

EDITORIAL

As the years pass by and the conflict in Yemen continues, the Yemeni communities' heritage associated with their customs and beliefs continues to deteriorate and undermine the habits of self-development especially in the Yemeni countryside, including the values of solidarity, initiatives and cooperation in terms of construction and restoration of public service facilities. As a result, the rural areas have become dependent mainly on the urban income and imported food and become passive recipients of life-saving relief and basic services delivered by organizations.

Today, as the conflict becomes chronic, the SFD remains the only player in Yemen to establish a logical relationship between development and community with an overall aim to develop social capital. This partnership ensures the sustainability of improving the living and economic conditions of communities by re-establishing the values of development in their culture. The success of all SFD projects has become dependent on the volume of interaction by the human element across all stages of the project, considering human the generator and the ultimate target of an action. So, if he/she finds an interest in a support, he/she will mobilize all available resources, abilities and talents to reap more rewards.

At the same time, the participation of women in all project stages strengthens the cultural weakness areas in terms of her developmental and societal roles. This increases the confidence of the community in women as a developmental asset and an active participant in improving their economic and social conditions.

The SFD's recent activities have resulted in many cases of women whose participation has had a significant impact on enhancing their family's adaptive capacities to the growing effects of the conflict. This is reflected in several occasions, the most important of which is their participation in the planning, monitoring and implementation of projects within the community committees and village cooperative councils and other roles. It is also has something to do with her household decision-making on the disbursement of labor wages on the most important needs of the family, on buying assets of sustainable production, on the best and rational use of supported services, and on saving the family members from Cholera and the widespread diarrheal.

YEMEN HUMANITARIAN SITUATION

- 22.2 M need aid
- 17.8 M food insecure
- 8.4 M need livelihood support
- 16.4 M need health support
- 16 M need WASH services

SFD RESPONSE SINCE 1998 (ESTIMATED)

- 4.6 M with road access
- 1.7 M with CfW temp. jobs
- 72.2 M workdays created
- 11.5 M with health-service access
- 4.1 M provided with water

THE SITUATION OF IDPS AND COPING CAPACITIES ARE EXACERBATED AS THE CONFLICT CONTINUES

The fighting in the western region has escalated to capture the Red sea port city of Al-Hudaydah since 13th June. This resulted in significant displacement in adjacent coastal districts of AdDurayhimi, Al-Marawi'ah, and Zabid among other districts with the displacement of over 20,000 IDP families in Al-Hudaydah Governorate over the month. The humanitarian needs are likely to rise largely during the coming months. The intensification of fighting in Al-Hudaydah endangered not only those directly affected but also the 70 per cent of the population who depended on vital supplies, including health-care supplies, that flowed through Al-Hudaydah port. The port is a lifeline not only for the city but also for most governorates.

The increasing violence in the frontlines of Al-Bayda has led to displacement of hundreds of families to Nati'a district. In

Taizz, continued fighting in Al-Hudaydah forced 1,500 families to flee to the southern districts. New waves of displacement continued to generate from the front line districts in Sa'adah and Al Jawf, resulting in further increased vulnerability of the affected population as the coping mechanisms of the families are continually eroded.

Disruptions to port operations would likely result in Famine—IPC 5—levels of acute food insecurity within three to four months, the Famine Early Warning Systems Network (FEWS NET) reports.

As of June, the number of shelters to the displaced has amounted to 539 centers sheltering nearly 60 thousand IDPs and 323 settlements harboring nearly 90 thousand IDPs according to a CCCM and Supporting Displaced Communities Cluster.



SECTOR ACTIVITIES

EDUCATION

The total cumulative number of the Education Sector's projects (1997 – end of June 2018) reached 5,021 at an estimated cost of \$673.7 million and the direct beneficiaries from these projects are expected to amount to 2.8 million person approximately (46% female), with the temporary employment generated reaching about 22.9 million workdays. Of these projects, 4,976 have been completed costing around \$625 million.

Rural Girls' Education Program

During the 2nd quarter, 102 life and vocational skills' guidance counselors from 18 governorates were trained on the Counselors Training Manual, with the modified versions of the manual (Trainer and Trainee Manuals) received. Similarly, 1000 copies of the guidebook "How to Become a Professional Counselor" have been distributed to the SFD's branch offices.

Vocational and Literacy Program for Poverty Alleviation

Facilitating access to non-formal basic education

During the quarter, 26 male and female teachers from Bagel, Al-Zaidiyah, Al-Luhaiyah and Zabid (Al-Hudaidah Governorate) were trained on the adult-education training program (pre-service training). In addition, furnishing of two community classrooms in the governorate was completed.

The SFD has also implemented a training course for 20 female literacy and adult education (LAE) teachers and community education facilitators in Al-Mukalla City (Hadhramaut) on the Rural Women Life Skills Manual (Nutrition and Reproductive Health Guide). Moreover, the technical bidding procedures for the construction of the community education center in the city have been completed.

A training course was also conducted for 21 LAE teachers (of both genders) from the Al-Maqaterah (Lahj) on the manual of the verbal read-and-write teaching method and the principles of calculation (pre-service training).

The quarter witnessed the distribution of 5,000 school bags imprinted with the program's name and logo, 6,111 schoolbooks imprinted with

the program's logo and 1,674 community-education and literacy-class notebooks to follow up with the learners in the areas targeted by the program.

Training for unemployed youth and working women

The Training of Trainers Center in Al-Hudaidah was contracted to train 23 person (4 young men, 13 young women and 6 working women) on first aid and nursing basics, with the training provided on 08 January – 19 April 2018.

Finally, 229 beneficiaries were referred to lending institutions through the Funding Guarantee Program, with 96 having received financing for their projects (perfume and incense, clothing, livestock raising, solar panels, hairdressing, computers, mobiles and desserts and pastries processing).

Education Indicators

Indicator	Achieved (April – June 2018)
Total number of youth recruited and received wages on education services (Female: 50%)	30.0
Youth providing community health rehabilitation targeting persons with disabilities (30%)	-
Youth to work with centers & NGOs servicing SNGs 30%	-
Dropout adolescents aged 14–18 who completed long–short training courses (education – vocational training) Female (35%)	281



The completion of reconstruction of Alkhadara female school in Amran

HEALTH

During second quarter of 2018, 37 projects have been approved at an estimated cost of nearly \$2.5 million, with direct beneficiaries expected to be about 0.75 million persons (52% female) and job opportunities 57,370 temporary workdays. This brings the total cumulative number of the sector's projects (1997 – end of June 2018) to 1,281 at an estimated cost of \$152.3 million and the direct beneficiaries expected to amount to 11.5 million person approximately (59% female), generating about 3.6 million temporary workdays. Of these projects, 1,173 have been completed costing nearly \$82 million.

