



Editorial

In most of the SFD's interventions, there are material components towards which funds are directed, while certain associated social components are supported without or with minimal cost, but with a lot of activation and change. SFD does not give a vulnerable community emergency assistance in the shape of labor wages or cost the cost of building materials before it unleashes the spark of broad interaction. This action turns the inactive energies in it to collective achievement and resuscitation of the spirit of cooperation and inclusiveness that has been familiar to Yemenis in the past. As a result, the project ends with the creation of locally unprecedented social cohesion.

When SFD starts a project, it garners a community's consensus by involving all its members in determining their priorities and then in mobilizing them to select their representatives in a project committee who are trained in managing all stages of the project technically, financially and administratively with full transparency with the help of engineering technicians. Even Tamkeen program also works to develop the local community by mobilizing and organizing the efforts of the community's members and directing them to collective volunteerism in order to meet their most important priorities and give voice to its vulnerable groups through equitable use of its natural, human and financial resources.

Through such engagement, the community is transformed from stagnation and self-interest to a dynamic one characterized by sensitivity and rapid collective fulfilment that is aware of the expediency of its results and continues to practice it after the departure of SFD, so that the social and economic growth prevails in the community. With these mechanisms associating the interventions, we understand that local development cannot only be achieved in a sustainable, effective and equitable way except by improving the values and behavior of individuals towards their issues and towards each other, and by bringing about a series of structural and functional improvements in the community to bring about a proven experience from which the community becomes confident of its capacities to help itself with the available resources during the worst lifetime situation.

Response Progress (2016 - 2020)

People benefiting from cash transfer	386,475
Female	111,169
IDPs/Returnees	56,210
Youth aged 16-35	230,070
Pregnant women and mothers who received income assistance and nutrition services*	133,798
People provided with access to key services (from all interventions)*	4,667,918
Working days created from all interventions *	11,596,139
Number of beneficiaries received cholera and corona awareness messages	1,987,357

* This indicator reflects projects of LIWP and youth employment

Early efforts to respond to COVID-19 and its impacts

Since the local authorities announced the first infection with COVID-19 in the eastern areas of Yemen in April 2020, this pandemic has added to the ongoing conflict towards further undermining the previously hard-won development gains and reducing the already scarce opportunities to support livelihoods and provide basic services in the country, exposing .millions of vulnerable people to deeper shocks

In response, the SFD quickly adapted the principles of its response and re-designed its multi-benefit interventions that focused on providing temporary jobs and basic services through microfinance, nutrition, cash transfers, agriculture, water and community initiatives—all including a coronavirus-prevention component—with the aim of building resilience of the vulnerable.

In this context, the SFD supported building rooftop rainwater harvesting tanks, which resulted in a better motivation for families to protect themselves and stay in or around their homes. Support was also provided for 1,400 poor farmers to generate income and enhance low-cost food security. The interaction of local communities with the promotion activities of the Empowerment for Local Development Program has produced remarkable self- and supported initiatives in several governorates, especially in Hadhramaut, Hajjah, Taiz and Amran. Both women and men in these areas carried out various awareness activities and produced tens of thousands of personal protection devices, cleaners and sanitizers and distributed them to health facilities, quarantine centers, streets and homes.

To support the recovery of the small and microfinance sector that has been struck by direct and major damage, the SFD has supported the development of contingency plans for all microfinance institutions and programs (MFIs), rescheduling the payment installments of the funds granted to them within grace periods of up to 6 months. The MFIs have been also encouraged to support agricultural activities and food security projects, while in countryside, efforts have focused on establishing village savings and lending associations that contribute to improving the living conditions of rural communities.

SECTOR ACTIVITIES



Education

The SFD continued to implement the various components of the Vocational and Literacy Program to Alleviate Poverty (VOLIP).

Access to microfinance services

During the period April – June 2020, 86 clients (76% female) in Sana'a and Al-Hudaidah Governorates received loans to start their small businesses. These include sewing, making perfume & incense, hairdressing, hairstyle, agriculture, livestock raising, library-related activities, etc.

Training of the unemployed youth

The SFD held a four-week training course for 18 unemployed youth from Al-Hudaidah in mobile phone maintenance. Subsequently, two visits to vocational training institutes in Sana'a and Al-Hudaidah were conducted by supervisors from the Ministry of Technical Education and Vocational Training to assess the quality of training.

Capacity building

The Examinations and Certification Department has been equipped at the MoE's Literacy and Adult Education Authority.

Education Indicators

Indicator	Achieved <small>(2016 - June 2020)</small>
Recipients of new jobs in social services	4,603
Teachers and facilitators trained	1,907
Students benefiting from cash for social services	224,504
Beneficiary schools (girls schools %12)	1,043



HEALTH AND SOCIAL PROTECTION

Infrastructure

During the second quarter 2020—within the framework of the European grant to enhance community resilience—two health facilities were rehabilitated, furnished and equipped, and civil works were completed in two other facilities that were handed over to the health offices in the relevant districts. These projects provided 2,312 workdays for 213 workers (including 160 young workers and 16 consultants). The number of beneficiaries from the completed projects reached 615 people (211 men, 208 women, 97 boys and 99 girls).

Community response

The SFD carried out an evaluation study of community

protection projects to enhance the resilience of local communities in several governorates. 20 consultants (including 9 female) were selected from the target governorates and trained on the study tools prepared by the United Nations Development Program (UNDP). Then, the trained consultants were carried out and field visits conducted, with individual and group interviews for a sample of beneficiaries conducted and the study tools applied.

