DRAFT

Yemen

YOUTH ECONOMIC EMPOWERMENT PROJECT

PARTICIPATORY MARKET AND TRAINING NEEDS ASSESSMENT

Conducted for UNDP/Yemen by:

Gemunu Wijesena, Khaled Hamid and Moneer Saif

November, 2012

TABLE OF CONTENTS

List of Acronyms/Abbreviations

Aquaculture Research Centre	ARC
Bachelor of Arts	BA
Business Edge	BE
Chamber of Commerce and Industry	CCI
Cooperation Council for the Arab States of the Gulf	GCC
Credit Information Bureau	CRIB
European Union	EU
Focused Group Discussions	FGD
General Investment Authority	GIA
Gross Domestic Production	GDP
Human Resource	HR
Information Technology	IT
International Finance Corporation	IFC
International Labour Organization	ILO
Kingdom of Saudi Arabia	KSA
Know About Business	KAB
Master of Arts	MA
Micro and Small Enterprise	MSE
Micro Finance	MF
Micro Finance Institute	MFI
Micro Small and Medium Enterprise	MSME
Middle East and North African	MENA
Ministry of Planning and International Cooperation	MoPIC
Ministry of Technical Education and Vocational Training	MTEVT
Non-Government Organization	NGO
On-the Job Training	OJT
Small and Medium Industries	SMI
Small Enterprise Development Fund	SEDF
Small Micro Enterprise Promotion Service	SMEPS
Social Fund for Development	SFD
Technical Education and Vocational Training	TEVT
Training Needs Assessment	TNA
United Nations Development Programme	UNDP
United State Dollars	USD
Value Chain	VC
Value Chain Development	VCD
Vocational Training	VT
Youth Economic Empowerment	YEE

PARTICIPATORY MARKET AND TRAINING NEEDS ASSESSMENT

EXECUTIVE SUMMARY

Background and the Purpose:

This is the report on the Participatory Market and Training Needs Assessment of the Youth Economic Empowerment (YEE) project of the United Nations Development Programme (UNDP) of Yemen. The project covers three governorates, Sana'a, Taiz and Aden, and aims to socially and economically empower disadvantaged youth and women in market oriented technical, entrepreneurial and managerial skills, confidence building and empowering skills necessary to improve their access to productive resources and sustainable earning potential.

The Objectives of this Participatory Market and Training Needs Assessment as stated in the Terms of Reference were to:

I. Identify market opportunities and training needs with the active participation of key stakeholders, communities and the potential target group.
II. Recommend the most feasible and profitable economic activities that could be promoted including related capacity building interventions required by the target group.
III. Validate the findings of the market and training needs assessment through organizing a *Market Validation Workshop* with stakeholders.

Methodology:

This assessment was conducted by one International consultant and two Yemeni consultants supported by the project staff over an eight week period starting from last week of September 2012. The methodology of the assessment consists with six steps covering a desk research, a field research and two stakeholder workshops. The assessment team spent the first few days in Sana'a meeting with key informants and reviewing relevant materials, then, a stakeholder consultation workshop was conducted on October 9th with the participation of about 35 key stakeholders to short list the potential promising sectors and to get a first picture of the economic opportunities and key constraints. The team conducted over 45 interviews with stakeholders and relevant target groups, and 10 Focused Group Discussions (FGD) with unemployed youths and value chain actors of the selected sectors covering all three governorates. The findings were presented in a market validation workshop on November 20, 2012 in Sana'a to a group of about 40 stakeholders to get their feedback and suggestions, which were incorporated into this report.

Findings:

The unemployment among youth is very high, it is 52.9% among 15-24 age group, and 44.4% among 25-59 years group. The private sector doesn't have enough capacity to absorb the inflow of youth into the labour market, uncertain security situation, corruption and poor infrastructure, especially the electricity supply considered as key constraints for the growth of private sector. However, some economic sectors, such as construction, health, education and few other sectors including agriculture & livestock have shown a substantial growth over the recent years. These sectors and sub-sectors open quite a number of feasible and profitable market opportunities for wage employment as well as for self-employment and venturing into own enterprises. However, the majority of unemployed youths do not possess the skills and knowledge base required to meet the demands of these potential growth sectors within Yemen or the skilled labor needs of the wider Gulf region.

Agriculture (vegetable sub-sector), fisheries, poultry (broiler farming), handicraft, education, and entertainment sectors are main promising economic sectors with feasible market opportunities in the selected governorates. The construction sector, trading sector and health sector indicate promising opportunities for promoting wage employment. Proposed key interventions under selected sectors / sub-sectors are summarized below.

- Vegetable sector: Introduce low-cost greenhouse technology for vegetable cultivation and improved practices for minimizing post-harvest losses.
- Broiler farming: Facilitate setting up of out-grower / buy-back system for starting small scale broiler farming.
- Fisheries sector: Develop the capacity of Fisheries Associations and introduce modern technologies and promote the quality concern among the actors.
- Bee keeping: Facilitate business/entrepreneurship training, with particular focus on promoting business attitudes.
- Food processing sector: Facilitate entrepreneurship development and technology transfer programme for improving the quality and productivity of businesses in the food processing sector.

- Handicraft sector: organize producer clusters, develop their capacity and link with SMEPS to produce the required products for the export order under sub-contract system.
- Education sector: Promote unemployed English / Computer graduates to self-employment as private English/Computer trainers to run individual / group classes (home visits).
- Entertainment sector: Promote musical, dancing, DJ, Karaoke services, and such events & indoor shows exclusively for women under the theme of "Ladies only".
- Construction sector: Expand the availability and accessibility to demand driven VT courses to produce high quality skilled workers for the construction sector
- Health sector: Facilitate the establishment of training institutes by private sector to train required skilled workers for the health sector and facilitate designing and introduction of training courses to train Admin staff for health sector.
- Wage employment opportunities in the local business sector: Develop the capacity of Chamber of Commerce and Industry to facilitate employment in local business establishments, paarticularly for slaes staff and administrative staff, and for internships and apprentice training.

The findings of the TNA prove the mismatch between the demand for and supply of skills training, there is no proper link between VT providers and the private sector. The Ministry of Technical Education and Vocational Training should take corrective actions to develop and reform skills training sector to meet the market requirements in long term. Meanwhile, there are some opportunities that can be taken up by the YEE project and its stakeholders to fill the skills gap needed for realizing the market opportunities identified in short and medium term. Proposed interventions include short training on;

- leadership / personal skills focus on making unemployed youths to be; proactive, independent, results oriented, team workers, self-confidence and responsible
- Technical skills required to be competent sellers, Admin Assistants, Book keepers, and Account Assistants in private sector establishments mainly in the trading sector and Administrative skills for the health sector businesses.

Traditional family restrictions on the mobility of young females, gender biased social perceptions, and the limited availability (or lack) of employment and gender sensitive training courses have constrained women in getting benefitted from the available market opportunities.

Recommendations:

Recommendations for UNDP/YEE project and for its stakeholders in realizing the identified market opportunities for promoting employment and self-employment for unemployed youths and women are summarized below;

1. Conduct two more market validation workshops for stakeholders in Taiz and Aden governorates
2. Develop detailed intervention framework and action plan together with interested partners
3. Implement proposed interventions, including the capacity development and improvements in the service delivery by the implementing partners
4. Facilitate network linkages with relevant government authorities, and relevant representatives of national agencies and ministries
5. Assist VT providers to link with the industry, get private sector involved in curriculum development, training delivery, providing practical /OJT, and particularly, in assessing the performance of trainees at the end of the training courses.
6. Develop the capacity of Chamber of Commerce and Industry (CCI) to link the target group with large scale companies for apprentice, internship and for on-the-job skills development in demanding areas
7. Develop the technical capacity of few selected job placement and career guidance service providers to design and implement more market driven and result oriented service, and facilitate linking them with the private sector.
8. Design and implement a broader social marketing campaign for improving the self-confidence, positive attitudes and to make the target group more pro-active
9. Take immediate actions to exploit the opportunities for collaborating with Sanabani poultry farm, Hyel Saeed Group and yemenhr.com for facilitating and providing skills training and employment opportunities for the target group
10. Implement a value chain development programme for the most priority sectors identified, specially for the vegetable and fisheries value chains.

1. INTRODUCTION:

1.1. PARTICIPATORY MARKET AND TRAINING NEEDS ASSESSMENT

The Pro-poor Youth Economic Empowerment in Yemen project of the United Nations Development Programme (UNDP) aims to socially and economically empower disadvantaged youth and women in market oriented technical, entrepreneurial and managerial skills, confidence building and empowering skills necessary to improve their access to productive resources and sustainable earning potential. The project resort under the Ministry of Planning and International Cooperation (MoPIC), and will involve in strategic partnerships with local authorities, NGOs, private sector and other relevant institutions, particularly in the fields of technical, vocational and management training institutes and chambers of commerce and industry and other business associations.

The Youth Employment project applies a comprehensive, market driven and gender responsive participatory strategy in implementing the project, and covers Sana'a, Taiz and Aden governorates on Republic of Yemen.
As an initial step, the project commissioned a Participatory Market and Training Needs Assessment (TNA) by contracting an International Consultant and two Local Consultants to assess the market with the support of the assigned project staff. The assessment began in late September 2012, and completed at end November 2012. This report summarizes the process adapted, key findings and proposed interventions that would contribute to achieve objectives of the Youth Economic Empowerment project.

1.2. OBJECTIVES OF THE ASSESSMENT

The main objectives of the participatory market and training needs assessment are to:

I. Identify feasible and profitable market opportunities for creating economic and employment opportunities for disadvantaged youth and women
II. Recommend the most feasible and profitable economic activities that could be immediately promoted

III. Identify skills and other training needs of the target groups for wage employment as well as for venturing into own enterprises / self-employment

IV. Identify skills and other training opportunities including, internship/ apprenticeship and on-the-job training opportunities

V. Identify possible collaborations with stakeholders

VI. Assess gender specific constraints in access to skills and other training

1.3. METHODOLOGY

In order to systematically identify market opportunities and training needs, the assessment team adapted the assessment tools applicable within local context and the timeframe. The research process is illustrated in the figure-1.3-a below.

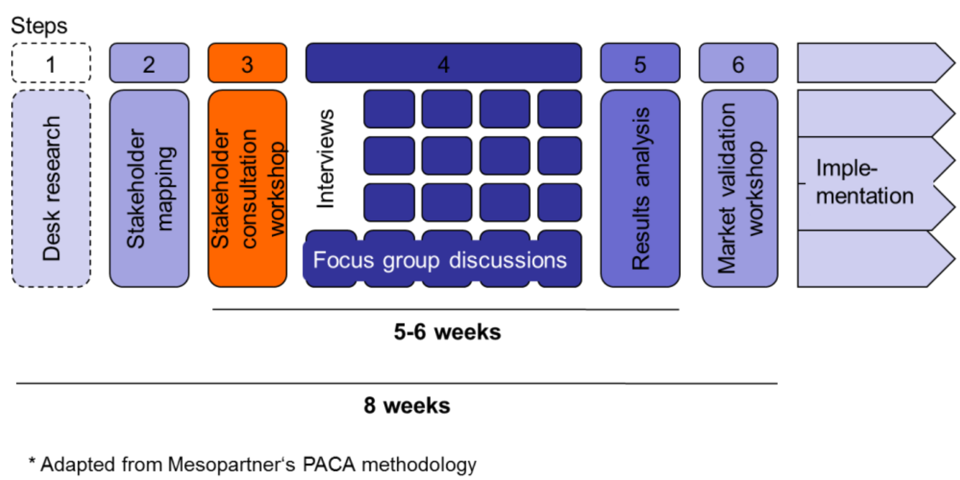


Figure-1.3-a: Research process

Firstly, through a review of secondary sources and with the local knowledge of the national consultants and the project team, develop a list of potential stakeholders. Then the team conducted few key informant interviews to develop a comprehensive list of stakeholders and a long list of potential promising sectors or sub-sectors.

Secondly, the team conducted a stakeholder consultation workshop with participation of 35 stakeholders comprising representation from public, private and

NOG sectors involved in enterprise development, skills training and employment generation. The workshop served the following purposes;

- Inform relevant stakeholders about the initiative and seek their support
- Verify the initial information colleted through desk research and from key infomants, and short-list the potentail secotrs
- Get a first picture of promising sectors, opportunities, constraints and possible solutions
- Identify potential employment categories for skills development
- Facilitate networking among the participating stakeholders

The criteria used in short-listing the sectors/sub-sectors is illustrated in the Figure-1.3-b: below.

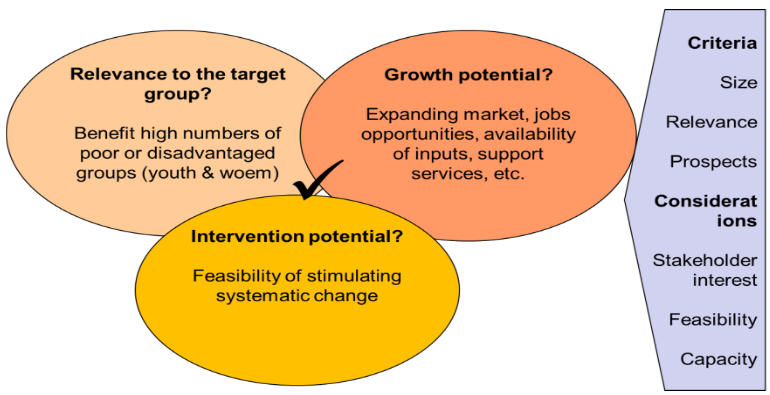


Figure-1.3-b:Sector selection criteria

Identification of opportunities and constraints of the value chains of the shortlisted sectors/sub-sectors were done though participatory brainstorming techniques.

Then, the assessment team implemented the field research comprised with individual interviews and focus group discussions with relevant stakeholders and the target groups. Summary of total exploration is given below;

- Desk research / review of secondary information
- Initial meetings with key informants 10
- Stakeholder consultation workshop- 01
- Focus Group Discussions 10
- Interviews (Sana'a, Taiz & Aden) 45
- Results analysis workshop 01
- Market validation workshop 01

The data analysis was done using the market system approach and through identification of root causes through cause and effect method. A copy of market system diagram is illustrated below.

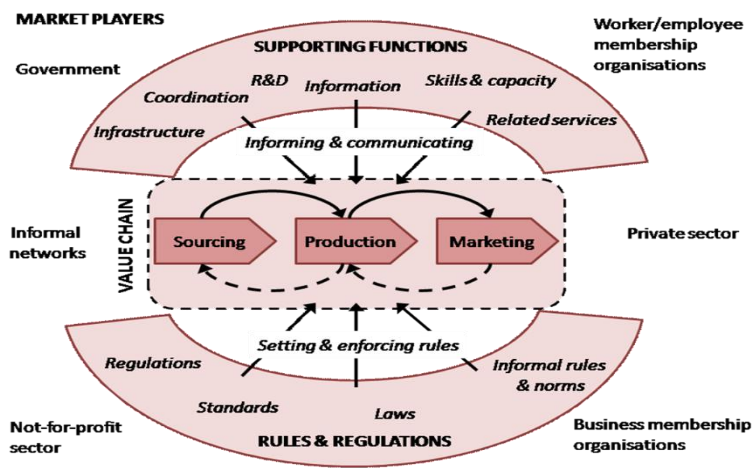


Figure 1.3-c: Market system

2. BACKGROUND:

2.1. MACRO-ECONOMIC SITUATION

Yemen is one of the poorest countries in the Arab region ranking 154 of 187 in Human development Index (UNDP, 2011) with a 3 percent population growth rate, considered to be one of the highest in the region and the world. The population is widely dispersed (75% residing in rural parts) confronted with high rates of unemployment (47%), poverty (42.9%) and food insecurity (32%). In addition, the country has limited natural resources, most notably scarcity of water and limited arable land (2.91% of total land area), and the country's oil reserves, principle source of national revenue, are on continuing decline.