Promotion of primary healthcare

The program aims at improving and strengthening basic health services, providing qualified medical personnel, and facilitating community access to these services.

During the reporting quarter, training courses were conducted for more than 200 community midwives from the governorates of Ibb, Socotra, Hadramout, Dhamar and Al-Bayda, in the area of community care for mothers and newborns. The SFD also completed the training of 60 staff members from health offices in 12 districts in Amran Governorate, where they were trained in the concepts of health management and overall health quality. In addition, 96 health assistants were trained in several districts from the governorates of Al-Baydah, Dhamar and Al-Hodeidah. The training focused on complementary care for the child and care for premature infants and newborns.

The quarter also witnessed the completion of a project of that aimed at upgrading 37 students from the second level in the department of medical assistants to the general diploma of Assistant doctor (two-year study term), in order to meet the needs of health facilities in remote areas of several districts of Dhamar governorate.

Conditional Cash for Nutrition

The program aims to improve the nutritional situation of mothers and children under the age of five, and to mitigate the risks to girls aged between 18–35 by providing temporary income opportunities to serve as community educators in nutrition, reproductive health and girl education. The program also aims at encouraging targeted families to refer malnourished women and children to therapeutic health facilities. By providing the mentioned services the program intend to alleviate poverty among pregnant women and mothers of children under five years benefiting from the Social Welfare Fund.

The program has contracted with a total of 2,681 community educators on conducting educational sessions for 63,861 beneficiaries in a number of districts in Dhamar, Taiz, Ibb and Al-Hudeida Governorates. In Al-Hodeida, 1,214 malnourished cases were referred to nutrition treatment centers during the period January-June 2018, were supported with transportation and subsistence allowances.

Social protection and strengthening community resilience project

The content of the training manual has been developed in psychiatry to suit the importance of training on the concepts of the community psychosocial support. The manual targets assistant and medical staff in the health facilities in several districts.

Several other community projects were conducted in Taiz, Abyan and Shabwah governorates, in addition to the development of several projects that aimed at rehabilitation / repair / reconstruction of 60 health facilities in several governorates. In-depth studies were conducted to determine the needs of each facility.

The SFD also implemented 7 workshops to coordinate with partners and undermine roles among actors with the aim to push forward the projects' activities related to strengthening community response in 12 districts in Hajjah, Taiz, Shabwah and Abyan Governorates.

Health Indicators

Indicator	Achieved (April–June 2018)
Youth recruited and received wages of working on nutrition services (female: 100%)	957
Pregnant women and mothers who benefited from cash transfer & the nutrition services (awareness sessions, screening and/or transport)	-
Mothers with a child with disability (10%)	-
Number of children who benefited from the nutrition services (Female children 50%)	11,092



Part of anti-Cholera activities in a beneficiary vulnerable community

SPECIAL NEEDS GROUPS

The cumulative total number of the sector's projects reached 702 at an estimated cost of \$37.1 million and the direct beneficiaries are expected to amount to 184,260 person approximately (39% female), generating more than 842 thousand temporary workdays. Of these projects, 699 have been completed costing around \$31.6 million.

During the second quarter of 2018, the SFD handed over the premises of the Early Childhood Academic Center (along with its associated kindergarten) to Sana'a University. The SFD had supported the construction, furnishing and equipping of the center and the kindergarten, with the former being the first ever academic center in the country specialized in early childhood.

The center comprises administrative offices, education halls, a library, and a laboratory for the manufacture of educational aids pertaining to early childhood development (ECD).

The center will provide academic and research services to students in ECD, qualifying graduates in this area, who will carry bachelor, master and doctorate degrees. The center will also provide during-study training through the kindergarten annexed to the center and intended to receive the children of Sana'a University female students and workers.

WATER AND SANITATION

The activities in the water and sanitation sectors during the first quarter of 2018 included the following:

Water Sector

Fifty-four projects were approved, out of them 22 funded by the WB emergency crisis response grant (ECRP) through the UNDP office, 22 funded by the German Government through kfw, 9 funded by OCHA through UNDP office and one funded by the Embassy of the Kingdom of the Netherlands (EKN). The total cost estimate of these projects is US\$ 6.7 million.

During the quarter, 61 projects are completed, boosting up the total number of completed projects since the establishment of SFD (1997 to end of March 2018) to 2,180 projects with a total cost exceeding \$193.8 million (SFD contribution only) to benefit more than 3.8 million persons (50% female) and creating temporary jobs reaching 9.0 million working days.

Below are the achievements in each sector during this quarter:

1) Rooftop rainwater harvesting: Thirty-four projects are completed with total amount US\$ 3.3 million. The projects contained 6,192 rooftop cisterns of total storage capacity 18,576 m³ to facilitate access to improved water sources for 46,820 persons. Temporary jobs generated reached 225,781 working days in implementing these projects.

2) Public covered rainwater harvesting cisterns: Three projects were completed with a total cost 220,000\$ to provide the water service to 833 persons and generate 7,500 working days as temporary jobs in implementing the works. Two out of the 3 projects contained 3 public