Health Indicators

Indicator	Achieved <small>(2016 - June 2020)</small>
Health facilities constructed/rehabilitated and equipped	75
People benefited from access to health services	157,475
Number of trainees in identification of severe stress and trauma for psychosocial needs	4,904
Youth recruited and received wages of working on construction services (Females %100)	5,501
Pregnant women and mothers received income assistance and nutrition services	133,798
Community female mobilizer	5,154
Children who benefited from the nutrition services	85,135



Water, Sanitation and Hygiene

The number of completed subprojects during this quarter has reached to 39 subprojects, out of them 38 subprojects are in the water sector for an amount 4,560\$ million and 1 subproject is in the sanitation and hygiene sector for an amount 40,000 US\$.

The details of the completed subprojects are stated in the following sections:

Water Sector

The activities achieved:

- 1- One subprojects financed by Yemeni Gov. Contribution for total amount 99,000 US\$.
- 2- Four subprojects financed by Arab Fund Loan for SFD IV at a cost of 955,000 US\$.
- 3- Six subprojects financed by Yemen Emergency Crisis Response Project IV- WB/UNDP at a cost 442,000 US\$.
- 4- Ten subprojects financed by Yemen Emergency Crisis Response Project-UNDP at a cost 730,000 US\$.
- 5- Eight subprojects financed by Germany \KFW Grant for SFD Water and Sanitation Programme at a cost Million US\$.
- 6- Five subprojects financed by Germany \KFW Grant for SFD Water and Sanitation Programme II at a cost 678,000 US\$.
- 7- Four subprojects financed by Yemen Social Protection Programme (YeSP) - Phase I at a cost 656,000 US\$.

Below are the detailed achievements in each water subsector:

Rooftop Rainwater Harvesting Cisterns:

During this quarter, 17 subprojects were completed for constructing 2,476 cisterns with total storage capacity 55,899 m3 providing water service to 409 ,39 persons while

creating 189,385 working days.

Public Covered Rainwater Harvesting Cisterns

Four subproject were completed for constructing 5 covered cistern of total storage capacity 6,175 m3 with the necessary components providing water service to 2,524 persons while creating 10,816 working days.

Labor Intensive Water Interventions:

16 subprojects were completed, out of them 9 for building rooftop rainwater harvesting cisterns and 3 subprojects for building distribution water tanks, 4 subprojects for improving school's environment. The outputs of these subprojects included 612 cisterns of total storage capacity 10,917 m3 ,3 distribution water tanks of total capacity 600 m3 all to provide water service to 37,666 persons. All these subprojects created temporary job opportunities 65,038 working days.

Groundwater based Water Schemes:

During this quarter only one subproject is completed containing water pipes of total length 4,199 km to provide water service to 1,390 persons while creating 587 working days.

Water Indicators

Indicator	Achieved <small>(2016 - June 2020)</small>
Number of people provided with access to improved water sources	396,430
Storage capacity for improved water (m3)	982,448



Sanitation and Hygiene Sector

During this quarter one subprojects was achieved financed by Germany \KFW Grant for SFD Water and Sanitation Programme at a cost 40,000 US\$.

Below are the detailed achievements in each sanitation subsector:

Onsite Sanitation:

One subproject was completed contained building 18 new latrines and improving 21 existing latrines, all to provide sanitation service to 314 people while creating temporary jobs 1,461 workdays.

Participation in WASH Cluster:

With COVID19- getting in the picture, social gatherings, including coordination meetings and information meetings, have been put on halt for towards the end of March. The cluster meetings made the initiative and conducted all their meetings through online platforms, such as Zoom. With the meetings being changed to the online world, the content of the meetings did not change, in the contrary, it made a positive impact on the information sharing procedure. Moreover, the WASH cluster and its partners worked in collaboration to try and endures mitigation measures in the field while implementing WASH interventions. The cluster worker on sharing information for raising awareness and main pillars for COVID19- prevention measures to consider in WASH interventions. SFD participated actively in all meetings during this quarter and contributed in raising awareness in the field using the material provided by WHO and UNICEF through the cluster. In addition to that, the cluster started coordinating technical sharing seminars in which volunteers from the partner NGOs shares their technical experiences in the field from their WASH interventions. The technical sharing seminars has been conducted in the solar power pumping system, sanitation systems, and needs assessment. The technical sharing seminars helps improve technical aspects for the partners and it plays a great role in building the capacity of NGOs working in Yemen. As for interventions coordination, SFD continued to update the cluster of their completed interventions information in WASH.

Sanitation and Hygiene Indicators

Indicator	Achieved (2014 - June 2020)
Beneficiaries from access to appropriate sanitation	71,530
No. of latrines created & rehabilitated	9,778



AGRICULTURE AND RURAL DEVELOPMENT

The World Bank's additional and emergency grant (through UNDP)

During the second quarter of 4 ,2020 projects were approved at an estimated cost of 506,227\$, aiming to employed unemployed and displaced workers in improving food security and increasing agricultural productivity through the establishment and rehabilitation of flood irrigation channels. Thus, the cumulative number of projects under implementation reached 25 at a total estimated cost exceeding 2.3\$ million, with about 21 thousand people (%27 female) expected to benefit from these projects.

The British Humanitarian Response Grant

During this quarter, a project was completed to train and qualify 120 beekeepers on modern technologies in Al-Mawaset District of Taiz Governorate. The project's total cost is 19,500\$. Also, 15 projects are still under implementation at an estimated cost of more than 1.2\$ million, with 14,363 people (%30 female) expected to directly benefit from these projects.

The Smallholder Agricultural Productivity Restoration and Enhancement Project (SAPREP)

The project, funded by the World Bank (through the FAO),

aims to enhance agricultural productivity and contribute to improving food security in 21 districts in seven governorates. 13 projects were completed including 7 projects in protection of agricultural lands and flood irrigation, a project in restoring agricultural terraces, two in supplementary irrigation and one in establishing tanks for animal watering and household uses.

Water for agricultural production

A- Rehabilitation of agricultural terraces:

During the quarter, 2.8 hectares of agricultural terraces were rehabilitated, bringing the total cumulative area of the terraces that were rehabilitated to 41.2 hectares.

