



**SMEPS**

**2017-2018**

**Annual  
Report**







SMEPS

Annual Report 2017-2018



WOW!  
Delicious

Best  
Coffee  
EVER!

Yemeni  
Famous  
Coffee



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**IF  
GREED & GRIEVANCE  
CAUSE CIVIL WARS  
CAN EQUITY DRIVEN  
DEVELOPMENT END THEM ?**



**CAPTAIN LETTER**

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“

The Sheik received support, but the givers of aid did not see me and my people suffering in the village.

Abdo Ali

”

If ever a moment refocused me on SMEPS work in Yemen it was the calls of those surrendering on life itself. “The Sheik received support, but the givers of aid did not see me and my people suffering in the village” Abdo Ali from a village in Ibb continues “the war exhausted us and living was no longer possible, you came at a time when hope had vanished, but you brought it back to us”. The greed I have seen is one of the causes of a spectrum of unimaginable inequalities that cannot be repaired without intervention. The communities neglected unable to feed their own, or cure their sick over generations will not see an inclusive society without support.

That is why in 2017/2018 we stayed true to our vision of bridging the humanitarian-development nexus. Our vision and our actions give hope. Abdo Ali had stopped farming because he could not afford the diesel to irrigate his land. Now he uses solar technology to pump water to his farm and the lands of his neighbors. He says “water is life, now I can live with dignity, I will toil the land and with my hands I will feed my own”. His experience has to resonate with thousands of farmers, which was one of our challenges for 2017.

That is why SMEPS grew in size from 40 employees to 78. We had an ambitious plan to serve thousands of producers and hundreds of health clinics aiming to create 22,000 jobs. Serving over 2000 farmers we reached more than 27,000 short and long term jobs. Many of these opportunities were taken up by combatants who had seen their share death and wanted a chance at life.

In the coming period of time, we aim to learn why some combatants stopped fighting to join our projects whilst others did not. Our learning will help inform on post conflict strategies to reintegrate tens of thousands of fighters, so they too can have a chance of life.

Life though requires care, and when a country's health care is on the verge of collapse again an intervention is required to bring back hope. Our focus on the health care sector was more defined. We worked with more than 400 hospitals, clinics, laboratories, pharmaceutical manufactures and medicine importers to revitalize the private health sector. We helped these vital businesses seize the opportunity to protect the health care sector from complete collapse provided by a fragile public

health sector to pursue a quality orientated growth. Our health sector consultants over a ten-month period guided health care providers in implementing their growth plans. In the city of Aden, I learnt how hospitals during the 2015 conflict could not access oxygen cylinders. SMEPS investment with a local health provider is now realizing a new reality where hospitals in the city of Aden will be supplied by a local producer of oxygen cylinders helping to make the health care system more resilient.

In 2018, I learnt more about grievance. I saw first-hand how city dwellers of Aden, Dhamar, Ibb, Hodeidah and Mukalla and many of our regional cities would have travelled to Sana'a or abroad to receive basic health care. SMEPS interventions in the health sector is supporting hospitals and clinics to expand bringing services to more than 4,000,000 people across Yemen. Our challenge in 2019 is to go beyond 400 health providers to a further 300 offering improved care to an additional 1,000,000 patients.

We have always known that one hand does not clap alone, however what we have learnt in 2017/2018 is that our most powerful partner are the poor people we serve. That is why we have shaped our commu-

nications around them. We have provided them a platform to air their voices, they call us out on our mistakes on social media in a public fashion and we see this as strength. Their strength in making us better. In 2018, we trained beneficiaries on using social media. Their credible voices will help communications work for development in facilitating social and economic change. Farmers and doctors are more likely to respond to their peers.

We have a long way to achieve the progress we set out to achieve when we established SMEPS in 2005. Yet in the past year, I have witnessed more change in health care and agriculture than I have since I took up my role at SMEPS thirteen years ago. What is honorable about the change we are witnessing today and led by SMEPS is it feels more equitable. Farmers not supported by SMEPS are replicating the farmers we have supported because our approach crowds-in communities, businesses and finance. The many health providers not supported by SMEPS have access to the learning tools we provided to those Growth is occurring in agriculture and health and this time it appears the chances of it being a more equitable growth are quite realistic.

I look forward to the coming period of time not be-

cause I feel we are closer to peace, unfortunately it will be a while yet before we no longer hear the sounds of death. I look forward to 2019 because I know we will have a bigger impact. We will help more than 4000 producers do what they do best which is produce food for millions of people. We will help 500 health providers expand care to over 1,000,000 people. In the process, we will create 30,000 jobs, and we will accomplish these remarkable achievements utilizing less than \$12,000,000.

