdays will be created by the program. The SFD will utilize the services of these young people in expanding the Rural Girls' Education Program, providing them with technical support through qualified female and male counselors. The youth will be selected according to clear-cut and transparent criteria agreed-upon with the Ministry of Education.

Box1

Al-Sulbah School... symbol of conquering difficulties

Al-Sulbah, the biggest village in Abadan Valley, has a population of nearly 10,000. In the village (located in Nisab District, Shabwah Governorate) is Al-Sulbah Basic and Secondary School, built in 1969, and now with a population of 360 male and 285 female students. Owing to the age and lack of maintenance of the building, the school's infrastructure had become inadequate. Moreover, the inadequate number of classrooms was an obstacle that deprived many students – especially girls – from enrollment and compelled many others to drop out from the school.

In 2012, SFD built a school consisting of 12 classrooms, an administration room, a warehouse, a teacher's room, a lab, a library, 8 restrooms, and a fence. In spite of the area being considered a tension territory, since there are many unlawful roadblocks and revenge conflicts, the importance of the project encouraged tribal leaders to pledge to provide protection to the contractor and workers to proceed on building the school. Due to local customs and traditions, the school became girls-only to increase the odds that the girls would continue their study in high school. The number of the female students reached 390 in 2013/2014 academic year.

In a field visit for SFD's team, the district representative of the Ministry of Education said, "The project was promptly accomplished despite the surrounding difficulties, and it contributed to mitigating the challenges faced by the school-age girls... thank you".

The head of the Beneficiaries' Committee also expressed gratitude to the management of SFD for all SFD's efforts to complete the project, affirming that the school is "the best achievement in the district; we need such projects and we are ready to do our best to help. I can't say to SFD more than: May God bless you for your work as you have been indeed helping people everywhere."

Health

SFD's vision for the health sector focuses on supporting the efforts of the Ministry of Public Health and Population (MoPHP) to expand coverage of basic health services, to enhance the performance of the health system, and to improve human resource management—thus contributing to achieving MDGs health indicators by 2015.

- Progress indicators in 2011–13 within SFD Phase IV
- Primary Healthcare
- Reproductive Health
- Mental Health
- Institutional Building
- The Maternal and Newborn Health
- Voucher Program (MNHVP)
- Integrated Nutrition Interventions (INI) and Conditional Cash Transfers (CCT)



SFD's health projects are developed in partnership with the MoPHP and its governorate offices. They pursue their objectives through five programs designed to increase access to primary healthcare (PHC) services; to improve and expand reproductive health (RH) services; to improve mid-level health education; to support mental healthcare services; and to contribute to institution building for the MoPHP and its governorate Health Offices (GHOs).

In 2013, 93 projects were developed at an estimated cost of \$8.9 million. The projects are expected to directly benefit more than 500,600 people (74% female). Cumulatively, the number of health projects amounts to 1,128 worth nearly \$101.7 million, which benefit directly a geographic area of nearly 8 million people (64% female) (Table 3).

Table 3

Indicators for Health Sector

Indicator	2013	Cumulative (1997–2013)
Approved projects	93	1,228
Commitments (USD)	8,846,144	101,671,158
Completed projects	110	1,024
Disbursements (USD)	6,257,151	73,364,783
Direct beneficiaries – estimated	500,611	7,970,956
Female beneficiaries (%)	74	64
Temporary employment created (workdays)	135,371	2,271,042

Progress indicators in 2011–13 within SFD Phase IV (2011–15)

During the period 2011–13, SFD developed 471 projects at an estimated cost exceeding \$49 million, of which 267 have been completed. The projects include building, furnishing and equipping 46 health units, 12 health centers, and 9 motherhood and childhood centers, as well as 15 basic and comprehensive Emergency Maternal Obstetrics Centers (EMOCs). Additional projects include rehabilitating 17 EMOCs in various governorates and equipping 37 health facilities to enable them to operate properly and improve services.

In training and qualification, 235 community midwives and 300 mid-level health staff were qualified, and 1,456 community midwives trained in maternal and newborn home care as well as 1,454 physicians and paramedics trained in Integrated Medication for Child Illness (IMCI).

Results indicator	2011	2012	2013	Total	Grand Total
Number of health facilities built/rehabilitated	41	20	15	76	76
Number of health facilities furnished/equipped	14	3	15	32	32
Community midwives qualified	215	20	0	235	235
Community midwives trained in IMCI	528	202	726	1,456	1,456
Number of health staff qualified	Males	90	52	0	142
	Females	60	58	40	1,454
Number of health staff trained in IMCI	Males	226	161	538	925
	Females	136	97	296	529



Primary Healthcare

The Primary Healthcare (PHC) Program aims to expand PHC coverage, to increase the number of PHC services providers, and to improve their capacity and skills through improving the infrastructure of health facilities (health units "HUs" and health centers "HCs") in poor and disadvantaged areas, as well as providing pre-service and in-service training for mid-level health staff.

During the year, 37 projects were developed worth \$2.4 million, expected to benefit 61,000 people (51% female).

Increasing access to PHC facilities: The projects of this sub-sector aimed to build, equip and furnish 7 HUs and HCs in 5 governorates. SFD also furnished and equipped comprehensive EMOCs in 3 hospitals in Abyan Governorate and the Capital City as well as the Motherhood and Childhood Center in Shabwah.

Increasing the number of PHC services providers: The sector developed projects to certify 69 male and 31 female students as medical assistants, nurses, and lab technicians in 7 governorates.

Enhancing PHC providers' capacities: The projects developed were aimed at training 572 health workers and paramedics (237 females) from 12 governorates in integrated medication of child illness (IMCI). They also provided training to 67 PHC workers in health education (in Hajjah and Sa'adah) within the training package of the health-service quality improvement program and sought to improve health services provided by some health facilities (Shabwah, Dhamar, Ibb, Hadhramaut and Al-Dhale') through completing the provision of equipment for these facilities. Finally, a project is intended to print IMCI documents, and to provide child respiration rate measurement devices.

Reproductive Health

The Reproductive Health (RH) Program aims to increase the number of medically assisted deliveries by skilled health staff and to decrease maternal and neonatal mortality. These goals are pursued by constructing and equipping both basic and comprehensive EMOCs and MCH centers, as well as by enhancing RH services in HCs and providing girls with internal scholarships in midwifery and health counseling. The program also seeks to provide pre- and in-service training for RH services providers.

In 2013, 53 projects were developed worth \$5.5 million, expected to benefit 248,000 women and more than 174,000 children.

Increasing access to RH services: The projects are expected to benefit 247,385 women and 174,042 children. These projects include constructing, equipping, and furnishing basic and comprehensive EMOC sections and an MCH center in 4 governorates.

Increasing medically supervised deliveries: The projects developed aim to qualify 30 female high school graduates to obtain midwifery BS and to work as supervising midwives, to qualify 120 girls as community midwives (MWs), and to provide training to 458 MWs (from several governorates) in community-based and in-house maternal and newborn healthcare.

Mental Health

This program aims to contribute to expanding and improving mental health (MH) services according to the directives of the National Mental Health Strategy through enhancing MH care services, integrating MH into PHC, building MH care centers, capacity building, and raising awareness.

During the year, 14 projects were developed worth more than \$560,000, and expected to benefit 15,000 people (36% female).

Increasing access to MH services: Ten projects were developed, with one aiming to construct and equip the Psychological and Educational Counseling Center of Ibb University, and 9 projects seeking to enhance MH in several schools in 5 governorates through furnishing and equipping Health Enhancing Schools, training social counselors, and conducting workshops with relevant ministries and schools' headmasters.

Integrating MH into PHC: Four projects were developed in 2013, with 3 projects aiming to build the capacity of 145 general physicians and medical assistants (34% female) working in PHC centers in several governorates. The training focused on diagnosis, illness management, signs and symptoms, counseling and treatment. The fourth project provided training for 50 relevant staff members to enable them to become national trainers in providing MH services within the PHC.

Institutional Building

The program aims to strengthen and expand the administrative and institutional capacity of the MoPHP and GHOs through supporting health management and planning and supporting health systems (such as health information systems and HR) as well as strengthening the decentralization of health services within the National Health Strategy, and in coordination with the MoPHP.

Under this program, SFD Health Sector's 2013 plan was discussed with the MoPHP. Three projects were also approved aimed at establishing electronic information systems for PH and PHC. In addition, SFD participated in activities of the sectoral coordination team, working to identify the social factors affecting health. SFD also rehabilitated, furnished and equipped the Abyan MoPHP Office and supported the ministry in setting the National Strategy for Health Human Resources Development.



Health Institute, Matnah, Bani Matar, Sana'a

The Maternal and Newborn Health Voucher Program (MNHVP)

SFD launched MNHVP, which aims primarily to ensure that women residing in SFD-target areas have access to quality healthcare services, both prenatally and postnatally, on a regular basis.

SFD also included nutrition in its menu of interventions as part of the overall response to the aftermath of 2011 events, taking into account the indicators of national surveys and international organizations' reports showing that malnutrition rates among Yemeni children are among the highest in the world. In this regard, SFD started the implementation of two projects. The first aims to raise parents' awareness about child nutrition, while the second provides referral services for malnourished children to link them to the available services. One of these projects will also provide financial incentives for the poorer awareness-targeted families, with Al-Hudaidah Governorate initially targeted, as its child malnutrition indicators are the highest in Yemen.

Integrated Nutrition Interventions (INI) and Conditional Cash Transfers (CCT)

SFD's interventions in nutrition aim to provide a safety net—under the Cash-for-Work Program—for the targeted community health volunteers who carry out activities in local communities at the district and sub-district levels.

In this context, the INI and CCT have been designed to provide screening, consultation, and referral services through community health volunteers. These services target children under the age of five in Al-Hudaidah Governorate, who suffer from malnutrition.

In implementing these two programs, SFD is keen on coordination and collaboration with the Ministry of Public Health and Population—in geographic targeting and the programs' timeframe, as well as in supply and demand harmonization—based on the Memorandum of Understanding signed between SFD and the Ministry.

The INI services include registration and initial screening of acute malnutrition cases, provision of transportation to medical facilities for treatment, and monthly nutrition education of the targeted children's mothers. It also includes nutrition education for pregnant women, breastfeeding promotion, and community nutrition and health education.



Box 2

Before: A single-room HU within a mosque

Prior to SFD's construction of the health unit "HU" in Bdair Hassan Village (Al-Duraihemi, Al-Hudaidah), all types of health services were provided for the villagers in a single room/"unit" within a local mosque. The services included prenatal care, family planning, children immunization, etc.). This room lacked conventional hospital furniture, containing only an old bed that was used for clinical investigation for women and infants. Crowded and lacking adequate space, there was also no privacy for women (in particular pregnant women). Moreover, since no deliveries could be done inside the room, we were obliged to travel to the pregnant women's homes. Unsurprisingly, this situation had not encouraged patients, pregnant women, and children to frequently visit this one-room unit!

Just as the room was on the verge of collapse, a female health worker in charge of the HU designated a room within her own house to be used to provide the health services needed by the villagers.

After: A completely equipped HU

After the construction of the health unit by SFD, I was able to provide the required health services properly, with more privacy enjoyed by the female patients, as we could now have separate rooms, each for a certain activity. This new situation has led to an increase in the number and frequency of visitors to the HU, in particular among women seeking reproductive health services, and mothers seeking care for their infants and children. These numbers have increased significantly. Moreover, each room of the unit is now equipped with the necessary tools and furniture.

SFD also provided the unit with an electric generator, which has greatly helped to improve the continuity of service provision and contributed to facilitating my job in helping women give birth in the unit. Such an improvement has helped to further increase the demand for the health services that the unit provides.

These facilities have also helped me to carry out health education and awareness activities (both individually and in groups), and to vaccinate pregnant women and children on a daily basis. I have also started practicing family planning (including inserting intrauterine devices), all within the SFD-supported HU.

Furthermore, the health unit in our village enabled us to hold regular meetings related to vaccination and to convene other meetings for the health staff of all of the HUs in Al-Duraihemi District. We can even organize short training courses in the Health Unit on nutrition.

As a result, my work was more thorough and better integrated, which resulted in more outputs and improved outcomes.

All of these developments have helped me to succeed in my job as a midwife, not only in the health unit, but also in the village at large—thanks to SFD.

Nagat Ayesh (midwife)

Groups with Special Needs

SFD's engagement with Special Needs Groups (SNGs) focuses on promoting social integration and equal rights and opportunities for children with disabilities and children who are vulnerable to abuse.

- Inclusive and Special Education
- Early Childhood Development
- Community-Based Rehabilitation
- Institutional Support
- Child Protection



Activities during the year reflected SFD's aim in the SNGs sector to reach the SFD IV planned indicators by supporting inclusive education, expanding low-vision education, encouraging birth registration, building the capacity of service providers, implementing early detection and intervention methods for learning difficulties, and providing community-based rehabilitation.

In 2013, the sector developed 47 projects at an estimated cost of nearly \$1.8 million, directly benefiting approximately 1,660 people (48% female). Cumulatively, the number of projects amounts to 727, worth more than \$38 million, and are expected to benefit a geographical area of 184,700 people (39% female) (Table 4).

Table 4

Indicators for Groups with Special needs

Indicator	2013	Cumulative (1997-2013)
Approved projects	47	727
Commitments (USD)	1,751,235	38,224,608
Completed projects	67	613
Disbursements (USD)	2,446,852	29,993,576
Direct beneficiaries – estimated	1,661	184,699
Female beneficiaries (%)	48	39
Temporary employment created (workdays)	40,219	868,237

Inclusive and Special Education

This program aims to integrate targeted students with special needs into public education. It also aims to support the Ministry of Education in inclusive and special education (IE and SE) by rehabilitating, furnishing, and equipping integrating schools and the MoE's relevant departments. In addition, the program seeks to establish learning source units, certify the institutions' staff, and provide educational aids.

During the year, 16 projects were developed to support the program's activities, including 9 projects to support inclusive education and 7 projects to support special education. These projects are expected to benefit 4,323 persons (41% female) and integrate 1,881 children in 36 public schools in different governorates.

The activities were distributed over infrastructure, training, and awareness. In the first area, 3 classrooms were constructed, furnished, and equipped, and 4 bathrooms were built for use by children with disabilities. The projects also included the construction of 16 ramps and 3 learning resources rooms, and the furnishing and equipping of 23 other rooms and 6 preschool classrooms. An additional 7 associations and special-education centers were provided with educational tools.

In capacity building, training was provided to 1,811 school counselors, teachers, specialists, and administrators in various fields, including in methods of

education for SNGs, characteristics of people with disabilities, behavioral change, and integration.

In awareness, 5 campaigns were carried out to raise the awareness of 1,180 persons on concepts and types of disabilities, concepts of integration, and inclusive education.

Early Childhood Development

The Social Fund for Development pays special attention to early childhood (EC) due to its importance in the development of children and their multidimensional growth. In this context, SFD carries out a number of related programs and activities to serve childhood development in multiple ways (educationally, hygienic, and psychologically).

Eight projects were approved during the year, expected to benefit 400 people of both sexes (including 227 children).

The projects aimed to provide training for 30 persons on EC-integrated approaches, and 12 female teachers on behavior-change EC, early detection of disabilities, and educational aid. The projects also trained 78 persons working in SE and EC centers and disability associations in the Capital City and 3 other governorates, with the training focusing on physical and functional therapy, family counseling, life skills, and methods of teaching SNGs. Moreover, a specialized center in Amran was provided with administrative and office equipment.

Similarly, 21 people from two relevant associations and SE centers were trained in several fields in Aden Governorate. In addition, early intervention services (curative, preventive and rehabilitative) were established in health centers and a hospitals and 4 associations in Amran Governorate, and training was provided for 42 doctors, health workers, teachers, and counselors in early detection of disability and educational and health intervention. Awareness-raising campaigns were also carried out for schools, associations, and communities on the importance of early detection of disabilities. In addition, two early intervention sections in a cerebral-palsy foundation and a relevant center were furnished and equipped.

Community-Based Rehabilitation

The Community-Based Rehabilitation (CBR) program aims to reach additional children with disabilities and to empower them to access services and opportunities so that they may become active community members, as well as to motivate the local community to assist these children.

Three other projects established CBR services in the districts of Al-Baidha (Al-Baidha), Qa'tabah (Al-Dhale') and Al-Mawaset and Qadas (Taiz), by conducting surveys and medical diagnostic tests for children with disabilities. The projects also rehabilitated 298 families of children with disabilities, raised awareness of 2,156 persons on disability, rehabilitated 2,775 children, and provided training to 80 CBR workers and community-committee members. Finally, children identified as having cerebral palsy were provided with specially-designed chairs, and others with visual and audio aids. CBR rooms were furnished and provided with office equipment and tools and means necessary to provide physical therapy and rehabilitation for children with disabilities.

Institutional Support

This component aims to provide institutional support to government institutions and non-governmental organizations (NGOs) to improve their performance and provide better services for people with special needs. It does so by certifying these institutions and expanding their institutional and technical capacities.

During the year, 2 projects were developed: the first aimed to educate 30 members of local councils, government institutions, and NGOs (in Dhamar) on the rights of persons with disabilities, while the second sought to train 27 workers of 9 associations (in Ibb) on disability, communication, and fund raising.



Cerebral palsy class, Early Intervention Center, Aden

Child Protection

This program aims to contribute to improving the quality of life of children exposed to abuse (orphans, juvenile, street children, working children, displaced children in camps, and trafficked children) and vulnerable population groups (such as elderly persons and marginalized groups) through improving the infrastructure of the centers that provide services to these groups and by supporting their programs.

Eight projects were developed targeting 303 people and focusing on infrastructure support, training, and awareness. This included the training of 14 workers of Dar Al-Aytam (Orphan House) in Hajjah city (Hajjah Governorate) in aspects relevant to child protection, as well as educating 86 children on child rights and duties. An institutional and technical evaluation and analysis was also conducted for the alternative and subsequent care program, with 18 people trained in this field. In addition, automated registration services for newborn children were established in Al-Dhale', with relevant equipment and furniture provided. Training was also provided to the staff of an orphan-care house in Al-Qa'edah City (Ibb) and to 75 workers of the social welfare centers in Taiz and Legal Dialogue Center in Taiz, Dhamar, and Al-Baidha on the rights of the child, problem identification, and child behavioral disorders. Finally, psychological support activities were carried out targeting 40 boys and girls.

Box 3

Ayman... now able to move!

Several kids who suffer from Cerebral Palsy have benefited from SFD-supported physiotherapy training courses that had targeted the staff of Al-Maladh Association (Dhamar). Among those children is the 5-year-old Ayman.

Ayman, afflicted with Cerebral Palsy, was registered in the association a year ago. He was neither able to move nor stand, nor to depend on himself to eat, drink, or clean up.

Through physical and occupational therapy, Ayman was rehabilitated to be able to control his balance. His mother and brother report that "Ayman has got much better; he can now stand on his own, raise his hand and use it to eat, write, clean himself, hold things and move his neck".