It is reported that, the unemployment among 15-24 age group is 52.9%, and 44.4% among 25-59 years group. Yemeni official institute and universities graduate over 180,000 graduates per year, while the public and mixed centers can hold only 16,000 job seekers. The education system is not sufficiently preparing young people for the labour market, TVET institutions only absorb 2 - 3 per cent of each annual cohort in upper secondary education. The investment climate is still weak, according to the detailed report released by Yemen's General Authority in 2011, Yemen's investment projects has declined by 40.8% between 2010 and 2011 as a result of the political crisis. The report cited 97 investment projects in 2011, compared with 164 investment projects in 2010. According to the Doing Business in Yemen 2012 report of International Finance Corporation (IFC), the ease of doing business index rank of Yemen is 99 out of 183 countries, it has been 94 in 2011, ease of Getting credit rank 139 in 2011 and it's 159 in 2012. Yemen is ranked 13th out of 17 countries in the Middle East/North Africa region. Electricity, corruption and uncertain security situation ranked as the main bottlenecks for investments.

However, some economic sectors, such as construction, health and education have showed a substantial growth over the recent years. Country has attracted lots of donor support in socio economic development arena, there is large number of NGOs and substantial number of development projects operating on MSME development, poverty reduction and employment generations. Further, there are numerous untapped market opportunities, particularly for micro and small enterprise sector, and to improve the employability of unemployed youths and women.

2.2. *PROFILE OF SELECTED GOVERNORATES*

This sub-chapter highlights the key demographic features and the broader economic potential of the three selected governorates , Sana'a, Taiz and Aden, covered under the Youth Economic Empowerment project of the UNDP. Key demographic and economic features of the three governorates summarized in the Table 2.2 below, followed by brief overview of relevant governorates.

Numbers in thousands

Indicators	Sana'a	Taiz	Aden
1. Total population[1]	3,262	2,885	731
2. Male[1]	1,757	1,379	390
3. Female	1,506	1,505	341
4. Youth (15-34)[2]	1,214	1,084	258
5. Urban[1]	2,134	646	731
6. Rural	1,128	2,239	0

[1] CSO Year Book 2011

[2] CSO Governorates Statistics2007, take the group percent of total population in 2007 then multiplied in CSO population 2011

Indicators	Sana'a	Taiz	Aden
7. Unemployment[3]	25%	23%	31%
8. Poverty[4]	21%	38%	17%
9. Specific comparative / competitive advantages	Capital city, National heritage Centre, Weather	Close to two ports, Continues rain falls	Port city, Wide open land for trade and shipments
10. Main economic sectors	Agriculture, industries, Trade, Services, Poultry ,Construction	Agriculture, Industry, Trade, Poultry …	Fisheries, trade, …

Table 2.2: Key demographic and economic features of the three governorates

2.2.1. Sana'a

The political importance of Sana'a as the capital of Yemen, its stable weather around the year and its opulence of historically cultural heritage have enable the enjoyment of better standards of living compared the other governorates. The population of Sana'a; City and governorate, is 3,262 million inhabitants5in 2011 with distribution of about 54% males and 46% females. Since Sana'a has been a home for 30%6 of the country urban population with rapid growth rate of 5.6% during(1994-2004)6, the share of its urban population is 65% while 35% live in the rural areas of Sana'a governorate. Likewise the national figures, the youth population that aged between 15 to 34 years in Sana'a account for 37% of its population in 20117.The characteristics the better employment opportunities in Sana'a where the headquarters of government bodies and private sector entities might be the reason for its high persistence poverty and unemployment situation. Unemployment in Sana'a cover 30% of the labor force and still correlated with poverty incidence as around 21% of its population . The reason is that Sana'a is the most attractive city for job seekers of other governorates. The economy of Sana'a is wide with strong resources promising for future employment space. Sana'a is the center for national and foreign private companies, formal sector services, industries and financial sector activities. It has its advantages as historical tourism features and traditional handicrafts industries. The construction sector has witness enormous expansion in Sana'a during the last years in addition to the huge expansion of informal businesses in commerce and services.

[3] For Sana'a(City Development Strategy (CDS),the others UNDP,EMPLOYMENT,AND INCOME,1998-200
[4] Poverty assessment report 2007
[5] CSO year book 2010
[6] Sana'a A City Development Strategy
7 SCO year book 2011 with share% estimated of the governorates statistics of CSO2007

2.2.2. Taiz

With a population of 2.885 million in 2011, Taiz maintains about 13.9% of the total Yemen population growing in average by 4% annually. While females occupy a larger share of about 52% of the population only 48% are males. Furthermore,78% of the population lives in the rural areas of the governorate, only 22% live in Taiz city. Similarly, more than 38 percent of the population is youth with 15-34 years ages. As a result of the large population concentration in the rural areas, the average poverty rate in Taiz is 38% and higher within the rural areas of 42%.According to 2006 statistics the average unemployment rate is 23% but still higher for women. The economy of Taiz is diversified to be an industrial, commercial and agricultural economy for several unique features. Agriculture sector is the main sector in Taiz as there is variation of land bases and continues rainfall weather that provide a great base for different agricultural output. There is an actual and scope for small businesses establishments and potential work opportunities in the agricultural processing industry. The high and growing population of Taiz that must be translated to more demand for commercial goods. It worth mentioning that Taiz is the central base for largest industrial factories in the country in addition to its location near to Yemen largest seaports, Aden and Al Hodeida that facilitate its commercial activities.

2.2.3. Aden

Aden, the commercial gate of Yemen, is one of the oldest international trading sea routs. Aden is a totally urbanism governorate with731 thousands inhabitants. The gender classification of Aden population is distributed to 53% males and 47% females. Aden youth population between ages 15 to 34 years old occupy 35% of the total population. Basically as a result of the Pre unification regime, Aden's population suffer high levels of unemployment as the rate is 31% while only 17% of Aden population live in poverty[8]. Aden has enormous comparative economic advantages. Aden is one of the best trading stations in the world with its protected location and deep water that is only 4 miles of the international shipping route. Aden has also a wide land for industrial and commercial activities in free zone activities. With those characteristics, there is a great prosperity for Aden to lead development in the industrial, Commercial and tourism sectors.

8 Aden local Development Strategies

3. PROMISING ECONOMIC SECTORS AND MARKET OPPORTUNITIES

3.1. PROMISING SECTORS:

The initial mapping of promising sectors results a long-list of 40 sectors/sub-sectors, it was narrowed down to 10 sectors through the brainstorming conducted in the stakeholder consultation workshop using the selection criteria given under the methodology. However, three of sectors selected were dropped out during the field research as they were found not feasible, and added two new sub-sectors, which found highly promising. List of short-listed sectors given in the Table -3.1 below.

Promising sectors/ sub-sectors with market opportunities	Sana'a	Taiz	Aden
For promoting micro/small enterprises:			
1. Vegetable Farming for export & high end markets	✓	✓	
2. Poultry (Broiler) Farming	✓	✓	
3. Fisheries sector (fishing, fish processing, other related services, etc.)			✓
4. Bee keeping		✓	
5. Food processing (snacks, milk products, jam/chutney/sauce, etc.)	✓	✓	✓
6. Handicraft	✓	✓	
7. Dress making / tailoring	Dropped out during the field research, as found not feasible		
8. Plastic recycling	Do		
9. Stone / Marble and similar resources based sector	Do		
10. Education sector	✓	✓	✓
11. Entertainment sector	✓	✓	✓
For promoting paid employment:			
1. Construction sector	✓	✓	✓
2. Health sector	✓	✓	✓
3. Local private sector (mostly trade)	✓	✓	

Table 3.1: short-listed sectors

3.2. PROMISING SECTORS WITH MARKET OPPORTUNITIES TO PROMOTE MSEs

3.2.1. Vegetable Farming for export & high end markets

Agriculture sector represents one of the most promising in view of the potential in terms of production and market opportunities, both domestically and on foreign markets9. The sector accounts for 54% of employment and contribute 17.5 percent to the GDP[10]. Yemen has a large population and high population growth rate, likely to double within twenty years. The domestic market for agricultural commodities will therefore expand rapidly. The sector has showed average annual growth of 7.5 from 2006 to 2009 period.

Vegetable, fruits, coffee and qat are among the main agriculture crops. The vegetable sub-sector shows high potential for creating employment and livelihood specially for the rural community. Tomato, onion, cucumber, potato and bell-pepper are among the most demanding vegetables. Yemeni families are avid consumers of tomatoes and eat on average a kilo per day. Yemen exports tomatoes to other countries – mainly Saudi Arabia.

Ali Al-Junaid, General Manager of Planning and Monitoring and Evaluation of the Ministry of Agriculture said that Yemen exports 30 percent of its agricultural produce to the Kingdom.
"In the last three months our exports to Saudi Arabia were less than usual because many farmers stopped working so produced less – and also because the local prices increased and so farmers preferred to sell locally," said Al-Junaid. At a wholesale market in Qa'a Jahran, Ma'abar, farmers auction their produce by the truckload where a 20-kilo crate is eventually sold for between YR 9,000 to YR 12,000 (between USD 35 and USD 50).

Published on 11 February 2012 in Business, by Marwa Najmaldeen

Official reports from the Ministry of Agriculture state that tomato farming does not exceed one percent of the total agricultural produce in Yemen. According to 2010 reports, Yemen produced over a million tons of vegetables in that year – around 262 thousand tons of which were tomatoes. This situation seemed very much similar with onion and potato as well.

Main constraints:

[9] Promising sectors in Yemen, GTZ, 2008
[10] National Agriculture sector strategy, Ministry of Agriculture, 2012

- Water scarcity, depletion of ground water especially in the Western governorates, half of cultivated area is rain fed and vulnerable to rainfall conditions11, and lack of irrigation infrastructure
- High cost of pumping water due to increased fuel prices
- Inappropriate inputs, using low-quality and low-productivity seeds, limited access to improved suitable varieties
- Dominant traditional agriculture techniques, low yields and low productivity
- High post-harvest losses due to poor harvesting techniques (rough handling, poor packaging and poor transport practices) and lack of quality control
- Weak farmer organization, no organized marketing and lack of coordination between production and marketing
- Lack of business information on domestic and foreign markets
- Shortages of extension services, limited research and other services
- Weak agriculture credit (availability of agriculture credit falls to $30/hectare)
- Lack of quality and safety standards

The main constraints in the vegetable sub-sector are illustrated in the figure-3.2.1 below according to the market system.

[11] Promising sectors in Yemen, GTZ, 2008

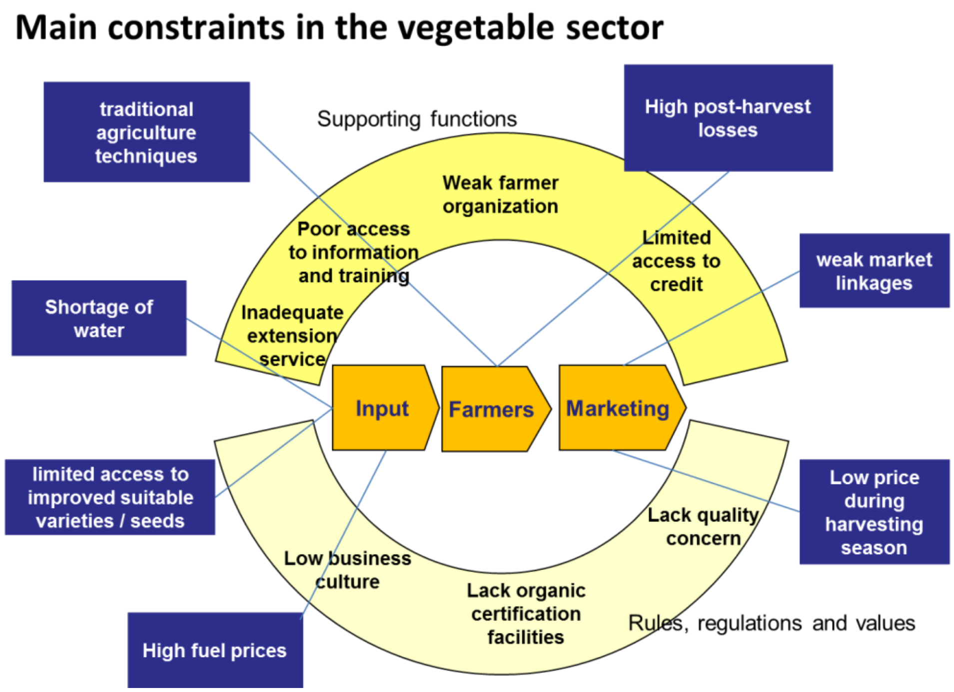


Figure 3.2.1-a: Main constraints in the vegetable sector

Suggested solutions / intervention areas

i. **Improve the access to high yielding and drought resistant varieties**: facilitate coordination among agriculture research centers, seed suppliers and farmer organizations, and promote seed production farms.

ii. **Introduce low cost green-house technology**: facilitate establishment of model farms using low cost green-house technology in collaboration with private sector.

iii. **Introduce improved post-harvest practices**: Train farmers on use of appropriate post-harvest practices in collaboration with post-harvest technology institute, Agriculture University, private sector (exporters, crate suppliers, super markets, etc.) and link farmers with high-end market such as super markets and exporters.

iv. **Develop the capacity of farmer organization**: build the capacity of farmer organizations to improve the access to inputs, market information, coordinate extension services, and to facilitate market linkages for their membership.

A business model that can be applied in implementing the proposed interventions is illustrated below.

Introduction of low-cost Greenhouse technology for vegetable farming - *sample business model*

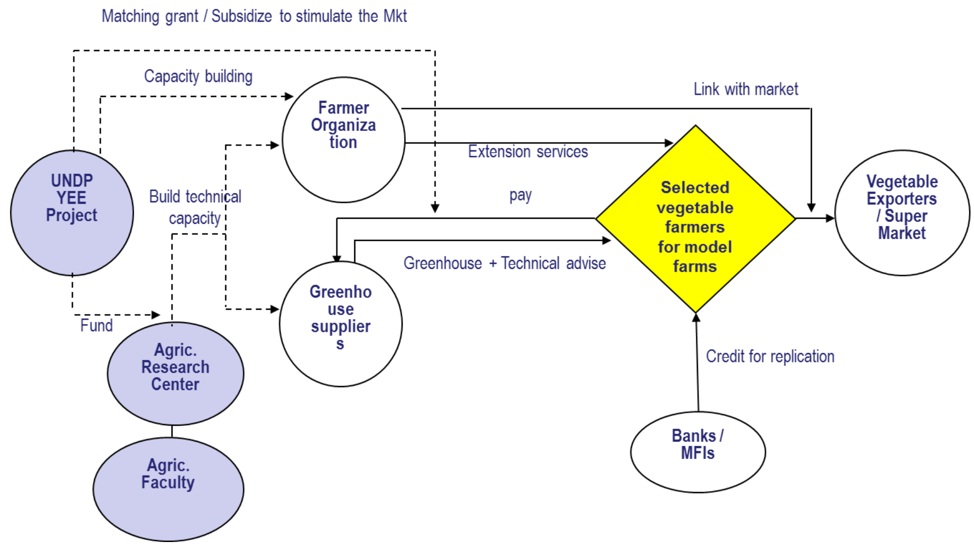


Figure 3.2.1-b: Business model to introduce low-cost greenhouse technology

3.2.2. Poultry (Broiler) Farming

The average annual growth rate in the poultry production has been about 7%12 caused by increasing demand for poultry meat, which is less expensive than red meat. Poultry sector supplies 67.7 % of the country's meat consumption. The local poultry production covered 56.4 %[13] of the needs and the rest is imported as frozen chickens. The demand for local chicken is higher though the price of imported chicken is little less.

Yemen is fully self-sufficient in eggs. There are 1566 poultry commercial farms with 3282 sheds, 14 hatcheries, 62 feed mills and one manufacturer producing veterinary drugs and disinpectants[12]. Taiz and Sana'a accounts for the second and third place of the production share, production figures of the main producer governorates are given in the table below.

Governorate	No. of farms	No. of sheds				Share of production
		Breeder Layers	Breeder Broiler	Layers	Broiler	
Ibb	274	8	24	258	273	17.15
Taiz	267	-	61	63	383	15.44
Sana'a	209	-	45	80	338	14.10

[12] Poultry sector country review, FAO - 2008
[13] National Agriculture sector strategy, Ministry of Agriculture, 2012

Sadah	74	-	-	5	359	11.00
Dhamar	256	4	60	107	180	10.70
Amran	221	-	19	6	282	09.40

Source: commercial poultry farm survey 2006

Table 3.2.2-a: Main Broiler producing governorates

Majority are small producer farmers, rearing less than 10,000 broiler birds, accounts for 30 percent of poultry meat (broilers) production. Some small scale farmers as well as medium scale farmers practice out-grower system at very limited scale, and have high potential for expanding it. The sector has built up its own veterinary service, where the big company/big farmers provide the farmers with one – day old chicks and also supply them with feed, vaccines and needed drugs.