Thank you to those who support our work. I am indebted to those that implement our work. While I remain humbled by those we serve. Knowing that we have to do more

**WESAM QAID**  
**EXECUTIVE DIRECTOR**





**2017/2018  
SMEPS CONTINUED  
IMPROVING LIVELIHOODS  
FOR OVER  
75,000 PEOPLE**



**ABOUT SMEPS**

---

“

## SMEPS shows a steady step towards achieving development in YEMEN

”

In the middle of conflicts, SMEPS still believes it's still time for development, bridging it with the humanitarian assistance happening now. SMEPS created innovative ways for the humanitarian assistance to ensure sustainability and to protect Yemenis to live with dignity.

All through 2017/2018, SMEPS continued in improving livelihoods for over 75,000 people. Helping them sustain an income and living with dignity. This is not a “typical” annual report you’d expect to see. SMEPS slogan is creativity and diversification, and that is how this report has been written. This report will give you a full insight on our work for 2017-2018. It will show the positive change SMEPS did that includes number of jobs created, livelihoods improved, and the hundreds of businesses that continued working despite conflict.

In 2017 SMEPS looked for better solutions that serves Yemenis aiming to achieve the goal of living with dignity. SMEPS made a positive shift on their work to make change happen. SMEPS added the grants (cash transfers) and matchable grants component in the project designs. In addition to the technical support and trainings, which greatly improved livelihoods, supported businesses to continue and eventually reflected positively on local economies.



**DO YOU KNOW  
HOW MUCH  
AGRICULTURE WORKERS  
FORM OUT OF THE  
TOTAL YEMENI WORKFORCE?**



**AGRICULTURE  
LIVELIHOODS**

---



**74%**

out of the whole Yemeni population are related to agriculture sector

**54%**

is the number of agriculture workers out of the whole Yemeni's workforce

**11,172**

Beneficiaries was targeted by SMEPS in the agriculture sector (Agriculture, Fish, Honey, Coffee, Livestock)

**189,345**

jobs created (including IDPs) from SMEPS agriculture support.

**7190**

Beneficiaries received modern technologies (drip irrigations, solar, fish finder, GPS, beehives...etc.)





## Did the majority of those farmers irrigate their farms with flood system?

---

Agriculture workers forms 54% out of the whole Yemeni's workforce and around 74% out of the whole Yemeni population are related to agriculture sector. During conflicts, farmers struggled from high fuel prices, insecurity, and lack of knowledge. Most of the farmers took the decision to stop farming, therefore their only source of income stopped!

SMEPS creatively linked its projects to SDG's indicators, working on the goal 2, specifically 2.3 and 2.4 to achieve food security. SMEPS was able to target more than 11,172 beneficiaries in the agriculture sector (Agriculture, Fish, Honey, Coffee, livestock) and a total of 7,190 beneficiaries received modern technologies (drip irrigations, solar, fish finder, GPS, bee-hives...etc.) which enhanced their knowledge and developed their outcomes and work. SMEPS agriculture support created 189,345 jobs which included IDPi's. SMEPS opened the door for internships to help the students of agriculture major. Yemenis always said that it's the kind of major with less opportunities, but SMEPS changed that assumption! The fresh graduates of Sanaa university were trained and supported to enter the labor market and provided them with employment opportunities connecting them with companies and entities operating in the same field. SMEPS contributed a little in making agriculture sector better in Yemen, and there is still a long way to go with farmers waiting to be supported.

Can you just  
imagine how  
much water is  
wasted?!?

---

to help the students of agriculture major. Yemenis always said that it's the kind of major with less opportunities, but SMEPS changed that assumption! The fresh graduates of Sanaa university were trained and supported to enter the labor market and provided them with employment opportunities connecting them with companies and entities operating in the same field.

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**A SUGGESTION:** The part you are about to read, requires a cup of Yemeni rich coffee without any sugar!



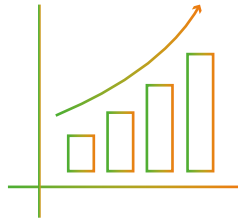
# 1273

Beneficiaries targeted in coffee sector



# 76%

of the targeted beneficiaries are WOMEN



# 90%

Increase in the productivity of coffee trees in Burra

# 38


Women from Burra were trained to introduce modern coffee practices to hundreds of coffee farmers



Now, more than ever, Yemeni people must have the chance to draw the future they want. This is an opportunity to enable them truly to start their own businesses generating income. Living with dignity is a main goal to all Yemenis. SMEPS is saying this from many years of experience living next to Yemenis, hearing their thoughts and listening to their needs.