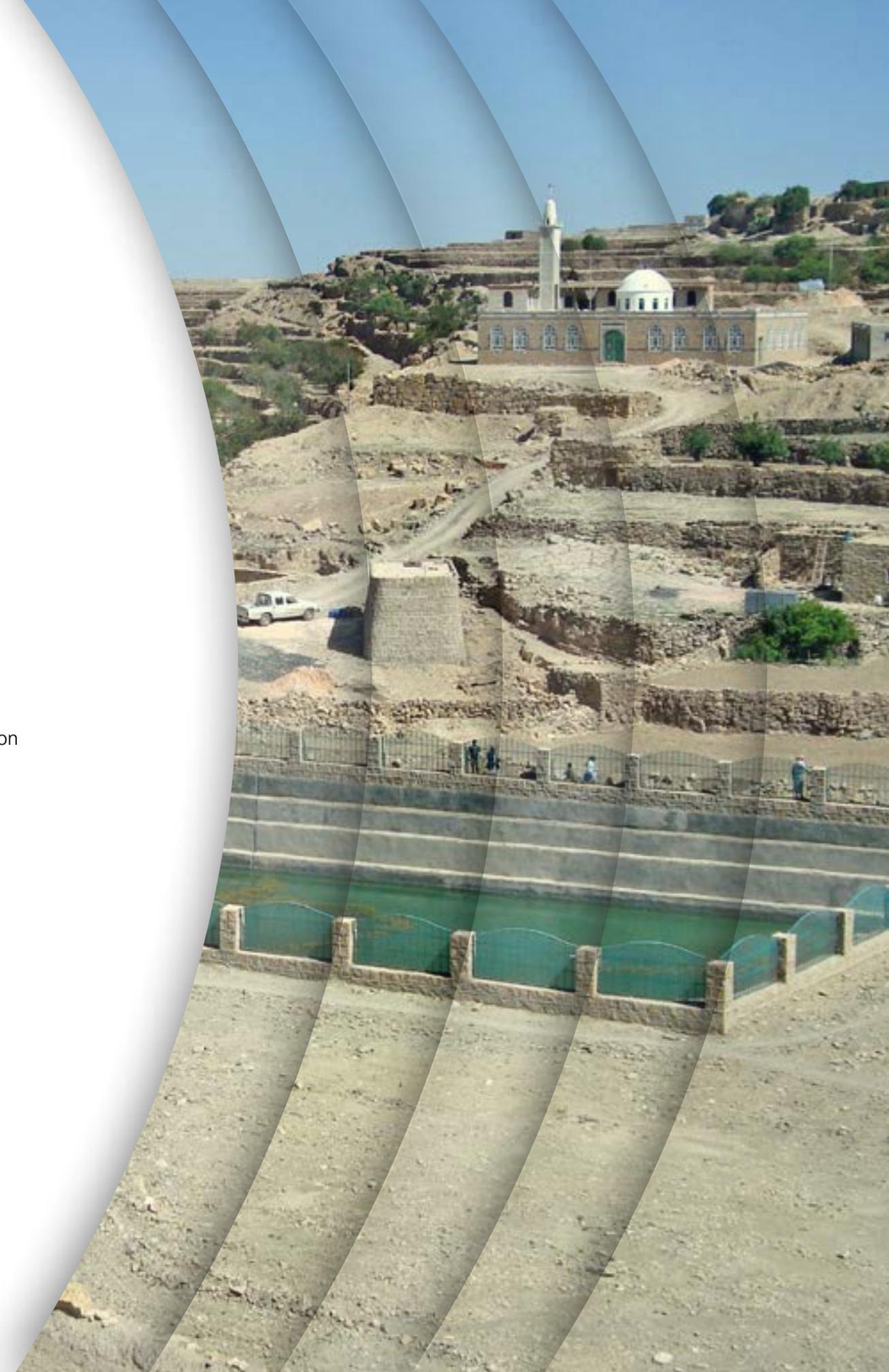
Water and Sanitation

SFD interventions in the water sector contribute to increasing water service coverage in needy communities in accordance with the national definition of water coverage.

With regards to water sources, SFD considers renewable water sources such as rainwater, springs, and surface water as the first option; if not available or not applicable, then groundwater is considered as the second option.

In the sanitation sector, SFD's interventions focus on conducting hygiene campaigns to deliver information on three issues: sanitation (appropriate disposal of feces), hand washing, and water treatment at the point of use.

- Water
- Sanitation



During the year, 259 water projects were developed, at an estimated cost of nearly \$105.7 million, with SFD contributing \$8 million (18%). The projects are expected to benefit about 505,000 people (50% female). The large contribution of communities themselves to the water sector owes to the dominance of the rooftop rainwater harvesting projects, in which community contributions supplied 80% of the cost.

In Sanitation, 49 projects worth about \$1.2 million were developed, expected to benefit 349,500 people (50% female).

Cumulatively, the number of water projects totaled 2,324 at an estimated cost exceeding \$430 million, benefiting more than 4 million people (50% female). The sanitation sector developed 393 projects worth approximately \$44.8 million, benefiting nearly 3.5 million people (50% female) (Table 5).

Table 5

Indicators of Water and Sanitation Sectors

Indicator	Water		Sanitation	
	2013	Cumulative (1997–2013)	2013	Cumulative (1997–2013)
Approved projects	259	2,324	49	393
Commitments (USD)	105,697,419	430,185,630	1,153,164	44,768,937
Completed projects	133	1,611	45	277
Disbursements (USD)	27,629,637	144,043,111	5,985,706	30,736,550
Direct beneficiaries – estimated	504,982	4,107,822	349,456	3,479,872
Female beneficiaries (%)	50	50	50	50
Temporary employment created (workdays)	1,585,087	8,972,700	15,583	1,393,075



Public rainwater harvesting tanks, Taiz

Water

The water sector focuses on implementing low-cost projects to provide water services to the poor, complying with the national water-coverage definition that has been agreed upon by all actors in the sector. SFD pays attention to community participation and utilization of local knowledge and traditional expertise.

The projects are distributed among 6 sub-sectors: Rooftop rainwater harvesting, public covered rainwater harvesting cisterns, public uncovered rainwater harvesting cisterns, groundwater systems, surface water systems, and training and awareness.

Covered Public Rainwater Harvesting Cisterns

This sub-sector aims to provide improved water to communities, particularly those living in mountainous areas where rainwater harvesting is the only option to provide the population with sustainable and affordable water. This is accomplished by installing covered public tanks with enough capacity to collect rainwater pouring from clean catchment areas during rainy seasons and to store it for dry seasons.

In 2013, SFD developed 47 projects in this sub-sector, including 59 covered cisterns with a total storage capacity of 83,296 cubic meters, 56 sedimentation basins, 18 animal-watering basins, water networks with total length of 9,150 meters, and 26 public taps serving 32,162 beneficiaries.

Uncovered Public Rainwater Harvesting Cisterns

This sub-sector aims to collect run-off into uncovered cisterns to be used for household consumption. There is continuing demand for this type of rainwater harvesting, particularly in the nomadic areas (Hadhramaut, Shabwah, Al-Jawf, and Al-Maharah) where people do not have permanent settlements, but continually move in search of water and pastures.

In 2013, SFD developed 3 projects in this sub-sector, including 12 karifs with storage capacity of 40,000 cubic meters to serve 1,694 beneficiaries.

Rooftop Rainwater Harvesting Cisterns

This sub-sector aims to provide improved water, especially for rural populations in the mountainous areas. Private tanks collect rainwater from the roofs of the beneficiaries' houses, and the water is then stored in the tanks for use during dry seasons. The tanks have an average capacity of 45 cubic meters.

During the year, the sector developed 147 projects to implement 26,144 rooftop rainwater harvesting tanks, with a total capacity of 1.1 million cubic meters and serving 235,000 persons.

Surface Water

This sub-sector aims to utilize surface water from springs and water bodies to provide improved water to targeted beneficiaries.

Twelve projects have been approved to serve 8,811 beneficiaries, providing them with improved water through 25,23 meters of pipelines. The projects include 13 public taps.

Groundwater

Where rainwater harvesting is impractical and surface water is unavailable, then

groundwater (hand-dug wells, and deep boreholes) can be utilized to provide targeted communities with improved water mostly through house connections. Forty-three projects have been approved to provide 227,000 people with improved water through pipelines totaling 439,317 meters in length. This will include 6,414 house connections and 351 communal taps.

Training and Awareness

This sub-sector aims to provide capacity building for SFD's project officers, consultants, government and NGO staff in SFD's water sector policies, criteria and procedures. This sub-sector also provides capacity building and training to local communities to manage completed water projects to insure sustainability of service provision.

Six projects were approved, with the first aiming to contribute to developing a national policy for rainwater harvesting and 2 projects seeking to build the capacity of water and sanitation project officers in the fields of training and communication. One project targeted consultants to introduce them to SFD water-sector's new policies as well as for experience exchange. In addition, 2 projects were focused on preparing designs and cost estimates of all annual water projects in SFD's Hajjah and Al-Hudaidah branch offices.

Water Scarcity Addressing Program

Within its activities during Phase IV, SFD is implementing a special program to allocate more resources to address water scarcity in the communities most in need of water, based on indicators from the 2004 Census. These communities should meet 3 criteria: (1) 100% of the houses do not have water in their premises; (2) the population is greater than or equal to 300 persons; and (3) the poverty Index is more than 50%. These indicators have been set in a manner that ensures that all Governorates would benefit from the program.

SFD has allocated \$100 million for this program, which targets the poorest communities (located in the third and fourth categories in the poverty index). During the period 2011–13, funding was approved for 367 projects at an estimated cost exceeding \$116 million (of which SFD's contribution \$49 million), serving 425,000 people, 71% of whom fall within the poverty-indicator fourth category—i.e. the poorest—and 29% in the third. Implementation is ongoing for 303 projects, with 64 projects completed.

Sanitation

Interventions in the sanitation sector focus on solving acute pollution problems that afflict poorer communities. Solutions to these pollution problems are usually simple, low cost, sustainable, and affordable. For sanitation options suitable to the water scarcity in the country, SFD opts for the traditional dry toilets to deal with the human feces and small diameter gravity sewers for collecting and transporting wastewater. For wastewater treatment, natural treatments such as stabilization ponds and anaerobic technologies are adopted, with machines kept to a minimum.

The most cost effective interventions in this sector are the hygiene campaigns, which normally accompany every water project. Community-Led Total Sanitation (CLTS) is used to conduct these campaigns. As a result of these campaigns, sanitation coverage has risen on average from 19% to 45%, with an average cost of \$1,000 per community.

Among the year's notable approved projects are the hygiene awareness campaigns in Al-Dhahi area (in Al-Hudaidah) at an estimated cost of \$7,952, and targeting communities along the coastal strip that lack sanitation services. This project was developed to create demand for toilets in Cash-for-Work Program areas. During 2013, SFD conducted 225 health awareness campaigns, bringing the cumulative number of completed campaigns to 614 between 2011 and 2013.

In Training and Awareness, 79 projects have been approved, of which 48 aimed to conduct 823 hygiene campaigns to raise awareness of 274,000 people in 823 villages and sub-villages, and 2 to provide training to consultants (male and female) in carrying out such campaigns. A final project introduced the CLTS approach to the Amran local authority.

In Capacity Building of Partners, SFD agreed to support the Ministry of Water and Environment in developing a national policy for rainwater harvesting, and carried out a training course for the staff of the General Authority for Water and Sanitation in Rural Areas. SFD also provided capacity building for 4 consultants in each SFD branch office to enable them to train other consultants on carrying out hygiene and environmental awareness.



Sewer treatment plant, Al-Rujum, Al-Mahweet

Abyan Post Conflict Water and Sanitation Program

This program aims to rehabilitate Abyan Governorate's water and sanitation systems – which were damaged during 2011 events – based on an agreement signed in December 2012 by the German KfW and SFD, to provide SFD with a grant of €12 million (approximately \$15.8 million). The interventions will restore the water and sanitation systems in both Ja'ar and Zinjibar to their prior status. A portion of the grant will also support the implementation of water and sanitation projects in selected rural areas in Abyan. Field implementation began in February 2013, during which time the sewerage networks of three towns (Zinjibar, Ja'ar and Al-koad) were cleared of blockages.

The program includes 43 water and sanitation projects, of which 7 are urban and 36 rural. All of the emergency works needed to bring the water and sanitation systems to operational state in the mentioned towns have been completed. In late August 2013 the governor of Abyan declared SFD "the main development partner for the Abyan local authority since the 2011 events."

Physical work is in progress despite the precarious security situation, and the total disbursement has reached \$1.7 million, creating approximately 40,000 work-days to-date, with all works carried out by local laborers.

The following works have been completed to date:

- Clearing all sewerage networks of the towns Zinjibar, Ja'ar and Al-koad of blockages, with 37 kilometers of sewers and open channels cleared;
- Providing a temporary wastewater treatment plant composed of two lagoons for Zinjibar;
- Installing 288 reinforced concrete covers;
- Repairing 230 manholes, including plastering and cover level adjustment; Installing 346 ductile manholes covers to replace lost ones. These new covers are
- fixed to the frame with a hinge, making them more difficult to loot; Civil work for rehabilitating Al-koad's sewage lifting pumping station including
- the replacement of a 24 meter leaking pressure line and supplying and operating a standby generator;
- Installing 4.7 kilometers of sewers with the necessary manholes and inspection chambers in several locations of the three towns to replace the damaged sewers and the sewers buried under buildings;
- All civil works for rehabilitating the generators building, control and chlorination room, dormitory building, and electrical works in Arrawa well field;
- Rehabilitating and operating three wells in Arrawa well field; and
- Connecting Arrawa well field to Ja'ar's standby generator as a temporary measure until the standby generator of Arrawa is supplied and operational (the latter is currently under procurement process).

Environmental Audit No. 7

SFD has conducted 7 environmental audits (EA), the most recent one completed in June 2013. Twenty-seven projects were selected randomly out of the long list of SFD Phase IV projects. The selected projects are in six governorates (Capital City, Aden, Taiz, Ibb, Lahj, and Amran).

The main findings were as follows: Out of the 27 audited projects, 26 projects were class B (causing limited environmental impact that can be easily addressed) and one was class A (has high environmental impacts in scope and magnitude, hence needs detailed environmental impact study). It was also found that schools' toilets need more attention; that remains of construction materials need to be disposed of properly; that several project locations and project components were poorly selected; and that only 5 projects out of 19 under implementation have temporary toilets.

Infrastructure of the Historic City of Shibam (Hadhramaut)

The historical city of Shibam (Hadhramaut) suffers from the poor state of its infrastructure, which led to a continued leakage of water and sewage into the foundations of the mud buildings, posing a threat to the city. A project to improve these conditions began in 2009 with the participation of the German Agency for International Cooperation (GIZ); the project is currently being implemented by the SFD. The project's components include sewerage, water, electricity, lighting, and telephone networks—all underground, and finally comes the surface stone pavement. The cumulative progress in the project as a whole approached 76% by the end of 2013.



Infrastructure Project, Shibam City, Hadhramaut

Box 4

CLTS... An approach helping provide proper sanitation to villages

Al-Sorm is a small village with a population of 2,578 people living in 554 houses. The village is located in Al-Misrakh District (Taiz). The Water Sector targeted Al-Sorm to receive 178 rooftop rainwater-harvesting cisterns, which were completed in September 2009. In February 2011, CLTS was triggered and the follow-up was completed in September 2012.

Data collected before the implementation of CLTS shows that only 293 houses had appropriate sanitation, 45 houses lacked toilets, and 216 houses had toilets that disposing waste either to open cesspits or out in the open. The sanitation coverage was 53%. One passage closed by accumulated garbage had been used as open defecation area for years.

The data collected and analyzed in the wake of implementing the CLTS revealed the following outcomes:

A 60% increase in houses with appropriate sanitation (from 293 to 470), a 68% reduction in houses with toilets but open disposal reduced (from 216 to 69), a 67% reduction in houses without toilets (from 45 to 15), and a 32% increase in sanitation coverage (from 53% to 85%). The passage that was previously closed became clean and accessible.

Agriculture and Rural Development

The activities of the Agriculture and Rural Development (ARD) Unit include the Agriculture Sector (comprised of the Rainfed Agriculture Livestock Project “RALP” and Water for Agricultural Development “WfAD”) and the Integrated Interventions Program (IIP).

Through RALP, SFD supports rural producing groups, while the IIP aims primarily to support human and social capital in the targeted areas.

The ARD activities—in general—aim to increase the productivity and incomes of poor farmers through supporting their agricultural activities, enabling them to upgrade and diversify their agriculture and livestock production. The projects target the rural poor to contribute to improving their living conditions through financing economic and infrastructure projects as well as through building their capacity and providing developmental support.

- The Rain-fed Agriculture and Livestock Project (RALP)
- Water for Agricultural Development
- Integrated Intervention Program

In 2013, SFD developed 105 projects in the Agriculture Sector at an estimated cost exceeding \$19.3 million, and 62 projects (worth approximately \$9 million) in the Integrated Intervention Program. Cumulatively, the number of projects in agriculture totaled 506, worth about \$61 million, and benefiting approximately 844,800 people, while in the IIP 354 projects were developed, worth more than \$32.3 million, and benefiting a geographical area of more than 324,600 people (Table 6).

Table 6

Indicators for Agriculture and Rural Development

Indicator	Agriculture		Integrated Interventions	
	2013	Cumulative (1997–2013)	2013	Cumulative (1997–2013)
Approved projects	105	506	62	354
Commitments (USD)	19,318,386	61,107,730	9,003,241	32,303,816
Completed projects	64	213	28	199
Disbursements (USD)	11,019,464	26,005,231	3,166,526	15,910,317
Direct beneficiaries – estimated	297,821	844,778	73,384	324,615
Female beneficiaries (%)	44	47	51	51
Temporary employment created (workdays)	656,490	1,611,498	207,852	810,404

The Rain-fed Agriculture and Livestock Project (RALP)

SFD is implementing the third component of RALP in 23 districts across 5 governorates (Al-Mahawet, Lahj, Hajjah, Al-Hudaidah and Sana'a). The program enables farmers in the target areas to develop, diversify and market their products.

In 2013, SFD continued to support agricultural producing groups and to build their capacity, as well as to improve the watersheds through the rehabilitation of agricultural lands and terraces and improving water systems for agriculture and irrigation.

In the framework of coordination and cooperation between the Social Fund for Development and the Ministry of Agriculture and Irrigation (MAI), SFD supported in 2013 seed producer groups, local authorities and MAI offices and the offices of Social Affairs and Labor to establish 5 associations of seeds producers in the 5 targeted governorates in order to organize the work and efforts of the these producers to improve production.

Table 7

Indicators of RALP in 2013

Indicator	Accomplished/Reached
Number of targeted districts	23
Number of local communities	230
Number of formed rural producing groups (e.g, goats, bees, poultry)	2,161
Number of seeds rural producing groups	70
Percentage of benefitting women (%)	45
Number of active rural producing groups	1,951

Supporting and building capacity of rural PGs

During the year, SFD continued to enhance capacities of rural producing groups (PGs) in technical and administrative areas, with the first and second levels of groups' formation and capacity building completed (Table 8). Training was also provided for 78 facilitators and 98 persons in RALP areas on the characteristics of adult education and reading, writing, and math skills to teach members of the groups. Two training courses were also carried out for farmers on improving almond cultivation in Bani Matar (Sana'a), and a vaccination campaign was conducted against animal diseases in the targeted areas.

Finally, SFD continued to support beekeeping through providing training to 47 consultants (both male and female) on the technical aspects of beekeeping and the combination of traditional and modern methods. Training was also provided to 46 beekeepers (from Al-Hudaidah and Taiz) on various bee products. It is worth noting that significant positive change has occurred in the willingness of beekeepers to accept modern beehives and make the appropriate technical operations. These trends have been reflected in increased production and improved income.

Table 8

Number of the rural producing groups (PGs) formed, trained and financed by SFD

Community Level	PGs formed and trained					PGs financed				
	2009	2010	2011	2012	2013	2009	2010	2011	2012	2013
Intra-community	653	1,485	-	-	-	229	633	249	309	642
Intercommunity	-	-	-	52	32	-	-	-	34	32
TOTAL	653	1,485	0	52	32	229	633	249	343	674
GRAND TOTAL	2,222					2,128				

Watershed Integrated Management

In 2013, SFD completed the integrated management for the maintenance of agricultural terraces in Wadi Adeem (Al-Maqaterah District, Lahej Governorate). Several activities were carried out, including the reclamation of agricultural terraces (23,980 meters), protection of valleys (8,857 cubic meters), restoration of the spate irrigation channels, setting flood barriers (2,858 cubic meters), protection of water sources, and rainwater harvesting (695 cubic meters). The interventions have contributed to improved living conditions among the targeted people, particularly for the unemployed.

In addition, 98% of the planned works have been completed in soil and water preservation in Al-Foaha Gabal Ras, Al-Hudaidah. The completed works include agricultural terraces reclamation (4,589 meters), flood barriers (170 cubic meters), and pastures (100 cubic meters).

The year also witnessed the completion of a 55 spate irrigation canal (to irrigate 233 hectares of agricultural lands) and 15 cisterns for animals watering (with a storage capacity of 1,260 cubic meters).

RALP projects outputs (infrastructure), 2013 and cumulatively

Indicator	2013	Cumulative
Agricultural terraces rehabilitation (m ²)	64,378	144,160
Number of irrigation tanks	22	210
Irrigation tanks storage capacity (m ³)	3,660	28,585
Number of irrigation channels	4	34
Irrigated area (hectare)	217	377
Flood protection walls (m ³)	14,840	24,969
Forestry treeing area (hectare)	2	8.5
Lands protection (hectare)	30	215
Coffee seedlings	9,500	10,460
Palm seedlings	-	300

Water for Agricultural Development

In 2013, 16 projects were approved at an estimated cost of \$4 million in small dams, and in soil, water, and irrigation.

In dams, 9 projects were approved at an estimated cost of \$2.8 million, targeting 27,500 people, with storage capacity of 1.7 million cubic meters irrigating 508 hectares of agricultural lands. An additional 13 projects were completed at a cost of \$2.8 million, benefiting 19,600 people, with a total storage capacity reaching 1.1 million cubic meters and irrigating 427 hectares. Thirty-seven projects remain under implementation, at an estimated cost of \$8.6 million and expected to benefit more than 71,000 people, with a storage capacity of 5.4 million cubic meters and irrigating 5,533 hectares.