Main constraints

- High prices of the poultry inputs, almost all ingredients needed for poultry feed are imported
- Limited availability of poultry inputs in rural areas
- Poor access to information and training
- Limited government support, particularly the extension service
- Weak access to credit / Micro Finance
- Lack of legislation and system to ensure the quality of poultry inputs as well as of the hygiene and the quality of chicken.

The main constraints in the poultry farming sub-sector are illustrated in the figure 3.2.2-a below according to the market system.

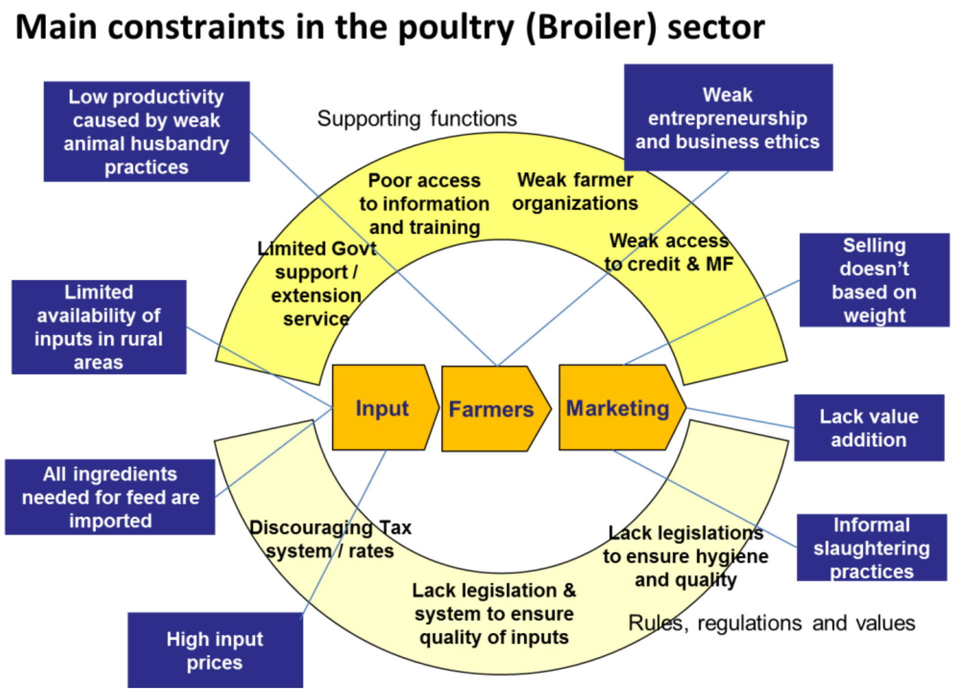


Figure 3.2.2-a: Main constraints in the poultry (Broiler) sector

Solutions / intervention areas

i. **Introduce and facilitate setting up of out-grower / buy-back system**: facilitate setting up of out-grower system for broiler farming with large and medium scale broiler farms.

ii. **Facilitate access to information, training on broiler farming and business training**: Provide entrepreneurship / business training and training on broiler farming to interested farmers to start out-grower broiler farms.

iii. **Develop the capacity of farmer organization:** build the capacity of farmer organizations to improve the access to inputs, market information, coordinate extension services, and to facilitate out-grower farming for their membership.

A business model that can be applied in implementing the proposed interventions in promoting broiler farming is illustrated below.

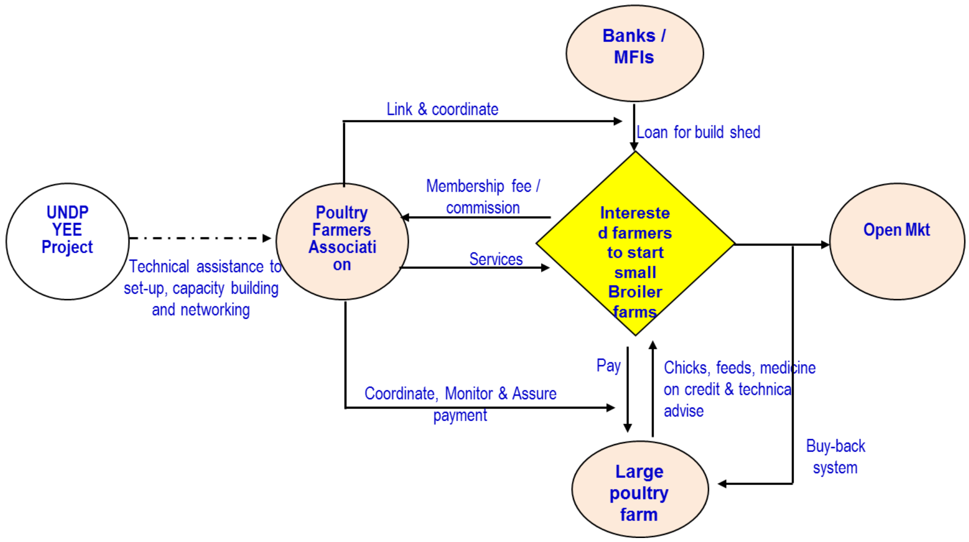


Figure 3.2.1-b: Business model for introducing out-grower / buy-back system

3.2.3. Fisheries sector (fishing, fish processing, related services, ..)

Fisheries is considered as one of the promising sectors for Yemen's socio-economic development. Yemen has long coastline of 2,520 km endowed with diverse coastal habitats that include some of the richest marine resources in the world and it has significant potential for expanding its marine fisheries. The total workforce in fisheries sector is at about 94,214. While fishermen represents vast majority of the sectoral workforce (79.5%), the public and private sectors represents 2.8 and 17.7% respectively. Domestic-wholesale-retail-trade and regional-fresh-fish-export dominates the private sector operations, accounting to 5.8 and 6.2% of the Labour respectively. The fish processing plants employs only 1.9% of the entire sectoral workforce. There are 43 fish processing plants (including the 17 EU certified) and 52 licensed exporters involved in fish export business, both regional (Saudi and Oman) and overseas.

On an average, the total input costs for fishing operations accounts to 41 to 45% of the total revenue from a fishing trip. Of this, costs of fuel account for almost 19%. Further, fishers pay a significant share of the gross value of their catch in a variety of taxes, ranging from 8 to 11%, imposed at the source or landing center.

The entire fisheries sectors operations are governed by Ministry of Fish wealth (MFW) with its central office located in Sana'a and supported by 9 branch offices in 9 coastal governorates, General Corporation for Fish Marketing Services (GCFMS), Coastal Fisheries Corporation (CFC), Marine Science Biological and Research Authority (MSBRA), Aquaculture Research Centre (ARC), and Fish quality control laboratories. According to the MFW strategy 2012-2025, a total of 2636 employees are engaged in operationalizing the fisheries sector activities. However, there are some associations created for the purpose to promote this sector and assist fishermen to overcome problems they face, their role is still very weak and negatively impacted this sector. Furthermore, the government created opposite associations which undermined the fishermen one. That's why; there is an absence of getting solutions to the constraints. The fishermen have stopped to pay the membership fees which can weaken the role of associations.

Opportunities

- Financing Stands to sell fish
- It is considered one of the opportunities that can be created since the selling of fish is limited in central markets and if this can reach many areas that can be good business but still they need capital and access to finance.
- Drying and processing fish
- This exists in Taiz and Aden. Taiz is famous for this kind of activities in drying small fish. Furthermore, in Aden they dry big fish and keep it for a quite some time to sell. There is a need to train people on fishing first to raise the quality standards

Main constraints

- Weak role of fisheries associations, It undermines its advocacy for the fishermen problems. Strong association can contribute to resolve some pending issues such as pollution which is caused by Aden refining Industries throw waste into the sea, creating serious environmental pollution that affects fishing.
- Poor marketing knowledge and skills, weak linkages between fishers and marketers
- Low concern and awareness about quality
- The increasing prices of fuel
- Lack of onshore security, It exposes fishermen to some risks for example they can be attacked in the sea by Somali Pirates and some foreign ships.
- Insufficient extension services,
- Weak access to finance

Solutions / intervention areas

i. Develop the capacity of Fisheries Associations
ii. Facilitate technical training on modern technologies and on enhancing the quality of fish and provide follow up services to apply the new knowledge
iii. Facilitate business training, with particular focus on marketing
iv. Enhance On-shore Security, Somalia pirates & foreign vessels

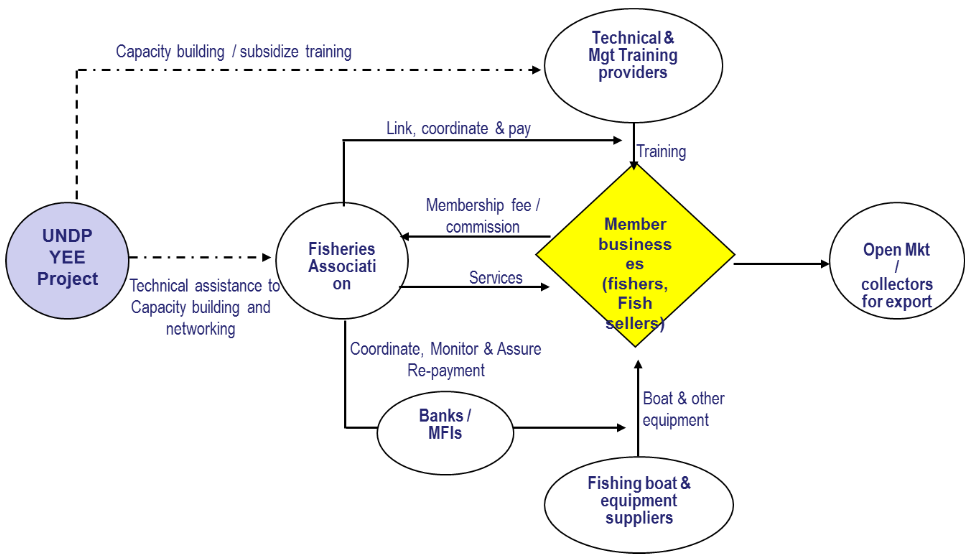


Figure 3.2.3: Business model for improving fisheries sector

3.2.4. Bee keeping

Yemeni honey is renowned Middle East region for its flavor and medicinal qualities. There is increasing demand for honey from the local market and Saudi Arabia and some other Gulf States. Based on some official sources, the honey production in Yemen has increased to 5,000 tons per year with 1.2 million beehives and 82,000 beekeepers over the last period. The exports reach 500 tons annually. The most popular governorate for honey production is Hadramout, however, there are a lot of areas producing honey in Yemen and one of them is Taiz. Bee honey from Hydramout sells at 16,000 Yer/kg, while honey from other areas get lower price, 8,000 / Kg. However, majority of bee keepers in Taiz engaged in it at subsistence level, average 8-10 hives per farmer, they produce only 5 -6 Kg of Bee Honey per year and mostly use for own consumption and sell the rest.
So they consider it as a supplementary income for them. Still, there are some bee keepers who have over 30 beehives and operate in as a commercial activity. Taiz has high potential for expanding honey production with its

climatic conditions and availability of flower trees. Bee keepers come from Hadramout and other places to Taiz governorates during the flowering season, which indicate that possibilities to develop such business in Taiz. Further, the research team found around 15 shops for honey selling in one small area of the town, and estimated number of honey shops in Taiz is more than 50 shops, which can be considered as an indication of potential for honey producing.

Main Constraints

- Lack of entrepreneurial competencies among bee keepers
- Weak business knowledge and attitudes
- Insufficient technical knowledge and skills on the use of new technology / modern practices, and low productivity
- Seasonality of the flower plants and constraints in shifting hives to suitable locations during off season

Suggested solutions and interventions

i. Facilitate business/entrepreneurship training, with particular focus on promoting business attitudes
ii. Facilitate technical training on modern technologies on bee keeping to improve the productivity
iii. Link with microfinance for expanding the production

3.2.5. Food processing (snacks, milk products, jam/chutney/sauce, etc.)

According to 2004 census, there are about 37,315 Small and microenterprises, vast majority of these enterprises are in the food processing sector. Variety of snacks products, milk products such as cheese, ghee and yogurt, and fruit and vegetable products are popular food products come to the market from small scale processing businesses. Food processing businesses are mostly carried out as home-based industries or at small scale, using family labour. Furthermore, there are large number of micro/small enterprises engaged in selling, and distribution of the food products produced by this sector. High engagement of women is a special phenomenon in this sector, most of food products are produced by women family members. The other important factor in small food processing sector is use local agriculture raw materials as the main ingredients in the processing. Smashed and mixture of vegetables (tomatoes) and cheese, which is mostly produced by mobile sellers using very simple technology and equipment is a very popular dish among many local consumers.

Main Constraints

- Poor quality of products and poor packaging
- Weak business / marketing knowledge and skills
- Perception of customers (quality & hygiene), prefer imported products, media campaign of big companies that import and distribute food products
- Low productivity associated with traditional technology and equipment
- Seasonality of some raw materials

Possible interventions:

i. Facilitate business/entrepreneurship training, with particular focus on enhancing knowledge and skills on marketing

ii. Facilitate technology training to improve the quality and productivity

iii. Facilitate demonstration of food processing equipment, packaging equipment and packaging materials by suppliers, among interested target groups

iv. Promote small enterprises focused on tertiary value-added products, such as examples given below;

    - Ethnic snacks, health food, infant foods.
    - Organic food services
    - Alternative Cereals: Sorghum, millet
    - Drying fruits for producing juice.

v. Link with microfinance for expanding the production

3.2.6. Handicraft sector

Handicrafts activities in Yemen have been important as a symbol of national heritage of the country. It is also important because it's the main source of income for more than sixth thousands families of about 40 thousands members[14].There are many kinds of handicrafts goods in Yemen of which the most demanded and popular are, incense, jewelry, wall hangings, textiles, pottery and baskets. The government play limited role in supporting or

[14]Marib Press website

regulating this industry but there are other important actors in the SMIs including the handicrafts businesses:

- Many national NGOs and training intuitions that function as capacity building centers and a museums of the Yemeni traditional handicrafts products like Al Hamd center, the national institute for handicrafts development, The women handicraft development center and etc.
- The Social Fund for Development has been active in supporting the micro and small handicrafts enterprises in two ways; facilitating microcredit through its Microfinance institutions partners, and on the other by establishing a web site (www.yemen-handicraft.com)to help marketing such goods.
- The Microfinance Banks and institutions
- Other international organization that works in the national heritage protection.

The following factors reflect the potentiality of Handicrafts Sector:

- SMEPS has initiated a promotion project for the Yemen handicrafts and Incense products with Europe importers. Many visits have been exchanged between producers and importers and many problems and necessary developments were discussed. Although, more work needed to enhance the quality and competiveness of the Yemeni handicrafts products, Importers have shown interest and potential the Yemen Handicrafts products in the western market. Now the importers communicate the Yemeni handicrafts market through arrangement of SMEPS, which indicate future opportunity to coordinate with SMEPS in fulfilling the future demand and also in promoting the handicraft sector.
- Availability of input resources in the country
- Availability of labor with low cost
- The historical reputation and trade experience of Yemen traditional products
- There has been an interest in the regional and international markets for Yemeni Original handicrafts products
- The simple production techniques and technological equipment
- Training need only short period of time almost three months

Key Constraints

- Inadequate quality because of producing with inappropriate techniques and technology
- Seasonable Handicraft market, as it based on tourism, exhibitions and fairs.
- Shortage of training providers and specific training programs.
- Marketing gap with national and international markets.

- Unawareness about the potential markets opportunities Inability to identify the market as a result of the information constraints
- Handicrafts industry in Yemen is not business oriented enterprises it is consider as family inheritance or tradition.
- External competition with better qualities and lower prices.
- Tourism sector recession
- Technological instruments are outdated
- The high cost of The raw materials and the difficulties in finding them due to the economic and social constraints.
- Low perception of Yemenis for the domestic products since Yemenis prefer the   imported products that the local ones
- Poor infrastructure facilities in the country.
- Limited access to micro Funding channels with high cost that might lead to default
- Lacking of professional workers
- High cost of rent
- The weaknesses of handicraftsmen associations to play active role and its lacking of innovative contributions to the development of these industries .
- In most of the cases the main constraint is the mismanagement capabilities .