We are proud to have been in the mind set of many people that we are an organization that supports Yemeni coffee. We believe coffee is the future for Yemen, and therefore SMEPS decided to improve the coffee sector. SMEPS targeted more than 1200 beneficiaries in coffee sector and provided them with different kinds of support and knowledge. In Talok for example, SMEPS have supported women farmers enhance the quality of coffee, which was an opportunity for Talok coffee to reach markets in Dubai through Mocha1450 coffee company. How was that done? Through SMEPS brilliant consultants and the technical support this success happened, we at SMEPS thank them for all the efforts.

Our coffee support was not only to farmers, we also organized cupping training courses that included

A man wearing a white turban and a white thobe is focused on sorting coffee beans. He is holding a small branch of a coffee tree in his left hand and using his right hand to pick through the beans. The beans are spread out on a green mesh tray in front of him. The background shows a stone wall and a white wall.

people interested in coffee that might open their own coffee businesses soon. Through this SMEPS spread awareness of the importance of the Yemeni coffee and its magic.

Women had a big share out of this intervention, as they formed around 76% of the targeted beneficiaries. During our baselines in Burra, we realized women are the ones who is responsible for the process of cultivating coffee there. SMEPS trained more than 30 women from Burra who have introduced modern coffee practices to hundreds of coffee farmers to meet the standards of coffee globally. This actually contributed in making a social change. Coffee trees productivity in Burra has increased by 90%, which makes it grow towards a better quality and higher export prices.

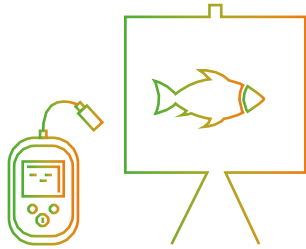


After the cup of rich Yemeni coffee, we will take you on a fishing trip, are you ready?

What does it take to have a good fishing trip?

A knowledgeable fisherman of course, a boat, a fishing nets, a boat engine, diesel, and a hat from the sun. Is that right? Well, what if we added to that list modern fishing technologies which includes GPS and fish finder. A better deal, right?

SMEPS supports more than 2206 fishermen sustain a better life and improve livelihood. The technical support includes different types of trainings which includes technical training, practical training on fishing modern technologies and engine maintenance training too. Raising knowledge for these fishermen is just a first step that will improve their



# 83%

increase in the fish selling price as a result of the grants and the technical training.



# 2206

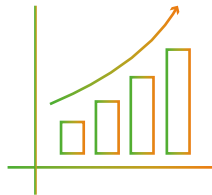
fishermen and more were supported by SMEPS to sustain a better life.



# 250%

(180200 to 628800)YER

increase in fishermen's profit



# 90%

increase in productivity

fishing skills and eventually income.

As for the cash transfers and financial supports, SMEPS introduced the knowledge of starting to use fishing modern technologies like the GPS and fish finder devices. The support of the grants and the technical training increased their selling price by 83% due to the improved quality of the fish and the productivity increased by 90%. These 2 indicators increased a fishermen profit by 250% (Average: from 180200YER to 628800YER) which is a great achievement in improving livelihoods!

After SMEPS introduced the use of modern fishing technologies to the fishermen, we are proud and happy to see businesses now training fishers on using GPS and fish finder technologies. Less work for SMEPS, more work for the community!



“

**SMEPS  
supported  
700 beekeepers  
in Doan and  
Sayoun.**

”

Also, SMEPS supported the enhancement of the Yemeni honey quality by building the capacity of honey associations in Sayoun and Doan, which motivated both associations to have founded an export center with their own funding. Hadhramout export centers specialized in supervising the quality of honey in labeling, packaging and preparing it for exports. SMEPS this far supported 700 beekeepers in Doan and Sayoun with beehives helping to raise the bees' production and and provides a safe storage.







**SMEPS BELIEVES  
EVEN IN THE MIDST OF CONFLICTS,  
DEVELOPMENT AND  
IMPROVING LIVELIHOOD  
SHOULD HAPPEN.**

**Thanks to our donors in World bank and USAID  
for believing in the same goal too.**



Dignity

Zero Hunger

POVERTY

Security

You can make it

“

Yemeni women help men in agriculture, and even bear the greatest responsibility, including those who work in livestock breeding.