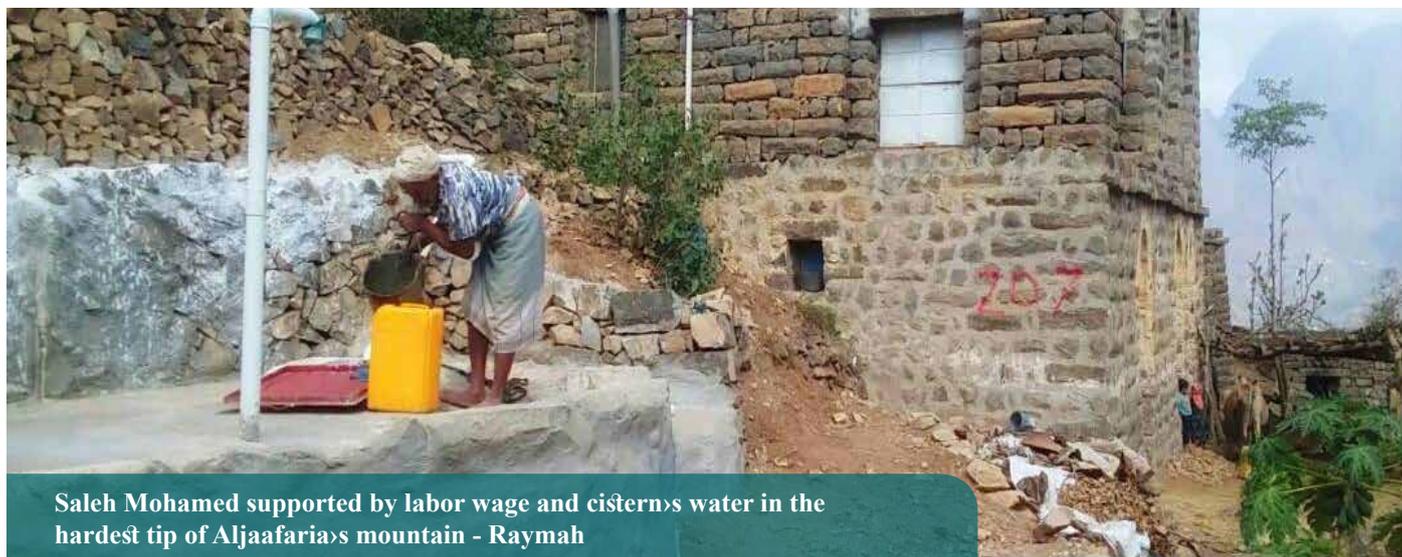
covered cisterns and the third project for rehabilitating an existing public cistern and the total additional storage capacity is around 4,500m³.

3) Labor intensive rooftop cisterns: Twenty-three projects were completed from the WB emergency crisis response grant (ECRP) through UNDP office and these projects contained 2,369 rooftop cisterns of total storage capacity 42,640 m³ to provide access to improved water sources to 18,096 persons. The total cost of these projects is \$ 2.3 million and the number of temporary jobs created is 131,784 working days.

4) Training and awareness: One project was completed to participate in reducing cholera and AWD incidences in some previously completed water projects in Hajjah, where 3,500 silver pot filters were supplied and distributed and this created 566 working days. The targeted communities were introduced to the use of water filters and their maintenance.

Water Indicators

Indicator	Achieved (April – June 2018)
Number of people benefiting from access to improved water	70,339
Storage capacity for improved water	241,274
Storage capacity for unimproved water	-



Saleh Mohamed supported by labor wage and cisterns water in the hardest tip of Aljaafaria's mountain - Raymah

Sanitation Sector

Nineteen projects were approved for a total estimated cost \$ 3.3 million. Out of them 9 are funded by the German Government grant through kfw, 5 funded by OCHA grant through UNDP office, 4 funded by ECRP and one funded by EKN.

On the other hand, 2 projects were completed, one of them for conducting awareness campaigns aiming to improve sanitation and behavior in Garn Gased-Sabah/Albaidha where 5,600 persons were targeted, and the other one for training all project officers and some consultants from all the branches on the new policy and procedures for intervening in rural sanitation. Accordingly, the cumulative completed sanitation projects since the establishment of SFD in 1997 to the end of the second quarter of 2018 reached 404 projects with total cost \$ 33.8 million to serve 3.45 persons and created 1.3 million working days.

Coordination with partners

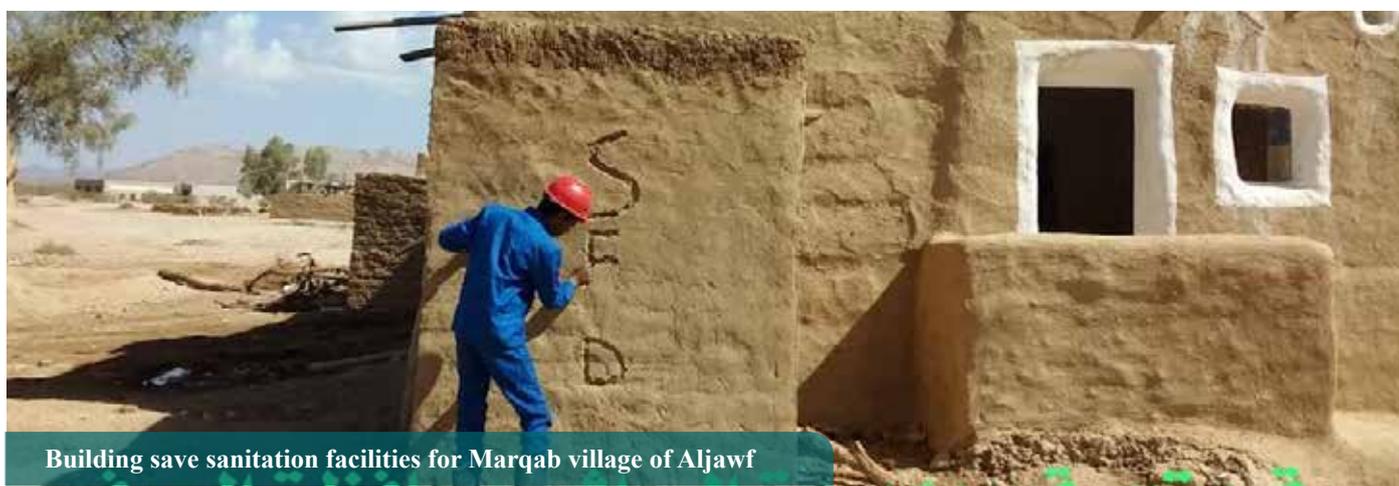
The water and environment unit continued participating actively in the WASH cluster meetings and submitting the regular monthly reports to the WASH cluster coordinator about SFD's WASH interventions. These meetings keep SFD updated on the activities of WASH partners, learn from their experience and benefit from the needs assessment carried out by WASH partners.

Cholera/AWD related activities

In general, all SFD's water and sanitation projects contribute in preventing cholera and AWD incidents, particularly with the introduction of household water filters in all new projects, provided that these projects and their components are used and maintained properly. However, within the matrix of SFD's contribution in cholera prevention, awareness messages on cholera were delivered to 1,715 families in 8 rural communities, 12 volunteers (50% females) were trained on delivering cholera awareness messages and together with their communities implemented 4 initiatives contributing in preventing cholera.