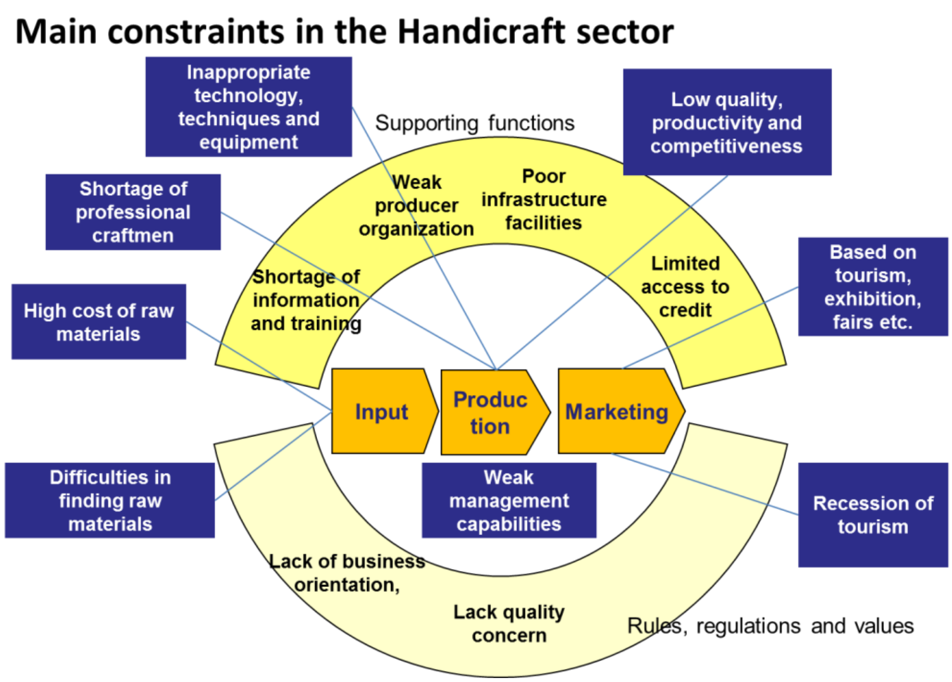


Figure 3.2.5-a: Main constraints in the handicraft sector

Possible interventions to address the issues and realize market potentials:

i. Enhance technical and management capacity of producers, introduce modern technologies and improve the quality

ii. Develop the capacity of producers associations to play an active role in bringing benefits to members

iii. Organize producer clusters, develop the capacity and link with SMEPS to produce the required products for export under sub-contract system

3.3. UNTAPPED / UNCONVENTIONAL MARKET OPPORTUNITIES WITH HIGH POTENTIAL FOR SELF-EMPLOYMENT

3.3.1. Education Sector

Demand for English language training:

Literacy rates in Yemen have risen over the last two decades, at 62.4% in 2009. Literacy rate among 15 -24 age group is 84.1% (2009). Approximately 99% of the population speaks Arabic, English is the second most widely spoken language, with 9% of the population speaking it to an intermediate level, (but it's 2% in rural areas) underpinned by the fact that secondary school students take it as a subject from seventh grade. Ministry of Education plans to teach English language as part of the curriculum from the fourth grade. However, the quality of English language education in public schools requires improvement, the quality of English education in private schools is higher than that in public schools, and students in private schools receive English language education starting from first grade. However, the proportion of pupils with the financial resources to go to private schools is small; only 4.0% of primary school pupils and 3.8% of secondary school pupils are privately educated.
English language skills have become one of the key constraints in finding a job in the current labour market.

Al-Attab, 32 and a graduate in geography, added, "I have applied for many jobs in the private sector, but in very few cases I was called for an interview. So far, I have been unable to get a job because employers condition knowledge of English language and computer literacy, something that I do not have."
Like Al-Attab, one third of Yemeni youth complain of unemployment and very few people can find jobs with the private sector especially with specializations that meet the requirements of the labor market including the language, computer literacy and other technical specializations. ***Error! Bookmark not efined.***

- The main players in Yemen's oil and gas industry are foreign companies, these companies in Yemen therefore require English-proficient Yemeni staff.
- The weak economic and social development of Yemen has also attracted many international NGOs, these multinational operations are mostly use English for their communication, which creates a large demand for English-speaking Yemenis.
- Contribution to GDP from trade, construction and communication sector has growth from 23.7 in 2005 to 48.6 in 2010. These sectors demand English communication skills. The banking sector is also growing, which demands English language skills.
- The application of IT is growing fast; most IT systems are in English and require staff with English language skills to operate them.
- The vast majority of the companies consider English is beneficial to company growth, as it enhances business communication with foreign companies. Some leading companies conduct IQ and English proficiency tests for potential candidates.
- Remittances have played an important role in supporting the Yemeni economy and were equivalent to about 5% of GDP in 2011. Many of the Yemenis who work abroad, mainly in the GCC (Cooperation Council for the Arab States of the Gulf), need English skills for their work.
- For students seeking studying in abroad need English, The Ministry of Higher Education claims there were 7,000 students studying abroad in 2011.

Thus the importance of English has increased as more individuals pursue better paying jobs that require English. The table below highlights the salary gap and the level of language proficiency demanded.

English speakers in 2011:	9% of the population
Salary gap between who can speak English and someone who cannot:	30%
Ranking of benefits of English in workforce	3.9

(1= not beneficial at all and 4= very beneficial):	
Level of English required for recruitment:	18% Fluent 27% Good 45% Intermediate 9% Basic

Source: Euromonitor International, 2011

Supply side of English language training:

With the above situation, the demand for English tuition is on the rise. Quite a number of English training centers have opened to meet this demand, and it's expanding. Few example of prominent English training institutes are given below.

Governorate	Name of the Institute
Aden	Amideast Yemen - www.amideast.org
Sanaa	Amideast Yemen - www.amideast.org British Council Yemen - www.britishcouncil.org/yemen Exceed Language Center - www.exceededucation.org Manarat Sana'a International School - www.manaratschool.org New Horizons - www.newhorizons.com Sanaa International School - www.qsi.org/yem_home Yemen-America Language Institute - www.yaliefl.org
Taiz	Contemporary Language Institute - www.cliyemen.com Mohamed Ali Othman School - www.maoschoolyemen.com

There are many other small-scale English Training Institutes operate by private sector as well as a number of English language programmes offered by NGOs, yet the demand has not met

The potential:

On average, the popular training centers charge US$100 for a one-month course; this is a significant investment for most Yemenis. The willingness of Yemenis to invest this much in learning English is highly indicative of the importance of English to their ambitions.

There is a large middle income class, particularly in urban areas with the need of providing English language training for their children, and with willingness to make reasonable investment. Majority of them most likely to get the service of an English Teacher/instructor, who visit their home to teach their children, particularly in the primary grades.

Total Student Population by Level of Study (2012)

Level	No. of students (million)
Primary	3.5
Secondary	1.7
Higher	0.3

There is substantial number of unemployed University graduates who has specialized in English language study. However, they lack the entrepreneurship, business knowledge and teaching skills to exploit the potential of their language knowledge.
The demand condition, supply situation and the potential are very much similar for the computer/IT skills training as well.

Suggested solutions / intervention areas:

i. **Promote unemployed English / Computer graduates to self-employment in the training industry:** aware the potential, motivate and develop the skills of unemployed English/Computer graduate to venture into self-employment as private English/Computer trainers.
    - Conduct promotional workshops and select interested unemployed English/Computer graduates (both male and female)
    - Train on entrepreneurship / business management and help to develop business plan for starting individual and group classes (home visits) in English / Computer applications
    - Develop the teaching skills through a short training course on theory and practice
    - Facilitate/support promotion of the service proposition (develop brochure, leaflet, business card, etc.) provide follow up support and guidance

ii. **Develop the capacity of local organizations to replicate:** build the capacity of few selected local organizations to replicate the model and to provide follow up services to the trainees.

3.3.2. Entertainment Sector

The Religious principles and tribal structure of Yemen society imposed conservative social norms and tremendous restrictions over Yemeni women in most of the Social, Economic and political aspects of life. However, lately the government and international stallholders efforts with effects of Social media have left slow improvements in the women voice specially in the urban areas.

The cultural and religious norms have limited social engagement and opportunity of active participation / freedom in social events. Women are not allowed to participate in parties and other social events in presence of male, even they are not allowed to wear any designer or fashion clothing in view of male or in public places. Therefore, there should be some "Ladies only" opportunities for them to benefit from social functions, including singing, dancing and freedom for wearing fashion cloths, etc. with the high youth population in the country, large number of wedding & other parties, for example graduation parties, birthday parties, etc. take place every day. The middle income group in particular, and even the low income families give high consideration for such events, they spend whole day with their relatives and friends, the male spend lots of time and money for chewing Qat. This situation has created a big market opportunity to promote;

- Ladies only (exclusively for women) Musical, dancing, DJ, and Karaoke services for parties facilitated by girls
- Ladies only (exclusively for women) Musical, dancing, DJ and Karaoke events/shows (indoor), facilitated by girls, and assured the privacy of women

This is really an untapped and unconventional huge market opportunity that addresses a latent demand in the society. Therefore, this will be uptake (copy) by the market and will create more development in similar businesses for women, as it grantee the social requirements of women privacy and address the unmet desire of women that is not available.

This can be promoted as a kind of self-employment business for groups of five to six girls do women public weekly or so music parties for women only in private halls or hotels through issuance of tickets in different districts of the targeted governorates or in demand services for performing in marriages, college graduations or other women parties. However, there will be some constraints as well, for example, such as need of family permission to allow their girls to involve in such a business might be difficult. A possible model for stimulating this market is illustrated below.

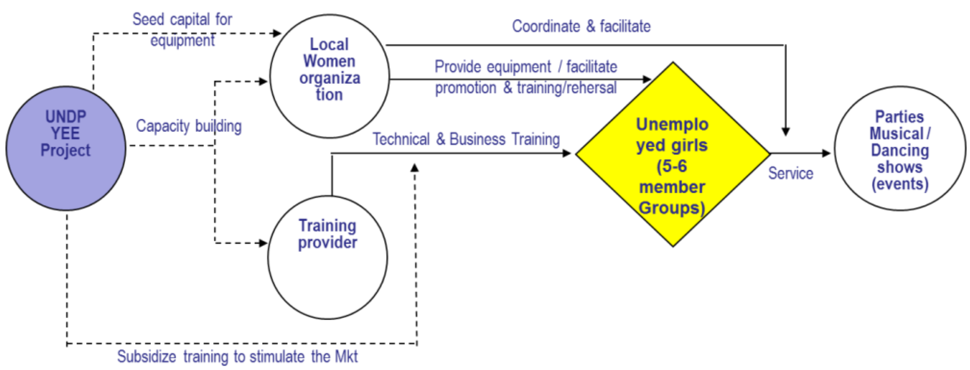


Figure 3.3.2: Business model for promoting self-employment in entertainment sector

3.4. PROMISING SECTORS WITH HIGH EMPLOYMENT POTENTIAL

3.4.1. Construction sector

There is much strength for the construction sector to be considered as one of the most potential sectors to the economic development of Yemen. It is indicated by its absorption for more than 1.25 million of the labor force15. This sector has witnessed impressive growth during the last years from 12.8% in 2009 to 13.4% in 2010 and its share of the Gross National Domestics raise from 7.1% in 2009 to 7.5% in201016. While the construction companies lack the qualification to implement the large strategic projects which contracted by foreign companies, there are 1234 construction(Graded of 1 to 4) companies registered in the Ministry of Public Constructions and Roads with average annual production of 2,062,500USD$.

[15] *Journal of Engineering Sciences, Assiut University, Vol. 39, No 5, pp. 1021-1031, September 2011*
16 Central Bank of Yemen Annual Report 2010

Furthermore, during 2010 the number of permits issued was about 9,507 licenses. This figure should be much higher, considering the fact that in Yemen more than 60% of economic activities, including construction work, conducted in the informal sector.
There are different types of construction works of which public infrastructural projects and private buildings for residential and commercial purposes. Now, after the peace settled after 2011 crisis, a more expansion will take place in the construction sector based on the strong willingness of Yemen immigrants outside the country to invest in the construction sector. Yemeni labor has a great opportunities and political intention to work in the GCCs specially in the construction sector based on evidenced growth expansion of construction sectors, successful history and gains of business owners' preferences in these countries. As emphasized by the targeted group and stakeholders, there most demanded types of labor in the construction sector are a professionally skillful labor for the national and Gulf region Since the unemployment rate is higher than 35% and the supply of medium and low skills labor are huge and find easily in the most streets rounds of the main cities in Yemen. For example, there is a market shortage for Carpenters, Masonries, Plumbers, Painters, Electricians, Tile layers, Air-condition technicians, etc. There is an increasing demand for skilled construction sector workers in the national and Gulf region. An impact assessment in the construction sector training revealed that 34% higher number of jobs and 42% higher income has been impacted through training of required skilled workers for the construction sector, further training has accounted for over 40% of the total post-construction impacts.[17] From the point of view of the worker, their new skills in construction increase the chances of finding employment in construction outside of Yemen within the GCC. Similarly, there is a huge demand for skilled human resources for operation and maintenance of construction equipment, such as, Motor graders, Excavators, Loaders, Cranes, Boom Trucks, Forklift, Prime movers, etc. locally as well as in the Gulf region.

Main constraints in HR development for the construction sector

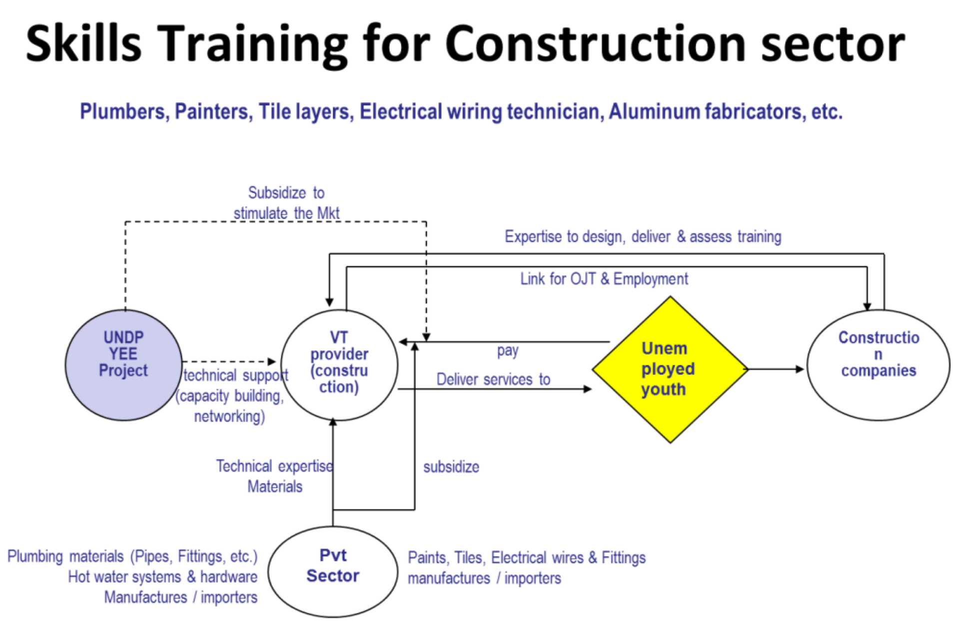
[17] Building Jobs: Impact of Real Estate Projects in Yemen, Silatech Discussion Paper Series, January 2011

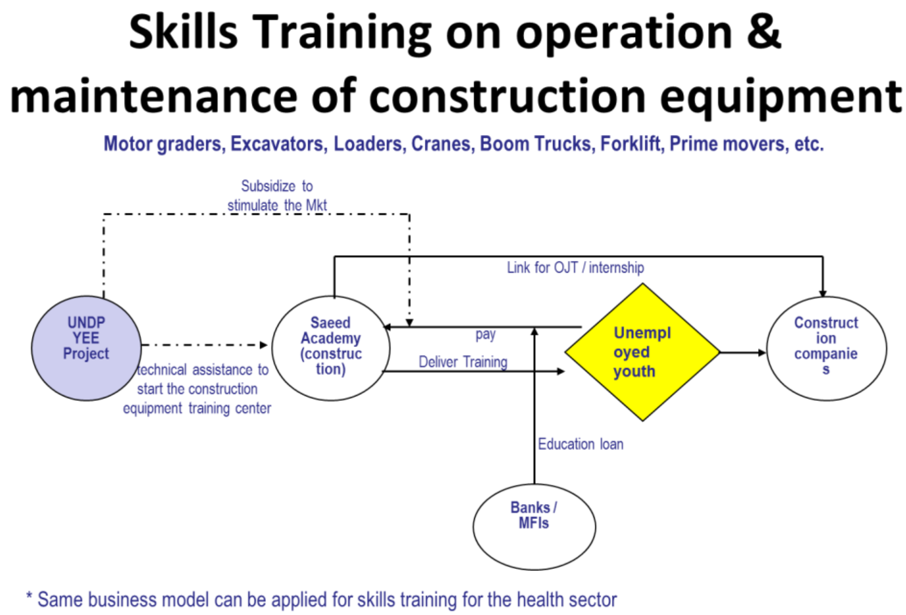
- Shortage / lack of demand driven VT courses for construction sector
- Available vocational training not based the market needs, private sector lacks confidence in the quality of output.
- Lack coordination between VT providers and relevant private sector
- Albescence of private sector initiatives to establish VT businesses
- Lack of VT institute for providing skills training on operation and maintenance of construction equipment

Proposed interventions:

i. Facilitate supply of demand driven VT courses to produce high quality skilled workers for the construction sector
ii. Assist private sector to establish training institute for training human resources on operation and maintenance of construction equipment
iii. Coordinate with Banks and MFIs to develop and introduce an education loan product for trainees in this sector

Two possible business models that can be applied in implementing the proposed interventions are illustrated below;





3.4.2. Health Sector

Due to the social and economic situation in Yemen, the country face a major challenge in improving the health status of its population. With high widely spread poverty ratearound45%[18], women high morbidity rates., high illiteracy rate and difficult access to safe drinking water and proper sanitation. Although, only 68% population have access to health services, the health sector facilities have grown remarkably with huge concentration in the urban areas during the last years as indicated in the following table:

Health Facilities	Public Sector	Private Sector
Hospitals	229	168
Health centers	791	541
Health units	2,849	-
Reproductive health centers	2,566	-
Private clinics	-	657
Dispensaries	-	324

[18] Yemen's Third Socio-Economic Development Plan for Poverty Reduction (2006-2010)

In Yemen the average is only 3 medical doctors for each10,000 of residents,5 nurses for each 10,000 of people and 2 midwives for each ten thousand of populations[1],considering that the WHO average for health servants is 2.5 health workers per 1,000 of people.