In soil, water, and irrigation, 7 projects (worth \$1.3 million) have been developed, addressing biodiversity, climate change, spate irrigation, and land protection, with and expected to benefit 9,800 individuals.

Indicators of Water for Agricultural Development (small dams) in 2013 and cumulatively

Project status	Number of projects	Storage capacity (m ³)	Irrigated area (hectare)
Completed in 2013	31	1,082,654	427
Completed cumulatively	107	9,992,340	637.8
Under implementation	37	5,392,684	5,533
Approved	11	1,257,264	516



Rainfed agriculture, Arhab, Sana'a

Box 5

“SFD’s support and training helped us increase our livestock and income”

Fatima Abdullah Noor, a member of a rural producing group (PG) named Al-Nasr (Victory) in Al-Marqab (Hajjah Governorate) could not believe what she was looking at. She was in an experience-exchange visit to the neighboring community of Al-Duhaish Al-Asfal (Masrooh Sub-district, Khairan Al-Muharraq District, Hajjah). Members of another PG, called Al-Ittehad (Union) in the community were pasturing their herds of lambs. Fatima could not contain herself from shouting, “This is impossible! How can a single group have all these lambs? These are too many to believe!”

The answer to her question and surprise came immediately. “Nothing is impossible!” Hasan Mohammad Al-Sho’ei, Head of Al-Ittehad PG said enthusiastically. He added, “In the past, we were working separately, nurturing our livestock with the old traditional methods and the herds of sheep we owned were so few, and what we had earned was not sufficient to meet our needs. So, we had to look for work outside the village in other fields. In the past, growing the livestock added new burdens to shoulder as we were wasting money, time, and effort without gaining the desired benefit.”

Fatima was listening, carefully staring at his face, which encouraged him to continue, “But the Social Fund for Development came to our community and started organizing us in groups, each of 5 people. Villagers contributed “mother sheep” to the formed groups, until the project had 30 sheep.” Silence prevailed for a while, then Fatima asked, “And what did SFD do for you to succeed?”

“Initially SFD provided us with fodder and livestock medications, which we did not know how to collect and use”, replied Hasan. He added, “SFD then trained us on how to use these tools, how to manage the group, and how to raise livestock by modern means that we had known nothing about.”

Fatima kept silent, and Hasan continued excitedly, “As you can see today, after SFD added 5 female sheep and the cattle proliferated, the herd now comprises almost 60 livestock, in addition to more than 30 offspring. Actually, the secret to this success is to work collectively, as any member of the PG takes over the work when the others are busy. Success was the ripe fruit of our contributions: when we pay the contribution to the group itself, all of us forget about it, as it belongs to all of us in the group!”

“Our herd grew in number and our capital increased and yielded profits and benefits. SFD’s support and training encourage us to hope to further increase the herd and gain more benefits,” he concluded.

Integrated Intervention Program

The Integrated Intervention Program (IIP) is a multi-sector intervention development program that targets the poorest areas to provide integrated rather than single-project support to build social and human capital. It offers a long-term commitment with the aim of facilitating sustainable development and a culture of self-help. Multiple activities are being supported through the program. These include upgrading basic services to increase access, organizing and empowering local communities, developing external partnerships to contribute to sustainable development and self-help.

The program continued to target the poorest rural areas, targeting—through SFD Branch Offices (BOs) in the Governorates across the country—364 villages distributed across 26 sub-districts in most of the targeted Governorates (Table 9).

During the first 3 years (2011–13) of SFD Phase IV (2011–15), the IIP developed 146 projects worth \$18 million, expected to benefit a geographical area of nearly 171,000 people.

Output	Target / Completed	
Target sub-districts	26	
Target villages	364	
Members of development committees formed and trained by SFD	Male	Female
	317	196
Total number of beneficiary members of development committees	513	

Capacity building in Agricultural and Economic Interventions: The IIP increased awareness of 691 livestock raisers on the proper ways of raising and dealing with animal health problems and animal disease prevention. The program also trained 63 veterinarians to enable them to provide better veterinary services in the target rural areas. Training was provided to 70 beekeepers, as well, on the basic knowledge and skills of beekeeping, and a ToT course was held in knitting. In addition, the Program began implementing a project to build the capacity of a group of young people in Al-Quhaifa (Taiz Governorate) in technical fields to help them find permanent jobs.

Table 8

IIP outputs as of end of 2013

Interventions in Community Organization and Capacity Building: facilitates the building of social capital through organizing the community in community structures as well as through forming community entities such as councils, committees, and groups, and training them in different fields (for example, as projects operation management, Parents Councils "PCs", agriculture, economic empowerment and health committees).

Interventions Supporting Local Authorities: Local Authority members have been trained on community contracting mechanisms in six districts covered by the IIP.

Interventions in Education: The Program carried out a number of activities in different areas to meet the communities' priority needs. These included constructing and furnishing 45 classrooms, training 22 male teachers in modern teaching approaches and psychiatric and educational support, as well as to qualifying 20 rural female teachers. The activities also included building the capacity of the education staff in all relevant areas and the formation and training of 35 PCs.

Interventions in Literacy and Community Education: The IIP furnished the Literacy Office in Hazm Al-Oudain (Ibb Governorate) and opened 14 community-education classrooms in Wade'a (Amran), benefiting 220 girls. Also, 180 literacy classrooms have been opened in different areas, benefiting 3,875 adult learners in reading and writing, life skills, education about maternal and infant health, and nutrition. Moreover, 79 female literacy trainers from within target areas received ToT in literacy and a number of training workshops focusing on literacy and adult education and raising community awareness on the importance of literacy, girls' education, and community education.



A meeting with community members, Bani Asa'ad, Ibb

Interventions in Water and Sanitation: 1,220 rooftop rainwater-harvesting tanks have been implemented, with storage capacity of about 58,000 cubic meters. In addition, the program began implementing one water project: A 48,500-meter-long domestic water pipe network for 1,560 households. Similarly, 64 wells for drinking water have been rehabilitated and 4 concrete water storage tanks were built for 4 schools in Al-Quhaifa in Taiz. In addition, the community led total sanitation approach was applied in all the villages (29 in total) of the districts of Wade'a Hashed (Amran) and Al-Mateenah (Al-Hudaidah).

Interventions in Health and Special Needs Groups: The Program continued to implement hygiene and environmental education programs, with focus given to mother and child nutrition and prenatal care. The implementation was carried out by local volunteers (a man and a woman per 20 households), with SFD providing training for these volunteers. The program also trained 60 community midwives and 35 traditional birth midwives on appropriate delivery skills. A training course was also held to develop a plan for activating healthcare services and hygiene and environmental education in Al-Mashareej (Lahj). In addition, the Program implemented a training workshop for Community-Based Rehabilitation volunteers and midwives in Al-Outnah (Haradh, Hajjah), focusing on early detection and intervention in child retardation. Finally, health-promoting school teams have been formed in 7 schools in 7 target areas as a pilot phase.

Interventions in Rural Roads: The rehabilitation and upgrading of three 17-km-long roads in Karish (Lahj), Bani Sa'ad (Ibb) and Al-Athluth (Dhamar) are currently underway.

Community Mobilization and Project Officers Capacity Building: The Program continues community activation and mobilization in Bani Muanis (Wisab Al-Safel, Dhamar) and is en route to do the same in all of the target areas. This includes field visits by the program team and branch officers. A workshop and a field visit were also conducted for the IIP branch officers to discuss the progress of the program activities and share experiences.

Training and Organizational Support

The objectives of the Training and Organizational Support (TOS) interventions focus on building the capabilities of SFD partners, including local communities, local authorities, government organizations, and civil society organizations, among others, whose activities are closely linked to poverty mitigation and local development. This will be achieved by continuing to enhance accumulated experiences and reciprocal learning, as well as by skills sharing and exchange, especially in the fields of poverty alleviation. This will also be achieved by supporting efforts leading to good governance, reinforcing decentralization, and activating local development within the framework of the national strategy for local government.

- Empowerment for Local Development Program
- NGOs
- Local Authority
- Local Communities
- Private sector (Consultants /individuals)
- Rural Advocates Working for Development Program (RAWFD)

During 2013, SFD developed 181 projects across the 2 sectors, worth approximately \$7 million. In the Training Sector, 144 projects were developed exceeding \$5.7 million, while in the Organizational Support Sector, 37 projects were developed worth more than \$1.2 million. Cumulatively, the Training Sector has developed 1,104 projects (at an estimated cost of more than \$30 million), while the Organizational Support Sector has developed 665 projects (worth nearly \$29.7 million) (Table 10).

Table 10

Indicators for Training and Organizational Support Sectors

Indicator	Training		Organizational Support	
	2013	Cumulative (1997-2013)	2013	Cumulative (1997-2013)
Approved projects	144	1,104	37	665
Commitments (USD)	5,741,045	30,323,811	952,188	29,661,118
Completed projects	94	826	577	523
Disbursements (USD)	4,478,716	18,262,242	1,292,453	23,323,660
Direct beneficiaries – estimated	32,801	205,024	17,428	686,705
Female beneficiaries (%)	42	40	49	46.6
Temporary employment created (workdays)	77,734	447,440	21,620	707,699

Activities at the community level included training on site empowerment for development committees, training male and female representatives on analyzing sub-district development and conducting field visits, as well as encouraging self-help initiatives, forming and training villages' cooperative councils, updating autonomous plans, and implementing training courses for community frames in various fields, including negotiations, conflict settlement, and preparation of program development plans.

Through targeting 13 governorates, outputs included the encouragement of self-help initiatives by targeting 1,504 villages' cooperation councils and 12,350 individuals (including 6,051 females), and the analysis of the development situation of the districts. (218 sub districts, training 4,370 individuals of whom 2,091 females). In addition, community frames were trained on disputes' sensitive development in 6 governorates. About 115 sub district committees were targeted, and 3,084 individuals (including 1,334 females) trained. In addition, 4 governorates were targeted in a community accountability and control component, with training of 134 local councils and 2,044 individuals (including 591 females) from development committees, and 76 empirical studies were implemented.

At the local authority level, activities included training on the mechanism of the empowerment program, participatory planning for districts' teams and local council members in various governorates, situation analysis, institutional assessment studies (including field visits, follow-up, and training), the encouragement of self help initiatives (including workshops, meetings, and preparations), drafting the development report and the development plan (including training, preparation, and printing), training courses in administrative skills and community contracting, preparation of programming plans, and providing equipment for local authorities.

Outputs included training local authority members on the Program's mechanism, drafting the report and development plan and its marketing. The total number of targeted reached 2,099 trainees including 84 females. In the organizational support component, equipment was provided for 4 governorates. In Taiz Governorate, 28 persons (including 5 females) were trained in the ELD mechanism.

Empowerment for Local Development Program

SFD is implementing the third component of RALP in 23 districts across 5 governorates (Al-Mahaweet, Lahj, Hajjah, Al-Hudaidah and Sana'a). The program enables farmers in the target areas to develop, diversify and market their products.

In 2013, SFD continued to support agricultural producing groups and to build their capacity, as well as to improve the watersheds through the rehabilitation of agricultural lands and terraces and improving water systems for agriculture and irrigation.

In the framework of coordination and cooperation between the Social Fund for Development and the Ministry of Agriculture and Irrigation (MAI), SFD supported in 2013 seed producer groups, local authorities and MAI offices and the offices of Social Affairs and Labor to establish 5 associations of seeds producers in the 5 targeted governorates in order to organize the work and efforts of the these producers to improve production.



Sketching human resources and services, Hajjah

Government organizations

Fifteen projects were developed in this sub-sector, including 7 projects for training and 8 projects for organizational support.

Interventions included training local authorities on development concepts, managerial and legal aspects in their practice in Sa'adah Governorate, training the staff of the General Authority for Rural Water Projects and its branches in Participatory Rapid Appraisal (P.R.A.) methodology, training SFD staff in effective training skills, training officers and consultants in the methodology of training needs' assessment and analysis according to new trends, institutional analysis for the National Institute for Modern Sciences, training officers and consultants, development of a training manual in community mobilization and programming awareness, building the capacities of Project Officers in management skills (Al-Hudaidah), organizational support to the two departments of associations and females in the Social Affairs and Labor office (Taiz), implementation of an institutional assessment study for the Civil Service office in Ibb Governorate, support to the Digital Library of the National Information Center (Sana'a City), training trainers, designing and printing ELD manuals, establishment of a database for the ELD's targeted districts, organizational support to the Model Center for Community and Productive Families' Development (Sana'a City), and Supporting the Ministry of Local Administration for Implementing prioritized activities in the field of Supporting Decentralization and Local Development.

Interventions and activities undertaken are as follows:

The Ibb branch office organized a course in management skills for the Social Affairs and Labor Office staff (in the Women's and associations and unions departments), as well as training 12 trainees from the General Authority for Martyrs' Families office. The Ibb branch also provided equipment to the 2 offices. The Imran branch in Sa'adah Governorate supervised the completion of construction for the Training and Information Center, and followed up the arrangements related to purchasing equipment and furniture for the Center. SFD's main office followed up with the provision of equipment and furniture to the Project of the Digital Library affiliated to the National Information Center. Activities also included a visit by the Deputy Minister of Local Administration to the main office last September, and signing a sub agreement with the Managing Director related to the Project, supporting the Ministry of Local Administration to implement Prioritized Activities in the Field of Decentralization and Local Development. Purchase arrangements were also underway to provide equipment and furniture for the same project.

NGOs

SFD aims to improve the capacity of non-governmental organizations (NGOs) in Yemen to enable them to provide services efficiently and effectively, and to play an active role as a partner in development in rural and urban areas.

Twenty projects were developed in the training sector, and 4 projects in the organizational support sector, aimed at capacity building in local associations, unions, and female centers in various fields (including managerial, financial, coiffeur, sewing, and refresher training), in addition to providing general organizational support.

Approximately 85 organizations, unions, and centers across all governorates benefited from these interventions.

Interventions and activities included providing training to associations and centers in areas including the basics of development work, project management, accounting, sewing, strategic planning, fundraising, libraries' indexing and classification, coiffeur, evaluation of organizational and institutional capacities for NGOs, and conducting feasibility studies. Several associations, centers, and foundations also benefited from organizational support including equipment provision, implementation of program and NGO trainers evaluations, and the reconstruction and furnishing of the Yemeni Women's Union in Al-Mukalla. In total, about 40 associations and centers benefited from the various activities in the governorates of Sa'adah, Amran, Hadhramaut, Al-Hudaidah, Hajjah, Abyan, Taiz, Sana'a City, and Mareb.

Local Authority

In this sub sector 48 projects targeting local authorities were developed, of which 30 were for training and 18 for organizational support. Intervention components included supporting the local authority in participatory planning, organizing the community in targeted districts (in Ibb, Abyan, Al-Baidha, Al-Hudaidah, Dhamar, Sana'a, Al-Mahweet, Amran, Raimah, Lahj, and Hajjah Governorates), training local authorities in a number of targeted districts in the governorates of Ibb, Raimah, Hadhramaut, and Al-Mahweet, encouraging self help initiatives, and developmentally organizing the community in Sabah district (Abyan), and Dhibein district (Amran). This is in addition to institutional development for the local authorities in districts in Taiz, Hajjah, Al-Hudaidah, and Hadhramaut, as well as institutional assessments in districts in Dhamar, Al-Baidha, Ibb, Amran, Al-Hudaidah, Raimah, Sana'a, Al-Mahweet, Abyan, Lahj, and Hajjah Governorates. Additional interventions are aimed at building the capacities of the staff in the General Department for Women Development in the districts and main office of Ibb Governorate, supporting the local authority in Amran Governorate to supervise and follow up the ELD Program, training consultants, and providing equipment for the Local Authority's General Information Center in Amran Governorate, as well as training the staff of the General Department for Women Development in the governorate's main office and districts in each of the governorates of Al-Hudaidah and Raimah.

Local Communities

In this sub sector 39 projects were developed, of which 34 were training projects and 5 organizational support projects.

Targeting comprised of the following:

- Encouraging self-help initiatives and mobilizing the local community for development in several districts of the governorates of Ibb, Al-Hudaidah, Dhamar, Al-Beidha'a, Lahej, Al-Mahweet, Amran, Reima, Abyan, and Hajjah.
- Priority needs' assessment studies for the 2014 projects for the governorates of Al-Beidha'a, Dhamar, Sana'a, Amran, Al-Hudaidah, Al-Mukalla, Aden, and Taiz.
- Formation and training of beneficiary committees, community committees, and local contracting committees for the governorates of Taiz, Hajjah, Amran, Dhamar, Al-Beidha'a, Sana'a Branch, Al-Mukalla Branch, and Aden Branch.
- Other interventions included training and onsite empowerment for two districts in Taiz Governorate, and supporting active frames' community initiatives in several districts of Hadhramaut, Amran, and Ibb Governorates.

In addition to the activities mentioned in the frame of ELD Program above, concerning the encouragement of self-help initiatives and mobilization of the local community for development, 11 field studies were implemented in villages in Hajjah Governorate. In addition, 15 beneficiary committees were created for the 2013 projects in the Hajjah Branch Office. In the Aden Branch Office, beneficiary committees were formed and trained for the projects of Roads, and water through community contracting mechanism. Moreover, field visits by teams were conducted to form approximately 53 community committees for the sectors of Education, Water, and Agriculture, as well as formation and training of 101 community committees for roads and water projects (19 through community contracting mechanisms), and the formation and training of 9 community committees for approved projects (Al-Mukalla Branch) and the formation and training of 30 beneficiary committees for the projects of 2013, beside forming 8 beneficiary committees for the community contracting projects (Dhamar Branch).

Private sector (Consultants /individuals)

Forty-one training projects were approved. They include training male and female consultants in techniques of community research, mechanisms of situation evaluation and identification of participatory needs' prioritization (PRA) for the main office and branches, as well as training engineers and technicians on the mechanism of projects' supervision and quality control, and training accountants and consultants on community contracting mechanism and unified accounts' system, training consultants for ELD Program, contractors on community contracting, and training trainers in various fields according to the need of each branch. Projects were also approved to train coordinators for workshops and training courses. This is in addition to a practical and informational training program for newly graduated engineers to qualify them for the labor market, training consultants and developing a training manual and field directives in the field of projects' sensitive conflict development, and preparation of a training manual for trainers in the field of tenders and procurement for targeted districts in the ELD Program.

Activities conducted included qualifying consultants in several SFD branches in Participatory Rapid Appraisal, basics of community research, and formation of beneficiary committees, and training consultants on how to identify the organizational capacities of NGOs, training trainers on evaluating the organizational and institutional capacities of NGOs, training trainers and engineers in the field of community contracting, qualifying engineers in supervision and quality control, as well as engineers and accountants on the new mechanism for the water sector, newly graduated engineers, training trainers on advocacy and gaining support, techniques and methods of qualifying consultants in the field of procurement. The total number of those trained reached 1,302 persons (including 317 females).

Rural Advocates Working for Development (RAWFD) Program

This program qualifies young university graduates from rural areas to become advocates for rural development in their respective areas. It carries out a wide spectrum of activities, with some of them having labor-intensive aspects and providing job opportunities.

Four training projects were developed for qualifying university graduates for advocating for development issues in rural areas in the frame of the RAWFD Program for the year 2013 in the governorates of Ibb, Al-Beidha'a, Dhamar, and Taiz. During the year training was provided for youth from the governorates of Al-Hudaidah, Dhamar, Hajjah, Dhal'e, and Al-Beidha'a, reaching 472 youth (including 245 females). Amendment also took place for the topics of Gender Streaming in development, special needs' groups, sensitive conflict development, and local authority. A trainer's manual concerning the topics of the RAWFD Program was also prepared, which entailed communication with 438 persons from the Program's outputs in 9 governorates to learn about with what they gained from the training courses. In addition, promotion for 10 persons from the Program's outputs was undertaken, with information about them conveyed to the National Dialogue Conference to work as coordinators there, and following up 40 youth initiatives implemented in Socotra Archipelago, and in districts in 9 governorates. The program brochure was also revised, updated, and corrected in both English and Arabic.

The training material concerning the RAWFD Program and the trainer's manual were amended and enriched. A particular mechanism was designed for illustrating how to conduct training related to the topic of Conflicts' Sensitive Development within the trainer's manual for the topic of Basic Concepts of Development Issues. The program's components and achievements are outlined on the RAWFD Website (www.rawfd-sfd.com).



Rural Advocates Working for Development (RAWFD)

Box 6

Motivating self-help initiatives and mobilization of local communities

The village of Jawat Bin Muhanna'a, like any other Al-Qatn District's villages (Hadhramaut Governorate) is suffering from a lack of awareness of its resources and potentials, both human and material. This is in addition to the absence of persons capable of stimulating the community to work collectively. In this respect the villagers are unable to meet and implement any self-help initiative, despite being aware of a number of negative aspects present in the village.