Sanitation Indicators

Indicator	Achieved (April – June 2018)
Number of people benefiting from access to appropriate sanitation	6,260
Number of communities declared ODF	32
Number of people benefiting from cholera preventive measures support	158,574



Building safe sanitation facilities for Marqab village of Aljawf

AGRICULTURE AND RURAL DEVELOPMENT

During the reporting period, 23 projects were approved at an estimated cost of nearly \$3.3 million supporting direct beneficiaries of more than 31.3 thousand persons (5147% female) and generating job opportunities of 231 thousand temporary workdays. Thus, the cumulative total number of CfW projects (during 1997 - jUNE 2018) has reached 461 at an estimated cost of \$50.6 million and the direct beneficiaries of approximately 403,284 thousand persons (47% female), generating about 1.5 million temporary workdays. Of these projects, 406 projects have been completed costing around \$34.2 million.

Agricultural Productivity Enhancement Project (SAPREP) partnered with FAO

The relevant field survey was completed to identify the needs of small farmers in the project of rehabilitating small farmers and improving agricultural production in 18 districts in Shabwah, Abyan, Lahj, Taiz, Al-Hodeidah and Hajjah Governorates. The survey started after 71 different agricultural specialists were trained on the mechanism and objectives of this WB-funded project. The field survey targeting districts in Sa'ada Governorate has been delayed because of the security situation. The work will resume once the security conditions improve.

Field visits were also paid to Al-Ma'afir District (Taiz) aimed at verifying the findings of the field survey in cooperation with FAO and identifying proposed activities according to the technical standards. A

number of water and soil proposed projects were selected based on the findings of the field survey in coordination and consultation with the local authority in the district.

These projects include the rehabilitation of agricultural terraces, complementary irrigation, the creation of rainwater collecting tanks for irrigation, in addition to the protection of agricultural land on valleys' banks. These projects have been distributed across all sub-districts of the district.

Projects implemented to support small farmers in Dimnat Khadeer district (Taiz) were followed up by SFD teams in order to ensure the implementation of the environmental examination form and the development of a social environmental plan to identify potential environmental damage and to reduce any risks. Visits were also fielded to civil work sites (the construction of rooftop rainwater tanks project), and the teams held discussions with the beneficiaries to reduce the environmental risks through the excavation waste management (soil) and the implementation of tight covers to prevent the children or animals falling into the cisterns.

The beneficiaries sounded satisfied of the progress of the work and the mechanism for targeting.

Saving and lending project

The database of savings and lending groups has been updated with a view to excluding the completed groups of grants awarded by the project. The number of active groups reached 113 including a total of 3,334 members (both sexes). A total YER of 33.3 million is to be disbursed to these groups.



Protection of soil in Wadi Alaf - Saada

The savings and lending program began distributing financial grants in Al-Mahweet district (Al-Mahawweet Governorate). The grants are planned to be distributed in the rest of the groups across the targeted districts of Sana'a, Al-Mahweet, Hajjah, Al-Hodeidah and Lahj Governorates.



Cash-based reclaiming lands to increase food production in Wadhrah - Hajjah

TRAINING & ORGANIZATIONAL SUPPORT

Interventions in the two sectors of Training & Organizational Support aim to provide services through training and building the human and institutional capacities of SFD partners whose activities are linked to SFD's goals represented by local development and poverty reduction. In the Training Sector, the cumulative total number of projects (1997 – 30 June 2018) reached 1,023 with the estimate cost of \$27.3 million. Direct beneficiaries are expected to reach 159,606 persons (38% females) and generated employment about 403 thousand workdays. Of these projects, 1,019 were completed with about \$20.5 million as contractual cost.

In the Organizational Support Sector, the cumulative number of projects reached 685 as an estimated cost of about \$39.2 million. Beneficiaries are expected to reach 1.4 million persons (46% females) with more than one million workdays generated. Of these, 633 projects were completed with contractual cost reaching about \$25.7 million.

Empowerment for Local Development Program

During the 2nd quarter of 2018, the activities of the ELD Program were diversified through the continuation of the work implemented by the local development structures (Villages' Cooperation Councils "VCCs" & Sub-districts' Development Committees) formed in ELD districts with SFD support. They have been efficiently active despite the prevailing difficult circumstances in Yemen. The efficiency of these structures lies in the continuation of qualitative self-help initiatives' implementation without any SFD intervention. This in turn solidifies the roles undertaken by these structures. The initiatives included the following:

First: Self-help Initiatives Undertaken by Community Structures (CSs)

The CSs took over the over-all adoption of awareness raising, planning, and implementation of these initiatives. Main examples are constructing water tanks, rehabilitation of schools and literacy classrooms, repairing rural roads (for vehicles and pedestrians), sanitation, and training in

sewing and handicrafts, etc. The total number of initiatives reached 3,614 with estimate cost exceeding 295.4 million Riyals. These were implemented in several districts in the governorates of Shabwa, Hajjah, Abyan, Taiz and Raima. In this respect, 560 VCCs were formed during the quarter.

Second: Initiatives Supported by SFD

About 550 supported initiatives were implemented in a number of areas in the governorates of Hajjah, Ibb, Lahj, Abyan, Socotra Archipelago, Al-Baidha and Taiz.

Training & Organizational Support Indicators

Indicator	Achieved (April – June 2018)
Community-based initiatives supported and implemented	65
Village Councils formed/activated	430
Total number of youth trained and secured temporary job opportunity (Female: 40%)	1,410

The Integrated Intervention Program

A meeting was held to review and discuss the report and observations concerning the Study for the Preparatory Phase of Targeting Poverty Pockets in Urban Areas (the Capital City).

On the other hand, the Small & Micro Enterprises Unit took part in the selection of consultants nominated to attend the Borrowing and Savings training course targeting the branch offices of Al-Hudaidah, Dhamar, Ibb, Amran, Aden and Al-Mukalla. Successful candidates were chosen through a written & oral test.

CULTURAL HERITAGE

Restoration Project of Sana'a Great Mosque

During the second quarter, work continued to complete and secure the necessary works to open the last part of the work site for the mosque visitors during Ramadan and Eid. The following works were accomplished:

- Decoration works for columns, crowns and lighthouse walls.
- Pavement of different floors in the mosque.
- Color homogenization and water coating of some of the mosque walls.
- Electrical and acoustic works for the remaining areas of the mosque.
- Restoration of one Aqd.
- Design and cleaning of the internal and external facades of a number of houses and restoration of large glass windows overlooking the landscape.
- Unpack the materials, transfer and composition in the stores of the project.