Main constraints and market opportunities in the health sector to create employment

- The limitation of training providers and their capacity to train enough HR for the health sector
- The sector need long training (3-years) and need hospital facilities to provide practical skill training, very few private hospitals with required facilities to train HR for health sector
- High cost of training, (3,000 USD per trainee)
- The Health Science Institute receive about 15,000 applications for Nurses course annually, but their capacity is only 300, can increase little more if funded by a third party
- The Hayel Saeed Group's hospital has the capacity of starting training institute and they are interested on it.
- The sector needs large number of Administrative staff, need short training, private sector management training institute can train

Proposed solutions and interventions

i. Facilitate the establishment of training institute by Hayel Saeed Group, with the business model proposed for training of construction equipment operators
ii. Facilitate designing and introduction of training courses to train Admin staff for health sector
iii. Coordinate with Banks and MFIs to develop and introduce an education loan product for trainees in this sector

3.4.3. Local business sector (in general)

Employment opportunities in the local business sector:

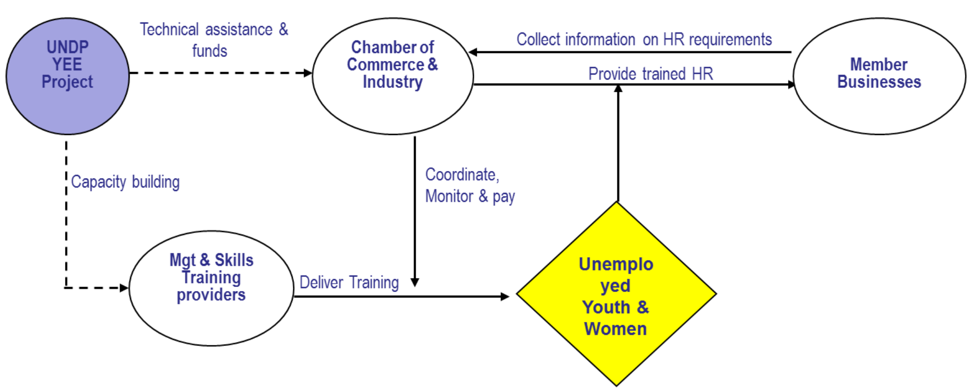
- There are 30,000 local businesses attached to the Chamber of Commerce and Industry of Sana'a (6,000 active members)

- There are 9,100 local businesses attached to the Chamber of Commerce and Industry of Taiz
- These businesses are in need of skilled staff, (sellers, Admin Assistants, Book keepers, account Assistants, technical staff, etc.)
-
- Both Chambers very much interested in collaborating with a project to help their members by supplying required trained/skilled staff
- The demand for sellers/sales staff is the highest (over 40% of advertised positions in newspapers)

Proposed interventions

i. Collaborate with Chambers of Commerce and Industry to identify the HR needs of their member businesses
ii. Facilitate training of unemployed youths on personal skills needed to become proactive, independent, delivery of results, ability to lead a team, confidence and taking responsibility
iii. Facilitate training of unemployed youths to meet the need of business sector employment opportunities, for example, Selling skills, customer relation skills, business administration skills, etc.

Possible model for implementing proposed intervention is illustrated below.



3.5. *UNTAPPED / UNCONVENTIONAL MARKET OPPORTUNITIES WITH HIGH POTENTIAL FOR WAGED - EMPLOYMENT*

3.5.1. Women exclusive shopping services

Overview of the situation and the potential

Although women find respect and attention in the formal and social communities in Yemen, the cultural and religious norm in determining women functions in the society. There is a phenomena of huge gender gap and sensitivity in the communication and dealing between men and women. While the issue lead to gender biasness over women in terms of opportunities and recognition, it results in less income could be generated if women privacy taken in to consideration. Generally, female are known in Yemen as more punctual and hard work than men as an employee but the statistical figures indicate that while the populations is almost 50% males and 50% females only 2-3% of trade sector employment of the three governorates are females as in the table:

No. of Women work in the sale and retail trade, maintenance and repair

Gov/Gen	Males	Females	Total	Fe/Me%
Sana'a	80,782	1,868	82,650	2%
Aden	19,463	394	19,857	2%
Taiz	34,820	1,129	35,949	3%

Of the most active goods in the trade sector is the clothes where women purchase more than men in general, but in Yemen women find it difficult to fulfill these desires as most of the sales persons are male, specially to discuss size, fitness and underwear clothes, and in this case she must be joined by one of her family males or depend on them to bring its needs of clothes. There is great opportunities for businessmen consider the privacy of women to make income as hiring women as paid employees in women sections or exclusive shops. There is also an opportunities to empower women to run a self-employment business in the distribution of women clothes to females at home specially to the rural areas where it is difficult to reach the market easily.

Market opportunities

- Exclusively for women clothing shops

- Exclusively for women section in clothing shops
- Exclusively for women days in clothing shops
- Direct marketing of ladies ware

Possible interventions to realize the potential

i. Train unemployed girls on salesmanship and entrepreneurship, link with relevant businesses, promote the service

ii. Develop the capacity of local service providers to replicate the training.

3.6. POTENTIAL MARKET OPPORTUNITIES BASED ON AVAILABLE LOCAL RESOURCES &RAW MATERIALS

Wide variety of resources and raw materials are available in the three governorates, which has potential to create employment opportunities. Few examples of resources and raw materials available that can be used for creating employment / business opportunities are given in the table below.

No.	**Type of resource / raw material**	**Potential business & employment opportunities**	**Constraints in realizing the potential**
1	**Tourist attractions**	Tour guides, transport services, food and catering services, eco-tourism, community based tourism, leisure activities/ sports, handicrafts, etc.	Uncertain security situation, recession of tourism, lack of entrepreneurship / business orientation, lack of skills / skills service providers,
2	**Vegetable and fruits**	Can offer a plenty of enterprises such as food processing like jam/chutney/sauce Stalls to sell, distribution and mobile selling, etc.	Weak entrepreneurship / business orientation, Marketing knowledge, skills and market information Technical knowledge and skills on production Access to finance/credit

No.	Type of resource / raw material	Potential business & employment opportunities	Constraints in realizing the potential
3	**Fisheries**	fish processing, distribution and mobile selling, Net mending, repair and maintenance of fishing gears and boats, etc.	Weak entrepreneurship / business orientation, Marketing knowledge, skills and market information Technical knowledge and skills on production Access to finance/credit
4	**Bee Honey**	Production and distribution of honey based products,	Weak entrepreneurship / business orientation, Marketing knowledge, skills and market information Technical knowledge and skills on production
5	**Leather**	Production of Leather shoes, hand bags, handicraft items etc.	Shortage of skilled training/ Lack of skilled providers Lack of sense of entrepreneurship Lack of awareness of opportunities available
6	**Marble, Stones and Copper**	Building materials, ornaments,	need for new technology utilization /marketing need of Entrepreneurship skills Access to finance
7	**Milk**	Production and distribution of milk products	Weak entrepreneurship / business orientation, Marketing knowledge, skills and market information Technical knowledge and skills

4. Business service market

Availability, accessibility and use of business service are crucial for the growth of the enterprises, particularly for the MSME sector. A limited number of government, non-government and private sector institutions involved in the provision of business services and help the MSME sector, including national agencies such as, the Social Fund for Development SFD, Small Micro Enterprise Promotion Service (SMEPS), and the Small Enterprise Development Fund (SEDF). The Ministry of Industry and Trade has a business service sector, but no any information could find about their services except registration of companies. Chambers of Commerce and Industries and few NGOs provide a limited service, basically with funding support from donor projects. The few private sector providers concentrated in the provision of accounting/tax and marketing/advertising services targeting the large companies. The skills training sector is developed compared to other areas of business services, a growing trend can be observed in the private sector training institutes, particularly in the area of computer and English language training. In overall, the provision of BDS or non-financial services such as marketing services, training, and quality improvement is still insufficient compared to actual needs, especially in rural areas.[19] Further, the services offered seemed highly supply driven and fully depend on the donor or third party funding.

The needs of business services are at high level, particularly in the areas of entrepreneurship & business management, market information & market linkages, modern technologies and productivity improvement. However, the demand place by the relevant market segment is very weak. Lack of awareness about the benefits of business services and lack of services that meet the real needs of MSMEs are among major reasons for the poor demand. The Chambers of Commerce and Industries as well as sectoral business associations have limited capacity, very few MSMEs belong or active in the Chambers of Commerce and business associations; members do not see any benefit or importance of organizing. The capacity of these organizations is yet to be developed to provide effective services to the members. The network relationships of the private sector with universities and research centers are weak, and lack understanding about the importance of such a relationship.

5. FINANCIAL SERVICE MARKET

There are 15 commercial banks operating in Yemen and out of them 4 Islamic banks. Also, there are 11 MFIs operating in Yemen and together with the Small Enterprise Development Fund (SEDF) of the government and the microfinance outlet of Tadhamon Islamic Bank and Saba Islamic Bank. A key development challenge in the Yemeni banking sector is to broaden access and increase penetration, where the vast majority of the population does not

[19] SME Development in Yemen, SFD, 2011

use formal financial services. A majority of the population in Yemen relies on informal systems to meet financial needs.

Box 1. Snapshot of the formal banking sector in Yemen

Fourteen banks currently conduct active in lending in Yemen. All banks interviewed for the study had a significant liquidity surplus. A snapshot of the banking sector reveals:

- total deposits of US$ 2.6 billion
- an outstanding net loan portfolio of all public and private banks of US$ 998 million
- total bank investment in treasury bills and government bonds of US$ 761 million

Source: Project research, 2007.

From the table above, it shows that there are a lot of opportunities in financing projects by banks. The investment in treasury bills freezes a big amount of money that can be invested and caused growth whether within microfinance or bank's big projects that will lead to absorb many unemployed youths. The government must act regarding the citizens ID card as well as distance scheme and house numbering to facilitate to MFIs get the reliable data about people.

Constraints faced by credit clients / entrepreneurs

- High interest Rate: make it high risky and costly for investors, although the Central bank of Yemen cut its interest rate at 2% from 20% to 18% but still too high for investments.
- Weak financial literacy, financial services specially microfinance are new to the Yemen public, the education level particularly in rural areas is poor. There is no experience or practice of operating bank accounts.

Constraints faced by financial service providers

- Lack of Credit Information Bureau (CRIB) reports which may help banks to know customers well.
- Weaknesses in the legal and judicial framework, property rights, etc.
- Clients lack proper physical addresses, ID cards and proof on their credibility
- scarcity of skilled human resources with banking and financial skills
- The experience of Yemeni banks is still very new, specially on Microfinance sector and banks lack sufficient capability for MSE lending at large scale.

6. Training needs

6.1. Skills and qualifications demanded by employers

Private sector employment opportunities:

Because of the slow growth of the formal private sector in Yemen, it doesn't have the capacity to absorb increasing unemployed labor force. It is estimated that the private formal sector hire only about 15,000 workers per year.20 Informal sector employment in the micro and small enterprises offers irregular employment for 1 to 5 persons per establishment, mostly the owner and other family members20. In the best cases, the rate of establishment is estimated of 4% while each new business provides only 2.5 jobs per 100 persons20. The situation is clearly observed in the analysis of formal private sector demand for employees using different tools, and the summary of findings is given in the following paragraphs.

Newspaper advertisement / vacancy announcements:

Type of jobs & expected qualifications of 330 positions advertised in Al-Thawra newspaper (the most popular Arabic daily newspaper in Yemen), over 2-weeks were analyzed, and the summary of results presented in the table below.

Parameter		6 - 11 Oct 2012		7 - 12 Nov 2012		Total	
		No.	%	No.	%	No.	%
No. of vacancy advertisements	Local Private sector	11	48	16	73	27	60
	Regional (KSA)	11	48	4	18	15	33
	I/NGO			1	4.50	1	2
	Y/NGO	1	4			1	2
	J/PR-PUB			1	4.50	1	2
	Total	**23**	**100**	**22**	**100**	45	
No. of positions	Local Private sector	58	28	82	65.60	140	42.4

[20] Education challenges in Yemen

(no. of people)	Regional (KSA)	146	71	40	32	186	56.4
	I/NGO			1	0.80	1	0.3
	Y/NGO	1	1			1	0.3
	J/PR-PUB			2	1.60	2	0.6
	Total	**205**	**100**	**125**	**100**	**330**	
Location of the job	Sana'a, Yemen	58	28	33	26	91	27.6
	Other areas in Yemen	1	0.50	52	42	53	16.1
	Overseas (KSA, …,)	146	71	40	32	186	56.4
Types of position	Management, accountants, cashiers, …	49	24	44	35	93	28.2
	Sales staff	115	56	25	20	140	42.4
	Technicians	13	6	11	9	24	7.3
	Other	28	14	45	36	73	22.1
Educational qualifications demanded	University degree	17	8	15	12	32	9.7
	Diploma			1	1	1	0.3
	High school graduate	115	56	31	25	146	44.2
	Other	73	36	78	62	151	45.8
English language skills	Yes	113	55	3	2	116	35.2
	No	92	45	122	98	214	64.8
Computer skills	Yes	13	6	8	6	21	6.4
	No	192	94	117	94	309	93.6
Work experience	Above 5 years			45	36	45	13.6
	3-5	53	26	16	13	69	20.9
	Not mentioned	152	74	64	51	216	65.5

Note 1: There was one Government advertisement for 900 Notaries for the Ministry of Justice.

Note 2: There were six advertisements mentioned that they need “Many”, it’s assumed that “Many” equal to 10 employees for the calculation.

The highest number (42%) of positions are in the sales profession, majority (44%) demand only secondary high school qualifications, only 9.7% demanded for university degree and only 34.5% demand for prior work experience. According to the vacancy announcement advertised 56% of the vacancy announcements are for overseas employment, in KSA.

- Some of the job posts specifically demanded some personal skills, such as communication skills with foreign companies, ambition, and Abilities to supervise. Some had demanded for driving licenses, grantees, ability to work at night, mobility to travel around the governorates and to pass the entrance exam. Finally, it is interesting to say that 57% of the positions have mentioned the benefit offer for the selected candidates, such as, career development, good payment, and for the KSA vacancies, health insurance, housing and Kitchen with required facilities.

