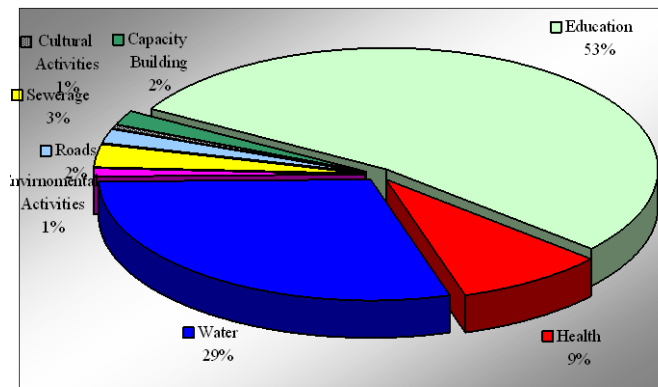


Investment by Sector (3rd Quarter/ 2000)



Beneficiaries and Job Opportunities:

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

No. of Beneficiaries

Group	Direct Beneficiaries	Percentage (%)	Indirect Beneficiaries	Percentage (%)
Men	71,677	%23	518	%19.8
Women	74,044	%24	461	%17.6
Boys	80,544	%26	1,352	%51.6
Girls	83,738	%27	289	%11
Total	310,003	%100	2,620	%100

No. of Job Opportunities

Group	Permanent (person)	Temporary (person-day)
Male	175	238,673
Female	105	412
Total	280	239,085

Completed Projects as of September 30, 2000

Sector	No. of Projects	Investment (\$)
Education	332	15,295,962
Health	56	2,813,417
Water	50	3,475,251
Capacity Building	50	493,797
Roads	1	39,180
Sewerage	4	540,634
Micro Enterprises	1	28,467
Income G.	1	16,871
Total	495	22,703,580

Social Fund for Development

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SFD Accumulated Investment and Disbursement as of 30/9/2000 According to Governorates

Governorate	Projects No.	Committed (\$)	Disbursed (\$)	Percentage of Disbursement
Sana'a Capital	64	4,328,834	1,776,477	5%
Sana'a	85	3,900,227	1,926,048	6%
Aden	36	3,523,618	910,268	3%
Taiz	112	5,389,886	3,709,614	11%
Hodiedah	84	5,652,541	3,425,194	10%
Lahj	35	2,121,836	1,426,917	4%
Ibb	72	4,303,223	2,248,439	7%
Abian	30	1,808,071	757,247	2%
Dhahar	71	4,511,777	2,279,500	7%
Shabwah	32	1,491,185	800,667	3%
Hajjah	78	3,776,869	1,677,318	5%
Baidhaa	27	1,812,286	687,047	2%
Hadhramout	69	4,104,143	2,664,074	8%
Saadah	39	1,901,580	1,926,048	6%
Mahweet	37	2,914,375	1,180,566	4%
Maharah	20	1,206,950	618,786	2%
Maareb	21	1,173,119	603,272	2%
Al-Jawf	17	910,744	421,785	1%
Al-Thala'a	19	1,336,954	408,151	1%
Amran	80	4,199,687	2,170,249	7%
More governorates	122	5,590,295	1,006,641	3%
Total	1,061	60,904,456	32,624,308	100%

SFD Accumulated Investment, Disbursement, Expected Number of Beneficiaries, and Job Opportunities as of 30/9/2000 According to sectors

Sector	Projects No.	Committed (\$)	Disbursed (\$)
Education	625	31,610,436	18,936,048
Health	138	7,380,079	3,277,791
Water &	144	9,848,891	5,377,322
Capacity Building	96	1,235,445	760,226
Roads	10	1,001,038	248,347
Sewerage	17	3,268,177	1,019,471
Cultural Activities	3	413,636	95,789
Envi. Activities	4	377,036	112,087
Social Services	10	3,333,340	928,864
Micro Enterprise	6	1,435,894	1,101,831
Income G.	8	1,000,484	766,532
Total	1061	60,904,457	32,624,308

Sector	Beneficiaries		Job Opportunities	
	Direct	Indirect	Temporary	Permanent
Education	313,894	45,345	1,156,573	3,306
Health	649,130	50,515	186,695	719
Water	501,394	9,698	331,343	179
Environmental Activities & Sewerage	390,415	4,900	116,673	188
Roads	110,836	93,996	81,107	0
Cultural Activities	15,960	0	14,350	11
Social Services	2,454	2,500	114,268	160
Capacity Building	12,004	6,145	23,059	455
Micro Enterprise	11,031	60,163	2,865	154
Total	2,007,118	273,262	2,026,933	6,163

