Yemen Microfinance Network Newsletter

October - December 2010

YMN Managing Director’s Word:

The Yemen Microfinance Network (YMN) over 2010 has come a long way; network staff was recruited, setting up of the office secretariat, preparing the network policies and manuals and the official launch. The network has also partnered with regional and global networks allowing peer learning and information exchange.

The service delivery preparation was a systematic and organized process, the network with the help of international consultants conducted a training and technical need assessment of its members. Following this, YMN set-up a training unit within the network and began trainings to the microfinance practitioners. On the transparency side, the network began receiving, analyzing and publishing member’s reports on a monthly basis. For information exchange services the network published its website and began collecting information from members on their events and achievements.

The network has very ambitious plans for 2011 with a more focus on practitioners needs, increasing its initiatives in the area of transparency, information exchange, governance and promotion of the sector in addition to stabilizing and improving its current training and capacity building activities.

We would like to thank the Social Fund for Development and the United Nations Development Programme for their continuous support, we would also like to wish all our members, partners and friends a very happy and successful 2011.

YMN Conducts a BOD

Exposure Visit to Azerbaijan Microfinance Association

As part of good governance and capacity building for the YMN board of directors (BOD), YMN conducted an exposure visit to Azerbaijan Microfinance Association (AMFA) for its BOD, the Managing Director and Program Staff also accompanied the board on their visit in order to make use of AMFA’s experience in leading, networking and presenting the Microfinance industry in Azerbaijan since 2001. AMFA was awarded the SEEP 2007 best network.

Before selecting AMFA, YMN conducted a thorough investigation in order to decide the best network for the exposure visit. The investigation included the following institution:

- Russian Microfinance Center (RMC)
- The Association Community Development Finance Institution (SA-DHAN) India.
- Pakistan Microfinance Network (PMN)
- Azerbaijan Microfinance Association (AMFA)
- AMFA was best suited.

The objective of the exposure visit was to orient YMN board members and staff with the AMFA’s operation and activities as a network having 29 members of banks and MFIs.

The exposure visit agenda involved different topics, discussions and field visits notably governance structure, board members functions and specifications, strategic planning and AMFA programs and services.

During the visit, AMFA arranged for several field visits for all YMN participants to AMFA’s members and donors in which YMN participants discussed the nature of relationship between AMFA and its donors and members. In conclusion, the visit was a very fruitful and extremely beneficial one which will help the board and network staff in the running of a better vibrant network.

YMN Microfinance Network

YMN signed an MoU with the Smart Campaign and the SEEP Network to enhance the Client Protection Principles

To enhance and ensure a better provision of Microfinance services to the poor in Yemen, Yemen Microfinance Network (YMN) signed a Memorandum of Understanding (MoU) with The Smart Campaign and The Small Enterprise Education and Promotion Network (SEEP) during the period from 12 December 2010 to 30 September 2011, to ensure the implementation of the globally agreed six client protection principles for the Microfinance sector.

Based on the signed MOU the second party represented by The Smart Campaign and The SEEP Network will train one staff of YMN on the clients protection principles in order this is filtered to YMN members. These six principles include the following:

1) Avoidance of Over-Indebtedness;
2) Transparent and Responsible Pricing;
3) Appropriate Collections Practices;
4) Ethical Staff Behaviour;
5) Mechanisms for Redress of Grievances; and
6) Privacy of Client Data

Microfinance Spotlights:

- Microfinance active clients in Yemen increase 100% in 2010 to reach 60,000 active clients compared with 30,000 active clients in 2009.
- Al-Amal Microfinance Bank establishes a Money Laundering Unit to be the first Microfinance Institution to establish such unit.
- Al-Amal Microfinance Bank provides insurance for its savers in the Central Bank of Yemen.
- Al-Awael Microfinance Company participated in the flood relief for its clients ensuring its social role in Taiz Governorate.
- Nama’a Program launched a new branch in Hodeidah.
- National Microfinance Foundation launches sub-offices to increase the Microfinance outreach in the rural areas by launching sub-offices in Harad and Bajel.
- National Microfinance Foundation provides the first loan in fattening sheep according to Islamic Microfinance roles.
- Sanabel chosen 2010 Microfinance Network of the year among 57 microfinance networks worldwide.

YMN Members Workshop

The Yemen Microfinance Network (YMN) held a workshop for its members on the 10th October 2010, at Shatran Hotel, Sana’a. The focus of the workshop was the rolling out of YMN core activities of training, capacity building, transparency and information exchange.

The workshop included the Managing Directors, HR and Training Managers in addition to the Financial Managers of YMN’s members practitioners. The member staff were briefed on YMN training manual, training calendar, transparency reporting format and YMN website.