Inventory and assessment of war damage in the historic city of Sana'a

After receiving the observations of the Ministry of Culture and the General Authority for the Conservation of Historic Cities, they were answered by the authors of the list of the two parties to take the necessary procedures for their adoption.

Reconstructing the damaged part walls of Al-Qasimi and Broum Meqshama

All the works in the project were completed within the labor intensive program. The final receipt of the project was completed and turned into a completed project.

Paving and protecting the perimeter of Alqahera Castle - Hajah

During the second quarter, the remaining works in the project were completed. The paving of the squares and the terraces that were built during the last period was completed. The cracks in the rocks below the walls of the citadel were filled to protect it from erosion caused by rain and other erosion factors. The village's sewers, which were exposed to the back of the castle, were also damaged, causing damage to the environment. More importantly, they helped crack rocks that now pose a threat to the citizens' homes on the southern side of the castle. Finally, the site was planted with a number of different seedlings and prepared to become a tourist outlet for the population

During this period, 2,263 job opportunities were provided, of which 62 were for the displaced and 10 for females. The number of workers employed during the quarter was 85 workers from 30 skilled workers (builders, contractors, engineers).



Historical water collecting tank - before SFD response



Same tank during SFD response

Multiple activities

The participants in the three-dimensional documentation technology training program were trained to identify participants from SFD and send their documents and curriculum vitae. The Cultural Heritage Unit participated in the National Seminar for the Protection of Old Sana'a, which was held during the period 24-26 April 2018 in the Secretariat of the capital, and the presentation was sent with the summary to the

organizer. A visit was also made to the historic city of Zabid to prepare a project to assess the damage and evaluation of the city and to see its conservation status in the recent period. Participation in the preparation of a presentation on the implemented and under implementation projects funded by the World Bank Emergency Grant was also provided to donors and UNDP headquarters in Sana'a.

LABOR INTENSIVE WORKS PROGRAM

The Labor Intensive Works Program (LIWP) targets poor communities in rural and urban areas focusing on IDPs, displaced and unemployed communities affected of the on-going war. These communities aim to have a double benefit once from the income generated of participated in the program's project to protect poor households against the current exacerbating conditions. Another benefit is to provide community assets that will generate future benefits and improve access of poor rural communities to centers that providing basic services by improving the status and development of the road. Thus, the program is a key component of the social safety net (SSN) and contributes to mitigate the negative effects of the crisis and improve the livelihoods and food security for poor and those affected in the targeted areas.

According to the current situation in the country, our targeting mechanism has expanded to include IDPs and conflict-affected areas directly.

LIWP comprises the Cash-for-Work (CfW) and Road Sectors.

Cash-for-Work Program

During fourth quarter of 2017, 95 projects have been approved at an estimated cost nearly \$14.3 million, with direct beneficiaries expected to be more than 114 thousand persons (51% female) and job opportunities 987 thousand temporary workdays. Thus, the cumulative total number of CfW sector projects (1997 - September 2017) reached 1,068 at an estimated cost of \$203 million and the direct beneficiaries expected to

mount to 1.5 Million person approximately (49% female), generating about 16.6 million temporary workdays. Of these projects, 814 have been completed costing around \$148 million.

The cumulative number of benefiting households exceeds 297 thousand.



Creating work opportunities to support those who were affected by lack of revenues

Cash-for-Work (CfW) Program Indicators

Indicator	Achieved (April – June 2018)
Total number of direct beneficiaries of wage employment (number of workers)	59,567
Female (30%)	16,785
IDPs/Returnees (20%)	4,716
Youth: age "16–35" (30%)	29,590
Number of working days created	1,524,339
Households benefitting from cash-for-work activities	34,461
Number of households' members	241,227
Wages distributed at the level of households (to equivalent to USD added to this indicator)	-
Area of agriculture land & terraces rehabilitated and protected	-
Irrigation channels constructed/rehabilitated	-
Cubic meters of water schemes constructed /rehabilitated	58,089
Length of roads improved (km)	-
Square meters of stone paved areas	-
Number of latrines constructed or rehabilitated	-
Number of IDPs houses and shelters protected, improved or rehabilitated	-
Number of home food gardens	-



Livelihoods became easier through Wesab Alsafil Dhamar

Road Sector

During this quarter, 20 projects have been approved at an estimated cost of \$3.6 million, generating job opportunities exceed 147 thousand temporary workdays.

Thus, the cumulative total number of sector projects reached 870 projects at an estimated cost of \$186.2 million and the total beneficiaries from the service expected to mount to 4.5 Million person approximately (50% female), generating about 8.6 million temporary workdays. Of these projects, 789 have been completed costing around \$170 million.

Street Pavement

During phase IV, 745 thousand temporary workdays have been cumulatively generated from completed and ongoing projects of street pavement.

Main events and activities of Labor Intensive Works Program

During second quarter of 2018, several awareness workshops were held in Hodeidah, Hajja, Dhamar, Sana'a, Aden & Amran governorates to clarify the concepts, standards and mechanism of CfW attended the workshops 164 male 10 female participants from different governorates. Moreover, Ibb, Hodeidah, Muklla, Taiz, Hajja, Dhamar, Aden & Amran branches have conducted trainings for community, technical and accounting consultants on the mechanism of community, technical and accounting studies for CfW and roads projects' execution mechanism, attended the trainings 442 male and 134 female consultants.

Coordination with local authorities

Meetings were held with local authorities in a number of targeted districts in Shabwa, Ibb, Al-Baydha, Saada, Aden, Lahj, Hodeidah & Hajjah governorates, attended 139 members with the aim of involving them in the targeting process and to facilitate implementation of projects in targeted areas.

Trainings

Training is important and has a positive impact on the individuals to continue learning and developing their professional careers, which improve family economic and living conditions and get jobs later in the market.

The LIWP is implementing two types of training: on-the-job training and life skills.

On-the-job training: This kind of training focuses on qualifying unskilled and semi-skilled labors to be skilled labor, trainings were in different skills such as building, stone cutting and paving, cement plastering, etc., in addition to operate and make maintenance of produced assets. During this quarter, 1,630 workers were trained during implementation of CfW and roads projects from Ibb, Hodeidah, Muklla, Taiz, Hajja, Dhamar, Aden & Amran governorates.

