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Yemen welcomes the Syrian move

Syria vows complete and swift Lebanon pullout

By YEMEN TIMES & REUTERS

Sana'a, 6 March- Yemen's foreign minister Dr. Abu Bakr al-Qirbi has given Yemen Times a statement on the Yemeni stance regarding the Syrian president Bashar al-Assad speech on the pullout of Syrian forces from Lebanon.

Dr. al-Qirbi has said the Yemeni stance concerning the speech of president Bashar al-Assad of the Arab Republic of Syria on Saturday is welcoming all that was mentioned in it, particularly pertaining the commitment to Taif Agreement and the United Nations Security Council Resolution 1559.

The Yemeni foreign minister has said, "We bless these solutions to rid Lebanon and Syria of conspiracies and intrigues machinated against them."

Syria vowed a complete and swift two-phased withdrawal of its troops from Lebanon but President Bashar al-Assad said on Saturday Damascus would still play a role in the tiny neighbour it has dominated for 30 years.

Lebanese greeted Assad's announcement with screams of delight in central Beirut, while opposition figures in Lebanon and European leaders cautiously described the move as positive.

But Washington, which says Syrian "support for terrorism" impedes Middle East peace, dismissed the pullout plan as inadequate and reiterated its call for a complete and immediate withdrawal of Syrian forces from Lebanon.

After mounting international pressure and faced with daily protests inside Lebanon to end its security presence there, Assad told parliament Syrian troops would initially pull back to the Bekaa Valley in eastern Lebanon and then to the border area.

"By this measure Syria would have fulfilled its commitment towards the Taif Accord and implemented (U.N. Security Council) Resolution 1559," he said.

The Taif Accord ended Lebanon's 1975-1990 civil war and, among other points, stipulated the withdrawal of

Anti-Syria Lebanese opposition protesters celebrate in Beirut March 5. Thousands of protesters, waving Lebanese flags, erupted in joy in central Beirut when Syrian President Bashar al-Assad announced on Saturday a gradual Syrian troop pull back from Lebanon. Inset: Syrian President addresses parliament in Damascus March 5. Assad announced on Saturday that Syrian troops would start a gradual withdrawal from Lebanon.

Syrian troops from most of the country within two years. Resolution 1559, adopted last September by the U.N. Security Council at the initiative of the United States and France, called for foreign troops to quit Lebanon completely.

Elaborating on Assad's announcement, Syrian cabinet minister Buthaina Shaaban said her country's troops would withdraw to the Syrian side of the border.

"The Syrian army wants to pull out quickly ... as soon as possible logistically," Shaaban told Lebanon's LBC television. "The political decision has been taken for a complete withdrawal."

She said a meeting between the two countries' leaders on Monday would agree on the details, including the timing.

Assad said Syria, which first deployed troops in Lebanon in 1976, would not relinquish its role in the country.

"Syria's withdrawal from Lebanon does not mean the absence of Syria's role (in Lebanon)," Assad said. "Syria's

strength and its role in Lebanon is not dependent on the presence of its forces in Lebanon."

"Withdrawal does not damage Syrian interests. On the contrary it fosters Syrian interests ... That is why we began withdrawing five years ago and have withdrawn 63 percent of the forces," Assad added.

Mixed reaction

Syrian troops have been in Lebanon since intervening in its civil war in the 1970s, and currently has about 14,000 troops there, down from 40,000.

It has carried out five redeployments since 2000, pulling some forces to the Bekaa and some back to Syria, but has maintained forces in and around Beirut and in northern Lebanon.

Damascus has viewed Lebanon as a strategic asset and key economic outlet for decades. Nationalists in Damascus have traditionally seen Lebanon as a rightful part of Syria sliced off by French-British colonial machinations.

But Syria has come under growing Lebanese, Arab and international pressure to quit Lebanon since the assassination of former Lebanese Prime Minister Rafik al-Hariri last month. Many have pointed the finger at Syria, which denies any role.

Lebanon's main opposition leader Walid Jumblatt said Assad's speech was a "positive start ... Our hands are extended with the insistence on a timetable for the withdrawal".

Christian opposition figure, former President Amin Gemayel, with caution, "What is dangerous is this deployment on the borders. We have information that the Syrian army will stay in the mountain range within the Lebanese border," Gemayel said.

The United States, Syria's most vocal critic, said Assad's pledge to pull back had not gone far enough.

"We mean complete withdrawal — no half-hearted measures," said White House spokeswoman Erin Healy, repeating the phrase State Department spokeswoman Darla Jordan had used earlier.

Russia, Britain and the European Union expressed satisfaction with Assad's announcement, saying it was a first step towards a full withdrawal.

A spokesman for U.N. Secretary-General Kofi Annan said he had asked his special envoy, Terje Roed-Larsen, to travel to Beirut and Damascus this week to discuss the "full, complete and immediate implementation of Security Council Resolution 1559".

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Status of Yemeni Women Reviewed at the UN

By NADIA AL-SAKKAF
 YEMEN TIMES STAFF

With the objective of reviewing and appraising of the Beijing Declaration and Platform of Action and appraisal of women's status in 2005 the 49th session of the commission on status of women (28th Feb-11 March) is taking place currently. This session comes in line with the agreement in the Political Declaration adopted in by the United Nations General Assembly at its twenty-third special session in June 2000, where the member states agreed to "assess regularly further implementation of the Beijing Platform for Action with a view to bringing together all parties

involved in 2005 to assess progress and consider new initiatives, as appropriate, ten years after the adoption of the Beijing Platform for Action". The Commission on the Status of Women wrapped up yesterday 3rd of March, the first of two weeks of a review of progress towards gender equality with the consensus adoption of a declaration, by which governments emphasized that the full implementation of the Beijing agenda for women was essential for achieving the internationally agreed development goals, including those of the Millennium Declaration.

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Organized campaign against corrupt judiciary in Yemen

By MOHAMMED BINSALLAM
 YEMEN TIMES STAFF

Sana'a, 6 March- This week has witnessed heated escalations by members of professional unions, political parties and mass organizations in response to aggressive acts against journalists last Tuesday. In an attempt to defend their rights, lawyers and journalists continue to discuss the latest developments in this issue. On their part, parties of the opposition JMP have issued a statement denouncing the aggression against lawyers and journalists last Tuesday during a court session concerning the trial of Mr. Abdul-Karim al-Khaiwani, Editor-in-Chief of al-Shura Weekly, at the Appeals Court, in the Capital Secretariat.

The statement mentioned that the JMP, expressed regret and denunciation of what had happened at the Court

which is supposed to be a sanctuary of freedom and harbor for the oppressed. The law should have prevailed in such arenas of human dignity and freedoms.

The JMP considers what happened Tuesday as coming within the context of depriving al-Khaiwani of his right of defense or is meant for prolonging his imprisonment. In conclusion, the opposition parties' statement has called on the Supreme Judicial Council to hold Judge al-Hijri accountable and must dismiss and try him according to the law.

The JMP asked for prohibition of judges for rallying around them tribal militias as bodyguards or hiring security elements from outside the Judicial Police.

On the other hand, the Yemeni Teachers Syndicate vowed solidarity with the Yemen Journalists and Lawyers syndicates who have announced joint activities.

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*Poverty reduction plan painfully slow***Just where is Yemen going?**

By YEMEN TIMES NEWS SERVICES

Despite its location in the oil-rich Middle East, Yemen is still one of the poorest countries in the world, even with ongoing efforts to reduce poverty. With a population of 20 million people, 42 percent are living under the poverty line on under US \$2 per day, according to the government.

In addition, 13.2 percent of the total population are living near to the poverty line. The average annual individual income is US \$450 and unemployment was running at 37 percent in 2003, according to World Bank statistics.

International organisations consider Yemen one of the 30 nations at the lowest level of development in the world. It was ranked 133 out of 162 countries, accord-

ing to the UN Human Development Report for 2001.

But experts say this figure is unlikely to change as the country faces very slow economic growth and is not able to provide enough jobs for the ever increasing population.

Efforts to curb poverty

In order to make headway on poverty reduction, the Yemeni government started an economic reform programme in 1995, following recommendations from the World Bank and the International Monetary Fund (IMF).

This programme, however, has had a negative effect on the poor, observers say, because of rising oil prices and high cost of basic materials and food. But it was considered a necessary though painful step

to increase income, provide jobs, stop inflation and improve living conditions.

Since then, a Poverty Reduction Strategy Paper (PRSP) was introduced for the period between 2003-2005. The head of the PRSP follow-up and monitoring unit in the Yemeni ministry of planning and international relations, Yahya al-Mutawakel, said that although this strategy was ongoing it could not fulfil all of its goals without appropriate funds to finance the necessary projects.

"These goals cannot be fulfilled without providing enough financial resources to finance important projects," al-Mutawakel, said.

"This strategy consists of four vital subjects related to economic growth, human resources development, substructure creation, social protection and good gover-

nance," he added.

The head of the Yemeni Strategic Studies Centre, Mohammed al-Afnadi, believes that the strategy has not led to any improvement in economic growth and living standards.

"After three years of starting the PRSP, we have not seen much improvement in reducing poverty. Poverty is still high and the number of poor people is increasing," he said.

"I think Yemen needs a comprehensive economic and social development strategy leading to increased economic growth. Without this government efforts will meet a lot of obstacles and will not be able to reduce the level of poverty in Yemen," al-Afnadi said.

In 2002, the United Nations Development Programme (UNDP) began

to integrate the Millennium Development Goals (MDGs) into poverty reduction strategies in a further effort to reduce the problem. The MDGs were adopted under a declaration in 2000 at a summit of world leaders in order to raise living standards, achieve common values and equality for men and women in developing countries.

Rural areas worse

Poverty in Yemen is more prevalent in rural areas than in urban areas which is home to 83 percent of food insecure people. Most of them are concentrated in four provinces, Taiz, 256 km south of Sana, Ibb, 193 km south of Sana, Sana, and Hudaidah, 226 km south-west of Sana, according to the World Bank. These regions lack job opportunities, healthcare and education, according to the Bank.

Readers' Voice

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Yemen reforms boostBy REBECCA TORR
MANAMA

YEMEN may still be facing problems of illiteracy and poverty but its strides in political and economic reform are slowly but surely helping to change all of this, says Yemen Human Rights Minister Amat Al-Aleem Alsoswa.

Ms Alsoswa, who was visiting Bahrain for the first time, was speaking at a Press conference held Tuesday at the Abdulla Al Zayed House for Bahrain Press Heritage, in Muharraq.

"Yemen's unification took place in 1990 and this step has been the most significant one taken in the history of the country," said Yemen's first woman minister.

"Yemen decided in 1990 that the only way out of Yemen's problems was to go down a democratic path and accept each others differences. Yemen is tribal, poor and different in regional places.

"The economic situation is the problem. Yemen has a high population (22 million) and there are not enough jobs for everyone.

"The only way out is to give people

rights. The main thing is development, fighting for new supplies of water and power. We still struggle to get this to all places."

The former journalist and ambassador said despite the challenges, Yemen had come a long way since unification, especially in terms of women's rights.

Challenges

Ms Alsoswa said women now enjoyed almost the same rights as men and that they were being represented, where they had never been before, especially politically.

"There are now women judges and women have full rights to vote and to be elected in local councils and we are hoping that they will soon be able to hold 10 per cent of all decisions at higher councils," said Ms Alsoswa, who has been a Yemen's Human Rights Minister since 2003.

"But senior women have to be trained. We don't just want women. We want women who are good role models."

Ms Alsoswa, who will leave Bahrain tonight, is here at the invitation of Shaikh Ebrahim Centre for Culture and Research chair, writer and researcher Shaikha Mai bint Mohammed Al

Khalifa.

She expressed her gratitude to Shaikha Mai and said she hoped that the visit would be one of many and it would open up new venues for work and joint cultural activities.

Ms Alsoswa also spoke about the challenges facing human rights in Yemen at a lecture held last night at the Shaikh Ebrahim Centre for Culture and Research in Muharraq.

She said the main problem facing human rights in Yemen was poverty and that more than 30% of the population were living below the bread line.

However, she said the future looked bright and that she was glad to be able to be given the opportunity to handle the relations of civil society in a quiet and healthy way.

"It's not easy and can be difficult at times, but I've been raised to face difficulties and challenges like all Yemeni women. I'm not the only one. There are growing numbers of us and many deserve to be in higher positions."

Cardiology center inaugurated

TAIZ BUREAU

Dr. Mohamed al-No'mi, Minister of Health and Population along with Judge Ahmad al-Hajiri Governor of Aden inaugurated the Cardiology Center at al-Jomhuri Hospital last Monday 28th of February. The center includes two departments; one for catheterization and the other for intensive cardiological care.

The two officials visited the other departments of the hospital and reviewed the medical facilities supplied recently to the hospital.

In a statement to the Yemen Times, Dr. al-No'mi said the cardiology center at the hospital contains modern medical facilities in terms of measuring hypertension and monitoring heart attacks as well as conducting a number of cardiological operations.

The minister pointed out that there are many well-qualified staffers who work for the center and other medical facilities and praised the efforts exerted by the Taiz Health and Population Office for the sake of providing better medical services.

Sultan al-Atwani, NUO Secretary-GeneralBy MOHAMMAD BIN SALLAM
YEMEN TIMES STAFF

The central committee of Nasserite Unionist Organization (NUO) elected this week the MP Sultan al-Atwani, 55, a secretary general for the party, succeeding Abdulmalik al-Mikhlafi.

Al-Atwani obtained an overwhelming majority of votes in a secret ballot by the central committee members while Ali al-Yazid was elected deputy secretary general and Mohammad al-Rada'ai and Hamid Asem secretary

general assistants.

It is worth noting that around 70 percent of the general secretariat members are new faces and this reflects the great change, which is the first of its kind in Yemeni political life.

The Nasserite Unionist Organization commenced the functions of its tenth conference ten days ago and was attended by a number of party leaders and Arab and Yemeni diplomats including Mohammad al-Douri, former Iraqi Ambassador to the United Nations.

Al-Saleh Association distributes flour in MaribBy HASSAN AL-ZAIDI
YEMEN TIMES STAFF

Al-Saleh Social Development Association distributed 410 sacks of flour among various associations in Marib in order to give them to the needy locals, last week.

As many as ten charitable associations in Marib representing different social categories profited from the

grants offered by the association to distribute them among the handicapped and many other poor people.

This is considered the first aid extended to the civil society organizations in a province like Marib that is mostly inhabited by tribesmen.

The grant comes in the framework of a charitable campaign carried out by al-Saleh, to distribute flour to different areas all over Yemen.

July 17th newspaper anniversary

By YEMEN TIMES STAFF

The July 17th Newspaper celebrates on March 7 its 12th anniversary and the issuance of issue No.300, as well as the success of the first sporting referendum conducted by the newspaper, which coincides with the Yemeni football premier league of the last season.

The event was scheduled to take place at the premises of the Yemeni Journalists Syndicate (YJS) in Sana'a, and invitations were extended to numerous intellectuals and media personnel to attend the celebration.

The event will have a press exhibition, including a special wing for the newspaper, samples of its previous issues and the different issues dealt with by the newspaper. The exhibition also includes a special wing for photos, caricatures and other paintings.

In addition, numerous speeches are due to be delivered in the event and the outstanding journalists will be honored along with many personalities of distinction who cooperated with the newspaper in the previous days.

Al-Kurbi calls Cairo meeting a success

By Yemen Times News Services

Yemen has described a meeting of Arab foreign ministers in Cairo as "successful" in drafting the agenda of the next Arab summit.

Foreign Minister Abu Baker al-Kurbi, upon his return to Sanaa Friday, said the Arab ministers "were able to secure consensus over many key issues, including the reforms they want to introduce to the Arab League, the establishment of an Arab parliament and the mechanism of voting."

The summit is scheduled to take place in Algiers in late March.

Kurbi said agreement was also reached on the need to implement the 1989 Taif agreement, which ended Lebanon's civil strife and outlined the nature of relations between Lebanon and Syria.

The Taif agreement stipulated the phased withdrawal of Syrian forces from Lebanon, a demand which the Lebanese opposition has been pressing in the past months.