Job advertisements in Websites: (www.yemenhr.com / www.zidney.net)

To be more accurate about the demand of labor market from the formal private sector in Yemen, vacancy announcements published in two well-known hiring websites in Yemen, which called Yemen HR and Zidney web sites were analyzed. Usually, the web based advertisements are for the job openings in the International Development Agencies and international oil companies. The results are given in the table below.

Parameter		**6th November 2012**					
		Yemen HR Website		**Zidney Website**		**Total**	
		No.	**%**	**No.**	**%**	**No.**	**%**
No. of vacancy advertisements	Local Private sector	1	25	1	25	2	25
	I/NGO	2	25	3	75	5	62.5
	Oil Companies	1	25	-	-	1	12.5
	Total	**4**	**100**	**4**	**100**	**8**	**100**
No. of positions (no. of people)	Local Private sector	1	25	-	-	1	6
	I/NGO	2	50	12	92	14	82
	OIL Companies	1	25	1	8	2	12
	Total	**4**	**100**	**13**	**100**	**17**	**100**
Location of the job	Sana'a, Yemen	1	25	2	15	3	18
	Other areas in Yemen	3	75	11	85	14	82
Types of position	Management, accountants, cashiers, ...	2	50	3	23	5	29
	Technicians	2	50	-	-	2	12
	Others	-	-	10	77	10	59

Educational qualifications demanded	Master Degree	-	-	1	8	1	6
	University degree	2	50	12	92	14	82
	Diploma	1	25	-	-	1	6
	Others	1	25	-	-	1	6
English language skills	Yes	3	75	13	100	16	94
	No	1	25	-	-	1	6
Computer skills	Yes	4	100	13	100	16	94
	No	-	-	-	-	1	6
	2-5	3	75	13	100	16	94
	Not mentioned	1	25	-	-	1	6
Personal Skills	Long list of Skills and Responsibilities	4	100	13	100	17	100

According to the vacancy announcements published on websites, there were only four vacancies in Yemen HR site. 50% of these positions are in the INGOs in the field of Project's Management, other 25% in oil companies in the area of Technical / Engineering and only 25% in the Yemeni private sector in the Media field. While 25% of these jobs in Sana'a others in governorates beyond those targeted in this assessment. Those jobs did not consider any age restrictions but totally 75% of them concerned about related experience. As usual, all posts request academic qualifications, in this case 50% of them asked for BA degrees, 25% mentioned a Diploma and other 25% required MA degree. While all the vacancies asked about computer skills, only 75% referred to English as required skill. It is important to note that those opportunities were highly selective and included a long list of responsibilities and competencies demanded. For example 100% of them ask among their lists for communication, management, self-interest, teamwork, knowledge of local community, organization, translation, and training skills. While they offer high payments, it needs to submit a recommendations letters from previous employers and proofs on the demanded competencies. Similarly, In November 6th, there were 4 open vacancies in Zidney website. 75% of these positions are in the INGOs in the field of Project's Management and social work, other 25% in The Gas Company NLG in the area of Management and Accounting. While 50% of these jobs in Sana'a, the others in governorates beyond those targeted in this assessment. Those jobs did not consider any age restrictions but are 100% concerned about related experience, English, computer skills, personal skills and other special skills related to the job type. As an example of their personal skills requirements are strong leadership skills, a supportive management skills, strong communication skills, reporting, interviewing skills, good judgmental skills, enthusiasm, and commitment to improve the protection and promotion of the rights.

Recruitment through referrals / connections:

As a result of the mismatch between supply and demand side of the labor market in Yemen and the ad hoc role of the government interventions, there is a huge gap in the labor market. Private sector is mostly informal businesses that find employees through personal connections. Regarding the formal business sector as family businesses, small share of the market, they too depend on the referrals in most cases as they have lost the confidence in the skills of available supply of labor, and their understanding of the education irrelevancy to the skills needed for their businesses. In fact, the available estimation of this argument suggests that 33% of the job seekers found their current jobs through connections while, 28% of paid employees got hired through friends[21]. A common perception by the business community is that the TVET system produces graduates with low and inappropriate qualifications, therefore, the private sector relying mostly on on-the-job training within enterprises.

Foreign employment opportunities (Gulf region):

Basically, the realization of the high potential for employment in the Gulf region fully depend on the political stability of Yemen and its ability to negotiate with gulf countries to facilitate employment opportunities for Yemenis in the Gulf region. However, much work need to be done in enhancing the capacity of Yemeni labor; with quality of training that is based on assessment of the Gulf labor market needs, to be able to compete with the skillful cheap Asian labor. There is enough space for Yemeni to work in the Gulf countries since the evidence suggests that Yemenis find preferences over other nationalities, still the majority of labor force is migrants and the oil resources create growth in other sectors of these economies.

[21] Education Challenges in Yemen

Government sector employment opportunities:

Human Resource demand in the public sector showed very little or negative growth over the past period. Table below highlights the situation of public sector employment in the three governorates.

Gover/Year	2008		2009			2010		
	Number	Share%	Number	Growth%	Share%	Number	Share%	Growth%
Sana'a	119,284	23%	119,153	-0.1%	22%	124,198	23%	4%
Aden	53,104	10%	62,164	17%	11%	55,948	10%	-10%
Taiz	53,841	10%	54,715	2%	10%	55,420	10%	1%
Yemen	523,312	100%	545,817	4%	100%	546,732	100%	0.17%

The number of female employees, even in the public sector remained around 20% on average. Gender representation in the public sector employment in Yemen and the three governorates shows on the table below

Gover/Year	2008		2009		2010	
	Ma%	Fe%	Ma%	Fe%	Ma%	Fe%
Sana'a	82%	18%	82%	18%	82%	18%
Aden	67%	33%	68%	32%	67%	33%
Taiz	82%	18%	82%	18%	83%	17%
Yemen	83%	17%	83%	17%	83%	17%

Recruitment practices in the public sector:

Public sector has been the employer for 39% of the formal employment in Yemen and about 12% of the informal22. The working environment of public sector involves wide range deficiency and delay in the performance of all levels as a result of low payment, overstaffing and corruption. The Capacity of public sector is estimated to about 16,000 persons yearly but the hiring process is has been affected by the connection with relent powerful political parties, community leaders and religious groups23. Despite the requirements of the Ministry of Public Service law and regulations that all vacancies must

[22] Joint Rapid Assessment-Yemen
[23] Education Challenges in Yemen

be announced with the minimum qualification and assurance of gender equality, in most of the public recruitments (90%), none of these standards applied in practice. In the case of lower positions, hiring lacks any competitions for better selection, while in the case of highest positions and highest managerial positions the decree of the president and head of the cabinet in order based on nomination of the relevant governmental institution. As and evidence of public employment situation, during the 2011 crisis within the last effort of the government to control the political tension, it employed 50,000 college graduates of those registered in the MCSs.

6.2. Skill and Qualification Level of Unemployed Youths and Women

General profile of supply side (unemployed youths and women)

In general, the case of youth employment is more serious since more than 66% of the country population is below age 24 years. It is estimated that unemployment is the status of more than 50% of these youth population. Specifically, for the youth aged 15-24, only 21.9% of them are employed, 97% of such employment is in the informal sector. Regarding the youth with University degrees, only 5% of them are employed while 41% of those employed university graduates work in the informal sector24.
The youth population in the three governorates, level of unemployment and their education level are shown in the Table below

(Numbers in thousands)	Year2009-2010					
Indicators/Governorates	**Sana'a**		**Aden**		**Taiz**	
	Numbers	**%**	**Numbers**	**%**	**Numbers**	**%**
Population Total	3,262	100%	731	100%	2,885	100%
Age 15-24	806	25%	172	23%	641	22%
Age 25-34	409	13%	87	12%	443	15%
Total 15- 34 (Youth)	1,214	37%	258	35%	1,084	38%

[24] Joint Rapid Assessment -Yemen

Unemployment		25%		31%		23%
Education: (enrolled in)						
University	72	35%	30	15%	25	12%
High School	116	20%	24	4%	104	18%
Primary School	663	15%	111	3%	628	14%
VT qualified	7	22%	4	13%	6	20%

Current level of skills, qualifications and attitudes of unemployed youths and women:

Ten Focus Group Discussions with the participation of 102 participants were conducted during the field research of the market assessment. The sample represented by 57 % unemployed youth and women, while the rest 43% by vegetable farmers, poultry farmers, bee keeping farmers and fishermen. Among the unemployed Youth and women, 86% were in the age group of 15 to 34. Further, 41% of them were males while 59% were females. Most of the group's members were university graduates, 94% of female and 67% of males hold a university degree. The rest of the females 6% with high schools certificate while the other parts of males distributed to 13% with high school certificates and 20 % with Diploma.

Despite the fact that all the group members are unemployed, 100% of them said that they have attended different kinds of vocational training in addition to their formal studies. Some examples of VTs they attended are Labor Law, Business Edge, Information Technology, English , Secretary, Know About Business, Project Management, Marketing, Computer Maintenance , Personal Development skills, Fonts Sculpture, Clients services, Graphics and Photoshop and Finance, mostly provided by different NGOs.
Although 50% of males and 41% of female had a previous work experience, they still unemployed. It might be because their experience in most cases either with family business or voluntary work. When they had been asked about their preferences for future work, 58% of males preferred paid employment while 71% of females preferred paid employment. The rest of 42% of males and 29% of females preferred self-employment opportunities or whatever comes first.

Summary of current level of skills and performance of unemployed youth and women are summarized in the table below.

Profile of 58 unemployed youth participated in the Focus Group Discussions:

Parameter	Male %	Female %
Gender:	41	59
Age: 15 – 24	17	12
25 – 34	83	88
Education:		
University degree	67	94
Diploma	20	-
High school	13	6
Work experience:	50	41
Preference:		
Wage employment	58	71
Self / own enterprise	25	12
Whatever get first	17	17

Selection of appropriate subject stream for higher education, actual skills vs paper qualifications, and particularly the attitude of unemployed youth seemed having lots of problems. Some examples found during the field research given below;

- Some youths have followed language courses in French, Italian or Germen for their university degree, few have followed English or Computer science course. The English language skills of the youths were doubtful even with the university graduates who have followed English language courses.
- Some has got jobs, but has quit in less than three months period due to different reasons, long work hours or having to work until late evening, work place was far from home and cannot come home before getting dark, the employer asked to attend field work, or paid a low salary were among the key reasons mentioned by the target group.
- There were some university-graduates just graduated, as well as some graduates who have graduated more than two years before, and still unemployed. Majority has sent less than 6 job applications, mostly to web advertisements.

- Two girls that have completed their university degree in English language work as teachers in private schools. They are not happy with the job, they said that the work place is far from home, cost a lot for travelling, get a low salary, only 25,000 YER per month. They have decided to quite this job, and said that the management doesn't pay any interest to keep them as there are many English graduates to take the job.
- These fresh graduates didn't speak in English, even after requesting twice. They do not have any training on teaching. The private schools seemed do not have any concern about the quality of education they deliver.

- Attitude towards employment: some statements made by unemployed youths during the FGDs;
    - I completed the degree in Commerce subjects, completed one year course in youth leadership foundation "Education for Employment program". Got a job in a microfinance bank, they ask to go to the field frequently, which I do not like and I resigned. Now I am waiting to find another job. I prefer a teaching job close to the house.
    - Found a job, the work place is far from home, cost a lot for travelling, the salary is very low and sufficient only to cover the travel cost, therefore, I resigned.
    - The job I found need working on shift, sometimes until 8.00 pm, my family doesn't like it, therefore I resigned.
    - I am an accounting graduate, did some jobs, and left those because of low payment. Now waiting to find a job in a bank.
    - The privacy of female (wearing fully covered cloth) does not accept in some workplaces, they want to keep the face open. Therefore, we cannot work in such places.
    - I graduated from pharmaceutical science, worked in a pharmacy for about three years, and lost the job once the owner's relative got qualified. I was asked to work as a sales representative in distributing medicine, but I do not like it, therefore I resigned.

- Lack of entrepreneurial thinking, self-confidence, motivation and positive attitudes:
    - We cannot run private tuition business due to barriers from the family.
    - I completed my degree in computer electronics in two years ago, couldn't find a job, and now work as a free-lance trainer for few computer schools. But I do not like that, want to find a full time permanent job.
    - All think that lack of finance is the problem for venturing into own enterprise

Results of the brainstorming exercise done with the participants of the FGDs on the main constraints they faced in realizing the opportunities in finding suitable jobs and proposed solutions by them are summarize in the table below:

Constraints	Percentages of Participants
Experience Requirements	**65%**
High qualifications and skills requirements- English, self confidence	**97%**
Unsuitable work environment (low payment and over load of work in general and for women filed work and family restrictions)	**71%**
Absence of government role; weak economy, corruption ,connection , security and Crisis effects	**90%**
Private sector situation; investment aboard ,access to finance, job creation	**32%**
Proposed solutions by unemployed youth & women	Percentages of Participants
Create Institutions to support youth in finding jobs, internships, media campaign to raise the trust in Yemen labor	**81%**
More skills training based on market need with adequate quality; English, allowances for trainees	**74%**
Facilitate access to finance	**19%**
Efficient government policies that assure the security and stability, reform of the agriculture and tourism sectors, infrastructure investments	**39%**
Alleviating corruption and connection	**48%**

6.3. SUPPLY OF SKILLS, VOCATIONAL AND OTHER TRAINING

Skills and vocational training

There are large number of VT institutes, government, NGO and private. Most of them offer courses on Mechanics, Carpentry, Electricity, Hairdresser, Sewing, handicrafts, Administrative, Computer, languages, etc. Yet, the quality of training is in doubt. Only a very few private sector training institutes have some cooperation with private sector and relevant industries.

The number of students absorbed by vocational and technical training institutes remains at a very low level. According to MTEVT data from 2006, the total number of students enrolled was 22,200 students who were enrolled in 64 TEVT institutions. With an estimated size of 500,000 of an age cohort in the range of 16-20 years old, this means an annual enrollment between 3 and 4 % of an age cohort being in TEVT[25]. Types of TEVT institutes, number of students and the number of teaching staff in those institutes are given below.

Number of TEVT Institutes, Students and Teaching staff (206 – 07)

Type of institute	**No. of**		
	Institutes	**Students**	**Teaching staff**
Agricultural			
Agricultural	4	203	106
Veterinary, Agricultural	2	471	80
Agricultural constructional, Industrial	1	398	42
Commercial			
Commercial	12	3,319	273
Commercial, Industrial	2	452	41
Construction, Industrial			
Construction, Industrial	29	13,170	1,481
Artisan	1	83	15
Others			
Hotel and Tourism	1	41	17
Marine	1	172	71
Community Colleges	4	3,923	220
Total	**57**	**22,232**	**2,346**

Source: Findings of technical education and vocational training (TEVT) sector mission in the republic of Yemen, GTZ, 2008

There are 26 vocational/technical and industrial training institutes in the three governoratres that function under the Ministry of Vocational and Technical training. All these institutes offer similar courses mostly in the following fields.

[25] Findings of technical education and vocational training (TEVT) sector mission in the republic of Yemen, GTZ, 2008

1. Electrical supplying / general electricity
2. Auto-mobile Mechanics
3. Furniture Carpentry
4. Turnery
5. Machinery Roll Electricity
6. Auto-mobile Electricity
7. Tinman
8. Cooling & Conditioning
9. T.V. & Radio Maintenance
10. Tailoring and designing
11. Hair Make-up

Only few institutes among those offer training courses on Accounting, Office Management and Marketing.

There are few private sector training institutes, for example; Al-Saeed Academy, New Horizons, and New York Institute, etc. that offer training courses, particularly in computer applications, English language, marketing and few technical areas such as electrical and mechanical technician courses, which are recognized by the private sector. However, it was unable find any information on the results or the impact of the vocational training courses, as none of the organizations (including government VT institutes) visited do any follow up or monitoring on the results of their training courses.
Few private training institutes as well as some NGOs offer different entrepreneurship, business start-up and business management training courses, the Know About Business (KAB) and the Business Edge (BE) programmes are popular among these courses. Some microfinance banks consider participation of one of these courses as one of the eligibility criteria for getting micro credit. However, most of these training, especially in the case of training offered by the NGO training providers, are conducted free of charge (some time participants are paid stipend / transport allowance). It was unable to find any organization that measures the impact of their training, for example the start-up rate or the business improvement rate, etc. Further, all most all the NGOs that offer different training courses including KAB, BE, English, Leadership training etc. do not have clear focus on the results or the validity of those training to their trainees. Some unemployed university graduates had attended all these courses over a period of 6 – 12 months, and yet unemployed. Majority of them clearly expect wage employment, yet they have been provided with both KAB and BE training. On the other hand, most of unemployed youths prefer attending this kind of

training just to spend their time, and to get the stipend/allowance paid. This situation has distorted the market for this kind of training products, and this should highly effect on the quality of these training programmes.

