

Expected Number of Beneficiaries, and Job Opportunities for the 1st Quarter, 2003 According to Sectors

Sector	Beneficiaries		Job Opportunities	
	Direct	Indirect	Temporary	Permanent
Education	16367	355	172789	32
Health	103666	0	26533	0
Water	8219	100	13104	1
Environment	5700	855	12259	9
Cultural Heritage	21225	1120	24359	0
Roads	3145	9435	7898	0
Micro Enterprises Dev.	7	0	450	4
Small Enterprise	100	0	12060	0
Special Needs Grs.	2680	10515	9770	36
Integrated intervention	24	0	42	0
Training	2598	31550	2521	56
Organizational Sup.	77458	36000	13466	6
Total	241,189	89,930	295,251	144

SFD Cumulative Investments and Disbursements As of 31/03/2003 According to Governorates

Governorates	No. of Projects	Commitments (\$)	Disbursement (\$)
Sana'a Capital	281	23,189,354	13,827,343
Sana'a	255	16,012,880	8,904,406
Aden	98	9,075,687	6,229,976
Taiz	275	18,374,613	11,526,084
Hodiedah	247	19,553,709	12,905,006
Lahj	99	6,277,495	4,112,752
Ibb	184	12,797,036	7,550,363
Abian	75	5,333,541	3,795,840
Dhamar	214	13,889,361	8,348,242
Shabwah	78	4,538,526	2,883,982
Hajjah	178	11,724,106	6,261,736
Baidhaa	82	7,181,228	3,818,428
Hadhrumout	209	13,752,203	9,029,302
Saadah	85	5,628,522	2,743,003
Al-Jawf	37	2,519,393	1,518,732
Mahweet	119	9,768,148	5,342,131
Maharah	40	2,380,811	1,956,382
Maarib	40	2,756,080	1,478,171
Amran	196	12,601,288	8,458,851
Al-Dhala'a	51	3,413,285	2,263,681
More than one	91	2,479,546	1,450,153
Total	2934	203,246,812	124,404,564

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SFD Cumulative Investments, Disbursements as of 31/03/2003 According to Sectors

Sector	No. of projects	Commitments (\$)	Disbursements (\$)
Education	1458	107,517,195	66,234,832
Health	275	16,858,275	12,209,076
Water	528	32,631,829	20,939,855
Environment	78	9,543,592	5,202,659
Cultural Heritage	33	5,265,195	1,975,410
Roads	99	11,172,667	5,643,399
Micro Enterprises Dev.	39	4,010,301	2,644,398
Small Enterprise	3	139,706	9,372
Special Needs Groups	137	10,022,587	5,988,601
Integrated Interventions	18	1,044,153	502,222
Training	120	1,718,141	1,111,830
Organizational Support	146	3,323,171	1,942,909
Total	2934	203,246,811	124,404,563

Expected Number of Beneficiaries, and Job Opportunities as of 31/03/2003 According to Sectors

Sector	Beneficiaries		Job Opportunities	
	Direct	Indirect	Temporary	Permanent
Education	956,913	141,922	4,450,933	10,794
Health	1,324,866	197,543	553,303	2,709
Water	1,435,024	113,474	1,485,426	641
Environment	1,051,360	79,005	293,696	1,418
Cultural Heritage	181,190	66,560	267,614	36
Roads	890,187	837,658	759,187	22,713
Micro Enterprises Dev.	23,413	129,057	7,913	387
Small Enterprise	100	-	12,130	-
Special Needs Grs.	74,197	67,871	303,935	820
Integrated Interventions	48,227	113,223	41,932	36
Training	9,603	91,738	27,255	181
Organizational Sup.	157,586	42,703	63,658	158
Total	6,152,666	1,880,754	8,266,982	39,893

Completed Projects as of 31/03/ 2003

Sector	No. of Projects	Investments (\$)*	Disbursements (\$)*
Education	814	47,411,52	44,684,126
Health	168	8,830,026	8,332,299
Water	259	15,123,56	14,947,325
Environment	35	3,726,491	3,835,074
Cultural Heritage	6	615,480	598,171
Roads	27	2,494,236	2,786,306
Micro Enterprises Dev.	23	1,356,002	1,044,850
Small Enterprises Dev.	1	12,706	8,383
Special Need Groups	25	2,005,364	1,721,311
Integrated Interventions	5	110,813	93,658
Training	77	1,132,430	1,094,208
Organizational Support	90	1,113,264	959,317
Total	1,530	83,931,908	80,105,029