Al-Kurbi also said the ministers reaffirmed commitment to Iraq's unity, security and territorial integrity and welcomed the Iraqi elections held in January as a first step toward stability and independence.

Workshop on Millennium Goals

By YEMEN TIMES STAFF

The Ministry of Planning and International Cooperation organizes today a workshop for pressmen on the five-year plan related to development, poverty alleviation and achieving the millennium goals of the period 2006-2010.

The workshop aims to raise awareness among participants about the recent developments regarding the economic situations in Yemen.

It also aims to reinforce the role of the media in communicating with the public opinion about the recent economic developments and future horizons of the Yemeni economy.

Prequalification Invitation Announcement (PIA) (For Consultancy Offices/Firms)

The Ministry of Higher Education and Scientific Research in the Republic of Yemen wants to conduct a scientific study concerning establishment of University in A'amran Governorate with 10,000 (Ten Thousand) students capacity in the preliminary stage and the study include the following:

1. Preparation of the strategic vision of the project within the framework of the market and developmental needs, benefiting from the Information Technology (IT).
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3. Preparation of institutional efficiency system (quality assurance system).

The Consultancy Offices/Firms which are interested in conducting the study should send their complete profile vita include the following:

1. Scope of consultancies in similar fields, enclosing certified true Copies of Testimonials/Certificates by Rectors of Universities pertaining to similar implemented work and copies of Work Contracts implemented by the Office/Firm for the last five years.
2. The Consultancy Office/Firm should provide a list of Specialized Technical Team of Academic Cadres who will be assigned to implement the items of the study, each in his respective field of specialization (Updated C.V's. should be enclosed).
3. The Legal Status of the Office/Firm or the Consortium.
4. The Financial Position of the Office/Firm or Consortium should be enclosed.

Applications should be sent during the Official Working Hours (Saturdays through Wednesdays) 09:00 to 14:00 Hours, to the following address:

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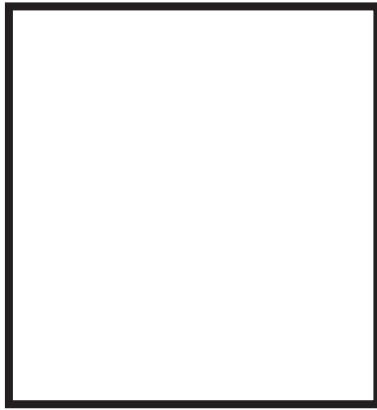
Yemen Times celebrates

By YASSER AL-MAYASI
YEMEN TIMES STAFF

Consider freedom of press and opinion, intellectual awakening, and transparency in dealing with various issues; consider the defender of freedoms and human rights, and we can look at The Yemen Times and its goals.

This establishment that has been representing genuine journalism for 14 years attributes its success to its founder Prof. Abdulaziz al-Saqqaf (1951-1999), who started in a small building, and made it a huge establishment.

Celebrating the 14th anniversary of the newspaper, we acknowledge it has been able to lay at last a solid foundation to have a free and independent media in the Arab region, a part of the world that still



Late Prof. Dr. Abdulaziz Al-Saqqaf

doubts the existence of the free and independent media.

The Yemen Times is not just a newspaper to be printed and sold; rather it

reflects the views of a well-cultured slice in Yemen, via the efforts of such a sector to light the country with its luminous lamps in cultural, political, economic and social areas. The newspaper has been working hard to raise cultural awareness among Yemenis and bring up a well-cultured generation.

Its success stems from its base and its widely known that no glory can be attained without having the taste of risks and hardships. The late Dr. Abdulaziz al-Saqqaf, who is still the title of success of such a pioneering newspaper, discussed a variety of issues with independence and objectivity.

He was patriotic and defended his country in all international conference, and this made the Yemeni population respects him highly, alive or dead. Out of this newspaper, he made a strong voice criticizing corruption bravely without

fear. Out of the Yemen Times, he could make the defense voice that defends human rights, freedoms of expression and civil society organizations.

By virtue of its own resources and efforts, the Yemen Times proved able to introduce Yemen to others with transparency and promote its tourism. Its articles and news, especially those on its web site, are read by thousands, which attracts many foreigners to visit Yemen and enjoy seeing its natural attractions.

Over its history, the Yemen Times has endured difficult situations and proved to be patient and tolerant by virtue of its staff, making up admirable stories of success.

The death of its founder has only compelled the staff to be more enthusiastic to carry the mission on making it biweekly to cope with whatever changes of may come with the era.

Workshop held at Taj Sheba

Management skills training: a new approach

By PETER WILLEMS
FOR THE YEMEN TIMES

A workshop was held at Taj Sheba Hotel last week to pass on information and methodologies for business management training to trainers from different private sector institutions that provide business skills management training.

The workshop, which was held from Saturday to Wednesday, was carried out by The World Bank's International Finance Corporation (IFC). IFC, a member of the World Bank group, is the private sector arm of The World Bank.

As part of its technical assistance programs, IFC has developed a comprehensive training program, named Business Edge, and teams up with training institutions that want to focus on working with small and medium size companies in Yemen looking for assistance on improving their management skills.

"Our goal is to enhance the knowledge capacity of small and medium size enterprises in Yemen," said Saad Sabrah, Business Development Officer and Resident Representative of IFC in Yemen.

"This is done through building the capacities of the local training companies and ensuring sustainability. We have established partnership agreements with more than one company and the Chamber of Commerce in Taiz, which provide

business management training to local businesses in the private sector."

IFC provides its partners with the Business Edge curriculum, which is based on a well-known text in business management divided into 38 workbooks.

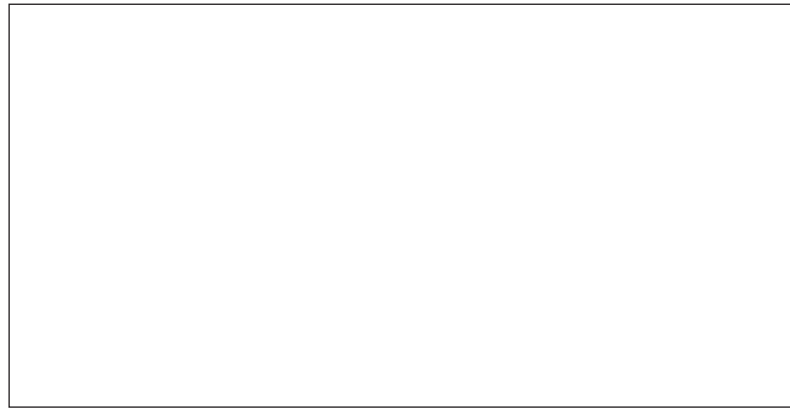
"It is the curriculum of 38 workbooks that have been developed and maintained by IFC," said Sabrah. "The majority has been translated into Arabic, and the entire package will be translated by June."

Partners sign a one-year agreement with IFC, invest in an annual membership fee, pay for trainers to be trained and pay a fraction of the cost for the books. IFC, on the other hand, provides the training sessions for trainers - called Training of the Trainers (TOT) - contributes funding for marketing campaigns to pull in clients in Yemen's private sector and equips partners with training manuals that can be used to apply the material in Business Edge into adaptable training courses.

"At the end of the day, this is a profitable business for training institutes in Yemen because there is a high and obvious need for training the private sector in business management skills," said Sabrah.

Partners that attended the workshop were the Chamber of Commerce in Taiz, CMT House and NIIT. Trainers from other institutes took part expecting to become partners in the near future.

"The Business Edge material is a big plus for us because it focuses on the small



Participants in The World Bank-IFC workshop, held last week on business management skills training. (Yemen Times photo by Peter Willems)

and medium size enterprises and the material is available in Arabic," said Arco de Leede, Founder and General Manager of CMT House which was established in Yemen eight months ago and had three of its trainers attend the workshop.

"This material can really serve our customers. With the investment, we get very useful materials and our trainers are being trained for the skills that are needed. As a result, we can improve our services in our private institute a great deal."

Rami Camel-Toueg, Head of Integrated Management Consultancy, came from Cairo to carry out training for local trainers. He is a Business Edge partner in Egypt and an IFC Contractor and Master Trainer of Business Edge.

"Training mainly focuses on the strategy of learning by doing," said Camel-Toueg, who has been conducting workshops for trainers for six years. "The methodology of Business Edge is learned through activities, practice, self evaluation, role playing, and so forth."

Camel-Toueg added that Business Edge is a useful tool because it has been adapted to the Arab business environment which will fit the needs of the trainers.

IFC bases its business management training plans on its Private Enterprise Partnership (PEP) program that has been providing technical assistance to private sectors in many countries around the world, such as China, Vietnam and Cambodia. It now applies its PEP program in the Middle East and North Africa (MENA) region, covering countries from Morocco all the way across to Pakistan.

IFC plans to hold another workshop with new partners in Sana'a in two or three months.

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Workshop on working women

By SALEH AL-BASHA
FOR THE YEMEN TIMES

A workshop on the role of woman was concluded Feb. 28 in the city of Hadramout. The two-day workshop discussed and reviewed ways to assist working women in Taiz and Hodeida, appropriate areas of coordination with the ministry, and the role of the International Work Organization in this process.

The event was organized by the Ministry of Social Affairs and Labor and was funded by the International Work Organization with the participation of 35 members of staff from the Yemeni Laborers Syndicate, the union of commerce, industry chambers, and the bureaus of women's development in the cities of Taiz and Hodeida.

The workshop was attended by Dr. Najwa al-Qusaibi, an expert at the Yemeni Working Women's Development Project, part of the International Work Organization, and Mrs. Nuha al-Aghbari, the General Manager of Working Women's Development.

Speeches were delivered at the inauguration ceremony by Mohammad al-Eriani Undersecretary of Ministry of Social Affairs and Labor for Workforce Sector, Omair Mobarik, Deputy Governor of Hadramout and Darwish Suwaid Director General of Social Affairs and Labor Office in Hadramout. In their speeches, the officials emphasized the importance of the workshop in empowering women.

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Syria vows complete and swift Lebanon pullout

Demonstrations in Syria, Lebanon
Five days after celebrating the fall of the country's Syrian-backed government, Lebanese flocked to Martyrs' Square in Beirut to hail another "concession" late into the night.

"I am very happy and excited," Collette Hajj said. "I hope we will achieve true independence, as long as we stay here and keep demanding it."

Many protesters, waving Lebanese flags, decried the absence of any reference to the demand for dismantling Syria's pervasive security role in Lebanon. The Syrian intelligence service has been under intense fire from Lebanon's opposition figures who accused its officers of running the country.

But not everyone was celebrating. Hundreds took to the streets in several Lebanese towns to declare support for Syria.

Fifteen years after the end of civil war, Lebanon remains divided between its Christians, Sunni and Shi'ite Muslims. Some Lebanese worry a Syrian pullout might end in renewed internal conflict.

In Damascus, thousands of Syrians gathered outside parliament to back Assad before and during his speech.

"One, one, one, Lebanon and Syria are one," several thousand Syrians, some carrying pictures of Assad and Syrian flags, chanted outside parliament in the build-up to the address.

Status of Yemeni Women Reviewed at the UN

Heading the Yemeni delegation to the Commission on the Status of Women at the United Nations was Mrs. Rashida al-Hamadani Chairperson of the Women's National Committee. In her statement at the session she explained Yemen's achievements in promoting gender issues in the various sectors in Yemen since the last session Beijing +10. Advocacy against some of the discriminative laws have paid off and some of these were amended such as the nationality law and practices against women in prison. The Yemeni delegation that consists of government officials as well as non-governmental organizations discussed also the challenges Yemeni Women keep facing in terms of education, health, infrastructure, economy and political participation.