The village cemetery was demolished by flooding in 2008. Floods submerged half of the cemetery and washed away the poles and wires that had protected it from animals trying to dig up the graves, as well as from cars threatening the sacredness of the place. Each time a villager died, villagers would resolve in vain to meet and fence the cemetery.

For years nothing was done. One summer day in 2013 the villagers woke up to see people wearing blue garb bearing the name Program of Empowerment for Local Development/Social Fund for Development. They came not seeking money or food, but rather, to motivate, to raise consciousness, and to encourage the villagers to work cooperatively. Here the voice of conscience met with the villagers' desire to re-fence the cemetery. It was agreed to start the initiative together with the male villagers early in the evening after prayers on the next day. At the agreed upon time, all of the men and youth of the village met and were divided into two groups. The first group's task was to dig the ground and erect the poles. The second group's job was to stretch the barbed wire on and across the poles. The cemetery was also cleared of harmful bushes that had been growing inside. The work was carried out with the spirit of cooperation and enthusiasm among the villagers and SFD's team of consultants. The day was wonderful for everyone involved, not only because the villagers conquered dependency and indifference, but also because this event marked the start of the revival of self help initiatives in the village. The villagers also agreed with the Village's Cooperative Council to launch another initiative on the next day to fill the potholes and level the ground around the village mosque, which gave an indication of the ELD's success in stimulating self help initiatives.

Cultural Heritage

Projects in the cultural heritage sector contribute to rescuing and restoring the country's rich and diverse endangered cultural heritage, preserving both tangible and intangible assets of historic and aesthetic value. Projects in this sector also help build national capacities in this regard.

- Restoration Project of the Great Mosque in Sana'a
- Restoration project of the Grand Mosque of Shibam/Kawkaban (al-Mahweet)
- Restoration Project of Al-Ashrafiya Mosque and Madrasa, Taiz
- Paving the streets of the historic city of Zabid
- Support of Al-Ahqaf library / Phase II
- Strengthening and restoration of Al-Mansuriyya Madrasa/Phase II (Juban, Al-Dhale')
- Enhancing the GOAM staff capacity

During the year, 20 projects have been approved worth nearly \$5.8 million, bringing the sector's cumulative total (from 1997 to 2013) to 284 projects at an estimated cost approaching \$62.6 million, with temporary employment of 2.5 million workdays approximately (Table 11).

Table 11

Indicators for the Cultural Heritage

Indicator	2013	Cumulative (1997-2013)
Approved projects	20	284
Commitments (USD)	5,752,300	62,570,600
Completed projects	14	214
Disbursements (USD)	48,919,052	4,911,353
Employment created (workdays)	275,158	2,480,055

Restoration Project of the Great Mosque in Sana'a

The Great Mosque of Sana'a is one of the most important Islamic monuments in Yemen and the Islamic world for its historical value and holdings of antique art and architecture, as well as the fact that its construction was based on the direct instructions of the Holy Prophet Muhammad. Quranic manuscripts and parchments were discovered day after day during the restoration work, further increasing the richness of the Great Mosque's holdings. Restoration work has revealed the deteriorated state of conservation in some locations, in addition to the discovery of many of the architectural elements and motifs that were not visible and were covered with multiple layers of plaster and paints that had accumulated over the years. Due to the importance of this monument, restoration had to be undertaken in accordance to international standards and utilizing national and international experts.

As in previous years, restoration was sensitive to the need in the community to ensure that portions of the mosque remain open to worshipers for the duration of the project. During 2013, several areas have been reopened after site studies of archaeological excavations and architectural documentation.

Work continues on the restoration of the ornate coffered wooden ceilings, and structural repairing for walls, arches, crowns, and columns, including plastering, electricity, and acoustics. It is worth noting that during the restoration work of the ornate coffered wooden ceilings, 650 parchment-pieces were found, dating back to the early period of the Koranic writing and is a wealth in the field of knowledge.

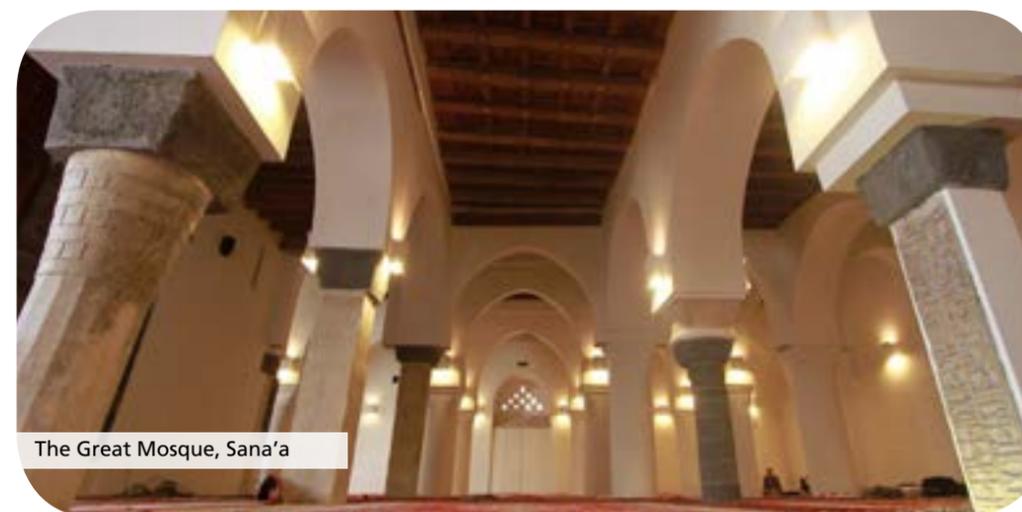
In parallel, and within the interest of SFD on building capacity of Yemeni cadres, a training course was held, targeting 30 post graduates of archeology, architecture, and fine arts who were selected on competitive basis. Five of the restoration team members were trained in Italy (first patch) for a further and more intensive course with cooperation with the Veneto Institute for Cultural Heritage (IVBC) in Venice.

Restoration project of the Grand Mosque of Shibam/ Kawkaban (al-Mahweet)

This mosque is considered as one of the most important mosques in Yemen, due to its significant archaeological and architectural value. The mosque was built in the third century AH of the Yafari era, and is characterized by its unique carved and colored wooden coffered ceiling.

Work continued in 2013 on the structural restoration of the ornate coffered ceiling, after being documented by drawing and photogrammetry in preparation for beginning the restoration of the fine colors. This includes the restoration of the ornate deteriorated wooden beams, which had been dismantled previously. The structural restoration of the wooden elements and the coffered parts has been completed in the eastern portico.

It is worth mentioning that during the experimental soundings in the walls and in the parapets of this portico old plaster decorations were discovered under the plaster layers, which required the expansion of those soundings to detect, document, clean, and conserve decorations as required.



The Great Mosque, Sana'a

Restoration Project of al-Ashrafiya Mosque and Madrasa, Taiz city/5th phase

At 635 years-old, Al-Ashrafiya Mosque and Madrasa is considered as one the most important historical monuments not only in Yemen, but also in the Islamic world. Comprehensive restoration works have continued since 2005 for five successive phases. In 2013, fine restoration works continued for the mural painting and the gypsum decorations in the prayer hall and the shrines, as well as the restoration of the timber archaeological wooden elements at Western gate and at the gate of the prayer hall and booths of the shrines, and the restoration of the stones at the Southern gate and the entrances of the two minarets. It should be noted that the restoration work is done by local teams trained locally and abroad, under the supervision of conservators from the Veneto Institute for Cultural Heritage.

Paving the streets of the historic city of Zabid

Street paving projects in the historic city of Zabid are underway in 3 areas, covering a total area of 30,889 m². In one of these areas, the project is 93% complete. These projects aim to protect the existing infrastructure by improving the surface drainage of the roads, and will also better serve vehicle and pedestrian traffic. The roads have been constructed in accordance with the material and quality specifications approved by the General Organization for Preservation of Historic Cities (GOPHCY) and experts from UNESCO.

Currently, street pavement and accompanying works are being implemented to protect and support some of the foundations and walls in addition to laying out the underground electrical cables. The paving of the open theatre of the Al-Qala'a (Citadel) Square has been completed. Consequently, the cumulative total area paved (as of the end of 2013) reached 30% of the total planned.



Paving and improving Al-Qala'ah courtyard, Zabid, Al-Hudaidah

Strengthening and restoration of al- Mansuriyya Madrasa/Phase II (Juban, Al-Dhale')

Al- Mansuriyya madrasa (or the so-called Ameriat Juban) is considered to be one of the main architectural and historical monuments of the Tahiri Sultanate, built by Sultan al-Mansur Abd al-Wahhab ibn Da'ud ibn Tahir in the year (866-894 AH) corresponding (1462-1489 AD). The first phase of the intervention entailed repairing the foundations that were damaged by rainwater and sewage leakage, which had penetrated deep into the soil surrounding these foundations and caused the stones to erode, leading to cracks and bulges in the wall. This necessitated the replacement of the damaged stones with identical stones (in terms of specifications). Projects have been undertaken to oversee the replacement of several affected areas of the façade, as well as the restoration

of corroded traditional wooden ceilings using the same original materials and traditional techniques. Projects have also been undertaken for the implementation of the plastering works of the traditional qadad for the roofs and façades, including the initial repairs for the deteriorated gypsum decorations in the domes of the prayer hall, which was damaged by rainwater. In order to neutralize the damage of the sewage and rainwater, complete protection measures have been implemented for the building from all directions by connecting and diverting the surface drainage to the a special network has been connected to the public sewerage network.

Support of Al-Ahqaf library /Phase II

Al-Ahqaf library in Tarim (Hadhramaut) is considered one of the most important centers of preservation and maintenance of manuscripts in Yemen, with a library of more than 3,000 manuscripts and 6,000 titles. It has been in search of a space in the library that sufficient to carry out maintenance and restoration activities, in addition to supplying equipment for the library (digital camera, and materials for binding and preservation of manuscripts, and other office equipment).



Al-Mansuriyya Madrasa, Juban, Al-Dhale'

Enhancing the GOAM staff capacity

In the framework of the institutional support provided by SFD to the General Organization for Antiquities and Museums (GOAM) to promote the archaeological work, and in cooperation with the German Institute for Archaeology, a training program has been carried out by experts from the Institute, targeting 45 archaeologists from GOAM. The program included a number of training courses in various archaeological fields.

The Protection and Restoration of Defense Structures of Thula Fortress

The first phase of the project has been completed. This phase comprised detection and archaeological investigation and restoration of historical aqueducts, which had been discovered, as well as the discovery and restoration of several walls of the defensive structures of the original entrance of the fortress. It should be noted that this project has provided—in its first phase—more than 21,000 workdays.

Projects in the Historic City of Sa'adah

Work continues on the restoration project for three houses in the old city affected by various damaging conditions as models to be followed for future restoration projects. Work also continues on the paving project for the street adjacent to the wall of the old city of Sa'adah. To-date, approximately 70% of the paving has been completed. These two projects have provided approximately 14,095 temporary jobs.



Pavement of Sa'adah streets

Box 7

Dar Al-Makhtootat (the manuscripts house) in Sana'a city

Dar Al-Makhtootat in the old city of Sana'a is considered the most important Yemeni manuscripts center. It was established in the 1980s to house Quranic parchments and manuscripts discovered after the collapse of a wooden coffered ceiling in the Great Mosque of Sana'a due to the rainwater infiltration. Dar Al-Makhtootat contains more than 16,000 manuscripts, including copies of the Koran, and other fields of science, philology, language, and medicine.

The Dar carries out many activities on documentation and restoration since its inception in the beginning of the 1990s. Like other government institutions it has been subjected to the deterioration of administrative and technical capacities, ceasing its activities on documentation and restoration.

Manuscripts continue to flow to the Dar, which suffers from a shortage of equipment and trained technical expertise to carry out the documentation, maintenance, and restoration, thus, parchments and manuscripts remained locked in the drawers.

In recognition of the scientific, technical, and historical value of the manuscripts, SFD launched a series of processes to improve the status of the Dar in preserving manuscripts. This included strengthening the structural state of the Dar building, followed by launching a broad process to document, maintain, and restore the building. In 2009 the signing of an agreement between SFD and the Manuscripts Sector in the Ministry of Culture, in coordination with the University of Sana'a, created a program in which the university nominates graduates from the Archeology, History, and Libraries departments, as well as scientific supervisors from those departments to carry out the documentation, maintenance, and restoration. In turn, SFD provided the necessary equipment (including computers, digital cameras, printers, furniture, and restoration materials) and wages for the post graduates. Training (including maintenance and restoration) was carried out by a team that has been trained by an international restoration expert. Finally, and to provide more protection for the manuscripts from fire or theft, SFD has replaced the old worn-out electrical network as well as installed a new fire-fighting system and surveillance cameras.

These interventions, in conjunction with the will of the new management of the Manuscripts Sector, represent a new starting point for the Dar, which has been able to index and document most of the manuscripts manually and electronically, including photography. The Manuscripts Sector was also able to perform maintenance and restoration of a large number of manuscripts with the continuation of the training program for the restoration team, who is able now to carry out a successful restoration work.

From the standpoint of SFD, the biggest success that has been achieved in Dar al-Makhtootat is the administrative discipline in the Dar and the continuation of the work of documentation, maintenance, and continuing enthusiasm and discipline to the team work even after the end of the Project of SFD, as well as the products of these interventions in the training and qualifying of more than 60 university specialist (including 45 females) acquired outstanding technical skills which can be relied upon in the future.

Labor-Intensive Works Program

The Labor-Intensive Works Program (LIWP) targets poor communities, aiming to provide two sets of benefits: immediate wage income to protect poor families against shocks, and community assets that would generate future benefits.

- Cash-for-Work Program (CFW)
- Roads



LIWP consists of the Cash-for-Work Program and Roads Sector.

Cash-for-Work Program (CFW)

CFW projects target very poor communities in rural areas and concentrations of unskilled labor in the urban ones. It provides temporary job opportunities for the poor in areas affected by economic shocks, including those induced by climate change (such as drought), food price inflation, and unemployment. CFW works directly with the benefiting communities to prioritize the projects' activities and phases according to their own needs. Such projects are usually labor-intensive and technically simple to implement with at least 60% of their total budget transferred as wages.

LIWP has been active since 2008 in the poorest rural areas for the purpose of enhancing SFD's role as a component of the national Social Safety Net through cash-for-work, which contributes to filling the consumption gap of poor households and communities during shocks, climate change, and seasons of agricultural stagnation. LIWP-CFW also seeks to increase the productive assets of the target communities as a safeguard against future shocks.

CFW has a variety of interventions including the creation and rehabilitation of agricultural terraces, protection and rehabilitation of agricultural land, watershed management, improvement of rural roads, protection and rehabilitation of irrigation canals, increasing vegetation, construction of rainwater harvesting tanks, protection of drinking water, drilling of shallow wells, and establishment of home gardens. In 2013, 237 projects were approved, at an estimated cost of more than \$67.5 million, benefiting 401,600 people (50% female), and generating around 5 million workdays, of which about 1 million workdays were for women. The cumulative number of CFW projects is 748 projects with a total cost of \$152.8 million, targeting 141,186 households, benefiting 1.2 million people (49% female), and generating 11 million workdays, of which 2 million were allocated for women.

LIWP-CFW is estimated to target 11% of the food insecure population in Yemen, whose number already is nearing about 10 million people.

Indicators of Cash-for-Work Program, 2013 and Cumulative

Year	Number of new projects	Number of laborers working in the program's projects		Number of benefiting households	Temporary jobs (workdays)
		Males	Females		
2008/2010	1,884	102,515	17,597	27,428	898,711
2011	90,101	88,468	18,646	22,767	1,255,342
2013	36	103,903	21,611	33,563	2,279,081
2013	122	155,055	26,616	57,428	5,121,599
Total	504	449,941	84,470	141,186	10,906,022



Training Courses and Workshops

A number of SFD's BOs provided training courses on a wide range of topics, including on LIWP's mechanism, supervision of implementation of LIWP projects, targeting mechanism, accounting models, community follow-up, preparation of economic and social studies on areas targeted for long-term interventions, strategic planning, awareness of risks of malnutrition and qat consumption, and watershed management. Participants in these courses, both men and women, included engineers, consultants, social consultants, project officers, and accountants.

Several other workshops were also held and included LIWP branch officers, project officers of 2013 projects, community follow-up consultants, and accountants, for the purpose of sharing lessons learned from MGNREGA's experience, discussing how to improve and simplify the targeting mechanism, and clarifying the supervision's process and the required forms. Those workshops also examined other issues, such as manners of communication with target communities, and the follow-up mechanism and how to apply it to benefiting communities.

Three other workshops were also held. The first aimed to coordinate with Abyan Governor in aspects related to LIWP's interventions in the governorate; the second to coordinate with the Yemeni Red Cross Society in Ibb governorate; the third

Cash-for-Work Program Outputs

Type of Intervention	Year 2013	Cumulative (2008-2013)
Area of protected and rehabilitated agricultural land and terraces (Ha)	1,884	3,319
Capacity of rainwater harvesting tanks (m ³)	90,101	209,778
Length of rural road protected, improved or rehabilitated by LIWP (km)	36	211
Number of protected or rehabilitated wells	122	632
Number of houses protected from floods	504	827
Number of constructed toilets	4,926	8,841
Length of constructed irrigation canals (linear meters)	1,157	9,637

(refresher) workshop targeted engineers and technicians supervising LIWP projects to review wage rates, verify their fair distribution, and to raise the level of commitment to the fieldwork mechanism. In addition, SFD's BO in Al-Hudaidah coordinated with the three Director Generals of Al Mina, Al Hali, and Al Hawak Districts to implement urban projects targeting the unemployed in these areas. A coordination meeting was also held with Marine Sciences Research Authority, Fish Cooperative Union, and Chairman of Fisheries Commission in Al-Hudaidah. SFD also coordinated with the GIZ to implement projects in Zabid District (Al-Hudaidah).

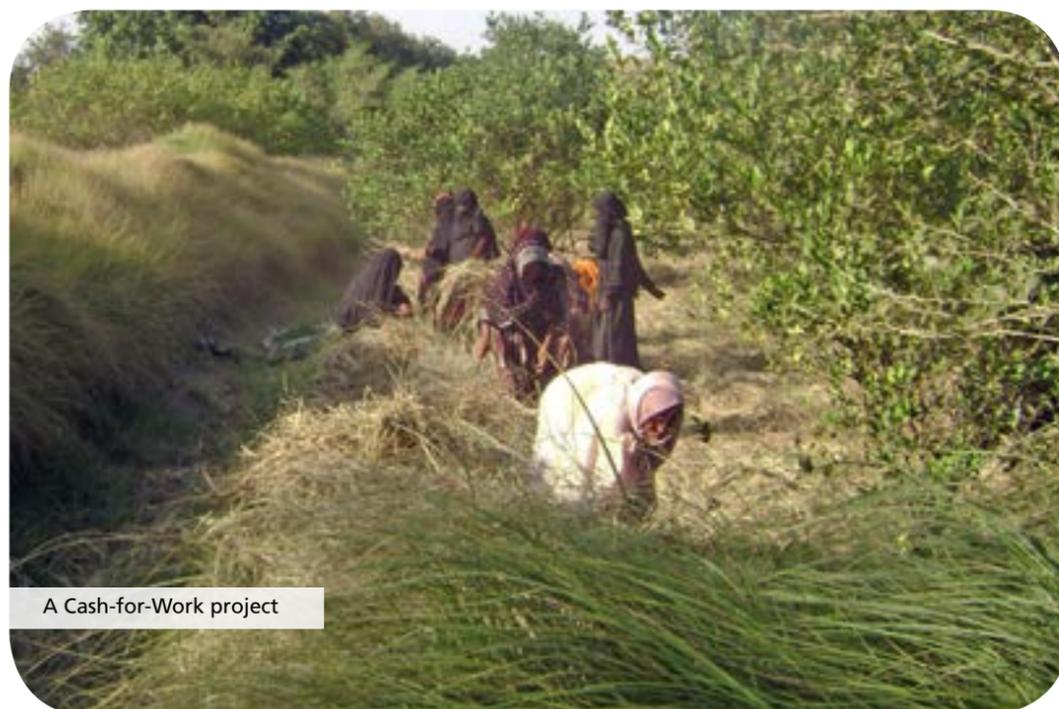
Sample Interventions

Protecting Villages from Sand

In Al Madanya and Al Zawya villages, Zabid district, Al-Hudaidah Governorate, an intervention was implemented for the purpose of protecting the two villages and their 7 sub-villages from sand encroachment on houses, streets, and agricultural land. It targeted 761 households, protected 187 hectares of agricultural land, and planted 71,113 trees for such purposes.