”

599



Women livestock breeders from Hodeidah, Hajjah, and Sanaa are now empowered to manage their

281



Additional livestock breeders from Sanaa and Dhamar are about to be supported the same way.

Yemeni women living in rural areas in Yemen are used to working everyday of their lives. They refuse to receive money they didn't earn. Some of them help men in agriculture, and even bear the greatest responsibility, including those who work in livestock breeding.

SMEPS decided to support livestock breeders to improve their livelihoods and help them maintain their income despite the current Yemeni crisis.


Conflicts caused the high incidence of diseases, death due to malnutrition, lack of health knowledge and the need for money. This directed many livestock breeders to sell their assets of sheep and goats to cover the needs and requirements to live a basic life with dignity. All this made the decision to

intervene an urgent decision and this is what SMEPS did.

SMEPS has trained livestock breeders on how to preserve assets and not to be dragged behind the asset sell-off due to circumstances. SMEPS has paid cash to rehabilitate the barns and prepare them to be ideal and appropriate. Besides the grants, SMEPS trained livestock breeders on vaccination skills to keep their sheep healthy (vaccinations, treatments, veterinary package). After the training, each livestock breeders were supported by 6 sheep (that the women picked themselves) 3-4 pregnant females, and 2-3 fattening males. Each livestock breeder also received other technical modern tools like (construction barn, repairing a barn construction feeder, construction, waterers) as well as a scale to weight the animals and roughage cutter.

SMEPS supported livestock breeders to restore their assets that they lost because of conflicts. 599 livestock breeder from Hodeidah and Hajjah are now empowered to manage their own barns, keeping an eye on all their sheep and actually generating more income. 281 extra livestock breeders from Sanaa and Dhamar are about to be supported the same way.

Indicators (%)	Past	Now	The difference	Value %
Raise in the twins rate	10.00	19.66	9.66	96.57
Reduction of abortion rate	3.00	1.31	1.69	56.30
Reducing the mortality rate	5.00	1.39	3.61	72.14

A photograph of several goats in a pen. The goats are of various colors, including white, grey, and brown. They are standing in a dirt area with some dry leaves and a metal fence visible. A text box is overlaid on the image, containing the following text:

**Thanks to the World Bank  
for funding this component,  
which helped in creating 27,248  
job opportunities in livestock  
support alone**

What is a business  
continuity plan?



**NONE-AGRICULTURE  
L I V E L I H O O D S**

---

“

**It is a plan that helps and supports small, medium, leading enterprises and companies in identifying and discovering current and future risks to prepare a plan addressing them.**

”

**FIRM LEVEL  
SUPPORT**

---

All the previous projects, wouldn't have been successful without the support of the private sector in providing tools for the farmers, fishermen and livestock breeders! This is where BRAVE project comes along. BRAVE is a private sector support project that is at the heart bridging humanitarian development work. It helps businesses in the vital sectors such as health and food to remain resilient and grow.

SMEPS is working on an emergency intervention to address economic downturns and also contribute to the recovery of private sector facilities and ensure continuity of businesses to improve livelihoods.

66% from labor force in Yemen work in the private sector and this large percentage of workers is under the threat of changing to be a parentage of an unemployment rate, therefore protecting the private sector is a must.

BRAVE started during the current crisis in response to the emergency situation in the country, and here an emergency intervention does not have to mean humanitarian aid. SMEPS believes depending on humanitarian aids completely can be detrimental if

does not link to supporting of livelihoods such as replacing lost productive assets.

Unfortunately, conflicts were a reason behind many businesses closing or selling their assets leading to an increase in poverty and destitution. Therefore, the BRAVE project focused on working in development and empowerment through improving livelihoods and economic recovery in the vital sectors. The project operates at a three-levels in helping health providers and food businesses remain resilient; 1) business continuity, 2) consulting, and 3) matchable grants. Now more people have access to improved health care services and access to food.

528 enterprises managed to overcome the crisis and improved their services.



**66%**

From labor force in Yemen work in the private sector.



**528**

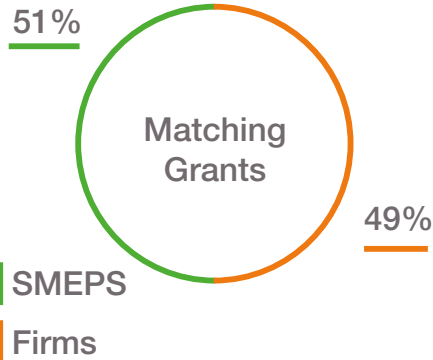
enterprises managed to overcome the crisis and improved their services.