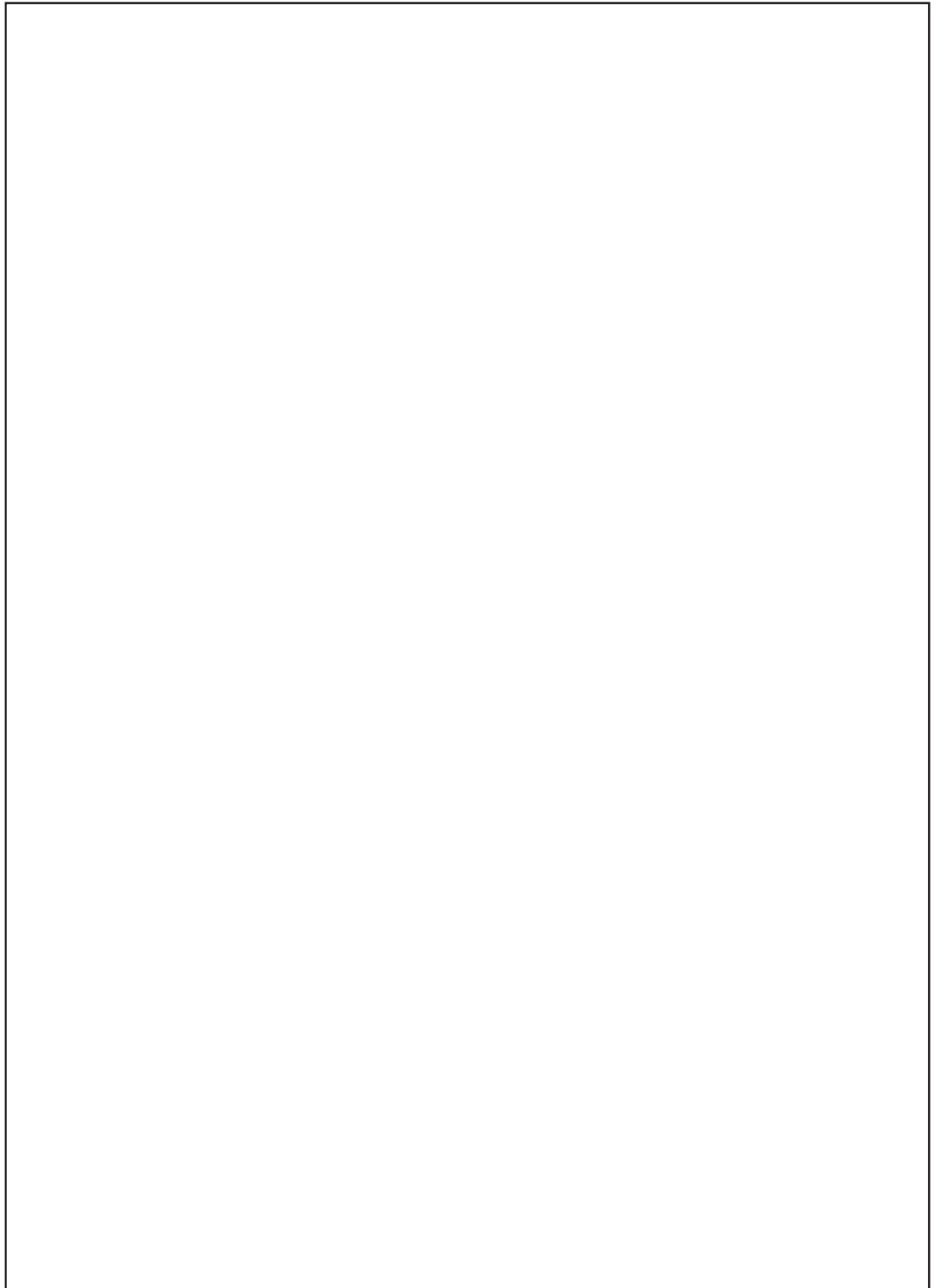
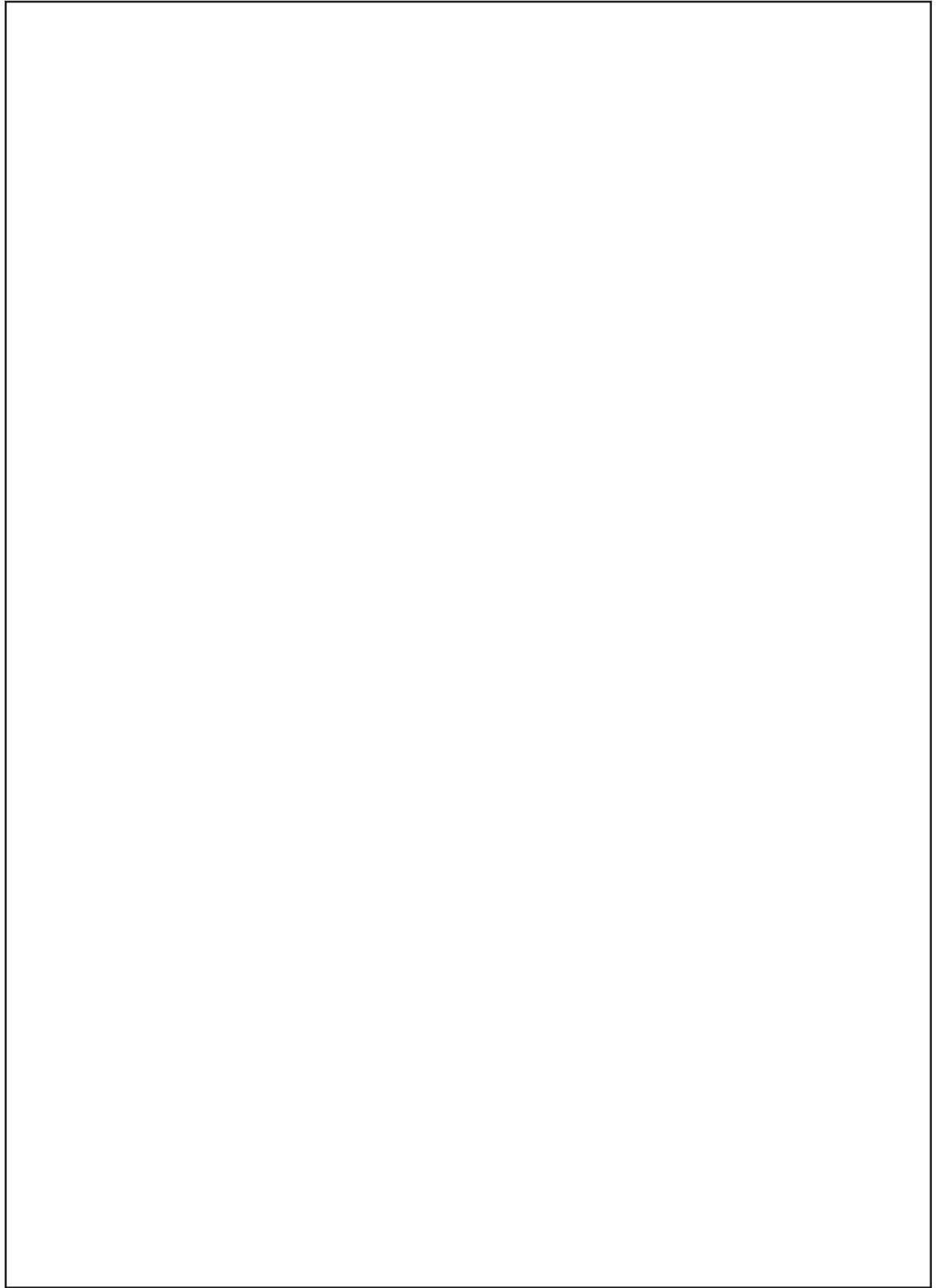
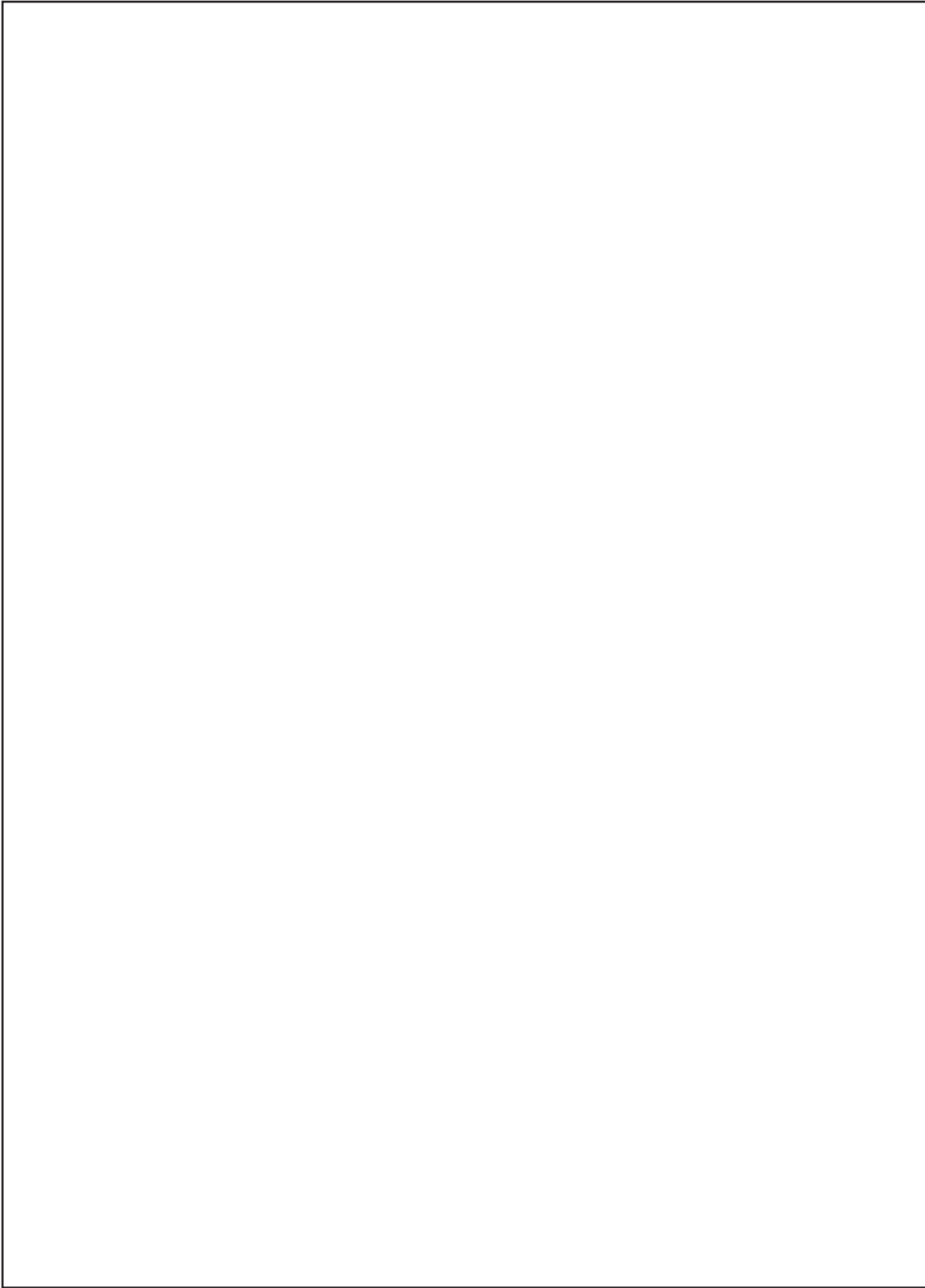
Simultaneous with this event the WNC is organizing an event on 8th of March for Women's International Day where many delegates and prominent guests and organizations will be attended.

"We want this occasion to be a chance for us to celebrate our achievements in the past and to push further for more demands in order to enhance ~~the~~ s status in Yemen. The ruling party has come forward with a positive initiative regarding the quota system where 10% of the Parliament seats would be reserved for women as well as 15 to 20% in the local councils, as we duly appreciate this initiative we are actually aspiring for a 30% quota system in all elected and non elected decision making positions and it is only fair considering that half of the population are women and need to be represented in a better way," Said Mrs. Hooria Mashoor in a statement for the Yemen Times.

Organized campaign against corrupt judiciary in Yemen

A statement issued by the YJS opposed the decision of preventing journalists from practicing their profession in reporting facts and events as well as the activities and developments in the society. It pointed out that journalists are so harassed that they are assaulted while conducting their work in the field including courtrooms, coverage of the strikes of doctors, pharmacists, and university teachers.

On the other hand, a statement circulated by the Press Freedoms Center on March 2 condemned what it described as "crime of attacking Yemeni journalists and lawyers." The statement put the responsibility on the President of the Republic as



U.S. vows probe of Italy hostage shooting in Iraq

ROME, March 5 (Reuters) - Italian Prime Minister Silvio Berlusconi has won a U.S. promise of a full investigation into the killing of an Italian security agent and the wounding of freed Italian journalist Giuliana Sgrena by U.S. forces in Iraq.

U.S. troops at a checkpoint shot dead the agent and wounded Sgrena on the road to Baghdad airport on Friday after she had been freed and handed over to three Italian security agents.

"The agent, Nicola Calipari, covered Sgrena with his body, he was hit by a bullet which unfortunately was fatal," Berlusconi told a news conference.

It was the most serious diplomatic incident between the two allies since a U.S. Marine jet killed 20 people when it sheared the cables of a ski-lift while on a low-flying exercise in northern Italy in 1989.

Berlusconi summoned U.S. ambassador Mel Sembler and demanded a full investigation, and took a telephone call from President George W. Bush who expressed his regrets.

"This was a call to reach out to a good friend and express our regret about the incident," White House spokesman Scott McClellan said. "The president assured Prime Minister Berlusconi that it would be fully investigated ... We're cooperating closely with Italian authorities."

Sgrena's partner said he could not blame the U.S. soldiers for the shooting, saying they were probably "scared boys", and that the real blame lay with those who had sent them to Iraq.

Sgrena's colleagues at the Communist daily Il Manifesto were holding a party to celebrate her release on Friday evening when news of the shooting reached them, plunging the gathering into bewilderment and sadness.

After meeting Sembler, Berlusconi issued a statement saying: "The prime minister expects that, in the spirit of the particular friendship that characterises relations between Italy and the United

Italian intelligence officer Nicola Calipari (R) speaks to reporters in a 2002 file photo provided by the Il Messaggero daily newspaper. . REUTERS

States, the U.S. government leaves no stone unturned to shed light on what happened and on who might be responsible."

The U.S. Defense Department said multinational forces had fired at the car when it approached a checkpoint at high speed, discovering only later who its occupants were.

Sgrena critical of war

Berlusconi said he personally knew Calipari, who had worked on previous hostage release cases in Iraq, and that the agent's wife worked in his Palazzo Chigi office.

He leaves two children.

Sgrena, 57, an award-winning war reporter, is highly critical of Italy's role in Iraq.

Her partner, Pier Scolari, said he could not blame soldiers who had been sent to war for the killing.

"I have said so many times, war is madness.

Probably it was scared boys who fired, it wasn't their fault, it was the fault of those that sent them there," he

told Sky Italia TV.

The editor of Il Manifesto said he had learned that Sgrena had undergone surgery in a U.S. military hospital to have shrapnel removed from her collar bone and would be able to fly back to Italy on Saturday.

The newspaper's cartoonist had to redraw his picture.

A first draft showed a man hugging a dove with an olive twig in its beak, saying "You've brought her back to us".

In the final version the dove is dragging itself along the floor in a pool of blood.

The paper's headline on Saturday read:

"Giuliana Sgrena is free.

The Americans fired. Her liberator is murdered.

His name was Nicola Calipari."

Berlusconi has been one of Washington's most outspoken supporters in the campaign in Iraq, where some 3,000 Italian troops are stationed.

His left-wing opponents say the majority of Italians oppose their country's military presence there.

Syria poised to announce Lebanon pullback

BEIRUT, March 5 (Reuters) - Under intense global pressure, Syria was poised to announce on Saturday that it would start to pull troops out of Lebanon, but the move looked unlikely to placate the United States or other vocal critics. Lebanese political sources said Syrian President Basharal-Assad would tell parliament some troops were leaving its neighbour completely and others would redeploy closer to the border.

They have been there since intervening in Lebanon's civilwar in the 1970s but criticism has mounted since a former Lebanese prime minister was assassinated last month.

U.S. President George W. Bush warned nothing short of a full withdrawal would do.

"When we say withdraw we mean complete withdrawal — no half-hearted measures," he said on Friday.

"Syrian troops, Syrian intelligence services must get out of Lebanon now."

He earlier called for all Syrian forces to be out by May to clear the way for elections due that month to be free.

Lebanese newspapers were dominated by what Bush said and what Assad might say.

Most commentators agreed that Syria

had no choice but to start a pullout from Lebanon.

"Withdrawing is the only way out of the dark tunnel," said Syrian Foreign Minister Khouri in the Al-Anwar daily.

"It is the only door towards restoring ties between the two countries to their brotherly nature and end international pressure on Syria.

"Everyone is waiting to listen to what

President Basharal-Assad will declare," Khouri wrote.

Abdel Rahim Mrad, defence minister of the Syrian-backed Lebanese government which resigned on Monday amid anti-Syrian street protests, said the move would adhere to the Taif Accord which ended Lebanon's 1975-90 civil war.

"Syria will redeploy its forces in line with Taif," he said.

Syrian soldiers chat near a bus at Mount Lebanon, east of Beirut, March. 5. Under intense global pressure, Syria was poised to announce on Saturday that it would start to pull troops out of Lebanon, but the move looked unlikely to placate the United States or other vocal critics. REUTERS

Italian hostage home from Iraq after shooting

ROME, March 5 (Reuters) - A freed hostage from Iraq arrived home in Rome on Saturday as Italians demanded to know why U.S. forces shot at her car as it approached Baghdad airport, wounding her and killing an Italian secret agent.

Giuliana Sgrena, looked in pain as she was helped off a plane and into a military ambulance.

The reporter, who was treated for a wound in Iraq, clutched a plaid blanket around her shoulders and was attached to a drip.

Italian hostage Sgrena arrives at Ciampino airport in Rome. Italian hostage Giuliana Sgrena arrives at Ciampino airport in Rome, March. 5. REUTERS

Four U.S. soldiers killed in action in Iraq

BAGHDAD, March 5 (Reuters) - Four U.S. soldiers were killed in action on Friday in Iraq's western Anbar province, the U.S. Central Command said on Saturday.

The soldiers, assigned to 1 Marine Expeditionary Force, were carrying out security and stability operations in Anbar, the Command said in a statement, without giving any further details.

The deaths brought to at least 1,506 the U.S. military death toll in Iraq since U.S.-led forces invaded the country in March 2003.

Arabia Airway

Words of Wisdom

The repeated promises of the good times to come have not come true. In fact, as more promises are showered on the public, they become more and more difficult to realize. The economic dimension to the promises is probably the most alarming and pressing one. It looks like at intervals of every five years, new promises are unleashed, which unfortunately do not come true.

Prof. Abdulaziz Al-Saqqaf (1951-1999)
Founder of Yemen Times



OUR OPINION

Reinforcing our mission

The Yemen Times considers itself the ambassador of Yemen to the rest of the world. It is the window through which many people read about Yemeni issues, in an objective, constructive and factual manner.

More so, The Yemen Times is the conscience and voice of all those intellectuals who want the best welfare of this country. And so, we take it upon ourselves to carry out this mission in the best way we can.

Founded by economic expert, the late Dr. Abdulaziz al-Sakkaf, The Yemen Times, then, concentrated on economic as well as political issues in Yemen and in the Arab world. With the advancement of time, the scope became wider and included social, cultural and health issues among many other fields.

Now new sections will be introduced in the newspaper. We will have a fixed column about human rights in Yemen, and a new section about diplomats' and organizations' activities. We will have a column about real life experiences in the field, and we will dedicate more space for youth to speak their minds. We will also start going more regional and global, by expanding our reach and inviting regional and international intellectuals to contribute their views.

We believe that our best assets are our readers. Many intellectuals and analysts wrote for the paper throughout its 14 years of existence and their contributions enriched the paper and made it multi-dimensional.

Today, the Yemen Times once again dedicates itself to its readers. So let us rejoice hands once again and come around the same table once more. The Yemen Times is nothing without its readers and supporters. You are the life-line of this institution and we call on the best in you to come forward.

The Editor

Arab leaders need to plan carefully

Winds of change follow Rafik al-Hariri

BY PROF. DR. ABDULAZIZ AL-TARB
YEMEN TIMES STAFF

More than one of the region's volatile fronts are bracing for change after the assassination of Rafik al-Hariri in Lebanon.