Rehabilitation of Agricultural Land

In the agricultural land of Deer Al Habili village, Al Sokhna district, Al-Hudaidah Governorate, an intervention was implemented to make use of flood water and to recharge the area's basin. The groundwater was recharged by using conventional schemes (i.e. setting earthen barriers and drilling), and roughly 4,000 trees were planted to fix those barriers. The total area of irrigated agricultural land was 290 hectares, benefiting 428 poor households. This encouraged beneficiaries to grow income generating crops including sesame and various types of vegetables. This also resulted in the increase of water levels in the area, where 20 wells were used for drinking and irrigation.



A Cash-for-Work project

Box 8

Agricultural Land's Protection Project in Al-Shurajjah

Accessing Jobs and Getting Back Home

Al Shurajjah Village is located in Al-Qabbitah District, Lahj Governorate, next to Karish villages. SFD implemented a project through LIWP to protect agricultural land from erosion and to improve and pave Khozeijah Road. It covered Al Shereijah village and a number of Karish villages which are all located on the main road that connects Aden and Taiz. More than 616 households directly benefited from the project, at an estimated cost of \$554,000, and creating approximate 60,100 work days. The project consisted of 3 main components: (i) protection of agricultural land in the targeted area; (ii) improving and paving Khozeijah's road; and (iii) building rainwater harvest tanks for the collective use of the community.

Prior to the project, targeted households had suffered from hard circumstances and bad conditions. Such difficulties were mentioned by the beneficiaries themselves during interviews. One remarked, "People were tired. That is, they grinded Al Jursha (Al Boshah), which was for meant cows and sheep, and gave it to their children to eat." Another added, "People in this village had no source of income except for this project, the timing of which was perfect." One of the beneficiaries also added, "We had to come down from the mountain and stay here because of the distance and road's ruggedness. Now we can go up to the mountain and easily come back down to our agricultural land."

A number of success stories were documented:

- A number of targeted households working in the project area mentioned that they were able to use a large portion of their wages to provide food for their families. This was also confirmed by nearby shopkeepers, as well as by the observation of increased sightings of food sellers' vehicles during project implementation.
- Several beneficiaries noted that they were able to repay their debts as well as to construct modest dwellings.
- Several families had previously abandoned the village and their agricultural land due to poor road conditions, moving closer to the main road connecting Aden and Taiz. After the Cash-for-Work Program intervened and improved the road, some were able to return to their villages and agricultural land.
- Direct and indirect targeted beneficiaries greatly benefited from the road's improvement and pavements in many ways, making it easier for people and small vehicles to access the village, and also reducing the costs of transporting food.
- After the road was paved and improved families who had already moved to larger towns returned to the village during the Eid Al Fitr and Eid Al Ad'ha holidays.
- Productive assets such as agricultural land were maintained after being abandoned by some beneficiaries prior to the project's implementation. There was also an increase in other productive assets such as sheep and cattle.

Roads

Due to the geographic dispersion of Yemen's population, where the population is distributed to more than 130,000 agglomeration and 3,426 urban areas, rural roads play a vital role in linking communities, especially remote ones, with urban areas. Rural roads facilitate access to basic services, such as health, education, and basic food commodities, break the barrier of isolation and poverty in these areas, and support the economy by facilitating the transportation of agricultural products, thereby reducing their costs.

The Road Sector's key aims are to: (i) link villages with markets and social services; (ii) increase the operational content (employment rate) of the projects; (iii) create temporary job opportunities by minimizing the use of equipment during projects' implementation as much as possible and relying on manual labor; (iv) improve the quality of targeting by focusing on poor rural areas, most needy, and pockets of poverty in rural areas; and (v) capacity building of Project Officers and Consultants and improve performance, technically and administratively.

In 2013, 49 projects were approved with a total cost of \$18.9 million, benefiting 138,230 people (50% female), and generating 770,200 workdays (Table 12). Of these, 34 projects were rural roads, with a total length of 194 kilometers, whereas 15 projects were road pavement projects with an area of 241,790 square meters. The cumulative achievement of the sector amounted to 861 projects with an estimated cost of \$197.2 million, benefiting about 4.5 million people (50% female), and generating 9.7 million workdays. These projects included the incision and rehabilitation of rural roads with a length of about 3,620 kilometers, and pavement of areas of 3 million square meters.

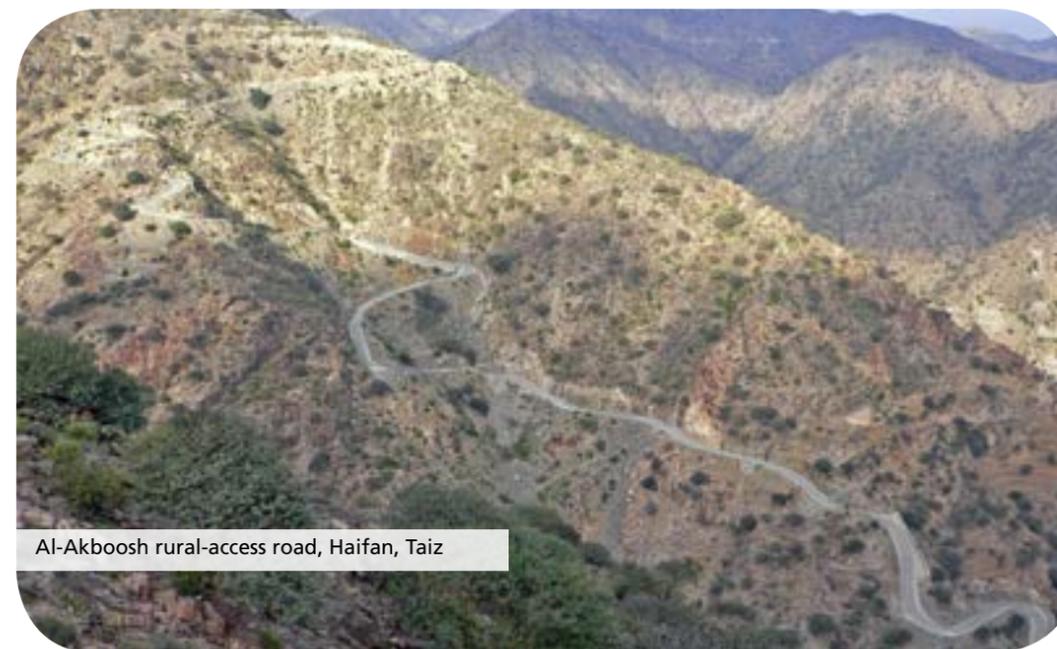
Table 12

Road Sector Outputs and Indicators

Indicator	2013	Cumulative (1997–2013)
Approved projects	49	861
Commitments (USD)	18,865,510	197,168,039
Completed projects	64	627
Disbursements (USD)	20,439,809	150,269,289
Direct beneficiaries – estimated	138,224	4,488,529
Female beneficiaries (%)	50	50
Temporary employment created (workdays)	770,190	9,638,937

Training Courses and Workshops

Fifty-eight training courses were held in Sana'a, Hajjah, Taiz, Dhamar, and Amran Governorates, which included 138 engineers, road project officers, and assistants who were introduced to Road Sectors' new trends and policies, project supervision mechanism, and the mechanism the road projects' implementation through community contracting. Two workshops were also held in SFD Headquarters and Branch Offices. One included 50 technicians to discuss the latest developments and new trends in the sector.



Al-Akboosh rural-access road, Haifan, Taiz

Small and Micro Enterprise Development

This program seeks to develop small and micro-enterprises by establishing and supporting financial institutions, banks, and other programs for small and micro financing, as well as by facilitating the provision of non-financial services to entrepreneurs to help them increase their incomes and provide new job opportunities.

- Initiatives, institutional support and capacity building
- Small and Micro Enterprises Promotion Services
- Yemen Microfinance Network



During 2003, the number of approved projects totaled 30 projects at an estimated cost approaching 3.2 billion Yemeni Riyal (YR) or the equivalent of \$15 million. Cumulatively, the outstanding loan portfolio reached nearly YR9.6 billion (\$44.6 million). The cumulative number of loans distributed amounted to nearly 624,500, amounting to a total of approximately YR55 billion (nearly \$256 million) (Table 13).

Table 13

Microfinance programs supported by SFD (as of 31 December 2013)

Program	Active number of clients			Outstanding loan portfolio Million YR	PAR (%)	Cumulative numbers		No. of Personnel	No. of Loan Officers	Area of Operation
	Borrowers		Savers			No. of loans	Loan amounts Million YR			
	Total	Women (%)	Total							
Al-Amal Microfinance Bank	34,374	51	57,894	1,904	0.53	84,216	5,457	218	109	Capital City, Taiz, Ibb, Hajjah, Dhamar, Aden, and Al-Hudaidah, Hadhramaut
National MF Foundation	14,986	93	24,354	594	4.81	116,414	5,463	138	70	Capital City, Taiz, Ibb, Thamar, Yarim, Hajjah, Lahj, Al-Hudaidah, Aden, Alta-wahe, Hadhramaut
Aden MF Foundation	10,043	90	12,531	593	0	54,892	2,787	70	36	Dar sad, Al-Buraikah, Al-Mukalla, Altawahe, Khor Maksar, Ker-ater, Aden, Lahj, Aldali
MF Development Program (Nama')	8,805	45	1,872	539	5.69	64,830	5,298	101	64	Capital City, Taiz, Ibb, Aden, and Al-Hudaidah
Altadhamon Bank	8,787	37	0	1,433	1.10	31,549	6,658	57	46	Capital City, Taiz, Al-Hudaidah, Aden, Ibb, Hajjah, Shabwa, Al-Mukalla, Seyun, Amran
Alkuraimi Islamic Microfinance Bank	5,847	3	148,619	1,854	0.4	9,226	4,119	52	43	Capital City, Taiz, Ibb, Aden, Thamar, Al-Hudaidah, Almokala, Seyun, Rada'a, Yarim, Alkaeda, Amran, Aldali, Hajja, Lahj, Hadhramaut
Sana'a MF – Azal	4,672	58	2,688	341	5.79	41,538	1,868	53	22	Capital City
Small Enterprise Development Fund (SEDF)	3,739	19	0	1,481	5	18,919	14,735	114	18	Capital City, Taiz, Aden, Hadhramaut, Al-Hudaidah, Ibb
Hadhramaut Microfinance Program	2,720	39	3,534	261	6.98	14,492	1,134	36	16	Hadhramaut (Seyun – Tarim, Al-Suom), Alkton, Shebam
Aletehad Microfinance Program	2,487	90	1,800	360	0	44,592	1,800	79	30	Abyan, Almokala, Alshehr, Aden
Al-Awa'el MF Company	1,820	81	0	50	19.78	58,799	2,018	32	16	Taiz (Al-Camb, Hawdh Al-Ashraf, Al-Rahedah, Sainah, Al-Qada'edah)
Social Institution for Sustainable Development (SFSD)	1,446	66	0	180	2.71	17,529	1,723	24	12	Capital City
Other Activities & IGPs						67,495	1,690			Several areas
Total	99,726		253,292	9,590		624,491	54,750	974	482	

Financing and TA

SFD continued to support the loan portfolios of MFIs to enable them to continue providing sustainable financial services to the targeted female and male entrepreneurs, with SFD's financing amounting to YR1.8 billion (about \$8.4 million). In this regard, SFD provided the Small and Micro Enterprises Promotion Services (SMEPS) Agency with YR496 million (\$2.3 million), while the Yemen Microfinance Network (YMN) was financed with YR82.6 million (\$400,000) to provide technical assistance to micro-finance institutions and organize the annual Small and Microfinance Days event.

The Poverty Graduation Project was also financed with nearly YR17 million (\$79,000) to enable the project to graduate 480 Social-Welfare-Fund-supported beneficiaries out of extreme poverty and help them establish their own income-generating projects.

Also, the Central Statistics Organization received an the amount of YR14.4 million (about \$67,000) to implement the Labor Force and Microfinance Survey Project.

The total technical support provided by SFD to a number of MFIs has amounted to YR128.2 million (\$0.6 million).



Mentoring workshops within entrepreneurship

Initiatives, institutional support and capacity building

SFD continued to support new initiatives and provide institutional support and capacity building for MFIs.

Mobile phone service: SFD continues to support the mobile phone service (MPS) to develop the means of providing financial services in collaboration with the Consultative Group to Assist the Poorest (CGAP) and USAID. In this context, 2 workshops were held to develop legislation of MPS financial services, with 30 representatives of relevant actors attending. The MPS is expected to contribute to the outreach of microfinance (MF) services—especially in rural areas.

Strengthening institutional building: SFD continued to provide technical support to MFIs, aiming to improve performance and enhance efficiency. In this regard, technical support was provided to upgrade and link the 3 automated systems pertaining to loans, human resources and accounting. On-the-job support has been provided for a number of MFIs to develop the automated loan tracking system “LTS” (Ma’een), with the LTS of Aden Microfinance Foundation linked with its branches.

In addition, 26 male and female participants, representing SFD’s MFIs partners, were supported to attend training courses carried out by the Yemen Microfinance Network (YMN) in collaboration with Sanabel Microfinance Network of Arab Countries, with the training focusing on product development, MF success and financial analysis.

Field audit: SFD carried out field a audit on a sample of portfolios, loans, and savings of a number of MFIs. The audits, conducted by trained and experienced teams, aim to verify the loans and savings with customers and clients and to ensure proper procedures in the disbursement of loans to target groups. A relevant training course, targeting 12 consultants, was also held on SFD’s supervisory role towards MFIs through financial and field auditing.

Technical support to MF sector: During the year, SFD started the provision of technical support for the SME development in Yemen, which comprises several components including conducting market study for SME, providing technical support to the National MF Foundation, training MF leaders and developing the automated lending and financing system.

SMED strategy review: SFD has reviewed the SMED Unit Strategy (2011–15) and its main components (Vision, Mission, Goals, Objectives) so as to promote the development of MF services to reach the largest possible number of entrepreneurs in accordance with the best international practices in this field. The Unit’s Operation Manual was also reviewed and updated, which aims at the development of the institutional structure of the unit and performance improvement.

In addition, as the demand for small and microfinance is increasingly growing, the Unit—in cooperation with the German Development Bank (KfW)—prepared a proposal to establish a new MF bank in Yemen to provide small and medium financing, with the German Financial Systems Agency (LFS) assigned to conduct the feasibility study.

Small and Micro Enterprises Promotion Services

SFD continued its support and funding for the Small and Micro Enterprises Promotion Services (SMEPS) Agency, focusing on business development services (BDS), as well as supporting the Agency’s capacities to deliver such services in 7 governorates (Al-Hudaidah, Dhamar, Hadhramaut, Taiz, Sana’a, Capital City, and Ibb).

Business Edge (BE) Project: The agency and its partners from private institutions convened two promotional workshops entitled “How to be More Effective” in Ibb and Taiz Governorates. The workshops targeted 230 participants (71 female), including from universities, institutes, MF clients, as well as from other MFIs and MF banks. Furthermore, the agency carried out several training courses in Small Business Administration Diplomas adapted from the Business Edge Program (BEP) in several governorates, including Sana’a, Al-Hudaidah, Ibb and Taiz. The training targeted graduates from training institutes, universities, technical institutes, private entrepreneurs, and microfinance clients. The aim was to endow the participants with modern skills in projects management, which is included in the Projects Management Training Program. Moreover, the agency has organized, in coordination with the international finance corporation, a training workshop for those who are in charge of evaluating trainers’ performance. Eight workshop participants are evaluators accredited by the IFC. The workshop aimed to promote the BE methodology in evaluating trainers and revise evaluation steps.

Yemeni Businesswomen Sector: The agency carried out an orientation workshop in the Chamber of Commerce targeting 150 Yemeni businesswomen. The workshop covered several significant subjects, including the transition of women from the non-organized sector to organized sector, as well as acquainting them with the Chamber of Commerce and its offerings for businesswomen. The agency also hosted an internationally regarded female expert in the field of women entrepreneurship. A meeting and 2 seminars were organized with experts in Sana’a and Aden, in addition to field visits for several Yemeni businesswomen and an orientation seminar in Sana’a about the importance of laws and tax procedures. Moreover, three workshops were organized for 63 women, aiming to build capacity and develop their marketing skills in the context of the IFC-related Business Edge Marketing Program.

Fishermen Training Program: SFD implemented 3 workshops to raise the awareness of 80 fishermen in Al-Maharah, Soqatra and Al-Mukalla on increasing fish production and decreasing production cost, in addition to 3 Training of Trainers (ToT) workshops that targeted 30 fishermen from fishery associations. The aim of the workshops was to qualify participants to be trainers on the Fish Navigating Device and to sustain training for the other fishermen.

Fishermen Capacity Building: The agency, with funding from LYNG, trained 208 fishermen from fishery associations across 4 districts in Shabwah. The training was in the fields of using the GPS, maintaining and repairing engines of fishing boats and fishery guiding. The training aimed to enrich fishermen with needed skills for using the GPS in fishing.

Know About Business (KAB) Program: Thirteen training course and 13 seminars were implemented targeting governorates including Lahj, Aden, Taiz, and Abyan. The number of participants reached 446 students aiming to plant the culture of entrepreneurship among young graduates and senior students of universities and technical institutes, in order to train youth in establishing and managing small projects and on how to establish project feasibility studies. Four training courses were also implemented for trainers in the same area, involving 103 teachers of technical and vocational institutes from governorates across the country. The courses aimed to train trainers on the KAB curriculum. Relatedly, six short training courses were implemented in coordination with the private sector in Aden, Taiz, and Lahj, targeting 307 trainees among senior university students, and graduates from technical and vocational institutes, as well as university and community college students, with a focus on promoting awareness about business.

Three workshops were carried out targeting 698 trainers (who had been trained during the period 2008–10) on the program's updates in greening. A ToT course was held as well, targeting 53 teachers from the public and private community colleges, in addition to 9 courses carried out in Aden, Al-Hudaidah, Abyan, Lahj, and Taiz, targeting 362 senior students of universities and technical institutes. The courses aimed to promote awareness among the youth on business, planning, organization, and the operation of private profitable projects. The agency also held 2 short training courses in Lahj for 131 students in entrepreneurship skills and project management, and a similar course in Aden to train 56 people in the same.

Improvement of agricultural inputs: SMEPS carried out several field surveys, training courses, workshops and ToT courses, as well as 60 illustrating and productive agricultural fields. These activities, covering Al-Dhale', Lahj, Dhamar, Sana'a, Al-Hudaidah, and Hadhramaut Governorates, targeted more than 1,500 farmers, agricultural engineers, and students and professors of the College of Agriculture (Sana'a University). The activities aimed to encourage farmers to apply modern agricultural techniques – particularly for cantaloupes, watermelons and tomatoes – as well as to reduce costs and product losses before and after harvesting.

Crafts Baskets Export Development: In order to export crafts made of palm leaves to wholesale traders in France and Denmark, 200 male and females crafts workers have been contacted and coordinated with. In addition, a workshop was conducted to train local trainers and palm crafts workers in Al-Hudaidah, Socotra Archipelago, Sana'a, and Ghaiman to develop products in order to fit the needs of external markets, with 28 male and 5 female crafts workers attending. The workshop aimed to qualify trainees to train crafts workers in palm leaves products and to raise their awareness about external market needs. The agency also continued to follow up with female crafts trainees to prepare samples of craft baskets from Al-Hudaidah Governorate, with 133 individuals expected to benefit—en route to participate in the Annual Crafts Exhibition (Feb 2014, Germany),

Istishary Project: For training and qualifying local specialized consultants in micro and medium projects, 2 workshops were held, bringing together 48 con-

sultants from Aden, Sana'a, Al-Hudaidah Governorates.

Hotel Greening Project: Two workshops were conducted in Sana'a and Aden to showcase the conclusions of a study illustrating the effectiveness of using alternative power sources, assisting factors of rationalizing consumption that aids lowering operational and investment costs of tourism section, and the new investment opportunities in this field. The workshops were attended by 38 hotel owners representatives. The agency has also conducted a workshop in Al-Mukalla for the purpose of displaying the conclusions of the Hotel Greening feasibility study when applied to small and medium hotels via using alternative power sources. Twenty hotel owners and representatives and 3 power companies have participated in this workshop.

Fursa Project: SMEPS organized an introductory workshop for 22 businessmen on the Fursa project (of British Ministry of Foreign Affairs and the Group of 8, which support youth projects) aiming to encourage young entrepreneurs to promote their businesses.

Preparation of IT analytic study: Within this project, 3 workshops were conducted in Aden Governorate, targeting 60 computer graduates and employees of ICT in order to fulfill the needs of the local market. The first was on Network Technology and Computer Maintenance, focusing on developing and qualifying trainees in networks and computer maintenance. The second workshop was on Website Programming Technology. The third workshop focused on Patterned Oracle Technology and aimed to improve the trainees' skills in using the Oracle database.