There are very few NGOs that offer career guidance and counseling services to the unemployed youths, including guidance on preparing CVs and facing interviews. The capacity of these organizations, specially the technical capabilities seemed very little. Further, it was unable to find any organization that offer job placement services, except the two websites that publish vacancy announcements.

The Social Development Fund has involved in providing technology training on bee keeping, and the Economic Diversification Programme of the UNDP has provided technology training on food processing for a small group of women. In general, the supply of technology training remains at very low level.

6.4. TRAINING NEEDS

Generic training needs

Majority of the unemployed youths and women (58% of male, 71% of female) expect wage employment in the government or private sector establishments. Based on the demanded skills by the private sector and the current level of skills and performances of unemployed youths and women, the target group needs following training for getting employment in the local business sector:

- Training on leadership / personal skills focus on making them to be; proactive, independent, results oriented, team workers, self-confidence and responsible
- Technical skills required to be competent sellers, Admin Assistants, Book keepers, and Account Assistants in private sector establishments mainly in the trading sector and Administrative skills for the health sector businesses.

There are some unemployed youths and women (25% male and 12% female) who prefer venturing in to self-employment or starting an own enterprise. This group has a generic training need in Entrepreneurship, business start-up and business management, which will help them to realize the available promising market opportunities for engage in self-employment or starting an own enterprise / small business. In addition this target group need technical / technology training relevant to the type of product/service they selected for their own business.

Some selected leaders among the existing entrepreneurs in the vegetable faming, bee keeping, fisheries and handicraft sectors need a specific training on Managing Business Associations, Co-operatives & Group businesses. All other micro/small entrepreneurs in those sectors need training on benefits, rights and responsibilities and active participation in small business associations / cooperatives.

Sector specific training needs

There are lots of opportunities for wage employments in construction sector, health sector and trading sector (specially for female sales staff) businesses. Specific skills training needs required for capitalizing on employment opportunities in those sectors are summarized in the table below.

	Sector/sub-sector	Target group	Skills Training Needs
1	Construction sector	unemployed youths, youth with little skills, youths with driving skills	Technical knowledge and skills on; plastering, finishing and painting, tile layering, electrical wiring, plumbing, aluminum fabrication, operation of construction equipment, Air-conditioning, and supervisory skills, etc.
2	Health Sector	unemployed high school graduates in Science stream, University / college graduates in commerce or business stream for Admin staff	Nurses, community mid-wives, MLTs, Radiographers, medical equipment technician, Admin staff for health sector businesses
3	Women exclusive shopping services	unemployed female college graduates	- Selling skills (salesmanship) - Knowledge and skills on customer relation - Product knowledge

Skills requirement, present skill level and the specific training needs (skills gap) required for realizing the identified market opportunities on the selected sectors / sub-sectors are summarized in the table below.

	Sector/sub-sector and target group	Required skills to capitalize on identified market opportunities	Current level of skills / performance	Training needs
1	Vegetable Farming for export & high end markets (vegetable farmers, leaders of farmer organizations and Greenhouse suppliers)	- Modern technical knowledge and skills on vegetable farming, achieving high quality and minimizing post-harvest losses - Low-cost greenhouse technology	- Weak knowledge and skills on quality and minimizing post-harvest losses - Lack knowledge/skills on Greenhouse technology	- Technology training on quality improvement and minimizing post-harvest losses - Training on Low-cost greenhouse technology
2	Poultry (Broiler) Farming (interested farmers to start small broiler farms)	- Modern technical knowledge and skills on broiler farming - Knowledge, skills and attitudes on running / active participating in member based organizations	- Lack technical knowledge and skills on broiler farming	- Technical training on broiler farming
3	Fisheries sector (fishing, fish processing, related services, ..) Fishermen, fish sellers, small fish processing businesses, etc.)	- Modern technical knowledge and skills on fishing, maintaining quality and fish processing - Knowledge, skills and attitudes on running / active participating in member based organization	- Weak technical knowledge and skills on modern fishing, maintaining quality and fish processing	- Technical training on modern fishing techniques, maintaining quality and fish processing
4	Bee keeping (bee keepers, new entrants)	- Modern technical knowledge and skills on bee keeping	- Weak technical knowledge and skills on bee keeping	- Technical training on modern bee keeping practices
5	Food processing (snacks, milk products, jam/chutney/sauce, etc.) (small scale food processors, new entrants)	- Technical knowledge and skills on production of relevant food products	- Poor technical knowledge and skills on modern practices, quality, packaging and productivity	- Technology training on production of relevant food products, managing quality, use of modern equipment and packaging
6	Handicraft (Handicraft producers in	- Technical knowledge and skills on producing the demanded	- Weak knowledge and skills on running subcontract	- Technical training on producing the demanded

	Sector/sub-sector and target group	Required skills to capitalize on identified market opportunities	Current level of skills / performance	Training needs
	demanded products by the client)	product/s by the buyer	business - Poor technical knowledge and skills on modern practices, quality, and productivity	product/s by the buyer
7	Education Sector (University graduates of English and Computer science)	- Sound English language skills or knowledge & skills on computer application - Teaching knowledge and skills - Marketing knowledge and skills	- Teaching knowledge and skills	- Training on Teaching skills
8	Entertainment Sector (Girls with ability to play musical equipment, singing, dancing / interested in Dj/karaoke service business)	- Skills on playing musical instrument / singing / dancing or skills on operating DJ/Karaoke, Multimedia equipment	- Lack skills on operating DJ/Karaoke, Multimedia equipment	- Training on operating DJ/Karaoke, Multimedia equipment

6.5. POSSIBLE MODALITIES FOR FACILITATING TRAINING

Training modality	Examples for appropriate areas
1. Formal classroom / in-house training courses	Entrepreneurship, business start-up and business management training Leadership / personality training
2. Classroom training + Internship / OJT	Salesmanship, Administration, etc.
3. Formal & informal Apprentice Training	Technical training,
4. Study tours / demonstration	Greenhouse technology, food processing, bee keeping
5. Training videos	Confidence building, personal skills, Greenhouse technology, food processing, bee keeping, etc.
6. Training manuals / Booklets / Leaflets	Business Start-up, Greenhouse technology, food processing, bee keeping, etc.
7. Radio / TV programmes on regional radio/TV channels	Create Entrepreneurial attitudes, business orientation, positive attitudes for private sector employment, etc.

7. POTENTIAL MARKET LINKAGES FOR JOB CREATION AND ENTERPRISE DEVELOPMENT

A list of organizations interested on collaborating with the project is given in the table below.

	Organization	Interested areas for collaboration
1	Yemen HR.com	Facilitate recruitment of 300 graduates in a new business establishment
2	Hyel Saeed Group	Expand their academy to provide needed skills training on operation & maintenance of construction equipment Establish training institute to train HR for health sector Provide opportunities for Apprentice training
3	Chamber of Commerce and Industry (Sana'a and Taiz)	Assess employment opportunities among members, coordinate skills training and facilitate placement
4	Youth Business Section of FCCI	Facilitate Apprentice & OJT among member businesses
5	Private Training	Design and deliver short training courses on Salesmanship,

	Organization	Interested areas for collaboration
	Institutes (New Horizons, New York Institute, etc.)	Marketing, Administration, etc.
6	Sanabani Poultry Farm / Poultry farm in Taiz	Collaborate in expanding out-grower broiler faming
7	SMEPS	Collaborate in sub-contracting of handicraft production for export orders
8	ILO Yemen	Collaborate in providing business startup and management training - Start and Improve Your Business Programme of ILO
9	Al-Amal MF Bank	Provide microfinance for project clients including new start ups
10	Al-kuraimi MF Bank	Provide microfinance for existing enterprises for expansion

8. Gender

8.1. Gender specific constraints in accessing market opportunities

Women have limited access to economic, social and political opportunities compared with men forced by traditional culture, religion and social norms. Women have been mostly restricted to household matters, agriculture and few public service areas such as health and education sector. The involvement of women in enterprise sector is narrowed to few feminine sectors such as dress making, food processing and beauty culture, which are highly saturated and less potential for growth. Further, Female-owned/headed SMEs hampered by prevailing deep-rooted social customs regarding female economic roles.

Main Constraints:

- traditional family restrictions on the mobility of young females
- Some families do not want their daughters to work for late hours especially in the evening time although some works' nature required that.
- Some women left work because it is so far from their resident place.
- Field jobs are considered as not suitable for female by traditional community as well as by parents and males, which restrict educated girls entering in to some good jobs as credit officers in the banking sector.
- Some works required the girl to take off the veil due to some communication problems especially in education and health sectors where people need facial expression and body language.

8.2. GENDER SPECIFIC CONSTRAINTS IN ACCESSING TRAINING OPPORTUNITIES

- Traditional family restrictions on the mobility of young females
- Some training courses do not include woman in some programs, such as sales and marketing as they see these jobs are only for men.
- Some training programs run in the evening time and many girls are not allowed to attend them lest the problem of Harassment.
- Some training centers are far away from their resident places; therefore, their families do not allow them to participate in such trainings.
- Available training for women concentrated in sewing and beautician courses, which are highly saturated sectors
- Limited availability (or lack) of employment and gender sensitive training courses

Possible interventions:

i. Provide an extra support to women entrepreneurs to start and grow their businesses, and to become role models
ii. Implement a social marketing campaign to encourage parent, husband and male to respect the importance gender equity and equality, specially in engaging female in economic activities. As well as to develop the self-confidence of girls and young female
iii. Encourage male members in families to help their daughters/sisters to get a job and accompany them in terms of transportation means when needed.
iv. Provide extra facilities to female trainees in training programmes, organize training in suitable locations and timing for female participants, develop and introduce more gender sensitive training courses in market oriented sectors.

9. CONCLUSIONS

The findings indicate that unemployment among youth is very high in Yemen; it is 52.9% among 15-24 age group, and 44.4% among 25-59 years group; the situation is further serious among female and university graduates. The private sector doesn't have enough capacity to absorb the inflow of youth into the labour market annually. The investment climate in the country is weak, uncertain security situation, corruption and poor infrastructure, especially the electricity supplies are among major causes for this situation. Therefore, the government must take strategic and broader actions to faster the economic growth and development of the private sector for addressing the issue of youth unemployment in longer term.

Despite the constraints in the investment climate, some economic sectors, such as construction, health, education and few other sectors including agriculture & livestock have shown a substantial growth over the recent years. These sectors and sub-sectors open quite a number of feasible and profitable market opportunities for wage employment as well as for self-employment and venturing into own enterprises. However, the majority of unemployed youths do not possess the skills and knowledge base required to meet the demands of these potential growth sectors within Yemen or the skilled labor needs of the wider Gulf region. The market and training need assessment shows that there are many opportunities to improve the employability and employment of youth, especially those in the selected governorates and sub-sectors, though upgraded vocational and entrepreneurial skills to respond to the demands of current and new business opportunities.

Agriculture (vegetable sub-sector), fisheries, poultry (broiler farming), handicraft, education, and entertainment sectors are main promising economic sectors with feasible market opportunities in the selected governorates. The construction sector, trading sector and health sector indicate promising opportunities for promoting wage employment for unemployed youths and women. The assessment proposed a number of interventions that need to be implemented by the Youth Economic Empowerment project and the stakeholders for realizing the opportunities, key interventions proposed under each sector / sub-sector are summarized below.

- Vegetable sector: Demand for vegetables, especially for tomato, potato, onion, etc. are growing fast and about 30% of the production is exported. Limited availability of water, low productivity resulted from traditional agricultural practices and weak knowledge and skills of applying improved technology, and high post-harvest losses are key constraints in the vegetable sector. It is recommended to introduce low-cost greenhouse technology for vegetable cultivation and improved practices for minimizing post-harvest losses.

- Broiler farming: The assessment reveals that the local chicken production covered only 56.4 % of the needs and the rest is imported as frozen chickens, approximately 10,000 MT per month. Taiz and Sana'a governorates have high potential for expanding the broiler production. Big company companies such as Sanabani Agriculture and Poultry Company provide the farmers with one – day old chicks and also supply them with feed, vaccines, drugs and needed technical advises. Therefore, it is proposed to facilitate setting up of out-grower / buy-back system for starting small scale broiler farming.

- Fisheries sector: The demand for fresh fish is increasing in the local market as well as for export, there are 43 fish processing plants (including the 17 EU certified) and 52 licensed exporters involved in fish export business.

However, lack of strong organization, proper extension services, poor access to finance and weak business orientation among the actors in fisheries sector have limited the use of full potential in the sector. Most of the weaknesses in the sector should be able to address by developing the capacity of Fisheries Associations and introducing modern technologies and promoting the quality concern among the actors.

- Bee keeping: The most popular governorate for honey production is Hadramout, however, Taiz too has high potential for expanding honey production with its climatic conditions and availability of flower trees. Majority of bee keepers in Taiz engaged in it at subsistence level at present, average 10 hives per farmer, use for own consumption and sell the rest, it provides supplementary income for farmers. Bee keepers come from Hadramout and other places bring their hives to Taiz governorates during the flowering season, which indicate that possibilities to develop such business in Taiz. Weak entrepreneurial skills and poor business orientation are among the key constraints for the development of the sector. Therefore, it is proposed to facilitate business/entrepreneurship training, with particular focus on promoting business attitudes.

- Food processing sector: The assessment focused on popular local food products such as snacks, milk products, jam/chutney/sauce, etc. that produced mostly by home-based industries or at small scale, using family labour. High engagement of women is a special phenomenon of this sector, and it open good potential for creating economic opportunities for women. Weak entrepreneurial skills and poor business orientation, low quality and productivity are among the key constraints for the development of the sector. Therefore, it is recommended to facilitate entrepreneurship development, technology transfer programme for improving the quality and productivity of businesses in the food processing sector.

- Handicraft sector: The potential in handicraft sector is quite a low compared with other sectors analyzed in the assessment. Recession in the tourism sector is one of the key reasons for declining the sector. However, SMEPS has initiated an export promotion project for the Yemen handicrafts and has managed to get a big export order from Europe importer already. Based on this opportunity, the assessment proposed to organize producer clusters, develop their capacity and link with SMEPS to produce the required products for export under sub-contract system.

- Education sector: The education sector is one of the fast growing sectors in the country, specially the demand for English language training and computer training are increasing. There is a large middle income class, particularly in urban areas with the need of providing English language and computer training for their children, and with willingness to make reasonable investment. There is large number of unemployed University graduates who has specialized in English language study and computer science, which open a promising market opportunity to promote unemployed English / Computer graduates to self-employment in the training industry as private English/Computer trainers - individual / group classes (home visits). Lack of entrepreneurship, business knowledge and teaching skills among these graduates hinder the realization of this market opportunity. Therefore, it is recommended to provide them with those skills through a short training promote them for venturing into self-employment in this sector.

  Entertainment sector: Cultural and religious norms have limited Yemeni women's engagement and the opportunity of active participation in social events in the presence of male. Large number of weddings & other parties takes place every day and this situation has created a huge market opportunity for promoting musical, dancing, DJ, Karaoke services, and such events & indoor shows exclusively for women under the theme of "Ladies only". Small groups of unemployed girls can be promoted to take the advantage of this opportunity. This is really an untapped and unconventional huge market opportunity that addresses a latent demand in the society.