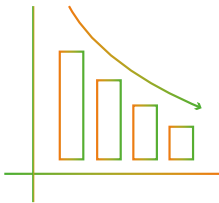
# 20%

Increase in operations for health facilities who got supported.



# 11.5%

Decrease in productivity of health facilities who did NOT receive a grant nor a training.



THE GRANT HELPED TO GROW HEALTH FACILITIES PATIENTS SERVED FROM:

**2.1 to 4.0 million people**

SMEPS through the BRAVE project is strengthening the consultancy aspect in order to raise the awareness and ability of the enterprises to understand the needs and prepare a business continuity plan to contribute to the growth of these businesses.

BRAVE matching grants are based on the principle of cost sharing with private sector enterprises and companies, to have the sense of ownership and not just a handout, it's getting them to invest in volatile times. Here the project is giving a reasons for business owners to invest in Yemen at a time when capital flight was a huge problem.

The female sector has suffered a near collapse due to the crisis, and where 42% of women owned enterprises were forced to close (SMEPS - UNDP 2015). SMEPS encouraged women to apply for BRAVE 1 project where their contribution in the matchable grants is just 40% while SMEPS pays the remaining 60%. To reach more women, SMEPS is also introducing in 2018 BRAVE Women which will support 500 business women with technical support and matchable grants to help grow their enterprises.



“

BIO move is a health compny specializing in industrial limbs. BRAVE helped them continue and open a new branch.

”

## WHY SUPPORT LEAD FIRMS?

One pharmaceutical factory can serve more than 3000 pharmacies distributed throughout the governorates of Yemen.

It achieves double the value in the value chain of the product and service, thus contributes to the circulation of money in a way that restores the balance of small enterprises and value chains.

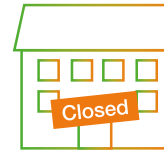
As a result of hard work and efforts, BRAVE 1 achieved great success and led to the introducing of BRAVE 2 that will continue the support of the private sector at this stage and will directly support lead firms to expand the number of beneficiaries in vital sectors.

## LEAD FIRMS EXAMPLE



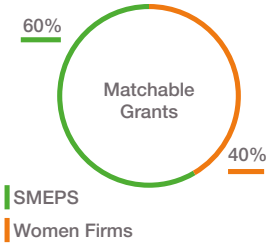
Can you imagine a women living in a rural area having an asthma during giving birth to her newly born child without finding appropriate help?

The above was a case faced by one of our mid-wives who was supported with an oxygen cylinder and was able to save a LIFE!



**42%**

of women owned enterprises were forced to close



In 2018, SMEPS supported:



**336**

clinics/centers



**18**

lead firms



From **2.1** To **4.0**

patients served after private health sector support

In the health sector, for example, our control group found that health facilities that did not have the opportunity to be trained or receive a grant reduced the number of their operations by 11.5%, unlike those who benefited from the project whose operations grew by 20%. Hospitals, and clinics that received training and a grant helped to grow their patiente served from 2.1 million to 4.0 million people.

Health was a new journey SMEPS decided to take in supporting health private sector in Yemen. In BRAVE 1 almost 60% of the beneficiaries were from the private health sector which reflected positively in the whole sector serving thousands of patients with better health services quality.

This health sector support was designed to ensure the ability of health facilities to withstand and continue generating jobs and providing high quality health services to the local community in light of the current situation in rural and urban areas in 6 different governates (Sana'a, Aden, Abyan, Ibb, Hadhramout, and Dhamar).

SMEPS through private sector health support aimed to support midwives, micro-health providers and lead firms. The total number of 336 supported clin-