B- Protection of agricultural lands:

7 projects were completed during this quarter, while work is still ongoing in the rest of the projects to protect and irrigate agricultural lands in the targeted districts. 84 hectares of agricultural land have been rehabilitated and protected, bringing the total cumulative area protected to 1,325 hectares.

C- Water harvesting for supplementary irrigation:

One project was completed, with the total storage capacity of water harvesting facilities reaching 50,600 m³.

D- Rooftop rainwater harvesting cisterns:

One project is under implementation, in which the number of implemented cisterns is expected to reach 150; subsequently, it is expected that the total cumulative number of completed cisterns will reach 2,236.

E- Wells and springs:

23 wells were rehabilitated during this quarter, bringing the total cumulative number of completed wells and springs to 139.

F- Caravans:

: The implementation of this type of projects is limited to Shabwah Governorate, where work is still ongoing in 3 projects, with the total cumulative number of completed caravans reaching 11.

Agriculture and Rural Development Indicators

Indicator	Achieved (2016 - June 2020)
Households supported with cash	27,421
Displaced households supported with cash	1,809
Protected, irrigated and reclaimed agricultural land (ha)	6,783
Storage capacity (m3)	46,959
Total area of created & rehabilitated agricultural terraces (ha)	42
Rainwater harvesting storage capacity (cubic meter)	91,723
Workers	44,408
Female workers	6,798
Workdays	997,309
Workdays (female)	130,420



Training & Organizational Support

Interventions carried out by Training & Organizational Support Unit (TOSU) aim at providing training and building the human and institutional capacities of SFD partners whose activities are linked with SFD objectives represented by local development and poverty mitigation.

During the 2nd Quarter of 2020 a number of activities were implemented within the framework of the various projects and programs related to the two sectors of Training and Organizational Support and the Integrated Interventions Program, as follows:

Empowerment for Local Development

During the quarter the interventions in this sector included the continuation of Villages' Cooperative Councils formed

by the empowerment districts to support the SFD . This support was demonstrated during COVID19- by the active implementation , together with the committees of sub-districts' development and district teams , of self-help and supported initiatives , and the coordination with health offices at the level of governorate , as well as providing support to the World Health Organization and Emergency Committees in the districts , and working actively in raising awareness about COVID19- .

The VCCs implemented activities that included :

First: The reactivation of 15 VCCs and the preparation of 15 development plans in Qalansia district, Socotra archipelago , and raising the total of the formed VCCs to 3,925 as from the beginning of the year 2018, as well as

bringing the total of development plans related to these councils to 3,925.

Second: Implementation of self help initiatives through their complete adoption , including awareness, planning and implementation . The awareness undertaken by the councils reached to about 7,000 villages in the 116 empowerment for local development districts . This is in addition to the implementation of self help initiative , donations' collection , distribution of disinfectants to poor households , making and distribution of masks , and coordination with the organizations and health offices for spreading awareness about the COVID19- risks and ways of protection in rural areas. About 352 self- help initiatives were achieved during the quarter with total cost estimated at 17,250,000 Yemeni Riyals.

Third: Initiatives Supported by SFD included the implementation of 170 initiatives with estimated total cost reaching 204,000,000 Yemeni Riyals in which the Empowerment Program contributed %50.

Fourth: Empowerment Role in Fighting COVID19-:

About 100 self help initiatives concerning fighting COVID-19 were implemented in the components of making masks and provision of sanitary clothes for health teams . More than 38,599 masks suitable for washing and re-use were produced , as well as the production of about 912 protection uniforms which were distributed among health facilities in targeted districts . This is beside the disinfection of about 2,289 house-holds in the governorates of Hadramout , Ta'iz , Hajja, and Amran , as well as raising awareness in more than 7,000 villages in 75 districts of 18 governorates , and the training of 1,395 health cadres in Hadramout, Shabwa ,and Al-mahra.

RAWAFD Program

TOSU has carried out the following activities:

- Continuation of developing a practical methodology to implement the advanced phase within Rawafd Program, that aims at empowering youth economically by means of entrepreneurship .
- Commencing the proposed marketing for the project related to " Rawafd youth employment for fighting Coronavirus pandemic " and drawing up a work plan , as well as a paper for risks' management concerning t he project , and submitting them to the Unit Head.
- Completing the tests and interviews for a number of youth candidates from 12 governorates and the correction and issuance of results , beside the identification of successful candidates for attending the training of trainers course within the framework of Rawafd Program .

- Designing and preparation of an electronic website with the assistance of IT unit . This will launched shortly for contributing in facilitating the process of data collection for the youth self-help initiatives already implemented by Rawafd graduates in various governorates.

- Participation by (4,549) Rawafd graduates , including 2,439 females in the implementation of (4,600) voluntary youth initiatives in 15 governorates , during the period from mid-May until mid-June 2020 to fight COVID-19. Beneficiaries totaled (292,544) persons, including 117,777 females.

Community Participation

About 37 community studies were implemented through PRA methodology targeting (22,277) beneficiaries, including (7,475) females, and related to SFD sectors including water(private water reservoirs, rehabilitation of irrigation canals , sanitation, and improvement of environmental situation) , agriculture (rehabilitation and protection of soil, land reclamation , agriculture terraces , animal husbandry and production).

In roads' component (improvement , rehabilitation , and maintenance of rural roads), the SFD has conducted community studies and formed project committees for some sectors under the supervision and monitoring of training officers in various branch offices.

The quarter also witnessed the formation of 39 community and voluntary committees with membership of 204 persons , including 69 females. This is in addition to field training within the framework of SFD activities , for the purpose of enhancing field , institutional , and community capacities through the organization of 4 training courses on the Mechanism of Project Implementation related to the Program of Cash for Work, as well as concerning the Principles of Occupational Health and Safety, and targeting SFD employees and consultants from lbb and Hajja branches , with 122 participants , including 5 females.