Iraq overcame great hindrances when Iraqis, or a good number of them, challenged terrorist threats and headed for polling stations. With their boldness and aspiration for a better reality, they got their rights, despite missiles, projectiles, car bombs and all other means for death and devastation.

Other abrupt changes in the region are represented in Sharm al-Sheikh Summit and its resolutions that need to be studied.

The assassination of Rafik al-Hariri comes after many events: the relative success in Iraq and the outcome of Sharm al-Sheikh; Sudanese Agreement; preparations to set up a new Palestinian government via debut elections after Arafat; and what happens in Egypt before electing Mubarak for a new term.

The many bitter experiences have taught us not to be all optimistic that the peace process will suffer no breach. Now, we see that the international community is insisting to implement Resolution No. 1559 before the Lebanese elections. Assassinating al-Hariri has catalyzed the international intervention. Previously, there were only France and the US, but now the whole world demand Syria to pull out from Lebanon.

The plan to implement the said resolution is based on the presumption that no free elections would be possible without implementation of the resolution and setting up an international commission to investigate the perfectly planned assassination. This has distracted the world's attention from Iraq to the conditions in Lebanon and Syria.

The winds of change blowing against the region bear something new in many respects. The Bush Administration should realize that it is vital to involve the international community to force Syria's unconditional withdrawal from Lebanon, and that the jointly France-US made Resolution No. 1559 has become a cosmopolitan demand.

Therefore, the people of the region, especially decision-makers, should carefully read the general international attitude and immediately know that committing fatal mistakes does not redeem the doers. I can expect international attitudes to be anything other than charities providing solutions and counsels gratuitously. A decision-maker who is not able to predict the consequences of the current attitude would expose himself and his people to many a change, which come most often from the blue.

The insistence of Europe and the US that the Syrian forces must withdraw from Lebanon invites us to submit a bunch of Arab issues and suggestions to the prospective summit in Algeria to use them as an approach towards a unified Arab decision...

- Immediate approval of reforms, boosting democracy and public participation.
- Quick approval of the Mutual Arab Market; giving freedom for Arab capitals to move among Arab countries, lifting barriers; removing obstacles, amending constitutions for next elections so that anyone, who feels to be able to serve the people, may compete; belief in peaceful transfer of power.
- Revival of the historical resolution of Lebanon Summit taking it as an approach to the solution to the Arab-Israeli conflict and the implementation of the Security Council's Resolution No. 1559.

Reading what is happening in the area tells us that after al-Hariri's assassination, the ball is in our court. We should reshuf-

le our cards to cope with the Great Middle East plans and produce well-studied decisions that fall in line with the menacing developments in the area. We should face up the following points:

Is Bush the second is any different from Bush the first? If yes, where does the difference lie?

There is a new Palestinian president and the US president has won a new term; Sharon himself believes that a settlement should be reached so as to save the lives of the Israelis whom he promised to bring peace within 100 days from walking into office. Similarly, Palestinians are convinced that they should reach an agreement to stop bloodshed. These are factors that may help prepare for a gradual unperturbing change in order to avoid storms that would turn everything topsy-turvy.

The withdrawal of the Syrian forces from Lebanon in the manner prescribed by the US and, of course Israel, weakens the Arabs' stance, weakens Hizbullah, and weakens Syria in the event of any negotiations with Israel. Such strategic issues necessitate that the Algeria Arab Summit puts a schedule and a transparent plan to bring together the shattered Arabs, and sends a message to the international community to heal the situation in the area through Israel's withdrawal from the Arab occupied territories, mutual recognition, Syria's withdrawal from Lebanon, more equal opportunities and involvement of NGOs in the political life.

As researchers and thinkers, can we write our way in this direction so that Arab leaders find a hot file containing alternative methods to get out of this dark tunnel and not to be taken aback by surprises?

It is just an opinion presented for discussion and study as we are approaching the Algeria Summit. Arab leaders must see the looming changes and give priority to the future of the area since they are the ones who would be most affected.

COMMON SENSE

By Hassan Al-Haifi

Either way, Israel benefits:

American intervention or the status quo

“Why should America lead the world?”, asked Hamoud as he sat going through his history textbook. His mother answered rather unequivocally: “Son, in this world, it is might makes right and since America has enough of an arsenal to wipe out all of mankind and no one can develop a defense against American firepower, so it is.”

The son wasn't satisfied with the answer: “Look mom, if America sets out to destroy all of mankind, won't that include Americans as well, since so many of them are overseas; on the other hand doesn't America need the rest of the world for a lot of the resources and goods the Americans need or consume?”

“Good point, son”, said Amin his father, who was trying to figure out how to run the new sewing machine he just bought his wife, continuing, “America has always been respected as a leading world power, because America has always rescued the world from tyranny and imperial ambitions, especially during World War I and World War II and during the Cold War”.

“Do you think what America is doing in Iraq and the Levant is right? After all, the Americans profess to be upholding freedom and overturning political dictatorships?”, asked Hamoud, not exactly convinced that America should decide what is right for the rest of the world.

The mother answered: “Every bully will tell you that he is choking you for your own good and then when he has you at his mercy, he takes all the money out of your pocket and promises to share the food he buys with you without telling you where you can find him or how to get your share”.

“But Mom, if you browse the internet, you will be surprised to find how many Americans are not convinced that their government is doing the right things and are even demanding that the US leave Iraq alone and to follow a more evenhanded policy with regards to the Middle East”, remarked Hamoud to his mother, while looking at his father, who seems to be puzzled by the directions he was reading.

“What does this mean, put the threat through the hole in the hole at the tip of the protruding arching metal at the end of the machine on the side away from you?”, asked the father, knowing that his son's English was better than his.

“Dad, the word is ‘threat’, not ‘threat’!” he pointed out as he leaned over to see what his father was reading.

The mother picked up something to help her express how she feels, “Well, let me tell both of you America is a threat to world peace and stability. Look at the ugliness of its adventure in Iraq and look how it lets the Israelis decide how Washington should carry out its policy in the Middle East. I bet you if Israeli Prime Minister Ariel Sharon told President George W. Bush to invade Alaska, because there are two Hezbollah agents hiding in an igloo somewhere in the Aleutian Islands, he would not hesitate to declare war on Alaska”.

“Mom, Alaska is already a part of the United States!”, Hamoud updated his mother on the developments near the Artic Circle, “The United States purchased Alaska from the Russians in 1905, after Russia's War with Japan had drained the Czar's Treasury. What a rip-off that was! But you are right, because America succumbs to the Zionists on everything, they are causing America to be isolated even from its allies. Because the Americans are pursuing a policy of ‘might makes right’, like the Israelis, America's leadership of the world has come under dubious forebodings. It is really sad how the Zionists have more leverage on American politicians than the Arabs have with their oil. I think the Arabs neglected in their public relations efforts in the United States and let the Zionist lobby operate there without any countering efforts to belie the Zionist claims and propaganda about the Middle East problem and to deter the increasing influence on American election results.”

“Well son, what do you propose the Arabs should do to counter the Zionist influence on America?”, asked the father, somewhat amazed how much insight his son has on the American-Arab relations.

“The Arabs first should remove all the excuses that America's using for meddling in our affairs. The Arab regimes have to be far more responsive to the hopes and aspirations of their constituents, rather than manage their governments as if they are personal possessions. If the Americans realized that our governments' positions are the reflections of the people's wishes, then even the Zionist lobby couldn't influence American opinion so easily. I am not talking about just the Arab-Israeli dispute, but the whole sphere of public affairs. Most Arab governments achieve poor scores on running government institutions in a modern framework that insures accountability and transparency and allows for greater empowerment of the people in directing the resources of their respective countries. In fact, most Arab regimes are no more than closed circles of intertwining interests that ensure that the outcomes of government activities serve the small minority of people behind those interests, while the majority of the populations struggle to try to get anything done or obtain the most basic of services. This breeds discontent and even disloyalty if allowed to go on almost indefinitely, which seems to be the prevailing case in most Arab states. We do not want the Americans to dictate to us how to govern ourselves. But then again, most Arabs are sick and tired of their governments' incompetence in managing the most simple of government tasks. Some regimes have almost confined their activities to security operations that help to preserve the ugly status quo, which these regimes have implanted without giving attention to any other facets of governance.”

His mother cut in: “I can't understand how the people behind these retarded Arab regimes forget that American intervention would end up not only troubling for the population but for these regimes as well, as we saw in Iraq. Furthermore, American intervention opens the doors of the country to all the wild forces of chaos and anarchy to come in and unleash their madness, with the country then turning out even worse than they were under the old ‘tyrannical’ regimes. The end result is that Israel has a field day in Palestine to do whatever it likes, with the rest of the Arabs pathetically helpless to do anything that will make Tel Aviv think twice about oppressing our kin in Palestine, whether under American occupation or under the status quo.”

Letters to the Editor

Agony at the airport

Iam a South African Muslim who was on a flight to Sana'a, which happened to be my transit stop. I write this letter with great disappointment and concern. I still ask how could this really be happening to me in the country I heard so highly about? Is this the Yemen that was famous for its hospitality? Are these the people of Yemen that I read about – as gentle, polite, and hospitable – in the Yemenia in-flight magazine?

Here is what happened to me. I was entitled to a one night complimentary accommodation in one of the hotels in your country for the transit night. My plane landed at 6:00 p.m., and the connecting plane was to depart at

9:40 a.m. the next morning. Being tired after the long journey, I realized that my horror had just begun. I was refused accommodation by security officers at the airport and was given no explanation.

I was handed a letter stating that I have being denied accommodation for the night, without being given the name of official I was talking to. I was bundled up like a prisoner and herded into a transit cell. I then realized that it was because of my looks that they did this action.

Has it now officially become a crime to wear Islamic apparel and grow a beard? ‘Come on guys! Don't be ridiculous’ I said. I was only in transit and going to be out of there tomorrow.

Is this what Arab hospitality is all about? I am afraid that this has made me change my mind about Yemen, and unfortunately forces me to pursue this matter at the consular level.

Zubair Desai
leatherloft@yahoo.com

Great article

I had read in your 24 January 2005 edition of Yemen Times the wonderful article entitled ‘A chocoicious affair’ by Amrita Satapathy of Utkal University, Orissa, India.

It was indeed so complete, interesting, and magnificent! Let me say that in a few parts of my country, Mexico (small villages in Oaxaca and Yucatan) you can find the beverage of chocolate made with the ‘original recipe’ that our antiques Emperors and Mexican Indians enjoyed...The flavor is unique!

Thank you again for this great article.
Dr. Lucia Marlen Sanchez
State of Coahuila, Mexico

Letters to the Editor

luciamarlens@yahoo.com.mx

Thanks Yemen Times

Iam a Yemeni in Canada and follow up events through your newspaper. I would like to thank Yemen Times staff for the hard work they are demonstrating, which enables us to know most of the things that are happening in Yemen. You are indeed contributing a lot to the expatriate Yemeni community throughout the world.

God bless you.
Khalid Almoftehi
hishamforlife@hotmail.com

Your cartoons promote hatred

Ifound your publication on the Internet and was horrified by your portrayal of ‘Israel’ by cartooning a large, hook-nosed man. This is the type of propaganda used by the Nazis. Your policy differences with the Israelis may be deeply felt and that is your prerogative. Displaying Jews in the most offensive manner is not. The

hateful depiction you used only strengthens the opinion many of us in the West hold that Arab societies can only justify their own dictatorships by creating external enemies, again just like the Nazis.

Alan Howard
Keith.Dykstra@verizon.net

Yemeni students in India facing trouble

Iam writing you this letter as a representative of all Yemeni student's on government funding here in India.

We are facing many difficulties, mainly financial ones for not receiving due scholarship funds from the government, which is preventing us from continuing our studies in so many fields.

We would like your esteemed journalists to expose our suffering so that our voice would reach to the public in Yemen. We have already tried contacting the Yemeni embassy in Delhi, but no response ever came.

We have full confidence

in your journal and know that it will get our voices heard.

If you feel that you can help us convey our voices to the public, then publish this letter and we shall send you all the details along with all the documents.

Mohammed Nafe
nafe4ever@yahoo.com

Haifi is at it again: twisting facts!

On again Hassan al Haifi manages to twist facts and historical truths in his stated hatred of Israel and Zionists (read Jews).

In this case, however, it remains to be seen if Lebanon's master being Syria and it's hated Baathist regime does indeed allow a full and open enquiry into the death of the former prime minister, Hariri or will the truth be too much to bear for the likes of Hasan al Haifi and other Arab apologists who are blind to their own shortcomings.

Ilan Koral
ikcasa@hixnet.co.za

Judge beats up the lawyer

BY RAIDAN ABDULAZIZ AL-SAQQAF
alsaqqaf@gmail.com
YEMEN TIMES STAFF

The recent events of a lawyer being beaten up by armed personnel of a judge show how urgently overhaul is needed for the Yemeni judicial system. It's continuously failing to function independently and honestly in search of the truth and justice for Yemeni citizens.

We are reminded by this fact every time we find a fellow journalist being assaulted, jailed and sentenced without having the basic right of a fair trail, due to non-existence of such a trial in Yemen.

We, as journalists, try hard in believing in our leaders who pledge to reform the judicial system and stand up for human rights and the freedom of press, only to learn that talk is cheap, and nothing has changed.

On the contrary, things are becoming worse by the day, and on March 1st, just when you thought things can never become worse, a lawyer gets attacked and beaten by the heavily-armed personnel of the judge.

Yes, judge Al-Hirdi ordered his armed forces to attack lawyer Mohammed Najji Allaw, and other journalists attending the court session with no respect whatsoever to their basic human rights, in a barbaric manner with gun breeches inside, while the judge enjoyed the scene of watching Allaw's blood all over the floor of the courtroom. Other lawyers and the crowd were also beaten as they attempted to rescue Allaw and rush him to the nearest medical facility.

When an active member of the justice system is attacked in the court of law by the order of the judge hereby in contempt of the constitution of Yemen and basic human rights, in contrast with the adop-

tion of multiple Human Rights principles in the 1994 amended Constitution, in which rule of law is to prevail and separate civil and military domains for the success of a modern and civil society.

Judge Al-Hirdi doesn't only lack any respect for any human rights for other court members, but he always keeps himself surrounded by armed forces from the military, which is again another violation of the constitution.

Does this mean that constitution of Yemen has failed in enforcing itself?

Yet this judge still accompanied with armed forces which might come in handy when the judge feels the urge to beat some other lawyer or civilians.

The president has always pledged to reform the judicial system and stand up for human rights and the freedom of press, and I am looking forward to a better time when the presidents' pledges become reality.

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First English Newspaper in Yemen, founded in 1991
by Dr. Abdulaziz Al-Saqqaf

Publisher & Editor-in-Chief:
Nadia Abdulaziz Al-Saqqaf

Head office:
Telephone: +967 (1) 268-661
Fax: +967 (1) 268-276
P.O. Box 2579, Sana'a

Email: yementimes@yementimes.com
Website: http://www.yementimes.com

Branches:
Aden Bureau Chief: Ridhwan Alawi Ahmed
Tel: +967 (2) 347-457, 346596;
Fax: +967 (2) 347-456
Email: ytaden@y.net.ye

Taiz Bureau Chief: Imad Ahmed Abdullah
Tel: +967 (4) 217-156
Tel: +967 (4) 217-157
P.O.Box: 5086, Taiz
Email: yttaiz@y.net.ye

Hodeidah Bureau Chief: Imad Ahmed Abdullah
Tel: +967 (3) 206-886

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KSA: Saudi Distribution Co. Jeddah, Tel: 6530909
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- Letters to the Editor must include your name and signature, address and telephone number. Letters should not exceed 2,000 characters in length. We reserve the right to edit letters and articles for clarity, style, length and legal contents. Any article or letter submitted cannot be returned to the writer under any circumstances.
- To advertise in the paper, contact the advertising department in any of the offices of the newspaper.