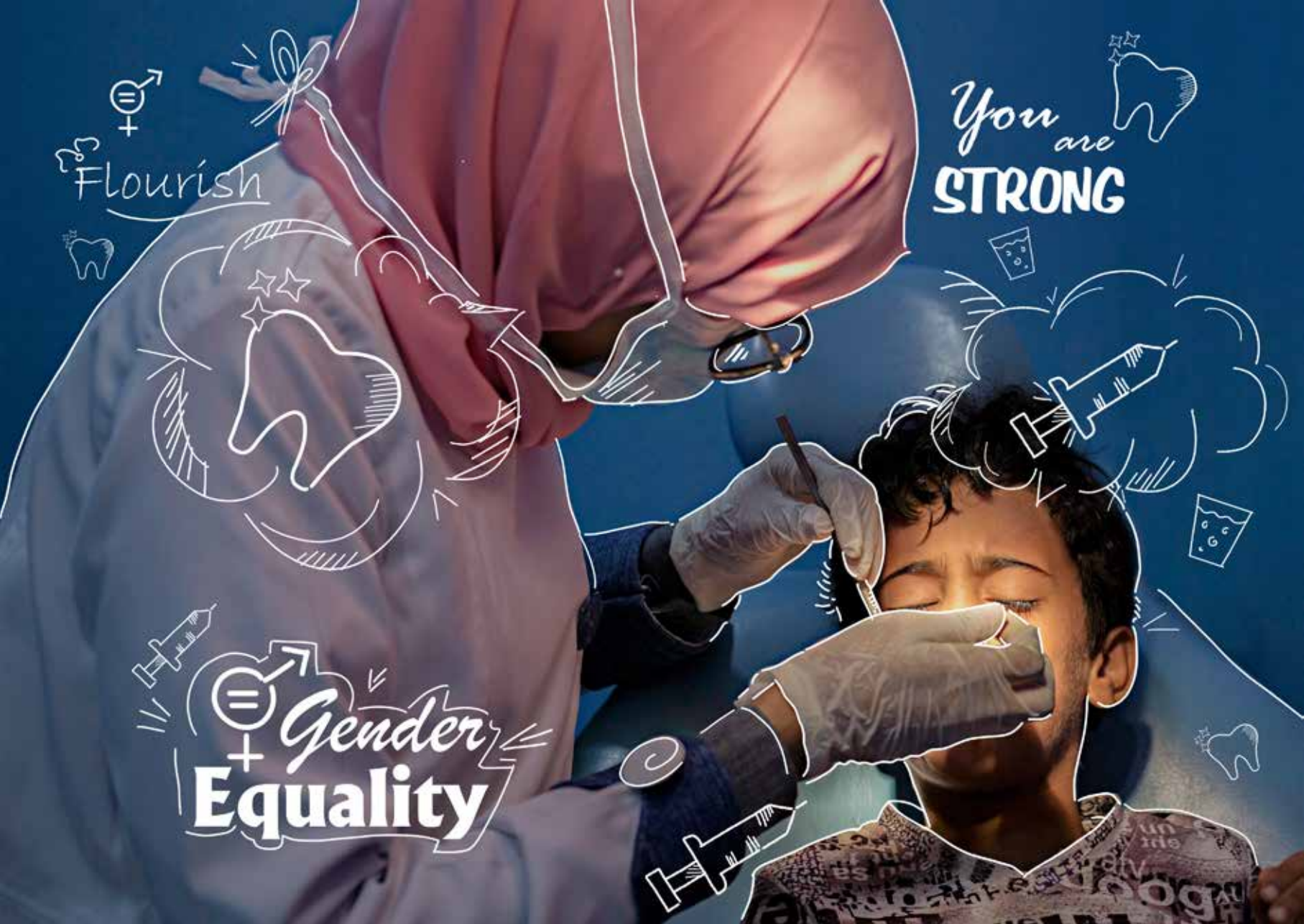
ics/centers in addition to 12 lead firms. Most midwives supported live in rural areas, and supporting them to continue is crucial as they are the "911" to most of the patients living there. SMEPS health intervention proved that supporting health private sector can be the reason behind saving lives, especially newly born children.

The total number of 492 beneficiaries prepared a business continuity plan to study their priority needs of equipment's and tools to help them in giving a better health services. During the process, many clinics introduced modern devices which helped in improving their service and created at least 1 job opportunity in each clinic.

An important point that needs to be highlighted is the number of patients served after the intervention. Before SMEPS private health sector support, an average of 2.1 patients were served, but now the number has increased to 4.0 patients due to improved health services quality and expanding the working hours.

A woman wearing a white lab coat and a black hijab is working in a laboratory. She is leaning over a wooden table, handling a sample wrapped in aluminum foil. In the foreground, there is a digital scale with a white display. The background shows a window with a wooden frame and some laboratory equipment. A semi-transparent text box with a green border is overlaid on the image.