Integrated Interventions Program (IIP)

The SFD continued implementing the project of Khamis Al-Qawm road construction in Ma'ina- Al-sawma'a-Danmar, Al-Athlouth sub-district at Wisab Al-a'ali, Dhamar . The project is a self-help initiative (donations) , after the suspension of the original SFD project in 2015. For this purpose , an engineer- consultant was hired by Dhamar branch to prepare the study and identify the road direction. The TOSU has coordinated with Sana'a branch office and Cash-for-Work Program and a field visit was conducted to market the plans related to Poverty Pockets' Areas in Sana'a City Secretariat , for the aim of adopting projects in (Al-Sunaina, Al-Oumairi, Wadi Ahmed, and Al-Khafgi) in accordance with the needs of each area, as indicated in

the Economic and Social Study that had been implemented in the Capital City (of Sana'a) in 2018 by the IIP/Sana'a BO.

Training & Organizational Support Indicators

Indicator	Achieved <small>(2016 - June 2020)</small>
Community based initiatives supported and implemented	2,847
No. of active VCCs during activities implementation	3,877
Total number of youth trained and secured temporary job opportunity	5,088
Females	2,601



Cultural Heritage

Cash-for-Work Project: Improvement of Livelihood Opportunities for Urban Youth

The Social Fund for Development (SFD), in partnership with UNESCO and the European Union (the donor), implements a number of interventions aimed to provide job opportunities for youth and save a number of damaged historical buildings and monuments in the three historic cities of Shibam /Hadhramaut, Old Sana'a and Zabid in addition to the historical region of Aden. The project (implemented in cooperation and coordination with GOPHSY, GOAM and the local councils in the relevant areas) targets about 4,000 young men and women and seeks to provide nearly half a million job opportunities.

Rehabilitation of Al-Qasimi, Old Sana'a

Twenty-eight buildings, mostly residential, were rescued in the Al-Qasimi area in the Old City of Sana'a, which had been directly affected by the air strikes. Buildings were chosen based on a previously conducted damage survey and assessment, with the priority of intervention determined according to certain criteria including the extent of the damage and its impact on the environment, the historical and architectural value of the building and the social and material condition of the building owners.

Roof repairs and maintenance of some buildings in Zabid (first phase)

It is one of the projects that follow the mechanism cash for work (field administration) where a number of historical buildings suffer from damages that threaten these buildings to collapse, so the intervention was made to save a group of the most damaged residential buildings. As a first stage, 40 buildings were chosen by the GOPHSY in Zabid and the environmental plan was set after discussion with the people of the region and the project, the budget of which amounted to about 225\$ thousand. It was equipped with necessary materials, safety tools and the like.

Pavement of Bab Al-Qurtob (Phase 5)

It is an extension of the paving project for Bab al-Qurtob (Phase 4), which is of great importance in preserving Bab al-Qurtob that is located to the south of Al-Hudaidah City. It

is one of the historical gates of Zabid City. This area was suffering from congestion of rainwater, which might lead to the fall of Bab Al-Qurtob and the wall and the archaeological buildings adjacent to it. So, the intervention was made to pave the area and remove debris and build the city wall along with the pavement (with a view to re-fence the historic city of Zabid). The project, reaching a completion rate of %99.81, is budgeted at 183,506\$.

Restoration of Al-Fawz School, Zabid (second phase)

It is one of the projects that follow the mechanism of community development sector (field administration). Due to the current situation and war in the country, funding and restoration work for the project have stopped since 2015. The remaining works in the project include wooden mooring works (doors and windows), finishing works and others. Therefore, the intervention has been resumed to complete the restoration and equipping works of the school, with the completion rate reaching more than %86. The project's budget amounts to about 70 thousand USD.

Preparing guides for the conservation and restoration work of the historic buildings of Sana'a City

One of the most important reasons for the deterioration of the preservation situation in Sana'a City is the absence of legal and technical reference for the application and activation of the law on the preservation of cities, regions and historical monuments and its regulation.

Accordingly, guidelines and a brochure of regulations will be prepared for restoration and conservation work to reduce construction violations in the Old City of Sana'a, in close cooperation with UNESCO and relevant local authorities. The project has started, with the completion rate reaching %25.

Rescuing the National Museum, Sana'a (2nd Phase)

The project included the work of treating the cracks in the inner and outer walls of the main building of the museum, restoration of the stucco and alabaster compartments and completing al-qadad dressing for the museum's ceilings, in addition to removing the worn-out plaster belts in the

facades and replacing them with new ones.

Completion of documentation of the Imam Al-Hadi Mosque

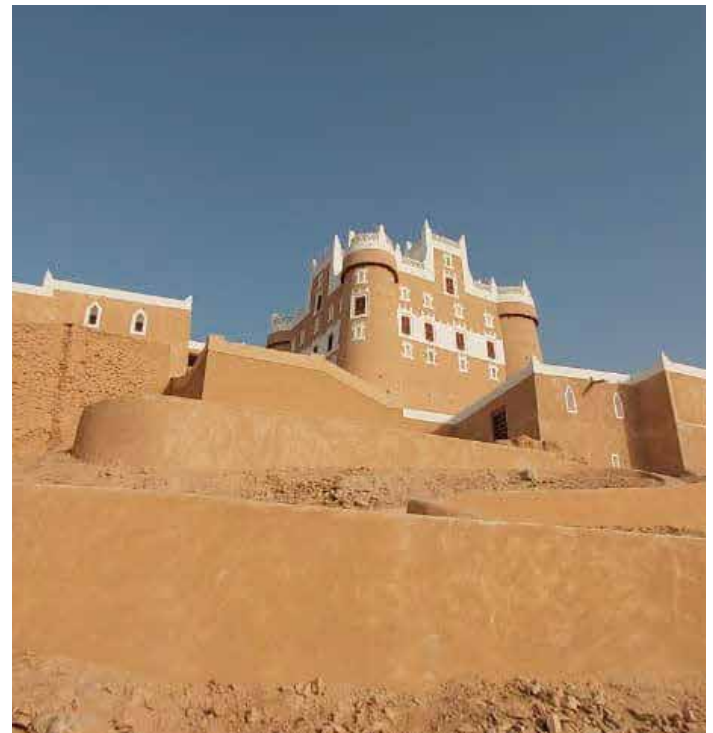
Al-Imam Al-Hadi Yahya Bin Al-Hassani Mosque, located in the Ancient City of Sa'adah, is one of the most famous, innovative and oldest Islamic mosques in Sa'adah Governorate. The intervention of preserving the mosque includes a final three-dimensional merging for completing the missing parts and archiving all building data (initial, during processing, final) in the team's hard drive, in addition to handing over a copy of the final documentation outputs to the Ministry of Endowments and copying it to the advisor of Sa'adah Governorate.