- Construction sector: Construction sector absorb more than 1.25 million of the labor force, and has witnessed impressive growth during the last years from 12.8% in 2009 to 13.4% in 2010. There are 1,234 construction (Graded of 1 to 4) companies registered in the Ministry of Public Constructions and Roads, and large number of informal construction businesses. There is a market shortage for Carpenters, Masonries, Plumbers. Painters, Electricians, Tile layers, Air-condition technicians and etc. further, the demand for skilled construction sector workers in the national and Gulf region is increasing. Therefore it's recommended to expand the availability and accessibility to demand driven VT courses to produce high quality skilled workers for the construction sector

- Health sector: Health sector facilities in the country have grown remarkably, particularly the private hospitals, medical centers, clinics etc. with the huge concentration of population in the urban areas during the last few years, and as a result of high population growth rate in the country. This situation generates lots of opportunities for skilled workers, however, the existing supply of skills training remains quite low, The Health Science Institute receive about 15,000 applications for Nurses course annually, but their capacity is only 300, can increase little more if funded by a third party. On the other hand, the sector need long training (3-years) and need hospital facilities to provide practical skill training, very few private hospitals with required facilities to train HR for health sector, and cost per trainee is quite a high (approx. 3,000 USD per trainee). Further, health sector needs large number of Administrative staff that can be developed through short training courses. It is recommended to facilitate the establishment of training institutes by private sector and to facilitate designing and introduction of training courses to train Admin staff for health sector.

- Wage employment opportunities in the local business sector: There are 30,000 local businesses attached to the Chamber of Commerce and Industry of Sana'a (6,000 active members), and 9,100 local businesses attached to the Chamber of Commerce and Industry of Taiz, which are mostly in the trading sector. Some of these busineses have employment opportunityies for skilled workers, paarticularly for slaes staff and administrative staff, and some opportunities for internships and apprentice training.

The findings of the TNA proves the mismatch between the demand for and supply of skills training, the perception by the business community is that the TVET system produces graduates with low and inappropriate qualifications. Further, the TVET system absorb only 3 – 4 % of the annual cohort of youth enter into the labour market. There is large number of VT institutes; most of them offer courses on Mechanics, Carpentry, Electricity, Hairdresser, Sewing, Handicrafts, Administrative, Computer, and languages, etc. Yet, there is no proper link with the private sector and the quality of training is in doubt. In light of this situation, the government, particularly the Ministry of Technical Education and Vocational Training should take corrective actions to develop and reform skills training sector to meet the market requirements. Meanwhile, there are some opportunities that can be taken up by the YEE project and its stakeholders to fill the skills gap needed for realizing the market opportunities identified in short and medium term. Proposed interventions include short training on;

- leadership / personal skills focus on making unemployed youths to be; proactive, independent, results oriented, team workers, self-confidence and responsible
- Technical skills required to be competent sellers, Admin Assistants, Book keepers, and Account Assistants in private sector establishments mainly in the trading sector and Administrative skills for the health sector businesses.

Mainly, the traditional family restrictions on the mobility of young females and the gender biased social perceptions have constrained women in getting benefitted from the available market opportunities. Further, the limited availability (or lack) of employment and gender sensitive training courses limit the accessability of skills and other training opportunities for women. Therefore, a specific attention should be given in designing training courses to make them more gender sensitive.

Overall, it can be concluded that the participatory market and training need assessment and the market validation workshops were successful. Relevant stakeholders showed a high interest, participation, acceptance of the proposed interventions and willingness to collaborate with the project. The proposals, resulting from the assessment, include a mix of relatively short-term and easy to implement, and longer term and more complex activities. Most of the interventions proposed are directed at enhancing the employability and employment of unemployed youths and women in feasible economic sectors. Improved market driven skills among the direct target group and the capacity of relevant stakeholders will lead to increased income and creation of employment opportunities in the selected governorates.

10.RECOMMENDATIONS

UNDP/Youth Economic Empowerment Project has already started following up on potential collaborations resulted from the market assessment. The assessment team's recommendations for UNDP/YEE project and for its stakeholders in realizing the identified market opportunities for promoting employment and self-employment for unemployed youths and women are as follows:

10.1. GET ALL RELEVANT STAKEHOLDERS ON-BOARD:

1. The project should conduct two more market validation workshops for stakeholders in Taiz and Aden governorates to get all relevant stakeholders onboard in implementation of the proposed interventions.

10.2. IMPLEMENT THE PROPOSED INTERVENTIONS:

1. In order to implement the proposed interventions, the project should develop a detailed intervention framework and action plan together with interested partners.
2. The YEE project should lead actions to develop and implement proposed interventions, specially, the capacity development and improvements in the service delivery by the implementing partners including financial assistance when required. See the proposed implementation models given in the relevant sections of this report for some examples of areas where YEE Project could provide additional support.
3. The project should facilitate network linkages with relevant government authorities, and relevant representatives of national agencies and ministries, as well as with local government authorities and the political leadership. These linkages are important to the success of project efforts. Since the ability to influence national policy reform appears to be limited, the YEE project's success in collaborating with local governments and local representatives of national agencies seems to provide the most effective means to address policy and regulatory reform issues.

10.3. IMPROVE THE AVAILABILITY AND ACCESS TO MARKET DRIVEN SKILLS TRAINING:

1. Given the fact that the mismatch between the market demand and the supply of skills training resulted from the weak linkage of skills training providers with the private sector, the project should assist VT providers to link with the industry, get private sector involved in curriculum development, training delivery, providing practical /OJT, and particularly, in assessing the performance of trainees at the end of the training courses.
2. In order to realize the market opportunity in the local business sector for providing market driven skills training, The project should assist and develop the capacity of Chamber of Commerce and Industry to link the target

group with large scale companies for apprentice, internship and for on-the-job skills development in demanding areas (health sector, construction sector, foreign employment, trading sector including supermarket chains, etc.)

3. Given that the weak role played by job placement and career guidance service providers, the project should develop the technical capacity of few selected job placement and career guidance service providers to design and implement more market driven and result oriented service, and facilitate linking them with the private sector.
4. In order to develop right attitude on the job requirements of the private sector among the target group, the project should design and implement a broader social marketing campaign for improving the self-confidence, positive attitudes and to make the target group more pro-active.

10.4. UTILIZE OPPORTUNITIES THAT CAN BE PROMOTED IMMEDIATELY:

1. In light with the strong interest of Sanabani poultry farm, Hyel Saeed Group and yemenhr.com for collaboration with the project in facilitating and providing skills training and employment opportunities, the project should take immediate actions to exploit those opportunities.

10.5. INTEGRATE MICRO AND SMALL BUSINESSES INTO VALUE CHAINS:

1. There is a critical need for support of integrating micro and small enterprises into the relevant value chains. The project should implement a value chain development programme for the most priority sectors identified, specially for the vegetable and fisheries value chains.

11. List of References

1. Axtell, Barrie et al. 2008. Opportunities in food processing, Setting up and running a small fruit or vegetable processing enterprise. Wageningen, the Netherlands.
2. CSO. 2007. Women and Men in Yemen. MoPIC, Sana'a; Yemen.
3. El-Quqa, Omar M. et al. 2008. Yemen Economic and Strategic Outlook. Global Investment House, Kuwait.
4. IFC. 2012. Doing Business. The World Bank, Washington, USA
5. IFC. 2010. Yemen Country Profile. The International Bank for Reconstruction and Development / the World Bank. Washington, USA.
6. IFC. 2007. Assessment of MSE Financial Needs in Yemen. The IBRD & the World Bank. Washington DC, USA
7. Japan International Cooperation Agency (JICA). 2009. Yemen: Country Gender Profile. Public Policy Department. Sana'a, Yemen.
8. Michael Axmann et al. 2008. Findings of Technical Education and Vocational Training (TEVT) sector mission in the republic of Yemen. GIZ. Sana'a, Yemen.
9. McKinley, Terry and Mehran, Farhad.2006.Strengthening the Employment Impact of an MDG-based Development Strategy for Yemen. United Nations Development Programme (UNDP). International Poverty Centre, Brazil.
10. Ministry of Fish Wealth. 2012. National Fisheries Strategy (2012-2025). Sana'a, Republic of Yemen.
11. Samir Mourshed.2012. Transitional Program for Stabilization and Development (TPSD).2012-2014. GTZ. Sana'a, Yemen.
12. United Nations. 2011. Common country assessment republic of Yemen. New York. USA.
13. UNDP, Poverty, Growth, Employment, and Income Distribution YEMEN 1998-2006
14. Building Jobs: Impact of Real Estate Projects in Yemen, Silatech Discussion Paper Series- January 2011.
15. Republic of Yemen, Challenges and Opportunities, Education Status Report- June 2010.
16. Measuring Women's Status in Yemen, Nelson D. Gunter-March 19, 2012.
17. Opportunities and Obstacles for Yemeni Workers in GCC Labor Markets, Jessica Forsythe, Chatham House, MENA project paper 2011/01 - September 2011.
18. Republic OF Yemen, Public Administration Country Profile, UN-2004.

19. Sana'a, a City Development Strategy, Cities Alliance.
20. Aden, local economic development strategy, Cities Alliance.
21. Yemen's Third Socio-Economic Development Plan for Poverty Reduction (2006-2010), MOPIC, Yemen.
22. Yemen Cross-Sectoral Youth Assessment: Final Report, By Education Development Center, Inc. a, USAID/Yemen-November, 2008.
23. Central Bank of Yemen, Annul Repot, 2010.
24. The Yemen Construction Industry: Reading the Industry for the Successful Implementation of Sustainability, Mr. Basel Sultan and Stephen Kajewski.
25. Joint Social and Economic Assessment for the Republic of Yemen, WB,UN,EU and IDB -2012
26. Yemen Poverty Assessment, UN and WB, volume (1) Main Report- November 2007.
27. Developing Construction Contracting sector performance in Yemen, Dr.Abdulmaelk Aljolahi, Journal of Engineering Sciences, Assiut University, Vol. 39, No 5, pp. 1021-1031, September 2011.
28. Developing Handicrafts in Yemen, One of the Opportunities for Arab Industrial Cooperation with Turkey, Abdulsalam Almuliki, and June2012.
29. CSO, Yemen, Year Books 2010-2011 and Governorates Statistics 2007.
30. SMEPS, Final Report on Assistance to Develop Export Market Access Programmes for Yemeni NGO's and SME's in Traditional Craft Industries, April to November, 2004.
31. SMEPS, Continuing Development and Establishing Export and Marketing Structures for Yemeni Handicraft Products,(including Incense) in Yemen and Europe", Final Report (Draft)-December 2007.

12. ANNEXES

1.1. LIST OF INTERVIEWS

Youth Economic Empowerment Project - Market Assessment- Meeting list

	Name of the organization	Name of contact person	Position / Designation	Physical Address
1	Economic Diversification Support Programme, Agriculture Project	Eng. Sadek Al-Nabhani	NPM	P.O. Box 551, Sana'a
2	Federation of Chambers of Commerce	Nabil Hussien Al-Maznai	Youth Businessmen Committee Head	Al-Zubairi St. Opposite to Arab Bank
3	Ministry of Trade and Small industries	Eng. Ali Mohammed Abdulatif	General director of Smal Industries	P.O. Box 23132, Sana'a
4	Economic Opportunity Fund	Dr. Nagat Jumman	Exective Director	P.O. Box 7355, Sana'a
		Ahmed Sulaiman Haggam	Value Chain Manager	P.O. Box 7355, Sana'a
5	Yemen Education For Employment	Yasser Al-Saidi	CEO	Haddah Street, Al-Mujamma Building #3, 7th Floor, Sana'a
		Taleb Salhab	Vice President, Programs and Affliate Services	Employment For Education (EFE), 1612 K Street, NW-Ste. 800, Washinton D.C. 20006
		Bashara Doughaish	Program Associate	Haddah Street, Al-Mujamma Building #3, 7th Floor, Sana'a
6	Technical and Vocational Education ministry	Eng. Ali Ali Zuhrah	Assistant Deputy Ministers	Baghdad Street
		Ali Hamoud	Curriculum & Edu. Media Head	Baghdad Street

	Name of the organization	Name of contact person	Position / Designation	Physical Address
7	Youth Economic Development Center	Ghada I. Al-Motawakil	Program Coordinator	Near General Insurance Authority
8	Golden specialized Hospital	Dr. Elham Abdulghani Mutahar	General Manager	Sana'a-Faj Attan - Thirty Street, P.O. Box: 24040
9	SOUL For Development	Dr. Fatima A.K. Sallam	Project Unit Manager	P.O. Box: 18383, 16th Street, Off Rabat St - Hayal Area, Sana'a
10	GTZ	Mohammed Al-moayed	Expert in Business Development Services	PO Box 693, Sana'a
11	Al Amal Microfinance Bank	Mohammed S.A. Al-Lai	CEO	Baghdad Street, Close to (YALI), Sana'a, PO Box 15114
		Nabil Al-Shehaly	R&D Manager	Baghdad Street, Close to (YALI), Sana'a, PO Box 15114
12	General Investment Authority			
13	Small and Micro Enterprise Promotion Service (SMEPS)	Wesam Qaid	Executive Director	Al Siteen St, Beside Apollo Exhibition Center, PO Box 12426, University post office, Sana'a
14	Alkuraimi Microfinace Bank	Yousuf A.M. Alkuraimi	Managing Director	PO Box 19357, Sana'a
		Radhwan A. Alkuraimi	Managing Director Deputy	PO Box 19357, Sana'a
15	Saheed Group	Ebrahim Al Hamadi	HRD Manager	
16	Chamber of Commerce and Industry - Taiz	Mufeed Abdu Saif	General Manager	PO Box 5029, taiz- Republic of Yemen

	Name of the organization	Name of contact person	Position / Designation	Physical Address
17	Al-Saeed Academy	Jameel Al Qadasi	The Dean	
18	XXXX			
19	Sada Organoization for Training	.Sami Al Dheeb	Director	
20	Saeed Charity organization	Shaher Mohamad Shaher	Representative	PO Box 5302, taiz- Republic of Yemen
21	Women Association for Sustainable Development	Esmehan Mohammad Al-Qopati	Executive Director	
22	Newyork Institute	Belqees Abdulwahed : 714409909/ 02236743	General Manager	
23	Engineering Consultancy Compay	Ahmed Fuad Al Yousfi	Head of Prposals& Business development Dept	PO Box 70116, Aden- Republic of Yemen
24	"Change Your Life" Community Development Organization	Karam Yousef: 733560019/734500893	Aden Branch Manager	PO Box 2331, Aden- Republic of Yemen
25	New Horizons Computer Learning Center			
26	Chamber of Commerce and Industry - Aden	Mohammed Bamshmous: 733257376 / 02257376		
27	National Institute of Technician and Instructor Training	Eng, Husain AlBan: 733599401		
28	Construction Company (Aden) Enma	Tawfik Al qathi	Engineer	
29	YEFE - Taiz	Dr. Labib Shaher	Taiz Branch Director	

	Name of the organization	Name of contact person	Position / Designation	Physical Address
30	Advance Institute - English Language Center	A. Wali Moh'd Al-asbahi	General Manager	Al-geria St, Sana'a
31	Thadoman Real Estate Company	Dr. Nayal Rashed	General Manager	PO Box. 15584, Sana'a, Yemen
32	ILO	Mr. Ali Dehaq	Coordinator	
33	Al Saeed Group	Mohammed A. Saeed	Chairman of the Board, Federation of Yemen Chambers of Commerce and Industry	PO Box. 16992, Sana'a, Yemen
34	Health Science Institute	Kamal Sultan: 777303352	Vice Deen	
35	Al Gharasi International Trading Company	Abdulhakim M. Al-Shaikh	Financial Manager	PO Box. 1270, Sana'a, Yemen
36	Chamber of Commerce & Industry - Sana'a	Mohammed M.A. Zaid Al-Mohlla	General Manager	PO Box. 195, Al-Hasabah, Sana'a
37	Construction Company (Sana'a)	Mr. Abdullah Al. Edrisi: 735171144		
38	Sanabani Agriculture & Pountry Company	Naser Mohammed Al-Sanabani:	733231157	
		Abdul-Ghani Mohammed Al-Sanabani: 733261111		

1.2. LIST OF FOCUS GROUP DISCUSSIONS

Youth Economic Empowerment Project - Market Assessment- list of FGD

Date	place	Category of Participants	No. of Male	No. of Female	Total
08-Oct	YLDF	unemployed youths	5	3	8
09-Oct	EFE Center	unemployed youths	6	10	16
15-Oct	Taiz	unemployed youths - 1	6	9	15
	Taiz	unemployed youths - 2	5	6	11
	Taiz	unemployed youths - 3			
17-Oct	Taiz	Vegetable Farmers	4	19	23
		Poultry Farmers	0	2	2
		Bee Keeping Farmers	3	6	9
21-Oct	Aden	Unemployed youths	2	5	7
22-Oct	Aden	Fishermen	10	0	10