Audited Financial Statements for the Year Ended 31 December 2004

The Central Bank of Yemen has approved the financial statements of National Bank of Yemen (NBK) in its letter No. 17053 dated 24/2/2005

AUDITORS' REPORT TO H.E DEPUTY PRIME MINISTER THE MINISTER OF FINANCE

THE NATIONAL BANK OF YEMEN

We have audited the accompanying financial statements of the National Bank of Yemen (The Bank) consisting of the balance sheet as of 31 December 2004 and the related statements of income, cash flows and changes in owner's equity for the year then ended and the notes to the financial statements set out on pages 2 to 22. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statement, in our opinion, present fairly, in all material respects, the financial position of the Bank as at 31 December 2004, and the results of its operations, its cash flows and changes in owner's equity for the year then ended in accordance with International Financial Reporting Standards.

We also confirm that, in our opinion, proper accounting records have been kept by the Bank and the financial statements and the contents of the report of the Board of Directors relating to these financial statements are in agreement therewith. We have obtained all the information and explanations which we required for the purpose of our audit.

Dahman Awadh Dahman, FCCA
Registered Licensed Accountant No. 384
of Dahman, RSM

1 February 2005,
Aden, Republic of Yemen

BALANCE SHEET AS OF 31 DECEMBER 2004

	Note	2004 YR 000	2003 YR 000
ASSETS			
Cash in hand and reserve balances with the Central Bank of Yemen	5	7,679,564	7,468,727
Due from banks	6	13,760,213	13,056,019
Treasury bills, net	7	25,390,209	19,649,346
Certificates of deposit with the Central Bank of Yemen	8	5,480,000	5,380,000
Loans and advances to customers and banks, net of provision	9	3,320,654	2,202,653
Available for sale investments	10	18,324	20,734
Debit balances and other assets	11	431,291	254,192
Property, plant and equipment, net of accumulated depreciation	12	1,664,283	1,668,257
TOTAL ASSETS		57,744,538	49,699,928
LIABILITIES AND OWNER'S EQUITY			
LIABILITIES			
Due to banks	13	117,102	35,605
Customers' deposits	14	51,283,595	44,497,218
Credit balances and other balances	15	1,238,875	978,550
Income tax payable	16	473,617	390,392
TOTAL LIABILITIES		53,113,189	45,901,765
OWNER'S EQUITY			
Capital	17	2,700,000	2,100,000
Surplus on revaluation of property reserve	17	639,762	639,762
Reserves	17	1,274,464	1,038,868
Cumulative changes in the fair value reserve	17	17,123	19,533
TOTAL OWNER'S EQUITY		4,631,349	3,798,163
TOTAL LIABILITIES AND OWNER'S EQUITY		57,744,538	49,699,928
CONTRA ACCOUNTS AND OTHER COMMITMENTS, net			
	18	11,310,751	10,502,331

Auditors' report attached

Khaled Ali Khaina
Second Deputy General
Manager

Sami Abdul Hamid
Mackawi
First Deputy General
Manager

Abdul Rahman
Mohammed. Al-Kohali
Chairman and General
Manager

The attached notes 1 to 37 form an integral part of these financial statements

STATEMENT OF INCOME AND STATEMENT OF PROFIT APPROPRIATION FOR THE YEAR ENDED 31 DECEMBER 2004

	Note	2004 YR' 000	2003 YR' 000
Interest on loans and due from banks	19	924,825	756,129
Interest on treasury bills		3,069,669	2,306,625
Interest on certificates of deposit with the Central Bank of Yemen		763,203	747,400
		4,757,697	3,810,154
Less: Cost of deposits	20	2,710,550	2,136,767
Net interest income		2,047,147	1,673,387
Commissions and fee income on banking services	21	364,056	316,589
Income on available for sale investments		692	1,342
Gain on foreign currency transactions	22	50,467	79,708
Other operating income	23	176,218	71,347
NET OPERATING INCOME		2,638,580	2,142,373
OPERATING EXPENSES			
Commissions and fee expenses on banking services		17,975	18,322
General and administration expenses	24	714,273	643,702
Provisions	25	513,140	329,942
TOTAL OPERATING EXPENSES		1,245,388	991,966
NET PROFIT BEFORE ZAKAT AND INCOME TAX			
		1,393,192	1,150,407
Zakat	26	(40,000)	(35,000)
NET PROFIT FOR THE YEAR AFTER ZAKAT AND BEFORE INCOME TAX		1,353,192	1,115,407
Provision for income tax	16	(473,617)	(390,392)
NET PROFIT FOR THE YEAR		879,575	725,015
Earnings per share	27	YR 419	YR 392
STATEMENT OF PROFIT APPROPRIATION			
Transfer to statutory reserve	17	(131,936)	(108,752)
Transfer to general reserve	17	(131,936)	(108,752)
Government's share in net profit for the year	15 (c)	(571,724)	(471,260)
Employees' share in net profit for the year		(43,979)	(36,251)
Balance at 31 December		-	-

The attached notes 1 to 37 form an integral part of these financial statements

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2004

	2004 YR 000	2003 YR 000
Net profit for the year before zakat and income tax	1,393,192	1,150,407
Adjustments for:		
Provision for losses on loans and on contra accounts made during the year	298,980	173,187
Provision for losses on loans and contra accounts written back during the year	(161,236)	(56,070)
Amount utilized during the year from provision for losses on loans	(19,560)	(7,671)
Revaluation of provision for losses on loans and on contra accounts	2,808	6,363
Income tax paid	(390,392)	(367,967)
Zakat	(40,000)	(35,000)
Depreciation of property, plant and equipment	45,628	42,773
Operating profit before changes in assets and liabilities related to operating activities: (1)	1,129,420	906,022
CHANGES IN BANKING ASSETS AND LIABILITIES		
Reserve balances with the Central Bank of Yemen	(298,437)	(2,510,543)
Due from banks maturing after three months	842,135	770,142
Treasury bills maturing after three months	50,100	(50,100)
Loans and advances to customers and banks	(1,221,007)	(516,158)
Debit balances and other assets	(177,099)	31,093
Net (increase) in Assets (2)	(804,308)	(2,275,566)
Due to banks	81,497	6,655
Customers' deposits	6,786,377	5,605,763
Credit balances and other liabilities	242,339	64,669
Net increase in liabilities (3)	7,110,213	5,677,087
CASH FLOWS (USED IN) INVESTMENT ACTIVITIES		
Purchase of property, plant and equipment	(41,654)	(50,573)
Net Cash flows (used in) investing activities (4)	(41,654)	(50,573)
CASH FLOWS (USED IN) FINANCING ACTIVITIES		
Government's share in the net profit for the year	(571,724)	(471,260)
Increase in the capital	571,724	250,000
Employees' share in the net profit for the year	(43,979)	(36,251)
Net Cash flows (used in) financing activities (5)	(43,979)	(257,511)
Net increase in cash and cash equivalents (1+2+3+4+5)	7,349,692	3,999,459
Cash and cash equivalents at 1 January	36,859,343	32,859,884
Cash and cash equivalents at 31 December	44,209,035	36,859,343
Consist of:		
Cash in hand and reserve balances with the Central Bank of Yemen	7,679,564	7,468,727
Due from banks	13,760,213	13,056,019
Treasury bills and certificates of deposit with the Central Bank of Yemen	30,870,209	25,029,346
Reserve balances with the Central Bank of Yemen	(6,521,311)	(6,222,874)
Due from banks maturing after three months	(1,579,640)	(2,421,775)
Treasury bills maturing after three months	-	(50,100)
Cash and cash equivalents at 31 December	44,209,035	36,859,343

The attached notes 1 to 37 form an integral part of these financial statements

STATEMENT OF CHANGES IN OWNER'S EQUITY FOR THE YEAR ENDED 31 DECEMBER 2004

	Capital	Revaluation Reserve	Statutory Reserve	General Reserve	Cumulative changes in fair value Reserve	Net profit for the year	Total
	YR'000	YR'000	YR'000	YR'000	YR'000	YR'000	YR'000
At 31 December 2002	1,850,000	639,762	368,131	453,233	18,923	-	3,330,049
Net movement in fair value for the year	-	-	-	-	610	-	610
Net profit for the year	-	-	-	-	-	725,015	725,015
Transfer to statutory reserve	-	-	108,752	-	-	-	(108,752)
Transfer to general reserve	-	-	-	108,752	-	-	(108,752)
Government's share in net profit	-	-	-	-	-	(471,260)	(471,260)
Transfer to capital	250,000	-	-	-	-	-	250,000
Employees' share in net profit	-	-	-	-	-	(36,251)	(36,251)
At 31 December 2003	2,100,000	639,762	476,883	561,985	19,533	-	3,798,163
Net movement in fair value for the year	-	-	-	-	(2,410)	-	(2,410)
Net profit for the year	-	-	-	-	-	879,575	879,575
Transfer to statutory reserve	-	-	131,936	-	-	-	(131,936)
Transfer to general reserve	-	-	-	131,936	-	-	(131,936)
Government's share in net profit transferred to capital	571,724	-	-	-	-	-	(571,724)
Transfer to capital	28,276	-	-	(28,276)	-	-	-
Employees' share in net profit	-	-	-	-	-	(43,979)	(43,979)
At 31 December 2004	2,700,000	639,762	608,819	665,645	17,123	-	4,631,349

The Bank's Board of Directors, in its meeting held on 8 January 2005, resolved to comply with the instructions of Central Bank of Yemen in its circular no (12) dated 8 December 2004 to the banks licensed to operate in the Republic of Yemen to increase their capital to YR 6,000 million beginning from the year 2005 and by the end of 2009. H.E the Deputy Prime Minister, Minister of Finance, accepted the recommendation of the Bank's management to start increasing the capital from the end of this year. As a result, the Bank has transferred the Government share of net profit for the year and YR 28,276 thousand from the general reserve to capital.

The attached notes 1 to 37 form an integral part of these financial statements

Notes to the Financial Statements

1 INCORPORATION AND ACTIVITIES

The National Bank of Yemen (The Bank), which was incorporated in Aden in 1969, is wholly owned by the Government of Yemen. The Head Office of the Bank is at Queen Arwa Street, P. O. Box No. 5, Crater, Aden, Republic of Yemen and is registered under Registration Number 1748. The Bank undertakes all banking activities through its head office and 27 branches spread all over the Southern and Eastern Governorates and through two branches in Sana'a, and one in Hodeidah. The Bank had 597 employees as on 31 December 2004 (31 December 2003: 588 employees).

In its meeting held on 1 February 2005, the Bank's Board of Directors approved the financial statement of the Bank and decided to submit them to the relevant authorities for approval to publish them.

2 PREPARATION BASIS OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with International Financial Reporting Standards issued by the International Financial Reporting Standards Board (IASB) and the interpretations of the Standing Accounting Committee of the IASB, the current local prevailing laws and regulations and the rules and instructions issued by the Central Bank of Yemen.

There are no significant differences between International Financial Reporting Standards and those required by the Central Bank of Yemen except for the following:

- The adoption of minimum fixed percentages for losses on loans and advances in accordance with the Central Bank of Yemen circular No. (6) of 1996 and circular No. (5) of 1998;
- The inclusion of the general provision for risk calculated on the performing loans in the general provision for loans and advances rather than including it within the Owner's equity.

The effect of these deviations is immaterial on the financial statements of the Bank as on 31 December 2004.

3 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied on a consistent basis are as follows:

a) Accounting convention

The financial statements are prepared under the historical cost convention as modified for their revaluation of land and buildings to market value and the measurement of available for sale investments to the fair value. The provisions of the International Accounting Standard (39) - Recognition and Measurement have been applied from January 2002.

b) Foreign currencies

- The Bank maintains its records in Yemeni Riyals. Transactions in other currencies are recorded during the financial year at the prevailing exchange rates at the value dates of the transactions. Balances of monetary assets and liabilities denominated in foreign currencies at the balance sheet date are re-valued at the prevailing exchange rates on that date. Gains or losses resulting from revaluation are taken to the statement of income.
- The differences arising from the re-measurement of "available for sale" investments to fair value which relates to changes in foreign exchange rates are considered as part of the change in fair value. Accordingly, these differences are not taken to the statement of income, but are rather taken directly to the Owner's equity.
- The Bank does not enter into forward exchange contracts.

c) Revenue recognition

- Revenues are recognized on the accrual basis. However, in order to comply with the Central Bank of Yemen Circular No. (6) of 1996, the Bank does not accrue interest on non-performing loans and credit facilities. When an account is treated as non-performing, all uncollected interest relating to the three months prior to categorizing the loan as non-performing is reversed from income and recorded as uncollected interest.

Audited Financial Statements for the Year Ended 31 December 2004

The Central Bank of Yemen has approved the financial statements of National Bank of Yemen (NBY) in its letter No. 17053 dated 24/2/2005

Notes to the Financial Statements (continued)

3 SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Revenue recognition

- ii) In accordance with the Central Bank of Yemen guideline No. (2) of 2002, any Provision written back are included under "other operating income".
iii) Dividends on available for sale investments are recognized when declared.

d) Treasury bills and certificates of deposit with the Central Bank of Yemen

Treasury bills issued by the Central Bank of Yemen on behalf of the Ministry of Finance are stated at their nominal value, adjusted for any unamortised discount. Certificates of deposit with the Central Bank of Yemen are stated at their nominal value.

e) Valuation of investments

All investments are initially recognised at cost, being the fair value of the consideration given including acquisition charges associated with the investment. After initial recognition, investments which are classified as "available for sale" are measured at fair value. The gain or loss arising from a change in fair value of such investments is recognised directly in equity until the financial asset is sold, collected or otherwise disposed off, or until the financial asset is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the statement of income for the year.

f) Provision for losses on loans and advances and contingent liabilities

In order to comply with the Central Bank of Yemen circulars No. (6) of 1996 and No. (5) of 1998, provision is made for specific loans, overdrafts and contingent liabilities, in addition to a percentage for general risks calculated on the total of other loans, overdrafts and contingent liabilities after deducting balances secured by deposits and banks' guarantees. The provision is determined based on periodic comprehensive reviews of the credit portfolio and contingent liabilities. Accordingly, the provision is made in accordance with the following rates:

Performing loans including watch loans	2%
Performing contingencies including watch accounts	1%
Non-performing loans and contingencies:	
Substandard debts	15%
Doubtful debts	45%
Bad debts	100%

Loans and advances are written off by debiting the provision, if procedures taken towards their collection prove useless, or if directed by the Central Bank of Yemen upon review of the portfolio. Proceeds from loans and advances previously written off in prior years are credited to the provision. Loans and advances to customers are presented, in the balance sheet, net of provision and uncollected interest.

g) Property, plant and equipment, net of accumulated depreciation

Property comprising land and buildings are recorded at their revalued amounts. Equipment are recorded at cost on the date of purchase. Cost includes the purchase price and related expenses.

Freehold land is not depreciated. Other property and equipment items are stated at cost or revalued amounts less accumulated depreciation.