Other projects

On the other hand, initial steps have been taken to implement 4 projects in Aden Governorate. These are the preservation and maintenance of Al-Taweelah tanks (Crater), strengthening and protecting the National Museum (Sultan's Palace), an awareness and documentation project for the activities of UNESCO projects in the governorate and a project of supervision and follow-up expenditures for UNESCO projects in the governorate.

Cultural Heritage Indicators Achieved 2016 - June 2020

Households supported with cash	Host households supported with cash	Displaced households supported with cash	Storage capacity for water (m3)
8,984	7,363	729	-



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 some areas affected by torrential rains and floods.

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

CfW sector

By the end of the second quarter 2020, the cumulative number of benefiting households had exceeds 375 thousand.

Roads Sector

Street Pavement

During phase IV, 926 Thousand temporary workdays have been cumulatively generated from completed and ongoing projects of street pavement.

Main events and activities of Labor Intensive Works Program (CfW & Roads)

During this quarter, several awareness workshops were held in most of SFD branches to clarify the concepts, standards and mechanism of CfW attended the workshops 9 participants from different governorates. Moreover, all 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 57 male and female consultants.

Coordination with local communities

Meetings were held with local communities in targeted districts attended 176 members with the aim of involving them in the targeting process and to facilitate implementation of projects.

Training

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, 782 male and 182 female workers were trained during implementation of CfW and roads projects.

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, 51 male and 110 female beneficiaries trained from the cash-for-work projects.

Health education and epidemiology

All branches focused on carrying out awareness workshops on prevention of corona and cholera epidemics, widespread diseases, qat damage, and improving health and environmental conditions, misconducts, and distributing sterilizers, facial masks, gloves, and follow social distancing instructions which mitigate spreading of these diseases and providing healthy environment with a high level of health education. During this quarter, 7,825 male and 6,207 female beneficiaries were aware during the implementation of the projects.

Occupational safety awareness

All branches held awareness sessions for 5,913 male and 3,300 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.

CFW Indicators (INCLUDING WASH, CH, ROADS, LIWP & AGRICULTURE)

Indicator	Achieved (2014 - June 2020)
Total number of direct beneficiaries of wage employment	234,713
Female (%30)	64,766
IDPs/Returnees (%20)	46,571
Youth (%35)	144,289
Number of working days created	6,878,625
Households benefitting from cash-for-work activities	155,744
No. of household members benefitting from the services	1,902,879
Area of agriculture land & terraces rehabilitated,protected and irrigated (ha)	5,896
Irrigation channels constructed/rehabilitated (m)	10,364
Cubic meters of water schemes constructed /rehabilitated	217,565
Length of roads improved (km)	478
Square meters of stone paved areas	741,745
Number of latrines constructed or rehabilitated	14,958
Number of IDPs houses and shelters protected, improved or rehabilitated	3,829
Number of home food gardens	4,365
Beneficiaries from access to appropriate sanitation	148,408



Small and Micro Enterprises Development

SMED continued its activities during the second quarter of 2020 in supporting the development of small and micro enterprises in the country by providing financing microfinance programs and institutions (MFIs) with grants and loans. In addition, SMED continued its efforts in supporting various other initiatives and carrying out internal works with the aim of contributing to the sustainment and development of the sector.

I- Funding activities:

1. Loans:

During the quarter, lending to MFIs operating in the sector has amounted to about YR 929 million, as the Nama MF

Foundation was funded with YR 350 million and Al-Ittihad MF program with YR 579 millions. The funds were meant to support the portfolios of the two MFIs to allow them to meet the demand for loans by small and micro entrepreneurs so that they could improve their living conditions. The total volume of the active loan portfolios for programs and institutions until the end of June 2020 has reached about YR 26.2 billion, and the number of active borrowers (%34) 88,729 female).

2. Grants:

SMED continued during the quarter in providing grants to its partners, which amounted to more than YR 3.8 billion.

Beneficiary organizations were the Small and Micro Enterprise Development Agency (SMEPS), Nama MF, National MF, Themar MF, Azal MF, Hadramout MF, and Al-Ittihad MF, as well as the Yemen Microfinance Network (YMN) and the Yemen Loan Guarantee Program (YLG). The grants provided covered technical support, training, and institutional building activities for these bodies, thus enabling them to continue implementing their work in providing financial and non-financial services to the sector. These activities have also included compensating clients affected by the war, and supporting and expanding financial services in the areas of integrated intervention through the formation and training of rural savings and lending groups (VSLAs).

II- Internal activities in the unit:

1. Supporting War-Affected Clients (Phase 2):

The project compensates those clients who have been affected by the War to help them restore their damaged businesses, and provides them with debt relief. The aim is to alleviate the effects of the War on their livelihoods and that of their families.

During the quarter, 161 microfinance clients (including 53 women) have been compensated for a total amount of about YR 36.6 million. In addition, the debts of 170 defaulting clients were forgiven, for a total amount exceeding YR 28.6 million.