SFD Newsletter

July - September, 2000

Editorial

The third quarter of this year has distinguished itself by several particularly significant events. The most outstanding events have included the ratification of IDA credit loan as well as the Islamic Development Bank loan by the Parliament. This ratification has been followed by the issuance by H.E. the President of the Republic of two laws stating full agreement to the loans. In another significant occasion, the President of the Republic received the SFD Managing Director who gave H.E. the President a briefing on SFD activities during the previous period. The Managing Director also gave a presentation before the Cabinet on the SFD policies and operations during the last three years. At the internal level the third quarter of the year 2000 is being dominated by the continuous endeavors to implement the SFD Annual Plan as well as several policy issues and measures. This includes extensive discussions concerning the SFD capacity building with the objective of reviewing the organization's structure in line with the SFD ambitions to widen and diversify its activities during the second phase.

On September 20, H.E. President Ali Abdulla Saleh received Mr. Abdulkarim I. Al-Arhabi the SFD Managing Director. The Managing Director briefed the President on the SFD ongoing activities and its achievements during the past three years. The President expressed his satisfaction and stressed the importance in targeting the needy areas.

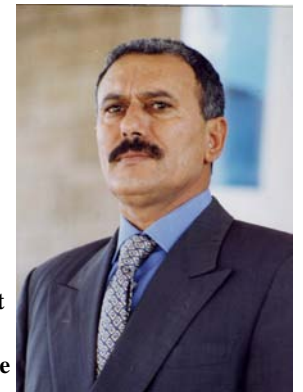
Presentation before the Cabinet

The SFD Managing Director gave a presentation about the SFD development approaches and its achievements during the last three years before the Cabinet during its meeting on August 22, 2000.

Ratification of the loan agreements with IDA and the Islamic Development Bank

On September 17th, 2000, H.E. Ali Abdulla Saleh, President of the Republic issued the following two laws:

Law No. (23) for the year 2000 ratifying the loan agreement signed on 9/6/2000 with the International Development Association to finance the Social Fund for Development Project (Second Phase) with the sum of Fifty Six Million Special Drawing Rights, equivalent to Seventy Five Million US Dollars. Law No. (24) for the year 2000 ratifying the loan agreement signed on



14/5/2000 with the Islamic Development Bank to finance the Social Fund for Development Project (Second Phase) with the sum of Four Million and Four Hundred Thousand Islamic Dinars, equivalent to Six Million US Dollars.

The Parliament had ratified the two credit agreements during its meeting on August 19, 2000.

Infrastructure Unit News

- **Workshop in Feeder Road Schemes**
One-day workshop attended by 40 specialized engineers conducted on June 15, 2000. The workshop discussed the following issues:
 1. Criteria for project selection of rural roads.
 2. The designing and supervising of such projects.
 3. Benefiting of the indigenous knowledge.
 4. Community participation in executing the projects.
 5. Sustainability of rural roads.

Training Unit News

The activities of the Training Unit during the 3rd quarter of this year included the following:

Financing and implementation of four training courses attended by 75 specialists and technical staff working in agricultural development projects related to: The General Authority for the Development of the Eastern Areas (Ma'areb), The Agricultural & Rural Development Authority (Sana'a, Sa'ada' Hajja, Amran), and Al-Mahweet Agriculture & Irrigation Office. The training concentrated on the following:

- Training of Trainers in agricultural fields.
- Training of agricultural extension agents.
- Training of technical staff and extension agents working in forestry and horticulture.
- Training of technical and veterinary staff working in the field of animal wealth.

Providing support for ten associations and NGOs to enable them to improve and develop the training facilities which they provide to female beneficiaries in local communities in the following governorates and districts: Sana'a City, Hodeida City, Zabid, Rada'a, Ta'iz City and Aden.