*Completed but not closed projects and their final costs are subject to change

SFD Newsletter

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Editorial

By the beginning of 2003, being the sixth year since the establishment of the Social Fund for Development (SFD), it may be said with confidence that SFD has been able to amass many successes and accomplishments in the framework of ongoing development work at the national level. Success has been embodied in the implementation of a great number of projects and in the endeavor to ensure their operation and sustainability.

SFD has played a prominent role as a national development institution that performs an efficient professional work, and helps to create and reinforce citizens' confidence in the government's ability to access remote areas and provide basic services to both poor urban and rural population.

As a reflection of its innovation as well as learning from experience, SFD has attained a high level of performance and is committed to continuous progress and improvement. This has been manifested in the reduction in the cost of school buildings, and introducing of developmental concepts such as "targeting the poor", "impact assessment", etc. SFD, due to its strong presence, has also incited other development agencies to compete and improve their performance.

While SFD continues implementation of a wide range of projects in a variety of sectors in all regions of the country, it is, at the same time, exerting great effort to build and improve institutional capacity, whether within its own internal structure or for partners from governmental and non-governmental organizations, private sector, and communities.

During this final year of SFD's Phase Two (2003) and subsequent years, SFD will continue to enhance its role as a development institution with a dynamic character enjoying a modern and advanced institutional structure committing to work efficiently, with transparency and a high sense of responsibility. SFD will endeavor to become a center of attraction for foreign support to be invested in the developmental process of the country and has the potential for expansion in order to comprehend more support.

SFD Board of Directors Meetings

The Board of Directors of the SFD held its first meeting for 2003 on February 1 and was presided over by the Prime Minister and Chairman of the Board, H.E. Mr. Abdulkader Ba-Jamal. Of the primary issues discussed were (1) the SFD's workplan for 2003, and (2) the ceiling of the projects and the national bids.

The workplan was approved with total allocations amounting to \$43 million for the funding of 698 projects. The meeting has also confirmed the continuation of efforts with donors to mobilize funds for SFD III starting in 2004. Emphasis was also placed on increasing government contribution to the SFD. The Board authorized the SFD management to approve projects and to increase the ceiling of the national bids to \$500,000.

A second meeting was held on March 24, 2003 & devoted to the discussion of the financial statement for the year ending December 31, 2002, and to the selection an auditor for the SFD for the fiscal year of 2003.

Highlights

- **January 8, 2003:** The Vice President of the Islamic Development Bank H.E Mr. Amadou Boubacar Cisse paid a visit to the SFD offices during which he met with the Managing Director, Mr. Abdulkarim I. Al-Arhabi and unit heads who briefed him of the SFD's activities. Also during the meeting, a memorandum of understanding was signed concerning procedures for use of the loan provided by the Bank to the SFD.
- **February 3, 2003:** H.E. the Ambassador of the United States to Sana'a, Mr. Edmund Hull visited the SFD, where he was updated on SFD activities. Also discussed was the project for construction of the Mareb Museum which is to be implemented by the SFD with a donation from the American government.
- **January 25-28, 2003:** A new agreement between SFD and ASA (a Bangladeshi organization specialized in microfinance) was signed. In this occasion, Mr. M. Choudhury, the Managing Director of Asa, paid a visit to the SFD. During his stay, Mr. Choudhury visited microfinance programs in Aden, Taiz and Ibb. He also presented in a workshop ASA experience in the field of microfinance.
- **Support to MicroStart II Program:** On January 24, 2003, the Managing Director of the SFD signed an agreement with the United Nations Development Program by which SFD will provide on lending funds to the participating organizations in the MicroStart II program.
- **Health Cadre Training Program in Mareb and Sana'a:** An agreement was signed with the Ministry of Planning and Development, the Ministry of Health and Population, and the Embassy of the United States for funding of a health cadre training project in Mareb and Sana'a (Jihanah and Khawlan districts) at a total amount of \$585,000.
- **Environmental Assessment of SFD Projects:** during the quarter, an environmental assessment for random sample of SFD projects was conducted by an independent consultant. This assessment aims to assess the possible adverse environmental effects caused by the implementation and operation of these projects.
- **Impact Evaluation of SFD interventions:** Fieldwork was carried out for the quantitative survey for the evaluation of the effects of SFD interventions. Fifty-five researchers visited 4,070 households and 198 projects in various regions of the country. The fieldwork continued from January 5 until February 8. The qualitative study was also begun on January 15 and continued until the end of February; in which 40 focus studies and 20 in-depth interviews were performed.

