Launching Youth Savings Initiative Campaign

May 17th of this year in the capital Sana'a, Youth Savings Initiative was launched under the patronage of the Prime Minister and presence of the Minister of Technical Education and Vocational Training. Dr. Abdulkhader Noaman. The initiative was launched with the participation of Silatech Organization, Alamal MF Bank, Al Kunaini Islamic Microfinance Bank and the German Agency for International Cooperation (GIZ) and Yemen Microfinance Network. In the opening ceremony, Dr. Abdulkhader Noaman, Minister of Technical Education and Vocational Training stressed the importance of the role played by Silatech Organization at the regional level including Yemen in rehabilitating youth and creating job opportunities for them. Promoting youth between 18-30 for savings was one of the programs that enable youth to take loans for their own enterprises based on their savings accounts.

Meanwhile, Mr. Tarik Yousif, CEO of Silatech indicated that the program aims to promote savings culture among youth and configure their financial identity and eliminate financial literacy. He pointed out that the initiative targets 50,000 youth during 2013-2014 under regional youth savings initiative which started in Yemen, Egypt and Morocco. A number of speeches were delivered by Najah Al-Mujahed, Managing Director of Yemen Microfinance Network and representative of German Agency for International Cooperation-GIZ where both of them stressed the importance of this program in promoting youth to save and improve their financial culture for facing life and starting up their own enterprises in the future.

Completing Microfinance Pioneers Program in Sana'a

A special training course on Microfinance was concluded on Thursday, April 18th in Sana'a. The course was organized by Alamal MF Bank (AMB), for 30 university graduates to prepare them for work in microfinance sector in Yemen. At the end of the course, which continued for 12 days, Mr. Mohammed Al-Lai, CEO of AMB urged the trainees to have faith on their skills they have acquired from the training and join the labor market in microfinance banks and institutions. He pointed out that the training they received during the 12 days is the first of its kind in the region and most of training academies and institutions don't provide such training because it is designed specifically to meet the demands of microfinance sector. For his part, Mr. Mohammed Ateyah, Training and Technical Support Manager of AMB, clarified that the training program which was created by AMB as part of its social responsibility targets providing youth with high quality training to be employed in microfinance sector. He mentioned that the first course of the program last year targeted 60 youth where 11 trainees got employed in AMB while the others were recruited in other microfinance banks and institutions. He also noted that the training course includes practical training in all AMB’s branches in Capital Sana’a and theoretical training not available in universities so that trainees are able to work efficiently and effectively in microfinance sector. It is also worth mentioning that AMB has established a training foundation for training youth and graduates of the universities and institutes to rehabilitate them to the labor market through administrative and vocational training courses according to training standards that meet the needs of the labor market, with the possibility of linking them financially with AMB’s financial services to help them expand or start up their own enterprises.

The National Microfinance Foundation celebrates its 10th Anniversary for Establishment

The National Microfinance foundation celebrates its 10th Anniversary for Establishment by opening new offices in Sana’a in (Zubairy Street) and the district of Torbah (Al-Ma’afir) and district of Al-Marawah in Hodeida. The opening of new offices are part of implementing the plans of expanding and increasing the number of clients of the foundation. Accordingly the number of offices and branches of the National Microfinance Foundation will be twenty as the foundation becomes one of the largest and prevalent microfinance institutions in Yemen. This anniversary will also announce the animal finance product as the first product in Yemen and the Arab world based on sharing. This product provides financing of fattening livestock such as (sheep - goats - calves) after working for two years and half to develop the product through trial models to its current final version. This product achieves high profitability for both the client and the foundation. In addition, the new strategic plan of the National Microfinance Foundation will be announced. This strategic plan was prepared for the next five years from 2013 -2017 and by self-efforts and using the Yemeni automated planning system design k-fin designed by the Social Fund for Development.
Al-Amal MF Bank participates in International and Local Workshops and Seminars

AMB participated in local and international workshops to define the mission of the microfinance sector in Yemen. Most importantly the following:

International Visitor Program
Friday, June 28th, Mr. Mohammed Al-Iai, delivered a speech on behalf of the “ArabGroup” (Yemen, Egypt, Jordan, Palestine, Oman, UAE, Qatar, Tunisia and Algeria), which participated in the International Visitor Program held in the U.S. City of Boston in front of representatives of the US State Department and US bodies and organizations concerned with the development of micro enterprises in the United States.

Workshop on Anti-begging
With participation of Al Amal Bank and Al-Amal hospital for mental health, Ms. Amet Al-Razak Honmed, Minister of social welfare and labor and Mr. Abdul-Qader Hilal, the Mayor of the Capital launched an anti-begging workshop to empower beggars economically. In the workshop, Al-Amal Bank presented its project and vision to contribute to anti-begging phenomenon economically. In the workshop, Al-Amal Bank presented its project and vision to contribute to anti-begging phenomenon in cooperation with other government agencies and civil society organizations. This effort strives to contribute to reduce such phenomenon in order to lead to the development process, as well as highlight the positive image of Yemen civilization internally and externally.

Presenting the Vision of Microfinance Sector to the National Dialogue Conference
Based on the request of the economic development team in the national dialogue conference from Al-Amal bank to present its vision in achieving sustainable development, the Executive Director of the bank presented the role of AMB in achieving sustainable development in urban and rural areas. He also reviewed the challenges and difficulties facing banking and MF sectors in Yemen that hinder creating more job opportunities for youth and unemployed.