Life skills: This kind of training builds the capacity of the person, make him/her able to live with confident and understand himself as well as others. During this quarter, 1,160 male and 1,003 female beneficiaries trained from the cash-for-work projects in Ibb Muklla, Dhamar, Sana'a Aden & Amran governorates.

Health education and cholera

Ibb, Hodeidah, Muklla, Dhamar, Aden, Amran & Hajja branches carried out awareness workshops on prevention of cholera epidemic, widespread diseases, qat damage, and improving health and environmental conditions and misconducts that providing healthy environment with a high level of health education. During this quarter, 39,971 male and 49,935 female beneficiaries were aware during the implementation of the projects.

Occupational safety awareness

Ibb, Hodeidah, Muklla, Taiz, Hajja, Dhamar, Aden & Amran branches held awareness sessions for 6,549 male and 2,262 female beneficiaries in targeted projects, raising awareness of the risks that could threaten their health and explaining prevention ways to avoid such risks, including the commitment to wear occupational safety tools at the workplace during the implementation of the projects.

Awareness workshops for labor administrators

Several awareness workshops were held for 412 labor administrators in Ibb, Hodeidah, Muklla, Dhamar, Sana'a, Aden & Amran branches to clarify the concepts, standards and implementation mechanism of the program.



Haifan community in Taiz during mobilization for initiatives

Overall Results	Until the end of June 2018
Total number of people benefiting from cash transfers (# of wage beneficiaries of Safety Net & Community and Local Development programs)	68,424
Female (30%)	16,964
IDPs/Returnees (20%)	6,221
Youth: age "16–35" (35%)	36,411
Total number of people provided with access to key services (from all interventions)	1,338,552
Female (50%)	669,276
Number of workdays created (from all interventions)	1,775,455

SMALL AND MICRO ENTERPRISE DEVELOPMENT (SMED)

Funding

In the second quarter of 2018, SFD and Al Nahdha Social Association signed an agreement to finance Hadramout Microfinance Program with an amount of 200 million (approximately USD 433,624) to enable it to continue financing the activities of the clients located in Sayoun, Tareem, Al-Soum, Al-Qatan, Shibam, Mukalla, Sheher, Al-Hami, Al-Mahra, Sah and Shabwah. The number of active clients reached 6,806, 31% of them were females. SFD also financed the National Microfinance Foundation (NMF) with a similar amount, representing the second installment of a financing agreement totaling 400 million Riyals to enable it to provide financial services to income-generating activities.

Grants

SFD has been the main supporter of MFIs during the current crisis in Yemen, which has been lasting for more than three years, with the aim of enabling them to continue providing financial and non-financial services to the owner income-generating activities. The total amount of financial support during the quarter has amounted to approximately 1.3 billion Riyals.

The compensation of war-affected SMEs Project

SFD has played a major role in supporting war-affected clients (Phase II) in Al Amal Bank, National MF Foundation and Nama MF Foundation. The total number of clients compensated by the end of this quarter reached 2,350, of which the percentage of women was 70%.

Alternative Energy Project

The armed conflict has resulted in the lack of electricity necessary to operate the facilities of microfinance programs and institutions, thus affecting their work and forcing them bear considerable financial burdens from the use of generators and the additional costs of fuel and maintenance. Accordingly, SFD has supported a number of MFIs, including: Azal, Nama, National, Hadhramout, and Al-Ittihad, as well as the Loan Guarantee Program to furnish their branches and premises with integrated solar systems that would provide them with an alternative source of energy. This would contribute to improving their operational efficiency and reduce their financial cost, which would indirectly improve the continued access of financial services for owners of small and micro enterprises.

Development of mobile phone services

SFD has sought to introduce financial services related to income-generating activities through mobile phones in rural areas. This would play a large role in the financial education of this segment of the population, and allow the beneficiaries to save effort and money. A grant agreement was signed with Al-Amal Bank to support and disseminate this new service.

Development of rural finance methodologies

SFD has funded the National Microfinance Foundation (NMF) and Hadramout MFI with a grant to allow them qualify and train their cadres in designing appropriate financing methodologies targeted at agricultural entrepreneurs.

Yemen Loan Guarantee Program (LGP)

The program aims to provide appropriate guarantees to customers who are unable to provide them to microfinance programs and institutions during the loan application process. During the quarter, SFD has provided the necessary support to the program in the form of funds to cover its administrative expenses, and train and qualify its cadres locally and abroad.

Development of the Microfinance Environment and the Infrastructure of Information Systems

SFD has played a major contributing role in the creation of a small and microfinance environment by qualifying and training a number of cadres working in Yemeni microfinance programs and institutions. SFD has been collaborating with LFS (a German consulting firm) in developing methodologies for agricultural micro-lending, and by continuing the development of the related information systems infrastructure of MFIs. The latter is considered as one of the most important pillars in helping speed up customer service, keep track of the loan portfolio, and make the necessary decisions. Activities in this regard have included the updating and development of the automated Human Resources system, and the designing of a desktop and a mobile application for fingerprint recognition of customers. Activities have also included the development of a mobile application for studying and evaluating agricultural finance and linking it to the automated systems, and the provision of the devices, networks and accessories necessary for the infrastructure of the systems.

Small and Micro Enterprises Development Agency (SMEPS)

SFD has continued to finance the projects run by SMEPS, for which it is its main funder. The funds have allowed the continuation of SMEPS' activities in developing methodologies and products in the fields of agriculture and fishing. The funds have included other activities, including training and qualifying the cadres in SMEPS in order to raise their efficiency and performance, as well as to cover operating expenses, and purchase fixed assets.

Al-Awael Microfinance Company

The war in the governorate of Taiz has cast a shadow over the future of Al-Awael MF Company - considered as one of the oldest microfinance

programs, providing financial services to owners of income-generating activities since 2000. SFD aims at providing the necessary support to restore the activities in Al-Awael, where a consultant has been hired to manage the situation it faces and put in place an integrated vision for its restructuring.

Develop a tool for evaluating MFIs

In collaboration with LFS, SMED is developing a tool to evaluate microfinance programs and institutions. The trial version of the evaluation tool was presented to the Small and Microenterprise Development Unit on May 3rd, 2018 with its accompanying manual. To test the tool, SMED has selected the National Microfinance Foundation as the first assessment case.