Depreciation is provided on all property, plant and equipment, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition, of each asset over its expected useful life using the straight line method at the rates shown below:

Buildings on freehold land	2%
Vehicles	20%
Furniture and equipment	10%
Computers and software programs	20%
Security vaults	2%
Improvements to leasehold property	Years of lease or estimated useful life whichever is lower.

h) Real estate properties acquired from customers

In accordance with the Banks Law No. (38) of 1998 and the instructions of the Central Bank of Yemen, real estate properties acquired from customers in settlement of loans are included in the balance sheet under "debit balances and other assets" using the value at which these properties were acquired less any decline in their value. Any decline is charged to the statement of income.

i) Contingent liabilities and commitments

Contingent liabilities and commitments, in which the Bank is a party, are presented off-balance sheet under "contingent liabilities and commitments" as they do not represent actual assets or liabilities of the Bank at the balance sheet date.

j) Cash and cash equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalents consist of cash in hand, cash balances with the Central Bank of Yemen other than statutory reserve balances, demand deposits with other banks and investments in treasury bills which are due within three months from the issuance date and certificates of deposit with the Central Bank of Yemen.

k) Taxation

Taxation for the year is provided for in accordance with the Income Tax Law No. (31) of 1991 and its amendments and the provision of article No. (85) of the Bank's Law No. (38) of 1998.

l) Zakat

The Bank pays zakat, in accordance with the relevant laws, to the government which decides on its allocation.

m) Related party transactions

Disclosures are made in the financial statements of loans and advances and contingent liabilities granted to related parties and in particular members of the Board of Directors and companies in which they own more than 25% of the capital.

n) Fiduciary assets

Assets held in trust or in a fiduciary capacity are not treated as assets of the Bank and accordingly are not included in these financial statements.

o) Impairment of financial assets

At each balance sheet date an assessment is made of whether there is objective evidence that a financial asset or portfolio of assets is impaired. If this evidence exists, the recoverable amounts of the assets or group of assets is determined and any impairment losses are recognised immediately in the statement of income based on the present value of the anticipated future cash flows.

p) Fair values

The estimated fair value of interest-bearing items is based on discounted cash flows using interest rates for items with similar remaining maturity. No fair values are estimated for deposits with no fixed maturity as their balances are payable on demand. For investments where there is no quoted market price, a reasonable estimate of the fair value is determined by reference to the current market value of another instrument which is substantially the same, or is based on the expected cash flows or the underlying net asset base of the investment.

q) Trade and settlement date accounting

All regular way purchases and sales of financial assets are recognised on the trade date, i.e. the date that the entity commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

4 FINANCIAL INSTRUMENTS AND MANAGING THEIR RELATED RISKS

4.1 Financial instruments

a) **The Bank's financial instruments are represented in financial assets and liabilities.** Financial assets include cash balances, current accounts and deposits with banks, treasury bills, certificates of deposit with the Central Bank of Yemen, investments, and loans and advances to customers and banks. Financial liabilities include customers' deposits and balances due to banks. Also, financial instruments include rights and obligations stated in contingent liabilities and commitments.

b) Fair value of financial instruments

Based on the valuation of the Bank's assets and liabilities stated in the notes to the financial statements, the fair value of the financial instruments do not differ fundamentally from their fair values at the balance sheet date.

c) Forward contracts

The Bank does not enter into forward foreign currency buy or sale contracts.

4.2 Managing related risks

a) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of the financial instruments. The Bank performs a number of procedures to limit the effect of such risk to the minimum level by:

- correlating interest rates on borrowing with interest rates on lending.
- considering the discount rates for different currencies when determining interest rates.
- controlling the matching of maturity dates of financial assets and liabilities.

b) Credit risk

Loans and credit facilities to customers and banks, current accounts and deposits with banks and rights and obligations from others are considered as financial assets exposed to credit risk. Credit risk represents the inability of these parties to meet their obligations when they fall due. In order to comply with the Central Bank of Yemen circular No. 10 of 1997 pertaining to the management of credit risk exposure, the Bank adheres to certain minimum standards in order to properly manage its credit risk.

In addition to the standards stated in the mentioned circular, additional procedures applied by the Bank to minimize the credit risk exposure are:

- preparing credit studies on customers and banks before dealing with them and determining their related credit risk rates.
- obtaining sufficient collateral to minimize the credit risk exposure which may result from financial problems facing customers or banks.
- follow-up and periodical reviews of customers and banks in order to evaluate their financial positions, credit rating and the required provision for non-performing loans.
- distributing credit portfolio and balances with banks over diversified sectors to minimize concentration of credit risk.

c) Exchange rate risk

Due to the nature of the Bank's activity, the Bank deals in different foreign currencies; hence it is exposed to exchange rate risk. The Bank attempts to maintain a balanced foreign currencies position in compliance with the Central Bank of Yemen instructions and the requirements of Central Bank of Yemen circular No. (6) of 1998 which specifies that individual foreign currency positions shall not exceed 15% of the Bank's capital and reserves, and that the aggregate open position for all currencies shall not exceed 25% of the Bank's capital and reserves. (note-34).

5 CASH IN HAND AND RESERVE BALANCES WITH THE CENTRAL BANK OF YEMEN

	2004 YR'000	2003 YR'000
Cash in hand		
- In local currency	508,298	518,277
- In foreign currencies	398,612	479,779
- Cheques purchased, net	251,343	247,797
Total cash in hand	1,158,253	1,245,853
Reserve balances with the Central Bank of Yemen		
- In local currency	3,231,757	2,608,198
- In foreign currencies	3,289,554	3,614,676
Total reserve balances with the Central Bank of Yemen	6,521,311	6,222,874
Total cash in hand and reserve balances with the Central Bank of Yemen	7,679,564	7,468,727

5 CASH IN HAND AND RESERVE BALANCES WITH THE CENTRAL BANK OF YEMEN (continued)

In accordance with the Yemeni Banks Law, the Bank is required to maintain statutory deposits with the Central Bank of Yemen at stipulated percentages of its demand, time and other deposits (10% on local currency and 20% on foreign currencies). Deposits in local currency carry interest at rates determined by the Central Bank of Yemen.

6 DUE FROM BANKS

	2004	2003
Due from the Central Bank of Yemen and other local banks	50	50
Current accounts with the Central Bank of Yemen		
- In local currency	1,385,318	711,037
- In foreign currencies	297,525	309,659
Total current accounts with the Central Bank of Yemen	1,682,843	1,020,696
Less: Provision for outstanding reconciling items	(18,115)	(18,115)
Net current account balances with the Central Bank of Yemen	1,664,728	1,002,581
Current account balances with local banks	2,274	1,194
Total due from the Central Bank of Yemen and other local banks	1,667,002	1,003,775
Due from foreign banks and other financial institutions		
Current and demand account balances	2,159,699	1,614,133
Less: Provision for outstanding reconciling items	(24,943)	(27,894)
Time deposits	9,958,455	10,466,005
Total due from foreign banks and other financial institutions	12,093,211	12,052,244
Total due from banks	13,760,213	13,056,019

Time deposits include

- a) An investment linked deposit made with a foreign bank for US \$ 1,000,000 (YR 185,840 thousand) to be held for five years and carries a fixed interest rate of 5 % for year two, thereafter the interest rate is indexed to LIBOR and is calculated based on a predetermined formula which has an upper and lower barrier.
b) An investment linked deposit made with a foreign bank for US \$2,000,000 (YR 371,680 thousand) to be held for five years and carries a interest rate of 5.50 % for year one, thereafter the interest rate is indexed to LIBOR and is calculated based on a predetermined formula which has an upper and lower barrier.
c) An investment linked deposit made with a foreign bank for US \$2,000,000 (YR 371,680 thousand) to be held for four years and carries a fixed interest rates of 2.5% for year one, 3.25% for year two, 4.0% for year three and 4.5% for year four..

7 TREASURY BILLS, net

	2004 YR'000	2003 YR'000
Treasury bills due within 90 days	25,756,602	19,890,381
Treasury bills due within 182 days	-	50,260
Less: Unamortised discount	(366,393)	(291,295)
Net book value	25,390,209	19,649,346

The treasury bills and repurchased treasury bills have maturity of three months and carry interest rates ranging from 13.0% to 14.0% (2003: 13.0% to 14.0%). In accordance with the instructions of the Central Bank of Yemen, treasury bills which mature within a period not exceeding three months are considered as part of cash and cash equivalent assets.

8 CERTIFICATES OF DEPOSIT WITH THE CENTRAL BANK OF YEMEN

	2004 YR'000	2003 YR'000
Certificates of deposit – 91 days	5,480,000	5,380,000

Certificates of deposits are amounts deposited with the Central Bank of Yemen having a maturity of three months and carry interest rates of 14 % (2003: 14%). In accordance with the instruction with the Central Bank of Yemen, such certificates of deposit are considered as part of cash and cash equivalent assets.

9 LOANS AND ADVANCES TO CUSTOMERS AND BANKS, net of provision

	2004 50	2003 50
Loans and advances to customers:		
Overdraft facilities	1,587,795	1,039,590
Term loans	2,657,703	1,830,546
Commercial papers discounted	59,191	204,656
Total amounts due from private sector customers (i)	4,304,689	3,074,792
Loans and advances to Banks		
Subordinated loan to UBAF-US\$ 588,094 (note - a)	109,292	108,386
Total amounts due from Banks (ii)	109,292	108,386
Total loans and advances to customers and banks (i) + (ii)	4,413,981	3,183,178
Provision for losses on loans and advances (note - b)	(1,067,498)	(964,492)
Suspended interest (note - c)	(25,829)	(16,033)
Total Provision for losses on loans and advances and suspended interest	(1,093,327)	(980,525)
Net loans and advances to customers and banks	3,320,654	2,202,653

Gross non-performing loans and advances at 31 December 2004 amounted to YR 1,157,716 thousand (31 December 2003 - YR 1,048,218 thousand)

(a) Subordinated loan to UBAF

The loan of US \$ 588,094 represents the Bank's participation in a subordinated loan extended to UBAF (Paris) by its shareholders and carries an interest rate of LIBOR +1%. Although the interest on this loan is being paid regularly on time, part of the principal amount had been rescheduled for four years to 4 June 2007 and the remaining part to 4 March 2008. The Bank's management decided to approve the request of UBAF (Paris) to reschedule the loan for four years with the same previous conditions.

As a result the Bank's management, taking a conservative and prudent view, has fully provided for the principal of the loan. The balance of the loan as on 31 December 2004, is stated using the exchange rate prevailing at that date.

Audited Financial Statements for the Year Ended 31 December 2004

The Central Bank of Yemen has approved the financial statements of National Bank of Yemen (NBK) in its letter No. 17053 dated 24/2/2005

Notes to the Financial Statements (continued)

9 LOANS AND ADVANCES TO CUSTOMERS AND BANKS, net of provision (continued)

(b) Provision for losses on loans and advances

In accordance with Article (85) of the Banks Law No. (38) of 1998, which came into effect on 27 December, 1998, and Article 9 (j) of the Income Tax Law No. (31) of 1991 as amended by Republican Decree Law No. (12) of 1999, any Provision for losses on loans and advances made by a bank in compliance with the regulations of the Central Bank of Yemen in this respect, are not subject to the Provision of any income tax law and are allowable as a deduction in arriving at the taxable income.

Details of movements in the provision for possible losses on loans and advances during the year were as follows:

	2004			2003		
	Specific YR'000	General YR'000	Total YR'000	Specific YR'000	General YR'000	Total YR'000
Balance at 1 January	921,462	43,030	964,492	841,335	35,292	876,627
Revaluation of opening balance in foreign currencies	2,197	271	2,468	4,892	656	5,548
Amount utilized during the year	(19,560)	-	(19,560)	(7,671)	-	(7,671)
Adjusted opening balance	904,099	43,301	947,400	838,556	35,948	874,504
Amounts recovered of loans previously written off (note 23)	(143,011)	(6,691)	(149,702)	(41,630)	(9,589)	(51,219)
Provision for the year (note 25)	254,117	15,683	269,800	124,536	16,671	141,207
Charged to the income statement	111,106	8,992	120,098	82,906	7,082	89,988
Balance at end of year	1,015,205	52,293	1,067,498	921,462	43,030	964,492

Management has decided to provide for the general provision for performing loans and contingencies including watch loans at the rate of 2% (2003 - 2%).

(c) Suspended interest

This represents interest on non-performing loans and advances in accordance with the Central Bank of Yemen regulations and which is recognised as revenue only when collected.

	2004 YR'000	2003 YR'000
Balance at 1 January	16,033	16,130
Amounts written off during the year	-	(328)
Recovered during the year	(557)	(568)
Suspended during the year	10,353	799
Balance at end of year	25,829	16,033

10 AVAILABLE FOR SALE INVESTMENTS

These comprise investments, available for sale, in the following foreign companies:

	Ownership Percentage %	No. of shares of US \$ 1 each	2004		2003	
			YR'000	YR'000	YR'000	YR'000
Unquoted investments in UBAF Group						
UBAF - Curacao - A Shares of US \$ 1 each	0.788	1,497,200	17,982	17,982		
UBAF - Curacao - B Shares of US \$ 1 each	0.783	234,650	2,818	2,818		
UBAF - Curacao - C Shares of US \$ 1 each	1.371	528,250	6,344	6,344		
Total investment in shares in UBAF Group		2,260,100	27,144	27,144		
Other unquoted investments						
Arab Banking Group - Bahrain	0.344		2,067	2,067		
Arab Financial Services Company - Bahrain (note-a)	0.167		18,324	20,734		
Total other unquoted investments			20,391	22,801		
Total available for sales investments			47,535	49,945		
Less: Provision for impairment - (note -b)			(29,211)	(29,211)		
Net book value of investments available for sale			18,324	20,734		

(a) Arab Financial Services Company - Bahrain

The fair value of the investment in Arab Financial Services Company - Bahrain is based on the book value of shares as per the latest audited financial statement of the Company which amounted to US\$ 9.86 per share (2003: US\$ 11.25 per share).

The following table shows the movement in the Arab Financial Services Company - Bahrain during the year:

	2004 YR'000
Balance at 1 January	20,734
Exchange difference	173
Written down of fair value	(2,583)
Fair value at 31 December	18,324

(b) Provision for impairment

Since no dividends were received from the investments in UBAF - Curacao and Arab Banking Group - Bahrain during the last few years and no dividends are expected to be received in the coming years, a full impairment provision was taken for the balances of those investments because their net present value is nil.

11 DEBIT BALANCES AND OTHER ASSETS

	2004 YR'000	2003 YR'000
Prepaid expenses and other debit balances	4,246	2,044
Interest receivable	200,878	187,439
Capital costs of new branches	189,046	7,228
Real estate properties acquired from customers, net of provision	29,234	29,234
Sundry debit balances, net of provision	7,887	28,247
Total debit balances and other assets	431,291	254,192

The balance of real estate properties acquired from customers is net of a provision of YR 480 thousand (2003 - YR 480 thousand). The valuation of these properties is in accordance with the instructions of the Central Bank of Yemen.

12 PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation

	Freehold Land and buildings	Leasehold Improvements	Furniture & Equip- ment	Motor Vehicles	Swift & Compu- ters	Total
	YR'000	YR'000	YR'000	YR'000	YR'000	YR'000
Cost or valuation:						
At 31 December 2003	1,517,485	29,071	166,816	54,828	112,072	1,880,272
Additions during the year	556	7,719	18,112	8,908	6,359	41,654
At 31 December 2004	1,518,041	36,790	184,928	63,736	118,431	1,921,926
Depreciation						
At 31 December 2003	28,787	8,998	62,508	41,060	70,662	212,015
Charge for the year	7,568	3,286	15,142	4,699	14,933	45,628
At 31 December 2004	36,355	12,284	77,650	45,759	85,595	257,643
Net book amount						
At 31 December 2004	1,481,686	24,506	107,278	17,977	32,836	1,664,283
At 31 December 2003	1,488,698	20,073	104,308	13,768	41,410	1,668,257

Depreciation is calculated on the basis of the rates set out in the Council of Ministers' Resolution No. (144) of 1999.

a) Revaluation of property

Freehold land, land leased from the Government and buildings on freehold and leasehold were revalued at their open market value for existing use on 1 December 1999, effective from 31 December 1999, by an independent professional real estate firm. In accordance with International Accounting Standard No. (16), the method used to present the revalued amounts is that the cost and related accumulated depreciation as at 31 December 1999, were eliminated and the revalued amount has been considered to be the new gross carrying amount.