Study of Market Labor Need in Construction: This workshop aims to train and qualify graduate engineers of Architect Engineering Department in the field of AutoCad and directing architectural program. Three similar workshops were also conducted in Al-Mansourah District (Aden Governorate) for 63 trainees. In addition, more than 36 of architectural and civilian graduate engineers have been trained and qualified in Project Management.

Yemen Microfinance Network

SFD continues to finance the Yemen Microfinance Network (YMN) to help provide technical support for microfinance programs and institutions in training, consulting, promotion and product development.

In 2013, the network carried out a number of activities aimed at raising the efficiency and performance of its MFI partners.

Rural and Agricultural Funding: A workshop was conducted on rural and agricultural funding with the participation of 25 individuals from different MFIs and a number of donors. The workshop focused on reality of Rural and Agricultural Funding in Yemen, the most challenging obstacles facing rural and agricultural funding, high risks, and diversifying products.

Effective Communication with Clients: A workshop, benefiting 23 male and female trainees from many MFIs, was conducted on effective communication with clients, and another workshop held on Promotion Methods and Sales Skills in a Competitive Environment, with 22 trainees (8 female) attending. Also, in cooperation with IFC, a workshop (targeting 24 trainees) was conducted on Institutional Governance, aiming to ensure more effective role of MFIs' Boards of Directors. In cooperation with Sanabel Network, a workshop on Financial Analysis was also conducted, involving 24 trainees of Jordanian microfinance programs and corporations in Yemen.

In addition, a workshop on the Art of Effective Negotiation was conducted in which 24 trainees (9 females) participated. This workshop targeted microfinance programs and corporations. It focused on the theoretical and practical aspects in order to give the participant the skills of effective negotiation.

Study of Islamic Microfinance Products in Yemen: In response to the increased need of clients and corporations for Islamic products, a study of Islamic microfinance products in Yemen was conducted in cooperation with Al-Huda Islamic Microfinance Center and a team from the Legal Monitoring in Pakistan. The study included a field visit through which MFI representatives (YMN members), related governmental entities, and MF clients gained field knowledge and expertise.

Regional Initiative for Youth Savings: The Network, along with the German Agency for International Cooperation (GIZ), Qatari Silatic Corporation, Al-Amal Microfinance Bank, and AL-Kuraimi Islamic MF Bank—,established the Regional Initiative for Youth Saving Program. The initiative aims to support the financial literacy of 16–30-year-old youth, to improve youth abilities in building their financial assets, and to encourage them to open savings accounts, with 20 trainers and 504 trainees benefitting from the training in financial education.

Funding Mechanisms for Agricultural Production: In cooperation with an international organization, a workshop on funding agricultural projects in the Arab World was conducted by YMN, with more than 20 participants from MFIs, donors, and the Dutch Embassy attending. It is worth mentioning that this program, consisting of three phases, is planned to cover the entire Arab World, funding impoverished farmers to develop agricultural activities in rural areas and create job opportunities.

Also, in cooperation with the Microfinance Network of Arab Countries (Sanabel), a workshop on Financial Product Development was conducted, with 22 MFI trainees from Yemen, Bahrain, Sudan, Saudi Arabia and Lebanon have participating. This workshop aimed to promote participants' abilities in developing various financial products to meet the needs of the clients and determine the product cost and the price.

On-the-Job Courses: Three courses on the job of microfinance corporations were held, with 70 male and female trainees benefitting. These 3 courses were on Ar-rears Management (In the Training Center of the National Corporation), Clients' Service (Aden Corporation), and Leadership Skills and Work Ethics (Al-Kurimi Islam Microfinance Bank's employees).

Workshop on Housing Microfinance: YMN held (in cooperation with IFC) a workshop in the field of housing microfinance in which 15 people participated.

Financial analysis: The Network conducted a financial analysis on the performance of 10 MFIs (out of 11), comparing their performance based on indicators and ratios focusing on sustainability, profitability and assets/liabilities management ratio, liquidity, effectiveness, productivity, and gender.

Course on MF Success: In cooperation with Sanabel Network, a course on Performance Improvement was held with the participation of 20 trainees from MFIs in Yemen and Arab countries. This workshop focused on using several tools and strategies in management to improve MF quality and contribute to the success of MFIs.

Loans Officers Training Course and TOT: The Network prepared a training subject specialized in preparing loans officers (in cooperation with USAID), in addition to a course for preparing local trainers in this field, with 7 trainers participating (of whom 3 were accredited as trainers, and the fourth as an assistant trainer).

SME Days: YMN organized the eighth event Small and Micro-Finance Days funded by SFD and attended by all MFIs and a number of small entrepreneurs. Various media outlets covered the event.

Microfinance Clients Protection Principles: The Network held a training course for 21 trainees in Aden City in order to introduce client protection principles to workers in these programs and corporations.

Code of Conduct: The network designed a Code of Conduct for its members, with the code draft reviewed and approved by all YMN's members.



Cooling workshop, Aden

Figure 1

Active Borrowers and Savers (1998–2013)

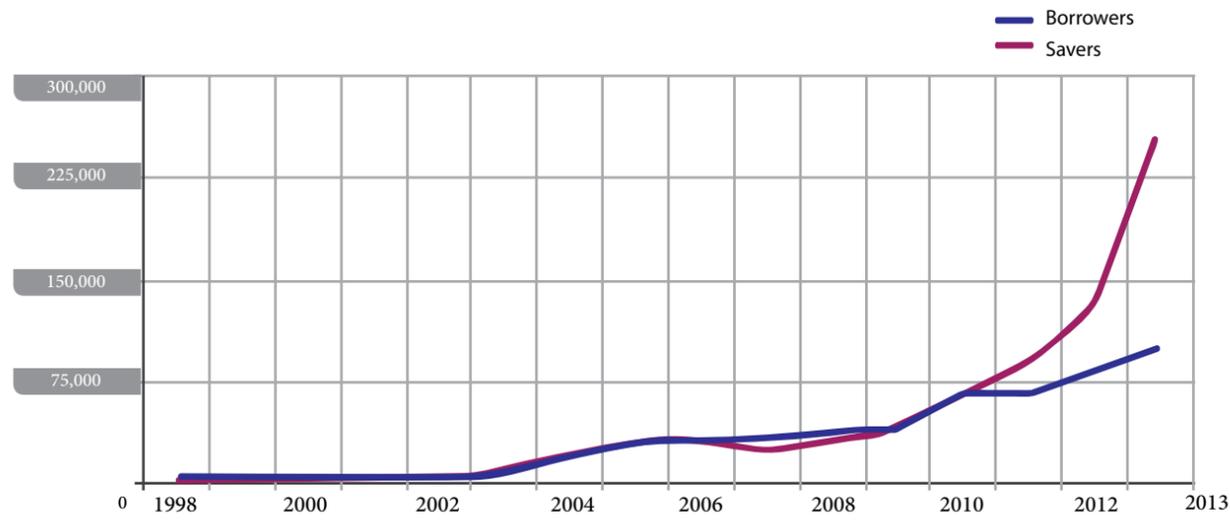
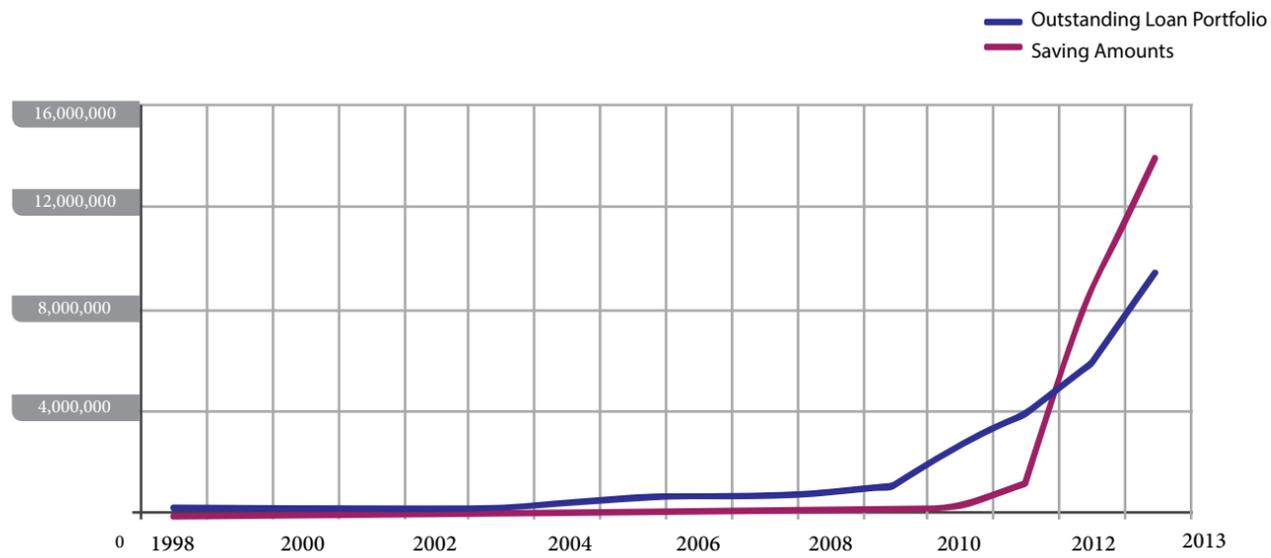


Figure 2

Outstanding Loan Portfolio and Saving Amounts (1998–2013)



The Handicraft Basket Development Project

SFD Institutional Development

During the year, SFD conducted several institutional development activities.

Geographic Information System (GIS)

During the year, the Geographic Information System (GIS) has been further developed to enable SFD to easily access data and information and help target areas most in need of service and development projects. For example, in 2013 SFD has further updated its database by linking and incorporating the Comprehensive Educational Survey (CES) 2011/2012 (the latest in the country) into the GIS database. SFD also reviewed and rectified the coordinates of the locations of schools, and developed coordinates of the 614 new schools emerging in the CES according to the relevant villages' coordinates.

Similarly, several community field studies of participatory rapid assessment (PRA) were compiled in preparation to be linked to the GIS database.

In addition, training was provided to project officers (POs) on applying the GIS to enable them to use the available database in targeting deprived areas and developing project proposals. POs were also trained on developing a database related to specialized software as well as on designing software automatically linking the projects' coordinates in MIS and GIS so that data are updated automatically and on a daily basis.

Ensuring Cost Effectiveness

SFD places a large emphasis on monitoring the costs of its projects, while not comprising the projects' quality.

In 2013, the average construction cost per square meter increased slightly, by 4.65% compared to the previous year (2012), due to the increase in fuel prices and employment (Tables 14 and 15).

Indicator	2010	2011	2012	2013
One-story building	317.18	364.32	349.46	378.94
Two-story building	267.55	293.18	316.61	322.17
Three-story building	254.16	268.00	286.75	312.59
Four-story building	—	237.35	—	285.95
Average cost	267.98	284.47	307.68	322.00

*Source: SFD Procurement Unit

Table 14

Average construction costs for education projects by type of structure, 2011–2013 (U.S. Dollars per square meter)

Indicator	Number of projects	Average cost
Urban	20	286.28
Semi-urban	109	313.16
Mid-level remote	92	335.17
Remote and rugged	47	351.64
Extremely remote and rugged	4	394.79
Total/average	272	322.00

Table 15

Average construction costs for education projects by area, 2013 (U.S. Dollars per square meter)

Monitoring and Evaluation

Monitoring and Evaluation (M&E) activities at SFD aim at providing SFD's management, the Yemeni government, and SFD's donors with information on the status of SFD's effectiveness and efficiency. SFD's monitoring and evaluation relies on various sources of data including SFD's Management Information System (MIS), field visits, project records, and external data collected by the Central Statistical Organization and other government offices. SFD's monitoring and evaluation system provides real time data on its operations and allows systematic review for the performance and implementation of projects and programs. Periodically, impact evaluations are carried out to assess the outcomes and efficiency and impact of SFD's projects and programs on the target groups. SFD disseminates evaluation findings and encourages discussion and learning to enhance operations.

Impact Evaluation Studies

Evaluation Studies on the Rain-fed Agricultural and Livestock project, Labor Intensive Works Program, Water and Community Led Total Sanitation Program have been finalized and findings have been delivered and communicated to interested parties.

The evaluation studies were conducted in collaboration with researchers from University of California, Berkeley, USA, and funded through the Trust Fund administered by the World Bank. The Water and Community Led Total Sanitation Study was conducted using electronic surveys and mobile data collection at the community and household level.

The data collection process was efficient, reliable and allowed for immediate analysis upon the receipt of the surveys through the wireless network. The success has opened doors for SFD's Monitoring and Evaluation to proceed with electronic data collection in its future monitoring and evaluation procedures.

Workshop for the Dissemination of SFD Impact Evaluation Studies

SFD's M&E Unit held on July 8, 2013 a Dissemination Workshop on Evaluations of SFD Interventions. A series of presentations were delivered outlining the results and findings of the following impact evaluations:

- Rain-fed Agricultural and Livestock Project.
- Labor Intensive Works Program.
- Water and Community Led Total Sanitation Program.

A diverse audience consisting of 32 professionals ranging from policy makers to professionals in technical areas attended the workshop.

An Evaluation of Multi-pronged Nutritional Interventions in Yemen: Income, Awareness and Supplemental Feeding

SFD will begin the rollout of two nutritional programs scheduled to begin in 2014, which are the Conditional Cash Transfer (CCT) Program and the Integrated Nutrition Intervention (INI). It is also expected that the long-term Labor Intensive Works Program (LIWP) will integrate nutritional education and awareness training throughout the second year of the program implementation.

An evaluation of the programs with relation to impact of nutritional awareness programs is proposed to deduce findings that show which form of conditionality is most effective at changing household practices related to nutrition, and how household nutrition practices will change given income gains with education but no conditionality.

Preparations for the evaluation of the programs by the M&E Unit have started in 2013 and the process of evaluation is expected to commence in 2014.

Systemizing the Facility Surveys for infrastructure projects

Facility Surveys provide information on the status and utilization of SFD's projects, as well as the benefits they deliver to community. In 2013, SFD updated and programmed the questionnaires into smart phones using Open Data Kit (ODK) tools for four intervention sectors (Water and Sanitation, Road, Health, Education). As part of the M&E plan, quantitative and qualitative data about the status and usability of completed project following 12–18 months since completion will be gathered electronically using smart phones and are scheduled to take place on an annual basis.

Mobile Data Collection Systems and ODK Course

A training course on the utilization of ODK tools for the collection of data using electronic survey and mobile handsets was conducted by the M&E Unit during the period 27–31 October 2013. The course aimed to transfer theoretical and practical knowledge on electronic surveys and the use of such surveys for efficient data collection.

The training course targeted a number of SFD staff from different units, in addition to experts from the Road Maintenance Fund, Interaction for Development, Central Statistical Organization (CSO), and Small and Micro Enterprise Program (SMEPS).

This training course is considered to be the first of its kind in the Republic of Yemen. SFD is the first national organization to successfully implement mobile data collection, and this course is an output of that success. Mobile data collection is a new technique of efficient data collection via electronic mean, which SFD is willing to extend at the national level.

Project Completion Screen within SFD's MIS

SFD's Management and Information System (MIS) is the main source of data for the preparation of reports submitted to the government and donors. The M&E Unit as part of its review to the MIS has developed a new screen to make the process of output data entry into the MIS more user friendly.

Poverty Targeting Measurement

To enhance and strengthen SFD's targeting design and assessment, the M&E Unit undertook an exercise using the 2004 census and data on assets and services to compute a composite index that will be used as a proxy for household poverty. The composite is referred to as the Wealth Deprivation Index (WDI) and will be used to assess SFD's targeting effectiveness. Previously, SFD M&E Unit has been monitoring SFD's investment targeting effectiveness using data on service deprivation, also referred to as the Service Deprivation Index (SDI). The SDI had been commonly used by SFD at the lower administrative level, such as villages and districts for urban areas.

The new data set includes information at the village level for rural areas as well as sub-quarters level for the urban areas. The WDI was then computed at the household level and then aggregated at lower administrative levels such as the villages in rural areas and sub-quarters in urban areas, with average values then assigned to each village and sub-quarter. This effort resulted in the introduction of two indicator models, WDI and SDI, which can be used to assess the effectiveness of targeting at SFD.

Evaluability assessment for the Small and Micro-Enterprise Promotion Services (SMEPS)

In January 2013, SFD's M&E team, along with an expert, held meetings with the management and project officers at SMEPS to identify potential strategies that would enable the evaluation of SMEPS activities and programs. A ranked list of proposed evaluations has been put forward following meetings and consultations with SMEPS and SFD's SMED and M&E Units.

Quarterly Progress Reports

The Monitoring and Evaluation Unit regularly develops updates about the status of operations, the progress of work towards achieving the objectives as well as operational constraints and challenges within SFD by preparing Internal Quarterly Progress Reports. The quarterly progress report includes the following:

- Monitoring and reporting on the progress of implementation within the current phase.
- Monitoring and reporting on the targeting of resources in different areas and carrying out targeting evaluations for each program.
- Monitoring and reporting on the effectiveness of SFD's work performance, in addition to monitoring the status of projects in all implementation stages, with appropriate measures taken.
- Reporting on issues of potential interest and important to management.

Communication activities

SFD continues to seek to increase awareness on efforts geared toward alleviating poverty and targeting poor and needy areas as well as to mobilize community participation in development. In this context, SFD prepares case studies on the impact of SFD-supported development projects on improving the living conditions of the beneficiaries in the targeted areas. SFD also contributes to enhancing mutual learning among communities and delivers messages to government decision makers and donors.

Moreover, SFD issued Press Releases and continued to develop, publish and distribute interactive communication products including publications. The design of SFD's website was also completed and regularly updated.

Box 8

EVALUATION FINDINGS

Evaluation Studies on the Rain-fed Agricultural and Livestock project, Labor Intensive Works Program, and Water and Community Led Total Sanitation Program have been finalized during 2013 and findings were delivered and communicated to interested parties. The evaluation studies were conducted in collaboration with researchers from University of California, Berkeley, USA, and funded through the Trust Fund administered by the World Bank. Below is a summary of the finding highlights from the evaluations.

Quantitative Evaluation of SFD's Rainfed Agriculture and Livestock Program (RALP)

The Rainfed Agriculture and Livestock Project (RALP) is a 5-year program designed to improve agricultural productivity by forming and training small producer groups in rural Yemen. The impact analysis showed that the community-wide rate of participation in RALP groups was 28%. RALP significantly increased the ownership of goats, sheep, and beehives. There was a significant increase in the probability of household ownership of goats or sheep by about 10 percentage points and a significant increase in the rate of ownership of beehives by 8 percentage points, compared to before the intervention. This is evidence that the RALP transfers promoted types of agricultural investments that would not otherwise have been made. RALP also increased community solidarity and community willingness to cooperate. Regarding knowledge and practices, the RALP intervention was effective in increasing access to veterinary services. The rate of animal vaccinations and veterinarians' visits for sick animals both increased by around 25 percentage points, from 50% before the intervention. Women had the opportunity to participate in RALP groups and the qualitative study showed that women appreciated the group structure of the project more than men and received positive economic gains due to their participation in the program, including improvement in their independent access to money, decision making about large purchases, and their ability to sell assets without needing male consent.

Quantitative Evaluation of the Social Fund for Development Labor Intensive Works Program (LIWP)

The LIWP aims to provide short-term relief through the transfer of funds to poor households in the form of wages and by creating temporary employment in infrastructural activities that will benefit the poor communities in the long-term. Results of the evaluation showed that LIWP benefits were progressive overall, with more benefits going to poorer households. The timing of the LIWP program during 2011 showed that LIWP helped reduce the negative economic effects of the 2011 crisis among participating households. For example, study showed that LIWP reduced indebtedness and increased ownership of motor vehicles despite the 2011 crisis. LIWP improved household expenditures where almost 60% of participants spent income from the program only on food, medicine, or debt repayment. LIWP also helped decrease the rate of severe food shortages by 3.6 percentage points. LIWP also aimed to provide long-term benefits to communities through the construction of infrastructure. Overall, majority of households (95%) indicated that the local infrastructure project (e.g. water, road or terrace rehabilitation) was needed by and beneficial to the

community as a whole and 80% of households indicated that their household benefited directly from the project. For example, it was found that the water-related projects helped shorten the average time needed to fetch water and reduced the frequency of annual water shortages, and increased access to water.