- **Midterm Review.** A European Union (EU) mission conducted a midterm review of SFD operations financed by the EU Grant. The review process included visits to 42 randomly selected projects funded by the Grant, as well as meetings with SFD staff, both at the Headquarters and Branch Offices. Subsequently, the mission presented a debriefing on the outcomes of the review. Debriefing meeting was attended by the EU Head Office in Sana'a, the British Ambassador, representatives of the WB office, representatives from the Dutch & US Embassies, and the Ministry of Planning & Development.

The debriefing meeting for the EU Review Mission



Infrastructure Unit

Education:

The number of projects at the implementation stage reached twelve distributed over three governorates at an approximate cost of \$3.8 million, bringing total SFD commitments in the education sector at the end of the quarter to \$107.5 million of which the cumulative amount disbursed is \$66.5 million.

Cultural Heritage

- The restoration works of Sana'a Grand Mosque and the Mosque of Shibam/Kawkaban is continued. Also, new projects were developed along with the completion of studies for others.
- Participation in the symposium for the national and international preservation of the heritage of Old Damascus that was held in Damascus from January 20-22, 2003. Also, a visit was made to a rehabilitation and preservation project in the historic city of Aleppo for gaining exposure to the Syrian experience in this field.

Roads

A workshop for branch project officers in the roads sector was held in which seven officers attended. The purpose of the workshop was to impart a general idea concerning road projects implementation and to present solutions to the problems that appear during project implementation, particularly in the direct implementation projects.

As part of the workshop, a number of field visits were made to Dhibeen road project in Amran and the Wadi Dijajah road project in Raymah in order to demonstrate some of the problems that may come up in this type of project, and how to solve them.

Water & Environment Unit

Water

The number of water projects that entered the implementation stage in this quarter amounted to 31 projects at a cost of \$747,000 making the cumulative number of these projects as of the end of the first quarter to be 507 projects. SFD commitments in the water sector reached \$31.6 million while total expenditures amounted to \$1.8 million bringing the cumulative expenditures as of the end of the quarter to \$20.8 million.

Environment

- The number of ongoing environment projects that have entered the implementation stage during the first quarter of this year was three projects totaling \$833,000, causing the cumulative number of projects to reach 74. Total SFD commitments in the environment sector came to \$9 million, whereas the expenditures totaled \$479,000 bringing the total at quarter end to \$5.1 million.
- During this quarter, independent regional consultant was commissioned to conduct an environmental assessment for a sample of SFD projects. In view of the lack of local consultants specializing in this field, two local consultants were selected to work with the regional expert during his 10-day stay in Yemen. The team visited 15 randomly chosen project sites in various sectors distributed over four governorates. The environmental audit aims to account for the environmental impact of project implementation and operation and to conclude recommendations for decreasing adverse effects as well as to improve the environment plan followed by SFD in projects implementation.

Training Unit

Training projects for the first quarter of the year amounted to 30 distributed over the training and organizational support sectors. Total cost of the projects reached \$1.1 million. The total contracted projects is 28, distributed as follows

Training Sector:

This sector encompasses 17 projects of which two were completed over the quarter. The projects were as follow:

- Three projects were aimed capacity-raising for the SFD consultants in Sana'a, Dhamar, and Hodaidah branches in the field of environmental effects on project appraisal.
- Two projects for the training of health workers and agricultural extensionists in the field of health and environmental awareness-raising as part of the program for water-harvesting in Hodaidah and Dhamar governorates.
- One project for qualifying contractors in Hadhramaut governorate in the SFD's contracting and implementation procedures.
- Three projects targeting the education sector in various fields of which are:
 - Support four schools in Sana'a as a pilot phase in training teachers on school activities.
 - Support to friends of the Environment Clubs in secondary schools through training of supervisors and students in awareness-raising and environmental issues.
 - Training program focusing on experience exchange in handcrafts among female trainees who have already received training financed by the SFD and conveying that experience to new female trainees representing ten school districts in Sana'a city.
- Four projects consisting of 17 training programs, seven of which target the agricultural cooperative union and other agricultural cooperatives in the fields of: increased planting and vaccination of mango groves; economies of milk production; use of insecticides; food production targeting rural women. These projects are run by cooperative societies in a number of governorates.
- A pilot project to apply new teaching methods in literacy: one by using poetry and folk heritage. Another by teaching the alphabets with connection to subjects that interest adults. This was conducted with the aid of a simplified SFD- booklet prepared for this purpose.
- Project including two training programs for female trainers belonging to centers for the National Program for Community and Productive- Families Development in 14 governorates. The project aims at the enabling female trainees to gain basic skills in the repair and maintenance of sewing and embroidery machines.
- A Project consisting of four training programs in community involvement and gender roles: The project aims to enable project officers at the main office and branch offices of SFD to carry out field studies, identify the needs of women, and integrate gender issues.

Organizational Support Sector

This sector has eleven projects in the implementation stage as follows:

- Institutional support for NGO's (7 projects): Six of the projects are for the support of internal training activities through training of trainers and provision of some necessary equipment and materials. One project is part of the second phase of field surveys of cooperative societies.
- Institutional support for governmental organizations (4 projects): One project for the purpose of providing necessary equipment (one file server for the Central Statistical Organization), and three projects are intended for the education sector, namely, providing computers to four schools in the Capital secretariat, and equipment fro laboratories and school activities

Social Protection Unit

Health

Four projects were contracted for a total cost of \$867,000 including:

- Contribution to the funding for the supply of family planning devices, to which a variety of foreign agencies also contribute. The funding contract was signed at the SFD premises by the Managing Director of the SFD, the Minister of Health and Population, and the representative of UNFPA.
- An agreement was signed for the financing of a health cadre training project in the Mareb governorate and the Jihanah/Khawlan district (Sana'a) at a cost of \$585,460. The project aims to train 236 male and female students in more than twelve health and medical disciplines. This training is at the level of a higher diploma after secondary school. The trainees are distributed in a number of institutes in the country. They are expected to work in the President's Hospital and Madghal Center in the Mareb governorate and in the Jihanah-Khawlan Hospital once they graduate.

Special-Needs Groups (SNG's)

- Twelve projects were contracted at a total amount of \$676,500 of which some are as follows:
- Training programs in secretarial and computer operations for the Khayus and Myriad Societies that work with marginalized groups.
- Training programs in secretarial and computer operations are also implemented for Dar-al-Rahma Girls' orphanage and the Social Guidance Center which works with juvenile girls.
- Training program for the preparation of trainers in orientation and mobility for the blind. Training started on February 3 and was carried out by an Indian expert in this field. The program targeted ten trainees working with the blind in a number of centers and societies for the blind from various governorates, and focused on training the trainers in rehabilitation of the blind in orientation and mobility.
- SFD funded and implemented two training programs in fund raising. 44 people from 24 centers and societies working with (SNG's) from various governorates were trained.

Integrated Interventions

- One training program for 17 male and female trainees in the preparation and implementation of health and environmental awareness programs lasting three days.
- A training program was completed for the community Development Committees in the villages of Al-Awlah, Deer Musa, Deer Al-Rudayni, and Al-Luhayyah district in Al-Hodaidah governorate concerning community contracting.
- Literacy and Community Awareness Center was opened for the villages of Al-Muhasamah, Hanadh, and Ambusti in the Ahwar district of Abyan governorate to enroll 328 women.