13 DUE TO BANKS

	2004 YR'000	2003 YR'000
Current and demand accounts		
Local banks	28,529	6,564
Foreign banks	88,573	29,041
Total due to banks	117,102	35,605

14 CUSTOMERS' DEPOSITS

	2004 YR'000	2003 YR'000
Current accounts	10,172,278	9,040,736
Savings accounts	22,108,618	19,703,299
Term deposits	16,510,335	13,478,627
Other deposits	592,983	360,671
Deposits for documentary letters of credit, guarantees and others	1,899,381	1,913,885
Total customers' deposits	51,283,595	44,497,218

15 CREDIT BALANCES AND OTHER BALANCES

	2004 YR'000	2003 YR'000
Accrued interest payable	360,230	231,809
Unclaimed balances (note - a)	183,248	179,395
Provision for employees' leave pay	24,387	25,939
Provision for off-balance sheet items (note - b)	75,776	57,790
Due to the Owner (the Government) (note - c)	-	221,260
Other provisions	18,837	18,672
Employees' share in net profit	54,587	48,245
Provision for contingent liabilities (note-33)	326,000	138,000
Sundry credit balances	195,810	57,440
Total credit balances and other balances	1,238,875	978,550

a) Unclaimed balances

This amount represents balances that are over 15 years old and have not been claimed by the beneficiaries. Management is reviewing the likelihood of these amounts being claimed and based on the outcome of their review, it will consider the amount that should be transferred to the Ministry of Finance in accordance with the relevant article in the Banks Law.

b) Provision for off-balance sheet items

	2004 YR'000	2003 YR'000
Balance at 1 January	57,790	29,846
Revaluation of opening balance in foreign currencies	340	815
Provision charged during the year (note -25)	29,180	31,980
Provision written back during the year (note -23)	(11,534)	(4,851)
Balance at end of the year	75,776	57,790

c) Due to the owner (the Government)

	2004 YR'000	2003 YR'000
Balance at 1 January	221,260	417,189
Add:		
Government's share in the profit for the year	571,724	471,260
Transferred to capital	(571,724)	(250,000)
Net Government's share of the profit for the year	-	221,260
Less: amounts paid during the year	(221,260)	(417,189)
Balance at end of the year	-	221,260

16 INCOME TAX PAYABLE

	2004 YR'000	2003 YR'000
Amounts due to the Tax Authority		
Balance at 1 January	390,392	367,967
Charged for the year in the Statement of Income (note a)	473,617	390,392
Total amounts due to the Tax Authority	864,009	758,359
Amount paid during the year	(390,392)	(367,967)
Total income tax payable	473,617	390,392

16 INCOME TAX PAYABLE (continued)

a) Charge for the year

The charge for the year has been calculated on the basis of the net profit for the year. In accordance with the letter of H. E. The Minister of Finance to the Tax Authority dated 17 April 2000, the tax assessment of the Bank for each year shall be based on the results as disclosed by the Bank's financial statements audited by an external auditing firm.

b) Prior year tax assessments

The Bank received on 13 June 2004, the final tax clearance for the income tax liability for the financial year ending 31 December 2003.

17 OWNER'S EQUITY

a) Authorized capital

The authorized share capital amounting YR. 6,000 million (2003 - YR 2,100 million) consists of 6,000 thousand shares of YR 1,000 par value each (2003: consists of 2,100 thousand shares of YR 1,000 par value each).

b) Declared and paid up capital

The paid up share capital amounting YR. 2,700 million (2003 - YR 2,100 million) consists of 2,700 thousand shares of YR 1,000 par value each (2003 - of 2,100 thousand shares of YR 1,000 par value each).

c) Net profit distribution

In accordance with the provisions of the Public Corporations and Establishments Law No. (35) of 1991, the net profit, after income tax, shall be allocated as follows:

- o 15% to statutory reserve.
- o 15% to general reserve.
- o 65% to the Government for its share of profits.
- o 2% to employees' incentives.
- o 3% to employees' social fund

d) Surplus on revaluation property reserve

The difference between the revalued amounts of the freehold land and the buildings and their net book value as at 31 December, 1999 has been credited to owner's equity.

e) Cumulative changes in fair value reserve

In accordance with the provisions of IAS 39 Financial Instruments - Recognition and Measurement, the differences between the fair values and the book values of the "available for sale" investments are recognised in the cumulative changes in fair value until they are sold, collected, disposed off, or until they are determined to be impaired, at which time the cumulative gain or loss previously recognised is included in the statement of income for the year.

18 CONTRA ACCOUNTS AND OTHER COMMITMENTS, net

At 31 December 2004	Gross commitments 5□	Covered by margin 5□	Net commitments 5□
Commitments on behalf of customers for which there were corresponding liabilities by the customers concerned:			
Documentary letters of credit	4,788,996	1,005,925	3,783,071
Letters of guarantees - customers	3,445,345	879,750	2,565,595
Letters of guarantees - correspondent banks	4,675,578	-	4,675,578
Customers' acceptances	267,691	-	267,691
Credit cards	32,522	13,706	18,816
Total contra accounts and other commitments	13,210,132	1,899,381	11,310,751

At 31 December 2003	Gross Commitments 5□	Covered by margin 5□	Net commitments 5□
Commitments on behalf of customers for which there were corresponding liabilities by the customers concerned:			
Documentary letters of credit	3,995,538	919,123	3,076,415
Letters of guarantees - customers	3,734,687	982,783	2,751,904
Letters of guarantees - correspondent banks	4,505,447	-	4,505,447
Customers' acceptances	160,271	-	160,271
Credit cards	20,273	11,979	8,294
Total contra accounts and other commitments	12,416,216	1,913,885	10,502,331

19 INTEREST ON LOANS AND DUE FROM BANKS

	2004 YR'000	2003 YR'000
Interest on loans and advances to customer and banks		
Interest on loans and advances to customers	329,750	246,020
Interest on commercial papers discounted	3,374	13,212
Interest on other facilities	1,181	1,353
Interest on loans to banks	2,729	2,881
Total interest on loans and advances to customers and banks	337,034	263,466
Interest on deposits with foreign banks		
Interest on current accounts	9,611	8,740
Interest on call accounts	2,290	2,309
Interest on deposits	192,765	176,023
Total interest on deposits with foreign banks	204,666	187,072
Interest on deposits with local banks		
Interest on reserves balances with the Central Bank of Yemen	383,125	305,591
Total interest on deposits with banks	587,791	492,663
Total interest on loans and due from banks	924,825	756,129

20 COST OF DEPOSITS

	2004 YR'000	2003 YR'000
Interest on savings accounts	1,234,677	1,104,309
Interest on time deposits	1,475,873	1,032,458
Total interest	2,710,550	2,136,767

Audited Financial Statements for the Year Ended 31 December 2004

The Central Bank of Yemen has approved the financial statements of National Bank of Yemen (NBY) in its letter No. 17053 dated 24/2/2005

Notes to the Financial Statements (continued)

21 COMMISSIONS AND FEES INCOME ON BANKING SERVICES

	2004 YR'000	2003 YR'000
Commissions on documentary letters of credits	63,411	59,131
Commissions on letters of guarantee	114,890	113,471
Commissions on transfer of funds	25,869	25,574
Commissions on acceptances	4,163	3,928
Commissions on cheques	94,587	82,987
Banking services fees	6,861	6,956
Other services fees	54,275	24,542
Total commissions and fee income on banking services	364,056	316,589

22 GAIN ON FOREIGN CURRENCY TRANSACTIONS

	2004 YR'000	2003 YR'000
Revaluation differences on foreign currency transactions	25,095	56,523
Gain on foreign exchange trading transactions	25,372	23,185
Total gain on foreign exchange transactions	50,467	79,708

23 OTHER OPERATING INCOME

	2004 YR'000	2003 YR'000
Provision for losses on loans no longer required (note 9-b)	149,702	51,219
Provision for off-balance sheet items no longer required (note 15-b)	11,534	4,851
Provision for outstanding reconciling items no longer required (BCC)	3,836	6,099
Sundry income	11,146	9,178
Total other operating income	176,218	71,347

24 GENERAL AND ADMINISTRATION EXPENSES

	2004 YR'000	2003 YR'000
Salaries, wages and related costs	449,230	412,587
Depreciation of property and equipment (note 12)	45,628	42,773
Rent	28,521	28,172
Water and electricity	24,156	23,260
Repairs and maintenance	16,095	14,544
Telephone, telexes and postage	21,967	19,091
Transportation and communication	19,426	18,011
Promotions and publications	11,246	7,297
Computer maintenance expenses	14,479	14,349
Training	15,711	12,355
Taxes and fees	1,184	1,156
Donations	5,025	4,256
Stationery and printing supplies	14,237	13,260
Other general and administration expenses	47,368	32,591
Total general and administration expenses	714,273	643,702

25 PROVISIONS

	2004 YR'000	2003 YR'000
Provision for losses on loans and advances (note 9 - b)	269,800	141,207
Provision for off-balance sheet items (note 15 - b)	29,180	31,980
Provision for employees' leave pay	6,861	12,555
Provision for contingent liabilities	188,000	138,000
Provision for old stock	277	6,200
Other provision	19,022	-
Total provisions	513,140	329,942

26 ZAKAT

	2004 YR'000	2003 YR'000
Zakat expense for the current year - paid	40,000	35,000

27 EARNINGS PER SHARE

	2004 YR'000	2003 YR'000
Net profit for the year	879,575	725,015
Number of shares	2,100,000	1,850,000
Earnings per share	YR 419	YR 392

28 RELATED PARTY TRANSACTIONS

These represents transactions with certain related parties (directors and officers of the Bank, their families and companies of which they are principal owners) who were customers of the Bank during the year. The terms of these transactions are approved by the Bank's management.

The year end balances included in the financial statements are as follows:

	2004 YR'000	2003 YR'000
Board members and parties related to them	-	-
Loans and advances, gross	3,491	2,510
Customers' deposits	3,840	3,509
Interest income for the year	472	215
Interest expense for the year	379	377

29 MATURITIES OF ASSETS AND LIABILITIES

a) 31 December 2004

ASSETS	Less than 3 months	From 3 to 6 months	From 6 months to 1 year	Over 1 year	Total
	YR'000	YR'000	YR'000	YR'000	YR'000
Cash in hand and reserve balances with the Central Bank of Yemen	7,679,564	-	-	-	7,679,564
Due from banks	12,180,573	371,680	278,760	929,200	13,760,213
Treasury bills	25,390,209	-	-	-	25,390,209
Certificates of deposit	5,480,000	-	-	-	5,480,000
Loans and advances to customers and banks, net of provision	703,116	458,101	1,082,633	1,076,804	3,320,654
Investments available for sale	-	-	-	18,324	18,324
TOTAL ASSETS	51,433,462	829,781	1,361,393	2,024,328	55,648,964
LIABILITIES					
Due to banks	117,102	-	-	-	117,102
Customers' deposits	29,661,874	7,215,436	14,279,198	127,087	51,283,595
TOTAL LIABILITIES	29,778,976	7,215,436	14,279,198	127,087	51,400,697

29 MATURITIES OF ASSETS AND LIABILITIES (continued)

b) 31 December 2003

ASSETS	Less than 3 months	From 3 to 6 months	From 6 months to 1 year	Over 1 year	Total
YR'000	YR'000	YR'000	YR'000	YR'000	YR'000
Cash in hand and reserve balances with the Central Bank of Yemen	7,468,727	-	-	-	7,468,727
Due from banks	10,634,244	2,237,475	-	184,300	13,056,019
Treasury bills	19,599,246	50,100	-	-	19,649,346
Certificates of deposit	5,380,000	-	-	-	5,380,000
Loans and advances to customers and banks, net of provision	779,934	346,306	364,291	712,122	2,202,653
Investments available for sale	-	-	-	20,734	20,734
TOTAL ASSETS	43,862,151	2,633,881	364,291	917,156	47,777,479
LIABILITIES					
Due to banks	35,605	-	-	-	35,605
Customers' deposits	25,071,540	6,385,980	12,824,200	215,498	44,497,218
TOTAL LIABILITIES	25,107,145	6,385,980	12,824,200	215,498	44,532,823

30 AVERAGE INTEREST RATES ON ASSETS AND LIABILITIES

a) The average interest rates on assets and liabilities applied during the year 2004 were as follows:

	Yemeni Riyal %	US Dollar %	Saudi Riyal %	Sterling Pound %	Euro %
Assets					
Reserve balances with the Central Bank of Yemen	13.00	-	-	-	-
Due from banks:					
Current accounts	-	1.07	-	3.65	1.59
Time deposits	-	1.99	1.99	4.63	2.03
Treasury bills	13.99	-	-	-	-
Certificates of deposit with the Central Bank of Yemen	14.00	-	-	-	-
Loans to customers	18.50	6.50	-	-	-
Liabilities					
Customers' deposits	13.00	0.71	0.60	2.12	1.15

b) The average interest rates on assets and liabilities applied during the year 2003 were as follows:

	Yemeni Riyal %	US Dollar %	Saudi Riyal %	Sterling Pound %	Euro %
Assets					
Reserve balances with the Central Bank of Yemen	13.00	-	-	-	-
Due from banks:					
Current accounts	-	0.62	-	0.47	1.49
Time deposits	-	1.04	1.63	3.55	2.00
Treasury bills	13.99	-	-	-	-
Certificates of deposit with the Central Bank of Yemen	14.00	-	-	-	-
Loans to customers	18.00	6.50	-	-	-
Liabilities					
Customers' deposits	13.00	0.69	0.59	2.11	1.16

31 DISTRIBUTION OF ASSETS, LIABILITIES, CONTINGENT LIABILITIES AND COMMITMENTS

a) The distribution of the assets and liabilities and contingent liabilities and commitments as at 31 December 2004 were as follows:

	Manufacturing 50	Agriculture 50	Trade 50	Service 50	Finance 50	Personal 50	Total 50
ASSETS							
Cash in hand and reserve balances with the Central Bank of Yemen	-	-	-	-	7,679,564	-	7,679,564
Due from banks	-	-	-	-	13,760,213	-	13,760,213
Treasury bills, net	-	-	-	-	25,390,209	-	25,390,209
Certificates of deposit	-	-	-	-	5,480,000	-	5,480,000
Loans to customers and banks, net of provision	87,775	-	-	2,074	2,302,787	928,018	3,320,654
Investments available for sale	-	-	-	-	18,324	-	18,324
Total Assets	87,775	-	-	2,074	54,631,097	928,018	55,648,964
LIABILITIES							
Due to banks	-	-	-	-	117,102	-	117,102
Customers deposits	854,974	149,398	2,969,149	1,697,504	65,598	45,546,972	51,283,595
Total Liabilities	854,974	149,398	2,969,149	1,697,504	182,700	45,546,972	51,400,697
Contra accounts and other commitments	486,496	10,818	6,803,569	878,109	605,653	4,430,578	13,215,223

b) The distribution of the assets and liabilities and contingent liabilities and commitments as at 31 December 2003 were as follows:

	Manufacturing 50	Agriculture 50	Trade 50	Service 50	Finance 50	Personal 50	Total 50
ASSETS							
Cash in hand and reserve balances with the Central Bank of Yemen	-	-	-	-	7,468,727	-	7,468,727
Due from banks	-	-	-	-	13,056,019	-	13,056,019
Treasury bills, net	-	-	-	-	19,649,346	-	19,649,346
Certificates of deposit	-	-	-	-	5,380,000	-	5,380,000
Loans to customers and banks, net of provision	50,111	-	1,652,577	520	-	499,445	2,202,653
Investments available for sale	-	-	-	-	20,734	-	20,734
Total Assets	50,111	-	1,652,577	520	45,574,826	499,445	47,777,479
LIABILITIES							
Due to banks	-	-	-	-	35,605	-	35,605
Customers' deposits	3,601,559	282,640	2,183,086	2,676,189	411,595	35,342,149	44,497,218
Total Liabilities	3,601,559	282,640	2,183,086	2,676,189	447,200	35,342,149	44,532,823
Contra accounts and other commitments	226,915	-	4,653,184	5,087,127	752,962	1,696,028	12,416,216

32 TRUST ACTIVITIES

The Bank does not hold nor manages assets for or on behalf of other parties except for the housing project which is managed on behalf of the Government.

33 CONTINGENT ASSETS AND LIABILITIES

The Bank has filed a number of legal cases with the Public Fund Court and the Commercial Preliminary Court against former employees and customers of the Bank relating to irregularities and default in settlements of amounts due respectively. Where there are legal cases filed against the Bank at the respective courts, management fully and/or partly provided for such cases in the financial statements. In some of the cases court decisions were made in favour of the Bank and the same are awaiting execution, whereas the other cases are still pending in the courts.