Comparative Study of SFD Water Interventions

Water projects at SFD include public harvesting tanks and cisterns, public water taps, piped water, and individual household rooftop rainwater harvesting tanks. The aim of the evaluation was to assess SFD's contribution to water accessibility and sufficiency in intervention communities among individual and public water sources. It was found that rooftop water harvesting and piped water provide far greater shares of total water than communal sources outside of the house, both when provided by SFD and when these sources exist independently. Sixty percent of sampled households owned individual SFD funded rainwater-harvesting tanks, while 72% of households benefited to some degree from an SFD communal source with 74% of the very poor to average households benefiting from the communal water sources. The expansion in implementing rooftop rainwater harvesting schemes contributed to the reduction in fetching time. The evaluation showed that 83% of households reported having 30 minutes or less fetching time from nearest source, while in the dry season, 77% of households reported having 30 minutes or less fetching time from nearest source. This assessment shows that in sampled communities water availability generally falls below 30 liters per person and SFD contributes in providing water. Rooftop rainwater harvesting schemes contribute the highest share of water resources. Finally, the distributions of benefits from rooftop rainwater harvesting and communal sources were found to be equitable.

Evaluation of Community Led Total Sanitation Program

Community Led Total Sanitation (CLTS) is an awareness program launched by SFD in 2007. It promotes sustainable approaches that focus on changing behavior and attitudes rather than providing subsidies and building infrastructures for improving the sanitation systems. The program encourages communities to avoid practices such as open defecation and to adopt sanitary and closed latrines that do not exacerbate health and environmental issues.

The CLTS evaluation undertaken in June 2013 aimed to evaluate the impact of CLTS on the community practices, behavior and knowledge in areas related to sanitation. At the community level, there was a significant improvement in the level of hygiene and a significant reduction in the number of open defecation sites among treatment villages compared to control areas. At the household level, over a 2-year time trend there was a general trend towards reducing open defecation among control and treatment villages, with a program impact of 6 percentage points compared to before the intervention. CLTS also focuses on eliminating and reducing the status of open sewage discharge in villages. Results showed that over a two-year time trend the method of sewage discharge (i.e. open to an improved closed method of discharge) improved by 17% in villages that had CLTS interventions. The level of awareness on sanitation was not significantly different between control and treatment villages signaling that awareness tends to exist within communities but the difference is in the adoption of sanitary practices.

Funding Management

During the year, SFD followed up with funding resources and their allocation and use.

Donors reporting: quarterly, semi-annual and the ad-hoc reports

The Monitoring and Evaluation Unit regularly updates the government and donors about the progress of work and projects within SFD by preparing quarterly, semi-annual, and ad-hoc progress reports.

Two general Joint Review Reports were prepared following meetings with SFD donors in June and November 2013. Reports were also prepared for the Ministry of Planning and International Cooperation, including the Progress of Projects in Abyan Governorate Report, Funding Status Report and Comprehensive European Union Report. Reports are also submitted to the Foreign Aid Executive Body.

Quarterly and Semi-annual reports were also submitted to the following donors:

- Arab Fund for Social and Economic Development – Phase IV Loan
- Abu Dhabi Fund for Development Grant
- Kingdom of Saudi Arabia Fund for Phase III Grant
- Kuwait Fund for Phase III Loan
- Kuwait Fund for Small and Micro Enterprise Development Grant
- European Union Grant
- Health Sector Support Grant
- OPEC Fund
- Netherlands Fund for Water

SFD M&E prepared closing reports for the Kingdom of Saudi Arabia Fund and the Netherlands 3 grant for Maternal and Child Health, LIWP, and SMED. SFD's M&E is currently preparing the closing report for EU grant No. 2007/019-212

SFD continued to monitor the status of each donor's contribution and prepared ad hoc reports about the progress of projects funded by UK Department for International Development, Netherland grants, Italian Government grants and EU grants.

Donors Joint Review Missions

During this year, two joint reviews were held between SFD and donors at SFD headquarters. The first took place from June 22-26, 2013 in Sana'a, Yemen. The objectives of the review were to: (i) establish a dialogue on SFD vision for Phase V and beyond; (ii) to carry out an in-depth assessment of project progress against original project development objectives and indicators, and confirm whether they are still relevant; (iii) to review and refine the results framework, impact evaluation, and targeting, and agree upon ways to improve monitoring and evaluation; and (iv) to discuss constraints and challenges, and identify actions to improve performance. The second joint review took place from November 17-21, 2013 in Sana'a Yemen.

The list of other donor missions that took place this year includes:

- A Kuwait Fund for Development mission in January 2013 for the purpose of closing phase III loan and to visit CLDP and Microfinance project sites.
- A Kuwait Fund for Development mission undertaken in April 2013 to discuss the rehabilitation of affected areas project.
- An Islamic Bank for Development mission in July 2013 to review the Youth Employment Program project document and implementation strategy and launch the Abyan Program.
- An Islamic Bank for Development mission in September 2013 to review the Vocational Literacy Program for Poverty Reduction project document and prepare the implementation strategy.
- A Kingdom of Saudi Arabia mission in May 2013 to view the progress of their Phase III Grant and to discuss the new fund for Phase IV, in addition to another mission completed in October 2013 to close the grant for Phase III.
- A joint meeting for United Nations Grant project executers in May 2013.
- Site visits by KfW and DFID to a number of SFD projects in Sana'a and Al-Hudaidah.

Financing of SFD IV

A total of \$894 million was committed from donors to fund SFD Phase IV plan. The committed funds included about \$761 million contributed directly to SFD IV. In addition, \$133 million was aimed at funding special programs, such as the Youth Employment Program through Cash for Services Activities, Vocational and Literacy Program, nutritional programs, and service provisions for maternal and newborn health.

However, there is still a financing gap of about \$365 million as of 31 December 2013. Furthermore, the \$894 million figure mentioned above includes about \$123 million of planned funds from donors and \$25 million under procedure to enter into effect.

The Community and Local Development (CLD) program is affected by the financial gap with a funding gap of more than \$218 million. In the meantime, SFD has more than 680 projects that are ready to commence implementation, but that have been suspended due to the unavailability of funds. Capacity building, on the other hand, has a funding gap of \$105 million and the Labor Intensive Works Program (LIWP) has a gap of about \$48 million (refer to Annex 1 for a complete list of donor funding) (Tables 16A and 16B outline the status of funding).

From the sectoral perspective, the Education Sector has the biggest funding shortfall (about \$160 million), followed by the Cash for Work Program (nearly \$85 million) and the Water Sector (\$30 million approximately).

In order to bridge this gap, SFD has continued to follow up with the Ministry of Planning and International Cooperation to pledge more funds for SFD IV. Some donors, such as KfW, USAID and the Netherlands, are expected to contribute to the current phase. In September 2013, the Saudi Fund for Development appraisal mission met with SFD and the initial agreement was approved to support Phase IV with a \$100 million grant.

Sources of Funding Active in 2013

(Note: All estimated costs of projects mentioned below include beneficiaries' contributions)

World Bank/International Development Association (IDA)

Phase IV grant for \$60 million, signed on June 28, 2010, finances SFD Phase IV (2011–15). By the end of 2013, 598 projects were specified under the grant, with the contractual amount reaching \$55.7 million.

Credit 4220 for Rain-fed Agriculture and Livestock Project co-financed by the World Bank (WB) and the International Fund for Agricultural Development (IFAD), with the WB providing \$20.8 million, of which \$10.8 million was allocated for the Rural Agriculture and Livestock Development Project (RALP). The project and credit agreements were signed in September 2006. To date, the credit has been committed to finance 130 projects, with the contractual amount reaching \$11.3 million.

Phase IV additional grant (No. RY-H833) was signed in May 2013 to provide SDR16.3 million (equivalent to \$25 million) to contribute to creating employment opportunities for young men and women through cash-for-work for social services as well as by contributing to facilitating access to education services in poor communities.

The grant for the preparation for the Maternal and Newborn Health Voucher Program (No. TF014940), signed in 3 September 2013, provides \$400 thousand. The program aims to ensure that women residing in SFD-target areas have access to quality healthcare services, both prenatally and postnatally, on a regular basis.

The Government of Japan

The emergency grant for nutrition program through the World Bank (No. TF 013573) was signed on October 12, 2012 (and became effective on March 24, 2013), and provides \$2.73 million. The grant contributes to providing a safety net under the Cash-for-Work Program for community health volunteers who carry out activities in local communities at the district and sub-district level, within the Integrated Nutrition Interventions (INI) and Conditional Cash Transfers (CCT).

European Community (EC)

The Additional Grant Agreement 212-019 / 2007, signed on July 6, 2011, amounts to €11.2 million (equivalent to \$14.1 million), and was allocated in July 2011 to finance 149 projects at a contractual amount of \$15 million.

Health Grant 2, worth approximately €1.75 million (equivalent to about \$2.45 million), was signed in December 2009, and targeted Lahj and Al-Hudaidah Governorates. The grant had financed 33 projects, with the contractual amount reaching \$2.4 million by the end of 2013.

Kingdom of Saudi Arabia – Saudi Fund for Development

Grant 1/1429 for 375 million Saudi Riyals (\$100 million) supports 637 community-development projects for SFD Phase III. The grant has been fully committed for the projects, with the contractual cost reaching \$101.8 million. The grant was closed in mid-2013.

United Kingdom – Department for International Development (DFID)

Phase IV grant agreement of £100 million (equivalent to \$156 million) supports SFD Phase IV. The grant was allocated in January 2011 to finance 1,329 projects (to date), with the contractual amount reaching \$123.7 million.

The Netherlands

Labor Intensive Works Program (LIWP) grant – Phase IV for \$6 million was signed in November 2010, and allocated in early 2011 to finance 21 projects at a contractual amount of \$6 million. The grant was closed in late March 2013.

Water Grant (24731) for \$3.6 million was signed on November 25, 2012 to support water projects, with 24 projects financed by this grant, with the contractual amount reaching \$3.6 million.

The Government of the Federal Republic of Germany (German Development Bank “KfW”)

Fifth grant 899 65 2008 for €17.5 million (about \$24.3 million) was signed in December 2008 to support 170 projects, with the contractual amount reaching \$26 million (as of the end of 2013).

Sixth grant 038 65 2009 for €8 million (approximately \$11.4 million) was signed in October 2009 to finance 61 projects, with contractual amount reaching \$12.2 million. The grant was extended to the end of 2013.

Seventh grant 414 67 2009 for €5 million (\$7.1 million) was signed in December 2009 and became effective on 18 May 2010. By the end of 2013, 22 projects were committed at a contractual amount of \$6 million. The grant was extended to the end of 2013.

Eighth grant 471 65 2011 for €7 million (\$9.19 million) was signed in May 2013 and allocated for the rehabilitation of damaged schools. By the end of the year, 78 projects had been committed, with the contractual amount reaching \$5.5 million.

Ninth grant 691 66 2012 for LIWP for €7.4 million (\$9.6 million) was signed in September 2012 and became effective in April 2013. The grant has been allocated for the Labor Intensive Works Program (LIWP). By the end of the year, 30 projects had been committed, with contractual amount approaching \$8 million.

Tenth grant 327 67 2012 for Abyan Water and Sanitation Program for €12 million (nearly \$15.8 million) was signed in December 2012 and allocated for the rehabilitation of water and sanitation systems in Abyan Governorate. Forty-three projects had been committed, with the contractual amount reaching \$6 million approximately.

Eleventh grant 067 66 2005 for SMED for €4.5 million (\$5.8 million) was signed in November 2012 and allocated for Small and Micro Enterprise Development (SMED). By the end of the year, four projects had been committed, with the contractual amount reaching \$2.6 million.

United States of America

The **American Embassy Grant for water projects** of \$1.6 million was signed in September 17, 2000 and was allocated originally for the construction of the Museum of Marib. However, due to the lack of land and other reasons, it was re-allocated in April 2012 for the implementation of water projects in the Capital City and Taiz Governorate. By the end of 2013, the contractual amount had reached \$1.6 million.

OPEC Fund for International Development

Loan 123P for \$18 million was signed in February 2009 and became effective in April 2011, with 169 projects committed and contractual amount reaching \$12.5 million. The grant was extended to the end of June 2014.

Loan 133P for \$9.1 million was signed in June 2010, and became effective in April 2013, to finance the Vocational and Literacy Project to Alleviate Poverty (VOLIP) targeting 3 governorates.

Arab Fund for Economic and Social Development

Phase IV loan for 30 million Kuwaiti Dinars (\$100 million), which was signed in October 2010 and became effective in March 2012, contributes to the financing of CLD and SMED Programs and business development services within SFD Phase IV. By the end of 2013, 531 projects had been committed, with contractual amount reaching \$66 million.

The **Great Mosque restoration grant** for \$1.8 million was signed in March 2011, with contractual amount reaching \$1.8 million by the end of the year.

International Fund for Agricultural Development (IFAD)

Loan YE-732 for \$16.4 million was signed in January 2008 to support several components of SFD's Rain-fed Agriculture and Livestock Project. However, the loan became effective in February 2010. By the end of 2013, SFD had developed 130 projects under this loan, with the contractual amount reaching \$15 million.

Islamic Development Bank

Vocational Literacy Program for Poverty Reduction (VOLIP) Loan and Grant (No. YAR-086-87): The 6.8-million Islamic Dinar (about \$10.9 million) loan was signed on May 4, 2010, in addition to a grant of 231,000 Islamic Dinars (equivalent to \$370,000). SFD committed \$400,000 to support activities under VOLIP.

Grant and Loan of \$288 thousand and \$1.5 million respectively support agricultural development project in Abyan Governorate.

United Arab Emirates

Abu Dhabi Fund for Development: In a support agreement signed between the United Arab Emirates and Yemen on December 16, 2009, the Abu Dhabi Fund for Development provided a grant of \$33 million to support the Community and Local Development and Capacity Building programs. By the end of 2013, SFD committed 199 projects, with the contractual amount reaching \$20 million.

State of Kuwait

Kuwait Fund for Arab Economic Development Loan for \$50 million was signed on 22 February 2009 and became effective on 26 January 2010, with 340 projects financed at a contractual amount of \$50 million. The loan was closed at the end of 2013.

Kuwait Decent Life Fund grant for \$6 million was signed in April 2012 to support SMED Program, with commitment amounting to \$1.6 million.

Yemen Government

In July 2006, the Yemeni government signed a funding agreement, in which the government committed to provide SFD with an equivalent of \$100 million to finance the Labor Intensive Works Program (LIWP) in different governorates. An equivalent of \$115 million was offered as of the end of 2013 and was allocated to finance 548 projects, with the contractual amount reaching \$139.6 million.

Table 16a

Funding for SFD IV, by donor (as of 31 December 2013)

Donor	Agreement	Type	Amount	Currency	Equivalent in US Dollar
World Bank/ IDA	Phase IV Grant	Grant	38,700,000	SDR	58,900,062
	Phase IV Additional Grant	Grant	25,000,000	U.S. Dollar	25,000,000
	Grant for preparing for Mother & Newborn Health Voucher Program	Grant	400,000	U.S. Dollar	400,000
Japan	INI Grant (through WB)	Grant	2,730,000	U.S. Dollar	2,730,000
European Union	Grant 2007 / 212 – 019	Grant	10,802,000	Euro	14,100,000
	Health Grant (2)	Grant	2,785,000	Euro	2,450,000
United Kingdom	Phase IV Grant	Grant	100,000,000	Sterling Pound	155,000,000
Arab Fund for Economic and Social Development	Phase IV Loan	Loan	30,000,000	Kuwaiti Dinar	100,000,000
	Sana'a Great Mosque Grant	Grant	500,000	Kuwaiti Dinar	1,800,000
German Government (KfW)	Damaged Schools Rehabilitation Grant	Grant	7,000,000	Euro	9,190,000
	LIWP Grant	Grant	7,439,496	Euro	9,671,345
	SMED Grant	Grant	4,500,000	Euro	7,200,000
	Water Sector Grant	Grant	12,000,000	Euro	15,360,000
OPEC Fund	Loan 123P	Loan	18,000,000	U.S. Dollar	18,000,000
	VOLIP Loan	Loan	9,100,000	U.S. Dollar	9,100,000
Abu Dhabi Fund for Development	CLD & CB Programs Grant	Grant	33,000,000	U.S. Dollar	33,000,000
The Netherlands Government	LIWP Grant	Grant	6,000,000	U.S. Dollar	6,000,000
	Water Projects Grant	Grant	3,639,484	U.S. Dollar	3,639,484
Kuwait Decent Life Fund	Kuwait Decent Life Fund grant supporting SMED Program	Grant	6,000,000	U.S. Dollar	6,000,000
	Grant supporting reconstruction programs	Grant	50,000,000	U.S. Dollar	50,000,000
Islamic Bank for Development	Institutional Support Grant for Abyan Agricultural Development	Grant	288,000	U.S. Dollar	288,000
	Abyan Agricultural Development loan	Loan	1,500,000	U.S. Dollar	1,500,000
	VOLIP grant & loan	Grant and Loan	11,260,000	U.S. Dollar	11,260,000
	Additional grant for youth employment	Grant	25,000,000	U.S. Dollar	25,000,000
Saudi Fund for Development	Phase IV Grant	Grant	100,000,000	U.S. Dollar	
United States of America	USAID-Livelihood Improvement Project	Grant	1,295,983	U.S. Dollar	1,295,983
	USAID-Water-Sector Livelihood Improvement Project	Grant	87,022	U.S. Dollar	87,022
	Water Projects Grant (Capital City & Taiz)	Grant	1,600,000	U.S. Dollar	1,600,000
Yemeni Government	Phase IV government contribution	Grant	110,000,000	U.S. Dollar	110,000,000
Total					778,571,896

Table 16b

Active funding sources of SFD previous phase, by donor (as of 31 December 2013)

Donor	Agreement	Type	Currency	Equivalent in US Dollar
German Government (KfW)	Education 2008 65 899	Grant	17,500,000€	24,325,000
	Education 2009 65 038	Grant	8,000,000€	10,672,000
	Education 2009 67 414	Grant	5,000,000€	7,100,000
Saudi Fund for Development	Saudi Fund	Grant	100,000,000\$	100,000,000
Kuwaiti Fund for Arab Development	SFD III	Loan	KWD 14,000,000	50,000,000
World Bank	Rain-fed agriculture project	Loan	SDR 7,400,000	10,805,804
International Fund for Agriculture Development (IFAD)	Rain-fed agriculture project	Loan	SDR 10,850,000	16,400,000

Annexes: Additional Data

Commitments by Program (Millions of U.S. Dollars)

Program	2013	Cumulative
Community and Local Development	231	1,642.0
Labor Intensive Works Program	67	152.9
Capacity Building	17	150.1
Small and Micro Enterprises Development	15.1	58.0
Total*	331.1	2,003.0

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

*Includes beneficiaries' contribution, which may amount in Water Sector to 50% or more

Disbursements by Program (Millions of U.S. Dollars)

Program	2013	Cumulative
Community and Local Development	147,483	1,099.0
Labor Intensive Works Program	51,289	107.4
Capacity Building*	24,643	160.0
Small and Micro Enterprises Development	10,893	50.2
Total	234,308	1,416.6

*Includes operating expenses and fixed assets costs (approximately 5% of the total)