Small and Micro-enterprise Development Unit

- Evaluation of the micro-finance programs in Aden: A consultant from the Nabard Bank of India carried out an evaluation of the two micro-finance programs in Al-Ma'alla and Dar-Sa'ad. The report showed that the two programs succeeded in distributing a total of YR 34 million in loans to 970 clients, of which more than YR20 million went to 587 recipients in the Dar-Sa'ad and Sheikh Uthman area and YR13 million went to 383 recipients in Al-Ma'alla. The evaluation results also emphasized the need for more investment in groups' capacity building. The evaluation team also preformed workshops for the group leaders and members of the Boards of the sponsoring agencies.
- New micro-finance outlet in Yarim. As a part of the microfinance program supported by ASA, and currently working in Ibb, Taiz, and Dhamar, an agreement was signed with Khadijah NGO in Yarim to commence the formation of a number of women groups. As of the end of March, 2003, the program in the three regions of Dhamar, Ibb, and Taiz, had provided YR 14 million in loans to 714 member. The program has 170 loan groups with a total of 2228 members. Total amount of savings of the group members is YR 4 million.
- A new microfinance program in Abyan: A team from SFD paid a visit to the areas of Ji'ar and Zinjibar to review the possibility of starting microfinance activities there. During the visit and in coordination with Abyan Branch of Yemen Women Union, meetings were held with many women groups. A number of training activities and workshops were also carried out for the union in group formation and management, so that the union may begin to form women groups the would be able to benefit from microfinance services in the future.

The following table shows portfolios of SMED programs as of 31/03/2002 cumulative

Program	No. of Borrowers	Loan Amounts*	No. of Savers	Out-standing Loans*
Hodeidah Micro Credit	5,048	320,924	-	45,421
Hais Saving & Credit	1,345	41,215	604	8,131
Al-Maraweah IG	3,306	150,025	-	8,313
Al-Odain IG	334	17,926	-	2,591
Wadi Hadhramout	326	24,915	-	8,114
Dar Sad Saving Credit	587	18,790	587	6,762
Muala Saving & Credit	383	13,290	370	4,306
Sana'a Micro finance	419	16,522	-	7,735
Ibb Saving & Credit	146	3,304	509	2,104
Taiz Saving & Credit	234	4,052	933	2,413
Dhamar Saving & Credit	335	7,600	610	4,518
Other Programs	3,255	91,485	-	-
Total	15,718	710,050	3,613	100,411

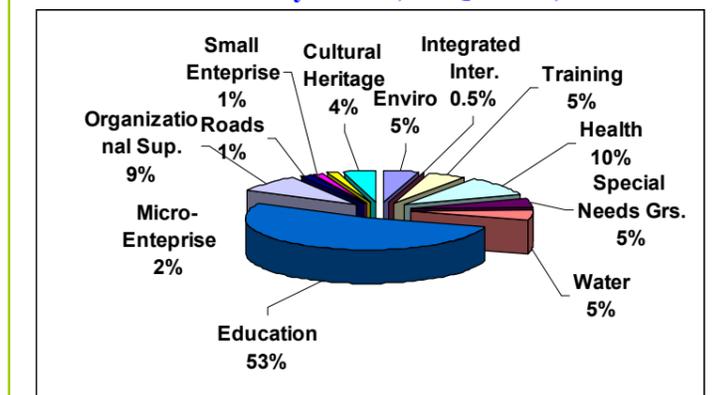
(-) Not Applicable

* Amounts are in (000')YR

Achievements of the First Quarter of 2003

The SFD has contracted 112 Projects during the fourth quarter of 2003, with a total investment of about US\$7.6 million

Investments by Sector, 1st Quarter, 2003



Investments by Governorate 1st Quarter, 2003

Governorate	No. of projects	Commitments (\$)	%
Sana'a Capital	19	1,356,854	18%
Sana'a	3	64,000	1%
Aden	1	67,450	1%
Taiz	8	641,036	8%
Hodeidah	2	17,833	0.5%
Lahj	3	19,000	0.5%
Ibb	11	906,390	12%
Dhamar	10	534,304	7%
Shabwah	11	490,012	6%
Hajjah	13	846,894	11%
Baidha	4	263,238	3%
Al-Dhala'a	1	8,000	0.5%
Hadhramout	4	132,035	2%
Saadah	8	791,456	10%
Amran	4	305,158	4%
Maarib	1	511,333	7%
Several Gov.	9	727,592	9%
Total	112	7,682,584	100