The participants were divided into working groups and presented feedback on YMN initiatives and activities, how YMN can better improve and tailor their services more to meet its members needs.
Yemen Microfinance Network

Training Calendar

<table>
<thead>
<tr>
<th>Month</th>
<th>Type</th>
<th>Course Title</th>
<th>Date</th>
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<tbody>
<tr>
<td>Jan</td>
<td>MFIs</td>
<td>Work Planning</td>
<td>8-12</td>
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<td></td>
<td>MFIs</td>
<td>Financial Analysis</td>
<td>15-19</td>
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<td>Feb</td>
<td>MFIs</td>
<td>Market Research</td>
<td>5-9</td>
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<td>MFIs</td>
<td>Report Writing</td>
<td>19-23</td>
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<tr>
<td>March</td>
<td>MFIs</td>
<td>Product Development</td>
<td>5-9</td>
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<td></td>
<td>MFIs</td>
<td>Problem Solving</td>
<td>12-16</td>
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<td></td>
<td>TOT</td>
<td>Training of Trainers</td>
<td>19-23</td>
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<tr>
<td>April</td>
<td>MFIs</td>
<td>Risk Management</td>
<td>9-13</td>
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<td>MFIs</td>
<td>Time Management</td>
<td>16-20</td>
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<td></td>
<td>MFIs</td>
<td>Basic Accounting</td>
<td>23-27</td>
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<td>May</td>
<td>MFIs</td>
<td>Delinquency Management</td>
<td>7-11</td>
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<td>MFIs</td>
<td>Communication Skills</td>
<td>14-18</td>
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<td>June</td>
<td>MFIs</td>
<td>Advanced Accounting</td>
<td>11-15</td>
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<td>MFIs</td>
<td>Decision Making</td>
<td>18-22</td>
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<td>TOT</td>
<td>Training of Trainers</td>
<td>25-29</td>
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<td>July</td>
<td>MFIs</td>
<td>Human Resources</td>
<td>9-13</td>
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<td>Customer Service</td>
<td>16-20</td>
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<td>Sep</td>
<td>MFIs</td>
<td>Management and supervision</td>
<td>10-14</td>
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<td>Workshop</td>
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<td>Evaluation Techniques</td>
<td>15-19</td>
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<tr>
<td>Dec</td>
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<td>Strategic Planning</td>
<td>19-23</td>
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<td>MFIs</td>
<td>Strategic Planning</td>
<td>10-14</td>
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YMN Launches its Training Courses

As part of Yemen Microfinance Network (YMN) core activities, YMN conducted its first training course in Operational Risk Management for Microfinance Institutions during the period from 27th September 2010 until 30th September 2010.

The course targeted Operation Managers, Financial Managers, and Loan Officers. It was delivered by both Mr. Mohammed Attia and Aden. Ms. Rana Alsalami has been recently appointed in the position of Al-Awael Microfinance Company Managing Director and is certified from Sanabel.

In addition to the Operational Risk Management training, YMN conducted the following courses:

- Customer Service Distinction (November)
- Strategic Marketing (December)

Trainees views on the training programs held by Yemen Microfinance Network:

- Training courses held by the network is very suitable in terms of time and place and in terms of quality as well.
- The Strategic Marketing Course is great and we have benefited a lot.
- The network is doing well in building the capacity of cadres of microfinance institutions and is now considered the representative of the Microfinance Sector as a whole. We encourage the Network to continue in this approach.
- I propose that the network conduct a distance learning and have a proper documentation for the course delivered so that it can be utilized for the staff not being able to participate in the face to face courses.
- The network has become important for microfinance institutions. We have noticed an outstanding service and effective management of the training course by the staff of the network.

Microfinance Family in Yemen

Yemen Microfinance Network is proud to welcome the following members:

- Al-Amal Microfinance Bank
- Al-Kuraimi Islamic Microfinance Bank
- Tadhamon Microfinance

Foundations:

- National Microfinance Foundation
- Aden Microfinance Foundation

Companies:

- Al-Awael Microfinance Company

Members News

Bank Al-Amal Celebrates reaching 2,000 active clients in October month 2010 alone:

Al-Amal Microfinance Bank celebrated the reach of 2,000 active client in a month (October). This celebration was conducted to encourage and appreciate the efforts achieved by the staff at all levels and all branches.

National Microfinance Foundation awards its Outstanding Clients:

National Microfinance foundation awarded 150 school bags was also distributed to the female clients kids. This step has been taken to incentivize all NMF clients to continue and renew their loans and to keep its outstanding clients as well.