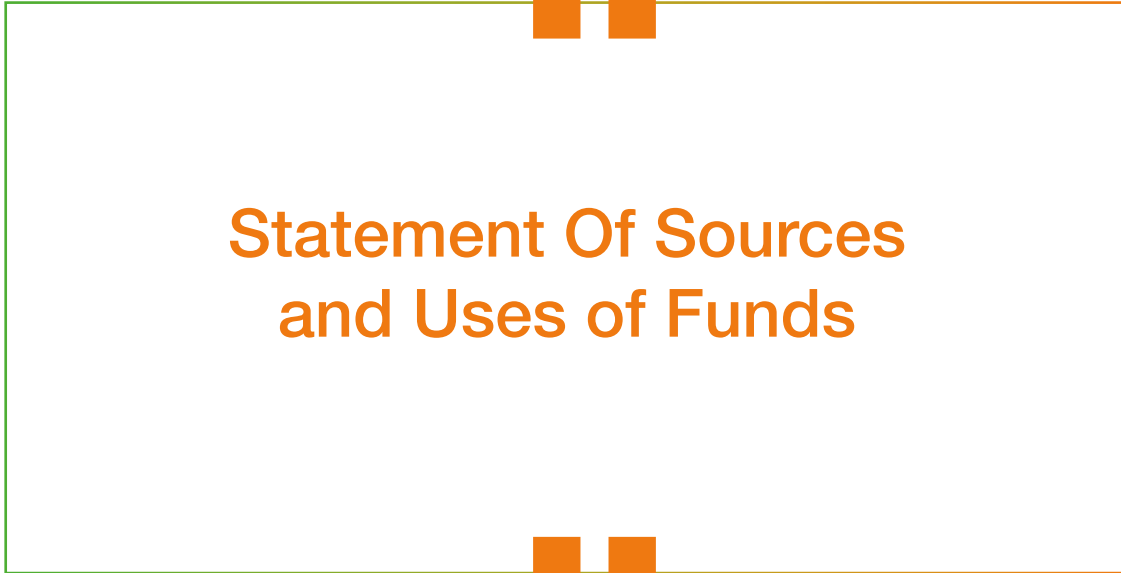
**Thanks to the ICD, IsDB and  
USAID for helping us  
supporting the private sector  
be resilient and grow in all it's  
vital sectors.**