As such, the cumulative number of beneficiaries has reached 4,823 people (%47.5 women), who have received compensations for a total of approximately USD 2 million by the end of the quarter.

2. The Village Savings and Loans Associations Program (VSLA):

SMED has continued working with the VSLA Program during the second quarter of the year. The program is spread over 6 districts in the country, as a new district was recently added (Al-Shaour in Hazm Al-Odain, Ibb Governorate). The number of groups reached 93 by the end of the quarter, comprising 2,357 active members (%44 women), while the savings accumulated have reached about YR 64.9 million. In addition, 306 group members were trained during the quarter in several areas including savings and rural finance, and bookkeeping, administrative and organizational skills. Also, 117 loans have been disbursed, amounting to more than YR 16.8 million. At the end of the quarter, the number of outstanding loans reached 185, valued at approximately YR 26.3 million.

3. Information technology and automated software systems: The unit's website and the credit bureau's websites have both continued to be developed through the addition of new statistical reports and charts. Work has continued on updating the database of the credit bureau and carrying out its regular maintenance.

In addition, two applications have been completed: [the feasibility study for agricultural loans and commercial loans using mobile phones](#). Training has been continued on their application in almost all of the programs and institutions operating in the sector. In addition, a video training material for the two applications has been prepared. The aim of the two applications is to evaluate the client's activity in the field, and conduct an accurate and systematic study of the economic feasibility of the loan according to its type (agricultural or commercial).

Work has also continued during the quarter in providing routine technical support to the MFIs that use the [Automated Human Resources System](#), the [Loan Tracking System \(Maeen\)](#), and the [Automated Accounting System](#), as well as making backup copies of the data obtained for preservation in the unit.

SFD has also activated the [automated issuance of the SEEP monthly reports](#) in Azal, Al-Ittihad, Hadhramaut MF programs, while work is still underway to develop the automated release of the report in Nama and National MF institutions.

4. The Yemen Loan Guarantee Program (YLG):

The number of guarantees issued during the quarter to SME owners has reached 378, valued at about YR 653.2 millions, covering loans amounting to about YR 954.8 millions (principal + profit) granted by the MFIs to SME owners. By the end of the quarter, the value of outstanding guarantees amounted to a total of about YR 1.4 billion, covering 1,025 active MFI clients. It is worth mentioning that since the establishment of YLG in November 1,543 ,2017 loan guarantees have been issued, totaling more than YR 2.2 billion to cover loan exceeding YR 3.2 billion in value (principal + profit). The program has also carried out other activities during the second quarter, including building up an information management system for its documents, attending a number of training workshops by its cadres, and holding an internal workshop on financial analysis according to the SEEP Framework for monthly financial reports.

III- Yemen Microfinance Network

The network's activity during the quarter has continued to focus on organizing training courses and workshops, including a training course in Rural Finance (15-6, April 2020), in which 23 employees from MFIs participated to familiarize with the concept of rural small and micro finance, its varieties, the related challenges, risk control, and how to develop the economic feasibility study for agricultural income generating projects. YMN also conducted a training course in Marketing in Financial Institutions (14-11 May, 2020), which included the concepts of financial marketing in MF institutions and programs, as well as various marketing methods aimed at reaching all segments of society with the aim of helping these entities expand outreach. The Internal Audit course (June 2020 ,11-8) was held with the participation of 12 internal auditors working in MFIs. Internal audit methods in general, and in microfinance in particular, were presented and discussed. The course also included uncovering, treating and preventing financial fraud by strengthening financial controls.

Two sessions were also implemented in "Remote Management for Managers" and "Efficient Remote Work" (16-6 June, 2020) by the network for those working in the Al-Nahdha Social Association (the sponsoring agency), its MF program (Hadhramaut MF), respectively. The two sessions - in which 25 people from both the association and the MFI participated - focused on how to follow-up and supervise office and field activities. The course provided training in how to remotely monitor field and office activities using appropriate software in light of the spread of the Corona virus in Yemen. Also, YMN organized the Time Management and Effective Delegation training course (June 2020 ,22-21), in which 14 trainees from a number of MFIs participated in several topics, including time and workplace management, how to plan for small and micro projects, and the nature and process of delegating effectively in the workplace. The Problem Solving and Effective Decision Making course (25-24, June 2020) focused on how to identify and analyze the problem, take the appropriate decision to solve it, and avoid its occurrence in the future or reduce its effects. The Management of Change and Effective Motivation training course (29 June - 1 July, 2020) focused on topics such as change, the role of managers in the process of change, and how to plan and implement change successfully.

YMN also organized a workshop in Digitization and Digital Transformation (June 23 - July 2020 ,1) with funding from by

the International Finance Corporation (IFC). Twenty-three people (mostly managers and decision-makers) from programs, institutions, and microfinance banks participated, as well as from the Social Fund for Development and other stakeholders. The workshop dealt with global experiences in digital transformation in financial institutions and the related risks, the concept of digital transformation and the advantages it can bring to microfinance in Yemen, as well as difficulties, challenges, and opportunities for developing the digital transformation of the local sector, in addition to how to develop a strategy in this domain.