Capacity Building of Agricultural Lending Programs and Institutions

In April 2018, LFS organized a training course in "Finance for Small and Agricultural Enterprises", lasting 14 days and including 18 participants from Yemeni MFIs, the SMED Unit, and the Loan Guarantee Program. To make it more effective, the training has been combined with ToT courses in order to prepare the participants in training their colleagues in their respective institutions. The training was conducted at the Alexandria Businessmen Association in Alexandria (ABA) in Egypt. Several farmer clients were visited by the participants in Alexandria.

Opening of New Branches

As part of the SMED's endeavor to expand the provision of financial services in all regions of Yemen, MFIs have been encouraged to open new branches to serve rural areas. MFIs have been provided grants to open branches in the following areas: Amran, Al-Zeidia, Ma'bar, Saber (Lahj). These branches will provide services to the owners of microenterprises, especially farmers among them, where agricultural loans will make for the largest proportion.

Small and Micro-enterprise Development (SMED)

Indicator	Achieved (April – June 2018)
Number of businesses supported, disaggregated by type:	1,575
Farmers	1,344
Fishers	223
Number of Women PHC workers supported	8
Number of workdays created	204,116



A beneficiary managing to continue her business and getting microfinance support

Loan portfolio indicators for microfinance programs and institutions Until the end of June 2018

Program	No. of Disbursed loans	Active number of clients			Outstanding loan portfolio Billion YR	Amount of Disbursed loans Million YR	PAR (%)	Cumulative numbers		OSS	FSS	No. of Personnel	No. of Loan Officers	No. of Branches	Area of Operation
		Borrowers		Savers				Number of loans	Loan amounts Million YR						
		Total	Women (%)	Total											
MF Development Program (Nama')	199	6,400	33	238	630	54	34.93	87,513	7,412	77	64	129	62	12	Capital City, Taiz, Hudaidah, Ibb
Hadhramaut Microfinance Program	174	6,806	31	5,257	753	33	30.37	32,950	4,438	176	155	61	37	7	Hadhramaut (Seyun, Tarim, Al-Suom, Sah, Alkton, Shebam, Almokala, Alshehir, Alhami, Almahra, Shabwa)
Alkuraimi Islamic Microfinance Bank	174	3,765	6	663,990	1,921	261	8.60	25,174	13,390	67	61	71	71	62	Capital City, Taiz, Ibb, Aden, Hudaidah, Thamar , Al- Almokala, Seyun
National MF Foundation	101	13,738	36	26,470	1,408	51	25.30	152,021	9,801	70	47	144	57	18	Capital City, Taiz, Ibb, Alkaeda, Thamar, Yarim, Hajjah, Lahj, Al-Hudaidah, Altorba, Demt, Shebam, Bajil, Aden
Azal Microfinance Program	100	3,499	46	4,615	385	39	35.64	50,939	4,616	63	60	80	35	7	Capital City, Almahweet, Amran, Dhamar
Altadhamon Bank	76	3,352	29	0	945	52	8.71	40,084	9,776	91	91	58	27	14	Capital City, Taiz, Al-Hudaidah, Aden, Ibb, Hadhramaut
Aletehad Microfinance Program	66	3,862	81	0	383	13	17.64	50,051	2,948	53	38	79	35	6	Abyan (Zanjabar, Hanfar, Ahwar), Almokala, Alshehr, Aden
Al-Amal Microfinance Bank	25	32,915	38	128,402	2,278	24		129,729	11,243	73	73	184	25	15	Capital City, Ibb, Taiz, Dhamar, Almokala, Al- Hudaidah, Aden, Hajjah, Abs
Aden MF Foundation	20	9,980	66	7,243	685	5	76.52	54,387	4,313	75	47	67	34	5	Aden, Al-Buraikah, Alshekh, Lahj, Aldali
Al-Awa'el MF Company Report of April 2015	0	1,546	79	0	93	0	10.75	60,224	1,777	90	68	41	21	5	Taiz (Al-Camb, Hawdh Al- Ashraf, Al-Rahedah, Sainah, Al-Qada'edah)
Other Activities & IGPs								109,187	21,391						Several areas
Total	935	85,863		836,215	9,481	532		792,259	91,105			914	404	151	

Number of projects & estimated costs - Second quarter 2018 (by sector)

Sector	No. of Projects	Estimated Cost (\$)	Est. SFD Contribution (\$)	Direct beneficiaries		Temporary Job Opportunities
				Total	Females %	
Environment	19	3,298,950	3,298,950	34,887	51	172,286
Education	2	59,550	59,550	176	32	256
Organizational Support	2	421,070	421,070	7,176	57	8,543
Agriculture	23	3,280,820	3,280,820	31,256	47	230,929
Health	37	2,538,718	2,538,718	745,835	52	57,369
Roads	5	630,240	630,240	10,306	50	30,035
Micro Enterprises Development	2	1,434,000	1,434,000	6,400	31	156
Small Enterprise Development	1	600,000	600,000	4,292	30	85
Cultural Heritage	1	80,000	80,000	145	10	3,800
Water	54	6,750,957	6,750,957	135,656	50	378,311
Cash for Work	30	5,066,912	5,066,912	39,838	50	318,736
	1	500,000	500,000	2,400	50	300
Total	177	24,661,217	24,661,217	1,018,367	52%	1,200,806

The total includes 43 projects with no funding

Number of projects approved and estimated costs - Second quarter 2018 (by governorate)

Governorate	No. of Projects	Estimated Cost (\$)	Est. SFD Contribution (\$)	Percentage (%)
Ibb	9	1,439,464	1,439,464	100
Abyan	9	1,051,273	1,051,273	100
Socatra	1	93,300	93,300	100
Capital City	6	1,492,695	1,492,695	100
Al-Baidha	6	678,708	678,708	100
Al-Jawf	4	933,852	933,852	100
Al-Hudaidah	19	1,546,051	1,546,051	100
Al-Dhale	4	429,231	429,231	100
Al-Mahweet	3	436,000	436,000	100
Taiz	29	3,406,924	3,406,924	100
Hajjah	23	2,576,278	2,576,278	100
Hadhrmout	3	245,189	245,189	100
Dhamar	7	857,228	857,228	100
Raimah	3	271,100	271,100	100
Shabwah	11	1,532,125	1,532,125	100
Sa'adah	6	613,132	613,132	100
Sana'a	5	886,478	886,478	100
Aden	1	313,600	313,600	100
Amran	9	1,522,141	1,522,141	100
Lahj	9	851,535	851,535	100
Mareb	4	772,213	772,213	100
Several Governorates	6	2,712,700	2,712,700	100
Total	177	24,661,217	24,661,217	%100