♀  
Flourish

You are  
**STRONG**

♂  
Gender  
Equality



**Statement Of Sources  
and Uses of Funds**



**2017 - 2018**



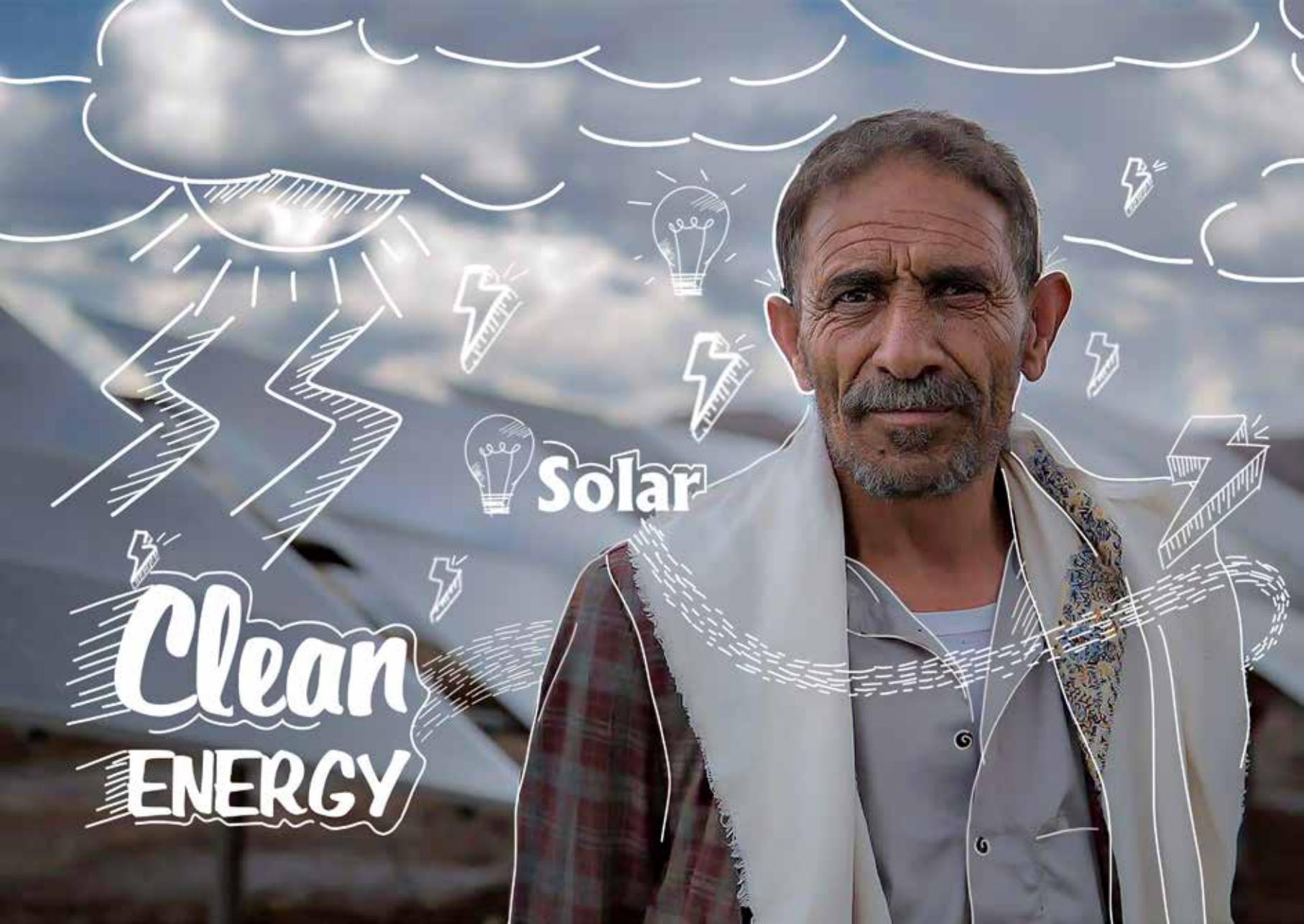


## Ended December 31,2017

	<b>2017</b>	<b>2016</b>	<b>Total Cumulative up to December 31,2017</b>
	USD	USD	USD
Sources Of Funds	<b>(5,833,614.24)</b>	<b>(2,674,450.75)</b>	<b>(25,933,376.80)</b>
Funds Returned To Donor	<b>64,160.08</b>	<b>574,808.27</b>	<b>1,238,090.32</b>
	<b>(5,769,454.16)</b>	<b>(2,099,642.48)</b>	<b>(24,695,286.48)</b>
Refunded Expenses			<b>(62,919.70)</b>
Other Funds	<b>(23,885.71)</b>	<b>(32,240.90)</b>	<b>(282,983.32)</b>
<b>Total Sources Of Funds</b>	<b>(5,793,339.87)</b>	<b>(2,131,883.38)</b>	<b>(25,041,189.50)</b>
Uses of Funds	<b>4,237,316.81</b>	<b>1,713,936.18</b>	<b>21,577,241.72</b>
<b>Total Uses Of Funds</b>	<b>4,237,316.81</b>	<b>1,713,936.18</b>	<b>21,577,241.72</b>

## Ended December 31,2018

	<b>2018</b>	<b>2017</b>	<b>Total Cumulative up to December 31,2018</b>
	USD	USD	USD
Sources Of Funds	<b>(11,452,286.75)</b>	<b>(5,833,614.24)</b>	<b>(37,385,663.55)</b>
Funds Returned To Donor	<b>356,500.73</b>	<b>64,160.08</b>	<b>1,594,591.05</b>
	<b>(11,095,786.02)</b>	<b>(5,769,454.16)</b>	<b>(35,791,072.50)</b>
Refunded Expenses			
Other Funds	<b>(212.48)</b>	<b>(23,885.71)</b>	<b>(283,195.80)</b>
Total Sources Of Funds	<b>(11,095,998.50)</b>	<b>(5,793,339.87)</b>	<b>(36,074,268.30)</b>
Uses of Funds	<b>11,416,876.03</b>	<b>4,237,316.81</b>	<b>32,994,117.75</b>
Total Uses Of Funds	<b>11,416,876.03</b>	<b>4,237,316.81</b>	<b>32,994,117.75</b>



Solar

Clean  
ENERGY

**Feel free to contact us with questions, partnership proposals, media inquiries, or just to say “hi.” on**

**Communication, Partnership & Knowledge Team**

**communication@smeps.org.ye**

**Faizah Al-Sulimani**

**Communication, Partnership & Knowledge Manger**

**fsulimani@smeps.org.ye**

You can make it

Zero Hunger

You are STRONG

Clean ENERGY

Security

Yemeni Famous Coffee

POVERTY

WOW! Delicious

Diginty

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@SMEPSYEMEN

Gender Equality

Solar

Best Coffee EVER!