Loan portfolio indicators for microfinance programs and institutions until the end of June 2020

Ser. No.	Program	No. of disbursed loans	Active number of clients			Outstanding loan portfolio (Million YB)	Amount of Disbursed loans (Million YB)	PAR (%)	Cumulative numbers		OSS	FSS	No. of Personnel	No. of loan officers	No. of Branch Offices	Area of operation
			Borrowers		Savers				Number of loans	Loan amounts (Million YB)						
			Total	Women (%)												
1	Al-Amal Microfinance Bank	795	35,032	35	184,848	3,590	98	55	139,229	14,601	306	178	227	51	16	Capital City, Ibb, Taiz, Dhamar, Al-Mokalla, Al-Hudaidah, Aden, Hajjah, Abis
2	Al-Kura'imi Islamic Microfinance Bank	630	6,566	10	1,220,173	8,905	1,459	1	36,742	31,782	109	99	123	88	65	Capital City, Taiz, Ibb, Aden, Hudaidah, Thamar, Al-Mokalla, Seyun
3	Nama Microfinance Foundation	345	6,610	23	130	1,783	181	7	96,435	11,707	102	84	133	74	12	Capital City, Taiz, Hudaidah, Ibb
4	Hadhramout Microfinance Program	196	6,601	30	5,815	1,092	65	17	40,197	6,547	107	98	75	37	8	Hadhramout (Seyun, Tarim, Al-Su'aym, Sah, Al-Khuf, Shebam, Al-Mokalla, Al-Shehr, Al-Hami, Al-Mahra, Shabwa, Gae'el Bawazir)
5	Al-Tadhamon Microfinance Program	191	4,981	24	0	2,366	242	4	44,974	14,118	120	120	73	35	22	Capital City, Taiz, Al-Hudaidah, Aden, Ibb, Hadhramout, Lahj, Shabwa, Hajjah, Amran, Mareb
6	National MF Foundation	189	12,306	25	21,144	4,352	169	14	160,777	18,106	93	50	180	83	20	Capital City, Taiz, Ibb, Al-Ka'eda, Thamar, Yarim, Hajjah, Lahj, Al-Hudaidah, Al-Baba, Beint, Shebam, Baji, Aden, Mareb
7	Azal Microfinance Program	124	3,676	28	2,763	1,563	130	8	55,993	8,496	91	56	95	38	8	Capital City, Almahweet, Amran, Dhamar, Yarim, Hudaidah
8	Al-Ihtidat Microfinance Program	26	3,043	70	0	623	31	20	53,022	4,076	53	36	100	42	8	Abyan (Zanjabar, Hanfar, Ahwar), Al-Mokalla, Al-Shehr, Aden, Lahj, Almahra
9	Yemen Kuwait Bank	3	112	38	0	1,246	44	0	120	1,596	N.A.	N.A.	19	11	11	Capital City, Al-dhamar-Hadidoh-Amran-Taiz-Ibb-Aden-Hadramout
10	Aden MF Foundation	0	9,802	66	7,065	666	0	77	54,019	4,376	68	43	65	34	5	Aden, Al-Buraikah, Alshekh, Lahj, Aidal
11	Other Activities & IGFs	-	-	-	-	-	-	-	169,411	23,168	-	-	-	-	-	Several areas
Total		2,499	88,729	-	1,441,938	26,186	2,419	-	850,919	138,573	-	-	1,090	493	175	

Number of under-implementation projects and estimated cost - second quarter 2020 , by governorate

Governorate	No. of Projects	Estimated Cost (%)	Percentage (%)
Ibb	7	3,179,600	11.1
Abyan	6	1,446,525	5.0
Socatra	2	390,000	1.4
Capital City	3	777,759	2.7
Al- Baidha	3	497,813	1.7
Al-jawf	2	108,051	0.4
Al- Hudaidah	11	7,498,489	26.1
Al- Dhale	5	1,773,480	6.2
Al-mahrah	1	39,543	0.1
Taiz	9	3,428,933	12.0
Hajjah	8	947,366	3.3
Hadmout	6	638,561	2.2
Dhamar	8	1,235,188	4.3
Raimah	1	201,743	0.7
Shabwah	8	857,961	3.0
Sa'adah	6	621,885	2.2
Sana'a	7	206,787	0.7
Aden	6	701,458	2.4
Amran	3	369,000	1.3
Lahjj	2	1,560,500	5.4
Mareb	1	28,100	0.1
Several Governorates	3	2,185,160	7.6
Total	108	28,693,902	100 %

Number of under-implementation projects, - second quarter 2020, by sector

Sector	No. of Projects	Estimated Cost (%)	Direct Beneficiaries		Temporary Job Opportunities
			Total	Females %	
Environment	9	1,065,426	11,906	50	56,957
Training	1	39,543	50	50	177
Education	12	892,957	20,043	48	12,202
Orgnizational Support	5	1,018,070	34,864	49	12,393
Agriculture	5	506,227	7,339	53	33,535
Health	14	15,686,755	259,914	60	716,623
Roads	7	1,157,149	37,343	50	41,758
Special Needs Groups	1	43,110	0	0	422
Micro Enterprises Development	2	2,145,000	2,875	33	8
Cultural Heritage	14	1,339,090	3,462	34	75,686
Water	19	2,755,266	38,990	51	120,290
Cash for Work	19	2,045,309	15,161	51	129,555
Total	108	28,693,902	431,947	55%	1,199,606

Number of under-implementation and completed projects, for the period 2016 - second quarter 2020, by governorate

Governorate	No. of Projects	Estimated Cost (%)	Est. SFD Contribution (\$)	Contractual Cost (USD)
Ibb	156	29,065,776	27,725,733	23,353,579
Abyan	92	13,744,016	13,744,016	10,124,462
Socatra	32	2,989,542	2,989,542	2,486,502
Capital City	68	13,878,920	13,495,709	11,162,164
Al- Baidha	82	12,798,543	12,798,543	8,525,542
Al-jawf	50	6,680,197	6,680,197	5,805,513
Al- Hudaidah	201	55,697,758	55,680,858	50,192,637
Al- Dhale	52	10,819,930	10,819,930	7,919,229
Al- Mahweet	74	9,951,878	9,951,878	8,090,158
Al-mahrah	42	4,326,227	4,326,227	3,346,308
Taiz	219	38,619,101	38,557,901	34,539,107
Hajjah	295	34,245,665	34,092,665	30,291,352
Hadrmout	104	12,556,098	12,556,098	9,026,419
Dhamar	145	24,324,319	23,969,770	21,643,146
Raimah	60	7,196,589	7,195,312	6,300,310
Shabwah	127	13,462,447	13,339,822	10,480,696
Sa'adah	119	16,431,681	16,431,681	14,689,844
Sana'a	95	10,967,059	10,967,059	9,557,087
Aden	81	12,842,785	12,842,785	10,904,591
Amran	122	16,390,445	16,306,444	14,385,805
Lahj	146	26,132,908	26,132,908	20,643,488
Mareb	49	8,627,448	8,127,448	5,807,744
Several Governorates	118	89,904,546	89,904,546	84,904,912
Total	2,529	471,653,877	468,637,071	404,180,597