The total includes 43 projects with no funding

Number of completed projects & contractual costs as of the end of second quarter 2018 (by sector)

Main sector	No. of Projects	Contractual cost (USD)
Environment	396	30,844,055
Integrated Intervention	291	18,797,985
Training	1,019	20,468,506
Education	4,976	625,137,127
Organizational Support	633	25,673,946
Agriculture	406	34,214,928
Health	1,173	81,952,823
Roads	804	172,801,967
Special Needs Groups	699	31,617,510
Micro Enterprises Development	198	44,368,343
Small Enterprise Development	33	8,170,816
Cultural Heritage	252	44,204,792
Water	2,174	193,862,182
Cash for Work	876	154,845,576
Business Development Services	78	12,983,734
Total	14,008	1,499,944,290

Cumulative number of projects and costs as of the end of second quarter 2018 (by governorate)

Governorate	No. of Projects	Estimated Cost (\$)	Est. SFD Contribution (\$)	Contractual cost (USD)
Ibb	1,427	191,743,114	165,147,414	161,220,527
Abyan	346	60,529,268	49,853,308	46,114,638
Socatra	68	7,410,828	7,176,123	7,123,883
Capital City	734	105,585,402	100,428,019	95,259,466
Al-Baidha	326	36,522,593	33,495,732	33,402,986
Al-Jawf	163	18,348,327	17,660,428	15,911,003
Al-Hudaidah	1,282	198,958,783	194,579,771	175,620,111
Al-Dhale	301	48,966,070	43,640,950	39,641,442
Al-Mahweet	434	53,427,208	48,617,777	47,501,200
Al-Maharah	120	9,687,108	9,201,352	8,748,473
Taiz	1,815	258,362,361	199,417,943	195,457,651
Hajjah	1,240	164,595,709	148,235,991	139,489,231
Hadhramaut	681	74,405,168	72,108,387	66,626,912
Dhamar	971	120,943,907	103,597,383	104,463,028
Raimah	389	59,919,082	38,934,531	41,024,486
Shabwah	334	34,821,831	33,661,013	31,775,938
Sa'adah	376	55,374,549	54,330,245	50,720,219
Sana'a	551	62,222,834	58,417,655	57,023,069
Aden	356	48,983,159	46,436,903	41,971,289
Amran	981	130,436,372	116,728,316	109,286,350
Lahj	740	110,245,616	89,243,658	85,808,276
Mareb	136	12,950,012	12,468,142	11,539,997
Several Governorates	1,293	149,685,270	147,907,967	130,654,618
Total	15,064	2,014,124,573	1,791,289,008	1,696,384,791

The total includes 80 projects with no funding

Cumulative number of projects, commitments, beneficiaries and temporary employment as of the end of second quarter 2018 (by sector)

Sector	No. of Projects	Estimated Cost (\$)	Est. SFD Contribution (\$)	Contractual cost (USD)	Expected direct beneficiaries		Expected indirect beneficiaries		Total estimated employment (workdays)
					Male	Female	Male	Female	
Environment	458	50,709,302	45,240,513	41,315,972	1,722,278	1,716,499	199,299	197,027	1,821,691
Integrated Intervention	292	21,375,483	18,170,008	18,863,357	125,491	131,428	104,076	106,063	565,339
Training	1,023	27,303,075	27,264,474	20,826,197	98,883	60,723	446,082	477,830	402,909
Education	5,021	673,744,439	651,035,332	632,472,988	1,494,104	1,275,547	1,885,614	1,629,423	22,875,152
Organizational Support	685	39,200,098	36,880,484	33,112,813	751,486	635,908	501,156	458,713	1,013,704
Agriculture	461	50,610,981	47,179,943	41,198,404	213,290	189,994	394,227	351,477	1,494,928
Health	1,281	152,270,794	149,922,166	123,539,702	4,703,854	6,839,190	1,062,538	5,089,487	3,592,426
Roads	905	192,333,863	186,479,036	186,169,561	2,296,484	2,273,896	843,899	834,600	8,935,268
Special Needs Groups	702	37,122,675	36,368,779	32,780,697	111,888	72,369	68,522	52,451	842,121
Micro Enterprises Development	211	63,309,986	63,146,884	54,529,852	90,321	339,084	564,343	1,417,928	195,990
Small Enterprise Development	48	15,080,377	15,079,377	13,517,305	22,690	25,637	85,659	66,082	36,715
Cultural Heritage	281	52,744,880	52,007,724	49,131,501	221,466	195,347	145,249	105,160	2,238,248
Water	2,410	383,477,050	208,514,804	216,301,205	2,062,918	2,076,995	169,212	150,157	9,632,538
Cash for Work	1,201	221,434,230	220,592,147	199,902,996	866,279	848,001	1,147,840	1,209,922	17,952,338
Business Development Services	85	33,407,338	33,407,338	32,722,244	77,755	32,111	123,267	219,719	624,276
Total	15,064	2,014,124,573	1,791,289,008	1,696,384,791					72,223,643

The total includes 80 projects with no funding

Female IDPs making their way to CfW contracting

I have become the first female contractor during the SFD emergency operations that started in 2015,” Ms. Hafidha Al-Mansob (25 years) a displaced educated woman said proudly. She has been awarded a small tender after eight women had competed over repairing and painting a 300-meter long pedestrian pavement in a public educational facility in Ibb City.

A few weeks later, Ms. Elham Ghalib, inspired by Hafidha’s success, took the same risk with male competitors and was accepted as the second female contractor but under a larger contract of stone paving.

That has been a significant leap for both women who they regarded this opportunity as a wide window of hope for generating income and enhancing women’s dignity and

independence. They hope that such activities would improve the living conditions of their impoverished families that have been leading a difficult life after they fled severe fighting in their city of Taiz three years ago.

The SFD has been providing capacity building for female IDPs of education and work experience; “My closest displaced friends who competed in the tender were engaged in cash-for-work projects such as plastering, pavement painting...etc., and trained on economic life skills” Elham explains. Hafidha’s project has provided 11 displaced women who worked with her with a total of nearly 530 workdays. She was happy that she gained about \$150 in profit of this small project with a resolution to compete in larger tenders to come.



SOCIAL FUND FOR DEVELOPMENT

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