Figure A1

Distribution of Commitments by Sector, 2013

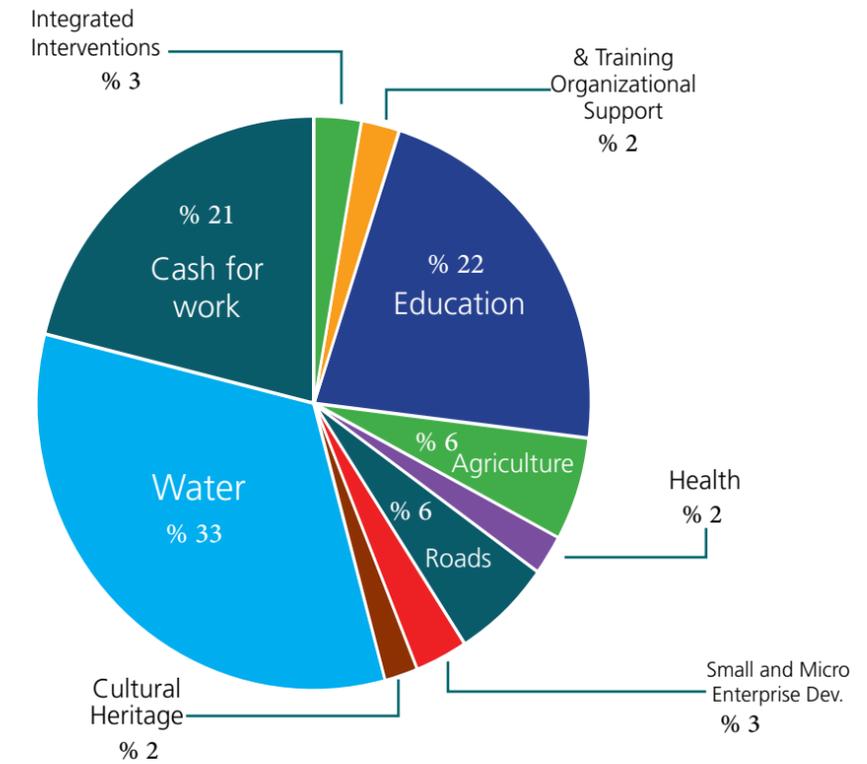


Figure A2

Distribution of Cumulative Commitments by Sector, 1997-2013

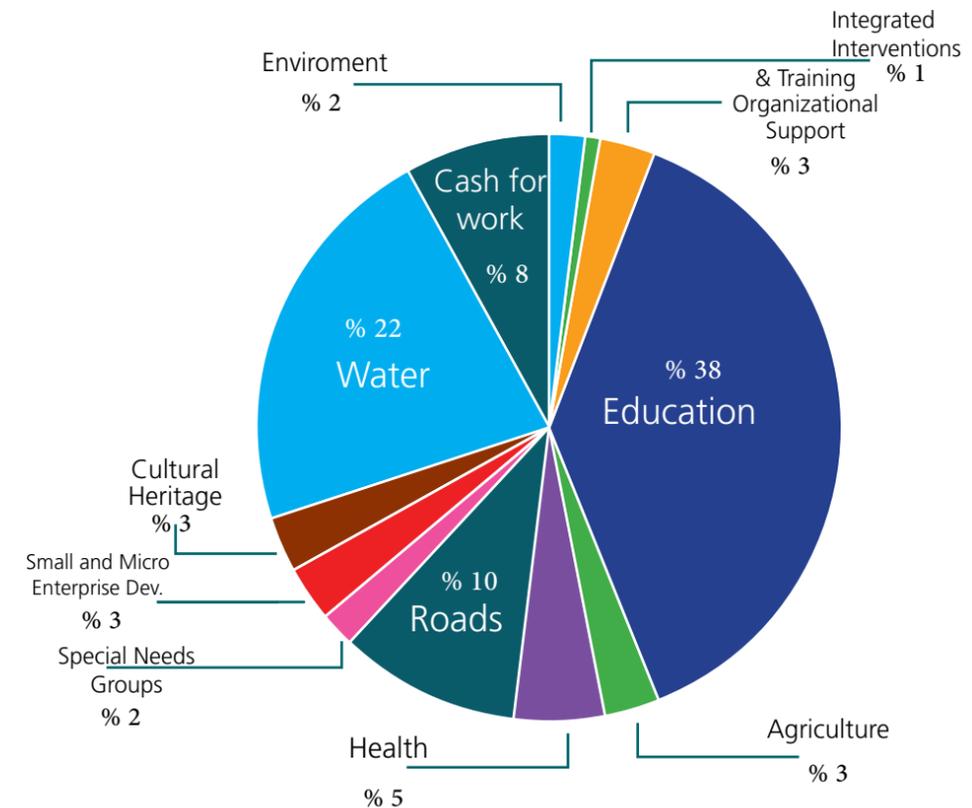


Figure 3

Distribution of Commitments by Governorate, 2013

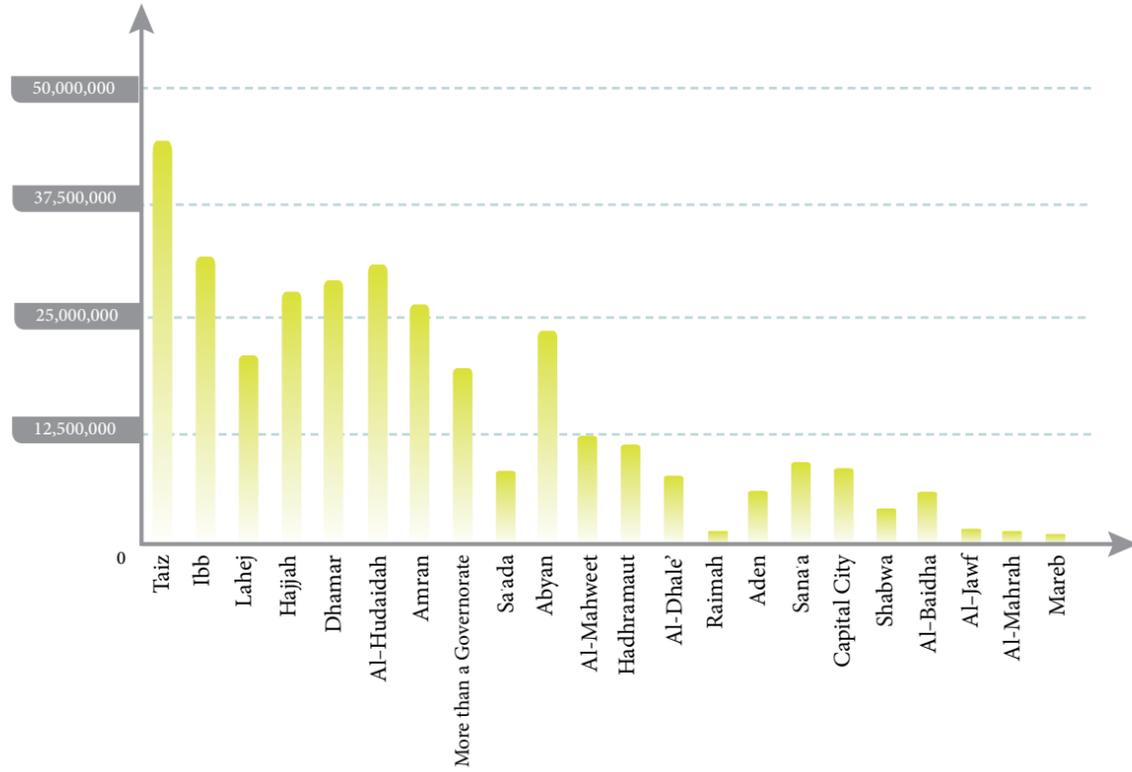


Figure A4

Distribution of Cumulative Commitments by Governorate, 1997–2013

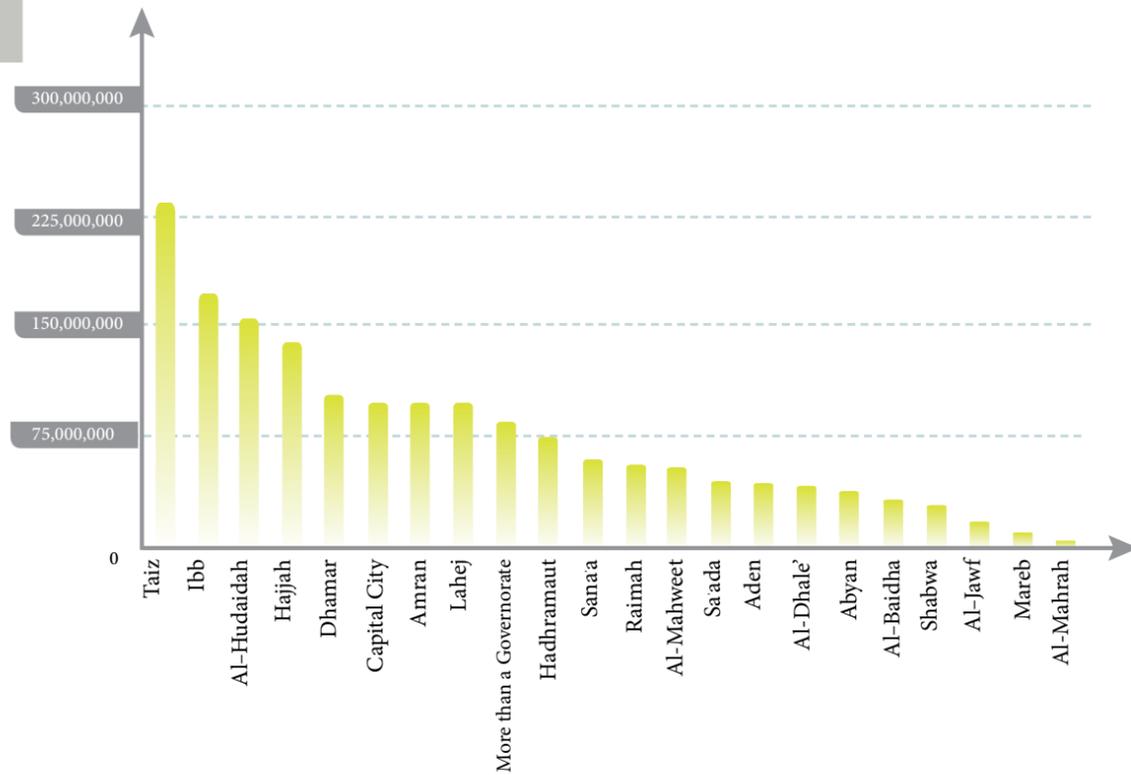


Figure 5

Commitments, 1997–2013

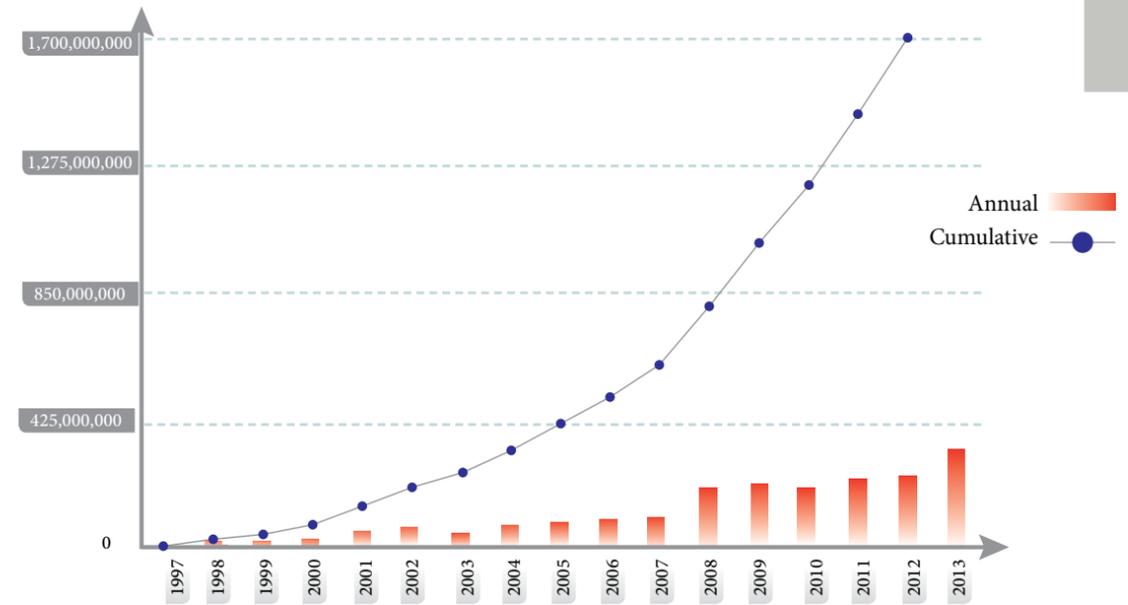


Figure 6

Disbursements, 1997–2013

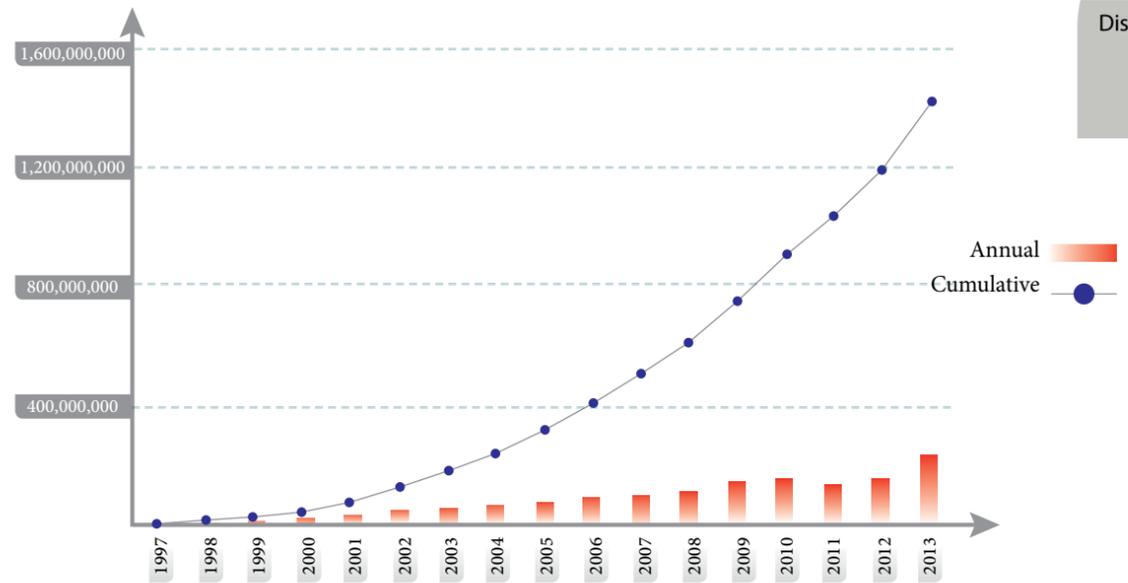


Figure 7

Active Borrowers and Savers (1998–2013)

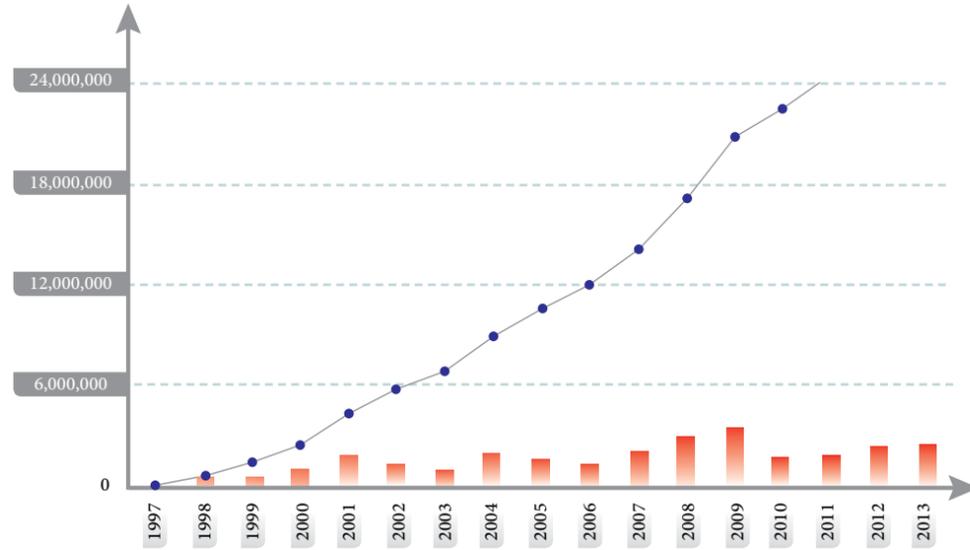
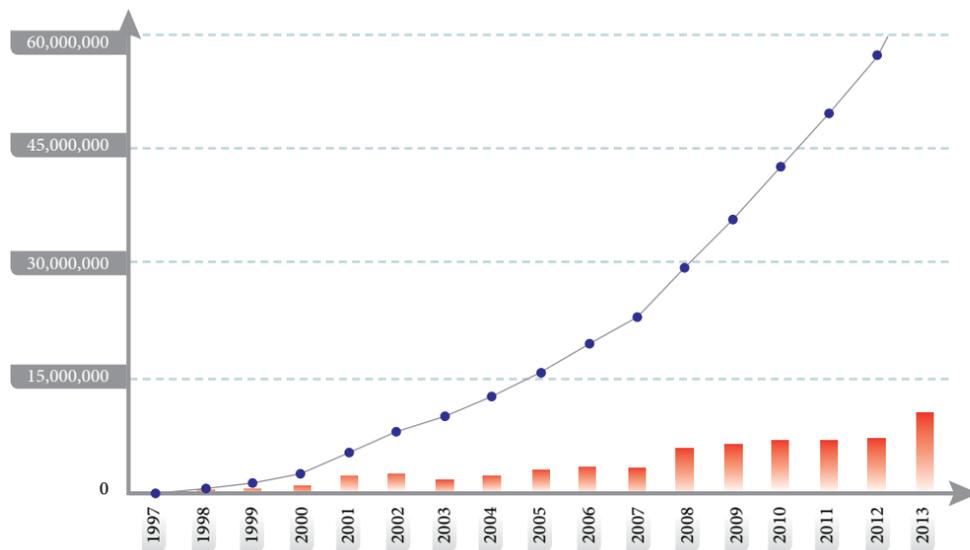
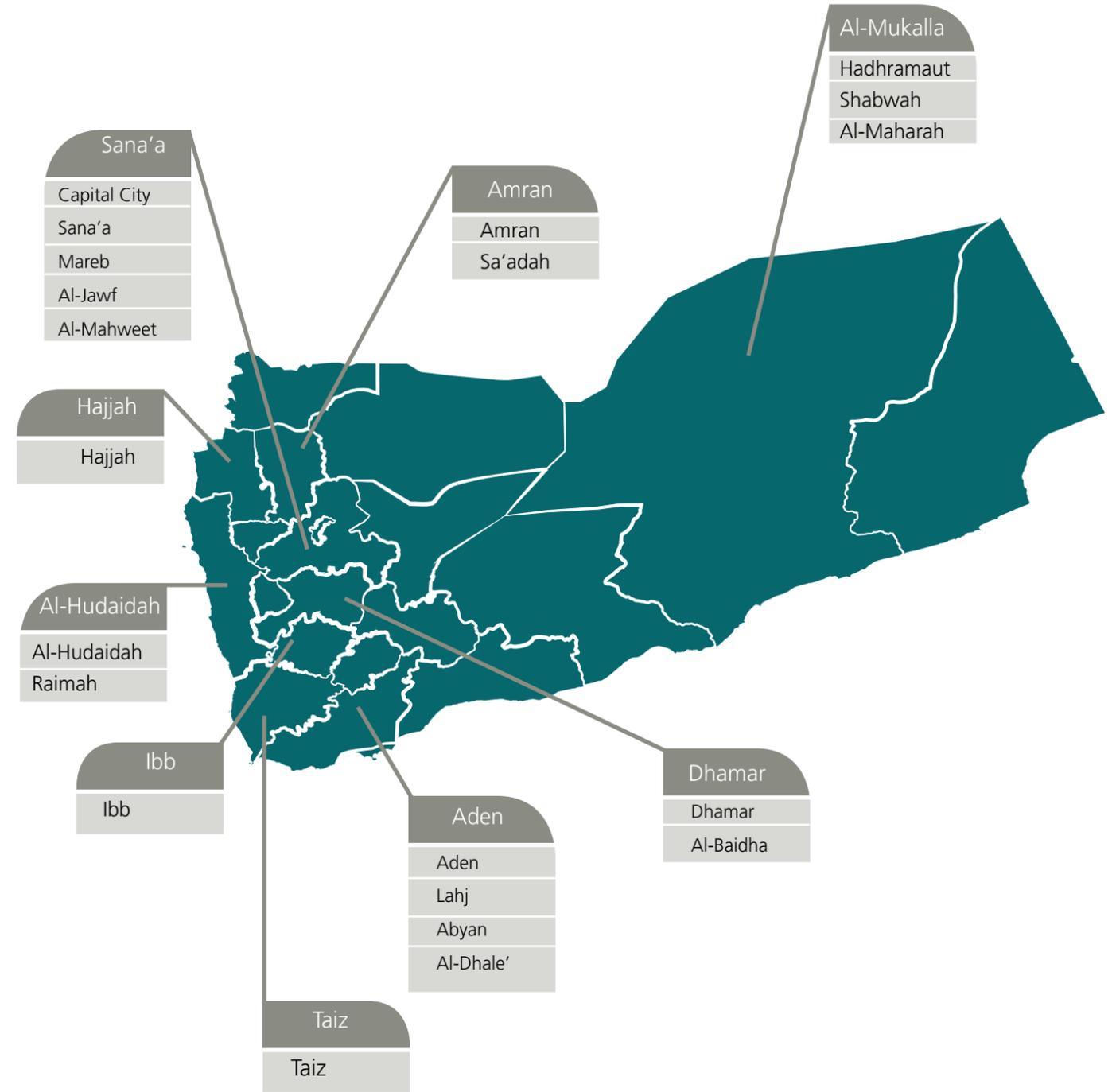


Figure 8

Outstanding Loan Portfolio and Saving Amounts (1998–2013)



SFD Branch Offices and Governorates Coverd



SFD Organizational Structure