completed projects, for the period 2016 - second quarter 2020, by sector

Sector	No. of Projects	Contractual Cost (USD)
Environment	85	8,490,329
Integrated Intervention	4	143,179
Training	26	1,345,192
Education	102	7,220,749
Organizational Support	53	8,702,305
Agriculture	115	12,813,998
Health	134	52,845,493
Roads	110	16,823,874
Special Needs Groups	7	348,348
Micro Enterprise Development	43	24,137,210
Cultural Heiritage	38	3,582,990
Water	401	39,064,176
Cash for Work	534	71,815,883
Business Development Services	7	17,308,629
Total	1,659	264,642,355

The total includes 827 projects completed during the Emergency Period (2016 - 2019), while funded before

Number of under-implementation and completed projects , for the period 2016 - second quarter 2020, by sector

Sector	No. of Projects	Estimated Cost (%)	Est. SFD Contribution (\$)	Contractual Cost (USD)	Direct Beneficiaries		Expected Indirect Beneficiaries		Total Estimated Temporary Job Opportunities
					Total	Females	Males	Females	
Environment	127	18,427,644	17,927,644	13,724,345	393551	50%	13,593	13,861	992,573
Integrated Intervention	4	189,642	189,642	143,179	5661	54%	200	993	4,000
Training	42	3,275,250	3,275,250	2,408,789	6005	47%	3,318	3,317	53,156
Education	246	30,715,216	30,715,216	19,135,339	210148	51%	81,935	90,881	1,956,509
Organizational Support	126	22,512,568	22,224,568	17,274,809	1,051,601	50%	365,120	360,550	459,146
Agriculture	214	29,001,002	29,001,002	26,721,306	226,280	45%	6,393	4,384	1,621,467
Health	182	88,136,711	87,629,223	77,358,367	1,523,109	62%	303,087	3,483,098	2,660,181
Roads	188	28,506,052	28,496,352	25,132,547	593,044	50%	0	0	1,175,418
Special Needs Groups	13	755,226	755,226	650,988	0	0%	0	0	16,752
Micro Enterprise Development	76	45,931,752	45,931,752	43,987,556	96,908	45%	296,302	248,586	123,086
Cultural Heiritage	70	7,750,987	7,750,987	6,811,063	38,119	50%	62,378	38,488	390,597
Water	524	65,977,103	64,265,486	51,336,574	924,060	50%	3,353	3,873	4,208,290
Cash for Work	703	97,450,533	97,450,532	87,076,297	767,113	50%	258,251	267,469	6,904,564
Business Development Survices	14	33,024,191	33,024,191	32,419,438	27,171	39%	59,016	412,326	749,990
Total	2,529	471,653,877	468,637,071	404,180,597	5,862,770	53%	1,452,946	4,927,826	21,315,729

The total includes 827 projects completed during the Emergency Period (2016 - 2019), while funded before

SFD's ELD Program Transforms Road of Death into a Path of Life

When people are isolated for centuries by the hardness of mountains, which brings about great tragedies, they need to work hard to tame the harsh topography and defeat its cruelty, changing ugliness to beauty and making life and development prevail.

This is what happened to what was known as the ' Road of Death' in Wadi Sham area of Kahlan Al-Sharaf District (Hajjah Governorate). The road's horrible name came as a result of its narrowness, steepness and difficulty in passing through. The road had caused many traffic accidents that led to the death of a number of residents in that area, with the area's people suffering for a long time from the road's ruggedness and thus lack of access to basic materials. They were carrying basic items on women's heads and by donkeys. In addition, they were helping the sick ones by carrying them on their shoulders for more than 800 meters to reach the main road.

Consequently, as this road is the main artery of the village, the Social Fund for Development "SFD" (Empowerment for Local Development "ELD" Program) trained and qualified the villagers to carry out development initiatives, and supported them to undertake the initiative of paving the road and building retaining walls for their village.

For a moment, residents were overwhelmed by suspicion of being able to play major technical roles at work, as most of them had not previously tried to engage in such works. Nevertheless, the members of their Village Cooperation Council and the SFD's team convinced them that they could do so as long as the required resources were available, hands together and the hearts glowing with enthusiasm.

The villagers, with the contribution and support of the ELD Program, have paved and leveled—with their hands and manual equipment—the rugged areas of the -380meter-long road. They worked to level the torrents' runoffs that had previously blocked the road completely. The villagers cut the stones (1,940 stones) and transferred them on cars to the place of pavement. The road was then expanded in preparation for the entry of a mid-size truck into the village to transport the rest of the stones. It was the first time ever for nearly 35 years (when the road had been first constructed) that they were able to bring large vehicles into the village.

About 300 square meters of the road's rugged areas were paved and 39 square meters in dangerous areas protected by building retaining walls; and as a self-initiative by villagers, six supportive walls were built for the parts prone to collapse.

As the road construction was completed, Mohammed Ahmed, a villager, said that it was the first time in his life he saw vehicles of different sizes entering the village and the first time he felt that the villagers had overcome their doubts about the ability of their skills and resources to overcome what they always thought that no one could do, i.e. implement this road without the government support or huge funding. "They have realized now their ability and power to achieve what they were afraid of beforehand," he concluded.

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