Aden Microfinance Foundation . . . Continued progress

Aden Microfinance Foundation (AMF) visibly progressed during the last period. A number of activities and events represent this progress during the second quarter 2013 as follows:

- AMF opened its fifth branch in Al-Boraiga area. It also targeted one thousand customers with portfolio of 60 million Yemeni Riyals during the year 2013.
- Issued (1050 funds) at a portfolio of 100 million Riyals for a wide range of target groups.
- The product of (My Car), which was presented to the market after a year of study and experience survey had a great success at the local level as it targeted young people.
- Till the second quarter of 2013, AFM is still maintaining the repayment rate at its portfolio by %100, and the proportion of what has been accomplished of the annual plan of the institution is 96%.
In its pursuit to contribute to poverty and unemployment reduction, Al-Amal Microfinance Bank (AMB) strives to expand its outreach to the rural areas. To enter into rural areas the development of financial products that meet the demands is required. AMB has searched for international organization with considerable experience to provide technical support for designing products tailored to suit the needs of the rural areas.

In this regard, the CEO of Making Cents, An American organization, and a representative of Silatech, A Qatari organization, visited AMB. His visit aimed to make assessment and initial research about how to target youth in rural areas and requirements needed by the Bank. The organization is going to provide technical support for designing new products tailored to youth in the rural areas.

Nama Microfinance Program . . . activities, events and plans

Within the policy of the program to rehabilitate its customers for the labor market and achieve their economic empowerment, Nama program conducted a training course for 20 volunteers in the training program titled “how to run your business” and another training course for 25 customer volunteers in time management and effective follow-up/steering. The program also executed several important activities such as:

- Conducted a field study to Sana’a governorate for the purpose of introducing agricultural, animal and commercial products.
- Participated in the first networking forum which was organized by the youth empowerment project and Soul Organization for preparing youth to the labor market. The program approved as a part of its support to finance 6 projects of the graduates with soft guarantees and easy procedures.
- Preparing to launch “Youth Start” project which focuses on economic empowerment for graduates of universities and vocational institutes during next August.
- Issuing cards of distinction for the customers through which the customer will get distinctive loans (soft loan).
- During the next weeks, the program will issue educational newsletter for the program’s customers about the importance of microfinance and the need for repayment on time.

1st Conference of Small and Medium Enterprises

Under the patronage of the Prime Minister, the 1st conference of small and medium enterprises, which was organized by the Yemeni Association for Business Development in collaboration with the Ministry of Industry and Trade was concluded on late May, 2013. The conference included the participation of a large number of institutions, banks and microfinance programs-members such as Al-Amal MF Bank, Nama program, Sana’a program (Azal) and Al-Kuraimi microfinance bank. All of the participating institutions presented their work papers, discussing the most important problems of microfinance in Yemen and visions of the future. Some of them introduced products and Handcrafts of their customers and provided success stories for clients.

Union Microfinance Program - Abyan . . . resumption after pain

- Union Microfinance program started to give new funding with murabah rate 1 % for all products. The program focused on funding young people who have investment projects, reconstruction, development of agricultural products and others and received many applications for loans.
- The program targeted a number of young people who need to fund their projects in the pioneer training (CAP), a subsidiary of the International Labour Organization (ILO).
- The Union program studied a number of farms in rural Khanfar and Zinjubar. This study depends on individual interviews which aims to see fund-
During their meeting in January 2013, the members of YMN indicated their need to be trained in agribusiness and rural finance as they see much potential to expand outside the urban cities. This was the opportunity where YMN and SPARK Yemen started a (3 Phase) partnership since one of the objectives of the Agribusiness Creation (ABC) Programme in Yemen is to build the capacity of MFIs to enable them to offer new products for youth in the area of agribusiness.

During (Phase 1) an arabic speaking trainer with wide experience in agribusiness and rural finance, especially in Islamic countries was identified to provide an orientation workshop on 23/24 April 2013, targeting mainly the members of YMN, in addition to representatives from donor’s funded programmes in Yemen that has microfinance component. The two-day workshop was very successful as the trainer managed to use an interactive approach. Most of participants mentioned that this was their first time to receive such practical workshop with examples from around the world, with focus on Islamic products.

The Deputy Head of the Dutch Embassy in Yemen Mrs. Renate Pors attended part of the workshop, along with Mrs. Anke ter Hoeve, the Policy Coordinator for Development Cooperation in Yemen.

Mrs. Pors explained that this course aims to exchange experience and knowledge among Yemeni and Arab microfinance institutions, and identify the development process of financial products by providing a description for the development process of the products and assessing the institutional capacity for product development, as well as applying various client-oriented market research techniques to meet the needs of the clients, and product design models based on the research results and their meanings determining the cost and pricing of the product and conduct pilot testing for the products.

For her part, the Executive Director of «Sanabel» Ms. Najah Almugahed addressed the participants inside and outside Yemen valued it.

In her opening speech, Mrs. Pors spoke about the importance of agribusiness in Yemen to provide for food security while creating jobs for the youth. Mrs. Pors appreciated that SPARK Yemen could cooperate with YMN to reach a wider target group.

During (Phase 2) of the project, a field survey was carried out in five Yemeni governorates in June 2013 namely (Aden, Taiz, Lahj, Mukalla, and Seiyun), to assess the potentiality of various agribusiness products.

And in (Phase 3) YMN and SPARK Yemen organized a training workshop on 25/26 July 2013, to present the findings of the study and introduced workable products after testing them in the field.

The workshop was attended by over 20 participants from YMN member MFIs, and representatives of several donor organizations including (SFD, CLP, DFID, USAID, CAC Bank, Mercy Corp, EU, and the EOF).