Providing technical and training support for the Social Welfare Fund (third phase) aiming at the development of the database that was created and developed by the SFD during the first and second phase. The third phase will achieve the data analysis and the publicity of the social indicators, as well as accomplishing the central information records database (The system of gathering and exchange of information

Training for Training Unit Staff:

Within the framework of the SFD efforts to develop the capacity of SFD staff through internal and external training, Ms. A. Al-Sharki, head of Training Unit and Mr. Suleiman Ghanem, Training Projects' officer attended a course in Casablanca, Morocco last August. The training concentrated on the development of training and programming skills at the supervisory level as well as the evaluation and monitoring of training programs and their components.

Water & Environment Unit News

- **Water Harvesting Schemes:**
During the 3rd quarter, twenty-three financing agreements have been signed and construction work has started in most of them. High attention and more efforts are given to improve the quality of water stored in cisterns. The preparation of developing models for a household water filter is in progress. Branch Offices will be equipped with demonstration models to be used for raising

Small and Micro Enterprises Development Unit News

- **The Training Course for Credit Officers :**
A training course for credit officers took place from the 10th to the 16th of Sep 2000, in which eighteen credit officers participated. The course included an introduction in Micro-Finance, effective communication skills, and selection of clients, feasibility study, sustainability, indicators, and gender issues. The goal of the course was to give credit officers working with SFD Micro-Credit programs some background knowledge to help carry out their duties. One of the objectives of the course was also to test the curriculum, developed by Mr. Abu El-Yazeed, intended to be used in the future to conduct more of such training sessions.

- **The Training Center for Traditional Hand-Made Carpets :**

After the training of 40 trainees was accomplished during the first stage of this project, Al-Islah Charitable Society (the implementing agency) took the step of continuing its involvement by establishing and running a production center for the graduates. Currently, the graduates manufacture hand-made carpets using equipment and raw materials provided by the NGO, which then provides for the marketing.

- **The Rift Valley Fever :**
The recent spread in northern Tihama of this disease is having a negative effect on

A sample of hand-made carpet.



organizations. In this day workshop held in Aden.

- **Hais:**
The recent appraisal mission carried out for the Literacy and Small Enterprise Development Program in Hais has recommended its continuation. The mission urged the groups in the program to organize into a local organization. As a result of the appraisal, the project staff and clients have established a new NGO called "Family Development Organization".

The following table shows the portfolios of SMED programs as of September 30, 2000:

Program	Active No. of Borrowers	Active No. of Savers	Outstanding Loan Portfolio (YR)
HodeidahMF	1941	-	66,460,697
LSED-Hais	298	905	1,709,300
Al-SeihMC	403	-	11,628,600
WomenS&C Aden	47	114	630,923
Marawe'ahIGP	441	-	14,697,009
DarjajIGP	432	-	10,927,331
Bee-keepingIGP of Al-Odain	124	-	6,242,990
WadiMorIGP	288	-	11,155,065
Total	3974	1019	123,451,915

Achievements of the Third Quarter of 2000

The SFD has contracted 113 new projects during the third quarter of 2000, with a total investment of about US\$ 6.2 million.

Investment by Governorates (3rd Quarter/ 2000)

Governorates	No. of Projects	Commitment (\$)	Percentage
Sana'a City	5	512,426	8%
Sana'a	9	675,738	12%
Aden	4	117,236	2%
Taiz	5	232,555	4%
Hodeidah	12	378,453	6%
Lahj	2	61,000	1%
Ibb	4	226,481	3%
Abyan	9	549,460	10%



Training for SFD Project officers

During the first week of July (1-3/7/2000) a workshop was conducted in collaboration with Oxfam attended by 20 SFD project officers from the Head Quarter and the Branch Offices.

The objectives of the workshop were:

To introduce community participation as a tool for more sustainable development work.

To develop an understanding of the role of SFD's project officers as facilitators for community mobilization and participation.

To brief look at some PRA techniques and their relevance to the project cycle.

- To enhance mainstreaming gender analysis in the work and project that SFD's project officers are involved

SFD Staff Meeting

The SFD staff periodic meeting was held on the first day of last August. The meeting discussed the related to the following issues:

1. The performance during the second quarter
2. The quality of data entry in the information system and the quality of project documents
3. The progress made by the Branch Offices in implementing the 2000 work plan
4. Delegation of the screening process to the Branch Offices based on the SFD criteria and procedures of selection
5. Community contracting for water harvesting schemes

Donor's visits

- On the 23rd of July Mr. Noree Refaat from the OPEC Fund for International development, visited the