34 SIGNIFICANT FOREIGN CURRENCIES' POSITIONS

The Central Bank of Yemen circular No. (6) of 1998 establishes limits for positions in individual foreign currencies as well as an aggregate limitation for all currencies. These limits are 15% and 25% of capital and reserves. The Bank had the following significant net exposures denominated in foreign currencies:

	2004		2003	
	%	YR'000	%	YR'000
United States dollar	6.26	290,468	2.96	112,423
Pound sterling	7.20	333,898	5.51	209,337
Swiss Franc	0.16	7,534	0.01	295
Euro	3.65	169,362	5.91	224,595
Saudi Riyal	1.13	52,531	3.16	120,065
Japan Yen	0.17	8,043	-	-
Other	0.00	13	0.02	823
Aggregate foreign currency positions	18.57	861,849	17.57	667,538

The dollar exchange rate at 31 December 2004 was 185.84 YR/US\$ (31 December 2003: 184.30 YR/US\$).

35 CAPITAL COMMITMENTS

Capital commitments at 31 December 2004 amounted to YR 764 million (2003-YR 54 million).

36 CAPITALISATION OF THE BANK

As part of the Government financial and administration Reform Programme and the preparation of the Bank for capitalization, the Council of Ministers issued in its meeting held on 25 July 2000, resolution No. (175) of 2000 which stipulated that capitalization of the Bank to be according to the Bank's latest financial statements and on the basis of 60% for a strategic investor, 20% for public subscription and 20% for the Government.

The Minister of Finance has subsequently issued a Ministerial Decision No (486) dated 4 September 2000 in which he appointed a committee, under the chairmanship of the Deputy Minister of Finance, and entrusted with it the responsibility for taking the necessary steps to implement the Council of Ministers' resolution.

37 COMPARATIVE FIGURES

Certain of the prior year amounts have been reclassified to conform to the presentation in the current year.

Trust & Experience

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YT Business

Hodeidah markets are popular

Fish sector needs attention

By ABDULWAHAB AL SOFI
abdulwahab_alsofi@yahoo.com
FOR THE YEMEN TIMES

Nobody goes to Yemen's fish markets without wanting to visit it again. Fish markets in Hodeidah are the popular place where persons can buy many kinds of fish and enjoy the fisheries.

The main fish market in Hodeidah is situated exactly next to the attractive anchor of fishing boats. In the early morning, swarms of people varied between among young and old people coexist. They come to either buy fresh fish or enjoy the fish anchor.

Others come to the market for working in the fish auction in which people can buy fish at cheap prices. People can buy many kinds of fish such as tuna, sword fish, lobster, shrimp, yellow fin, cuttlefish, red snapper, crabs,

and other kinds of fish.

Fish is the best replacement of meat, as it is healthier.

Some fish is put under the burning sunshine at the boats' anchor, until it becomes dry enough to eat. It is called in Arabic language Lukham. This is a favorite food to Hadhramout people.

Meanwhile, fresh fish that is cooked called Salona, which is very popular in Hodeidah folk restaurant. It is so delicious that persons become addicted after just one taste.

In the morning, you can buy fresh fish and roast for lunch or breakfast, with local cheese mixed with paste of tomatoes, garlic, and green peppers. In addition to that, shrimp is a famous supper. We usually buy fresh shrimp from the market and have a very delicious dinner.

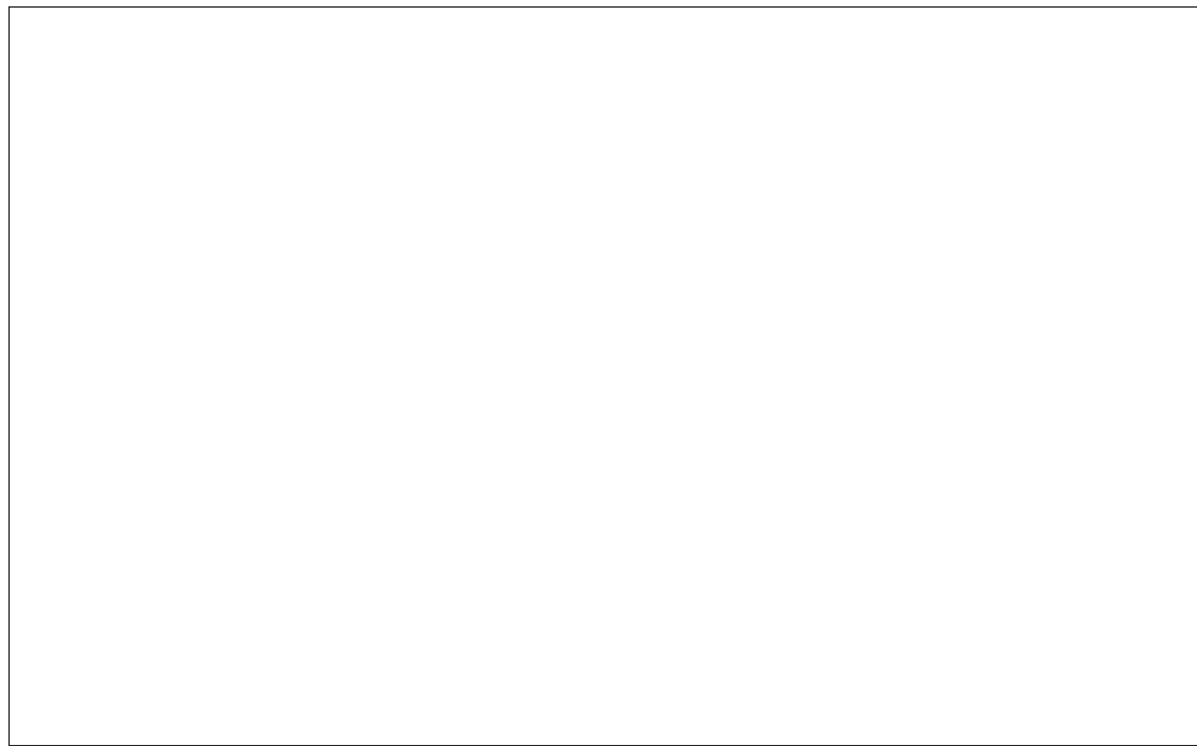
As soon as you arrive at the fish market, you realize that Allah's grace is there. Poor people and rich people can buy fish for food. The prices vary

according to the kind and the freshness of fish.

We cannot but thank all anglers who bring different kinds of fish into our hands. Anglers live terrifying adventures in the sea with their boats, for weeks at a time. They sometimes lose their fishing boats or even their lives in sea storms.

Despite that, they do not get any support or compensation from the government. Fisheries are one of Yemen's greatest potential sources of wealth after oil. There are some fish exports to Europe and the Middle East.

They export frozen and fresh fish to many countries. It is unfair that government neglect this vital sector. Yemen would be a much happier place to live in if she could better utilize the natural resources such as fish wealth. Yemen is rich in many natural resources, but they will be useless unless every citizen can benefit from them.



Fishermen pursuing their fishery vocation in coastal city of Hodeidah.

Banking in Yemen

Yemeni banks outpace Arab competitors

By MAHYOUB AL-KAMALI
YEMEN TIMES STAFF
mkamaly@yahoo.com

Yemeni commercial Banks now have 68 per cent of total banking activity in Yemen, while other Arab banks in Yemen have 32 per cent, according to reports.

During the year 2004, commercial banks increase their financial revenues, according to a report referred to by governor of the Central Bank of Yemen Ahmed Abdulrahman al-Samawi.

The report says Yemeni commercial banks budgets have risen to YR660 billion at the end of last December, an increase amounting to YR 120.7 billion compared to 2003. Investments of the banks of the available revenues of securities were at an amount of YR47.1 billion.

The report mentioned that deposits of foreign currencies at the end of 2003

rose from \$1.3 billion to \$1.4 billion at the end of December 2004. The deposits in local currency rose from YR 236 billion to 309 billion during the same period.

The report has also said that assets of loans and funding operations offered from the commercial banks to various economic sectors at the end of December 2004 rose to YR 183.6 billion.

The trade sector gained the first place of those loans with an amount of YR 90.1 billion, then the industrial sector with an amount of YR 35.3 billion, construction sector by YR 14.7 billion and agricultural and fishery sector by YR 2.6 billion. The volume of investment in stocks and deposit certificates rose at the end of last December to YR 187.8 billion.

The report indicated that at the end of last year the assets of accounts rose to YR 153.7 billion, or \$827.1 million. Assets of open credits at banks have, at the end of last December, amounted to YR 128.8 billion.

The report also mentioned that assets

of exported security letters had at the end of last December rose to YR 147.4 billion against YR 122.1 billion at the end of 2003.

Erratum

In Issue No. 821 of the Yemen Times, due a technical mistake, in the business article "Corruption goes progressing", please note that the name "Bahamas" should have correctly been written as "Bajammal." Also the author's full name is correctly known as "Mahyoub al-Kamali." The Yemen Times sincerely regrets the error.

Climate – poverty link

Africa, climate change, and the G-8 Summit

By JEFFREY D. SACHS

British Prime Minister Tony Blair has declared that the two issues at the center of the G-8 Summit this July will be African poverty and global climate change. These may seem to be distinct issues. In fact, they are linked. A trip I took to a village in the Tigre region in northern Ethiopia shows why.

One morning, I was taken to a dry riverbed at the village's edge. Farmers were digging a pit in the riverbed, down to the water table approximately two meters below ground level. They explained that until recently this was a perennial river – one that flows throughout the year – but now the river stops flowing during the dry season. Only when the annual rains begin in the summer does water reappear in the river bed. Until then, water-starved communities dig for water, if they can find it and if they can afford to pump it out.

In northern Ethiopia, as in much of Africa, the rain cycle has changed markedly in recent years. Ethiopian village life has long depended on two crops, one during a short rain in March and April, and the main crop during the long rain in the summer months. In recent years, the short rains have failed entirely, and long rains have been erratic. Hunger is omnipresent. Perhaps half of the children are severely underweight.

Much of arid sub-Saharan Africa, notably in the Sahel (the region just south of the Sahara desert), has experienced a pronounced drop in rainfall over the past quarter-century. This decline coincided with

a rise in the surface temperature of the neighboring Indian Ocean, a hint that the decline in rainfall is in fact part of the longer-term process of man-made global warming.

Failures of rainfall contribute not only to famines and chronic hunger, but also to the onset of violence when hungry people clash over scarce food and water. When violence erupts in water-starved regions such as Darfur, Sudan, political leaders tend to view the problems in narrow political terms. If they act at all, they mobilize peacekeepers, international sanctions, and humanitarian aid. But Darfur, like Tigre, needs a development strategy to fight hunger and drought even more than it needs peacekeepers. Soldiers cannot keep peace among desperately hungry people.

One course of action must be to help impoverished African regions to "adapt" to climate change and to escape the poverty trap. Water-stressed regions like Ethiopia and Sudan can adapt, at least in part, through improved technologies such as "drip irrigation," rainwater harvesting, improved water storage facilities, deep wells, and agro-forestry techniques that make best use of scarce rainfall. Better land-management practices (the replanting of degraded forests, for example) can recharge underground water aquifers.

Poor countries cannot afford these technologies on their own. Nor should they have to. Help for poor countries in Africa and elsewhere to adapt to climate change should not be described as charity or aid, but rather as compensation for damages being imposed on the poorest people

on the planet. Greater help for these countries to escape from extreme poverty has been promised for decades but has not been delivered.

In addition to adapting to climate change, the world must also reduce future risks to the planet by cutting back on emissions of greenhouse gases, which are the source of man-made climate change. While adaptation to climate change is necessary – because it is already occurring – this is not enough. If the world fails to mitigate future climate change, the effects of rising temperatures, increasing droughts, more numerous and severe tropical storms, rising sea levels, and a spread of tropical diseases will pose huge threats to the entire planet. The famines in Ethiopia and the violence in Darfur suggest what can lie ahead.

The best way to reduce long-term climate change is to reduce carbon emissions. There are at least three options:

- shift to non-carbon energy sources such as solar or nuclear energy;
- capture and dispose of the carbon dioxide emitted at carbon-based power plants;
- economize on energy use, for example by shifting to hybrid automobiles and trucks.

Most likely, all three of these methods will have to play a role. The effort to reduce greenhouse gases will require decades of action, but, given the long lead times in overhauling the world's energy systems, we must start now. Rich countries need to lead the way.

It is ironic that the United States, which portrays itself as a friend of

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By Samer A.

Agreements
Conventions
Pacts

democracy and impoverished countries, gives the smallest share of its GNP in aid among the rich countries, and also refuses to participate in global efforts to reduce greenhouse gas emissions. This is especially ironic because African countries like Ethiopia stand steadfastly and bravely with the US in the fight for freedom and against terrorism, even as they struggle with hunger, disease, and famine. Moreover, countries like Ethiopia are making valiant, indeed remarkable, efforts to overcome their problems, despite the lack of adequate, and long-promised, help from the world's richest countries.

Africans suffering from hunger and drought, and indeed poor people everywhere, have a right to ask much more of the US and other rich countries. Tony Blair is right to call on his rich-country colleagues to follow through on their unfulfilled promises.

Jeffrey Sachs is Professor of Economics and Director of the Earth Institute at Columbia University.

Reflections

By Yahya Al-Olfi
alolfi@hotmail.com

Immigration swindlers, and Yemeni Turks

Before the discovery of oil in the Middle East, there were no boundaries between what is now known as KSA, Oman, UAE, Qatar, Bahrain, Kuwait and Yemen.

Lawrence of Arabia, Wilfred Thesiger, Harold Ingrams as well as Sir Harry St. John Philby amongst other many English Arabian Peninsula adventurers during the British supremacy, mentioned as early as the could that the discovery of oil in the Arabian Peninsula signaled an everlasting transformation of the movement of tribes in the Arabian Peninsula.

Following Kuwait's invasion by the Iraqi Armed Forces back in the year 1990 many Yemenis were kicked out from Saudi Arabia and the other Gulf Sheikdoms. And this put an end once and for all to the age old practice of land immigration by the Inhabitants of South Arabia towards either Mesopotamia or the Levant. That used to be on camels and horseback, and at the outset of last century on the newly-invented automobiles.

In fact this old time process was the crucial reason in the remote past for the Semitic cohesion of the peninsula's northern areas i.e. Iraq, Syria, Lebanon and Palestine prior to Islam and the easy Arabization later on of the other fraternal Semite tribes i.e. Assyrians, Aramites, Phoenicians etc.

Anyhow, Yemenis now are not free like their predecessors in moving northwards, so they are trying to leave to other lands.

While I am on the subject, I would like to mention a real anecdote which begins with a Saudi visiting Canton, China and complaining to his other Saudi colleague. (Though pretending to be different they are Yemenites too) that the Yemeni contractor did not build his home properly (even though Yemenis working in KSA, in fact have learnt how to build modern houses on the expense of Saudi citizens.) Hearing the word "Yemen" to the dismay of the two Saudis, the waiter in Canton China told them that he was too, of Yemeni Origin.

Another Yemeni was working in JFK Airport, USA in transporting passenger luggage, while a Saudi passenger had just arrived. Upon

knowing that the airport laborer was from Yemen, the Saudi expressed his utmost displeasure for he has seen enough Yemenis back home (self renunciation) only to find them ahead in an American airport. He started to call the poor laborer names.

So the worker's reaction was knocking the hell out of the Saudi snobbish nouveau-riche, and he was consequently sacked from the job due to such a rash reaction.

Thus, immigration swindlers find in Yemen a thriving market for their schemes. During the past several years, a Lebanese immigration swindler charged US \$14,000 for each individual. Thus, 20 Yemenis whom he fraudulently convinced to make them arrive in USA were eventually stranded in Curaçao in the Caribbean. Some of them managed to return and others are still scavenging to subsist.

Yemeni Turks

Turks occupied Yemen for three short periods and were mostly rebuffed, maimed and killed. So Turks have sad memories about Yemen to the extent that they dubbed it the cemetery of Anatolia i.e. Turkey. Turks in my opinion do not like to be moderate on things. They like being on the extreme.

We Yemenis have earned from them the black shroud worn by women and termed as "Sharshaf" when Turks were for radical Islam. Now, they are for secular life.

I was dumbfounded to count more than 25 houses in Sana'a alone whose owners are of Turkish origin and have either melted or are quickly melting into society. A good way to know if one in the old city is of Turkish origin is the speech mode of women and the color of their eyes. A non-Turk woman for example would say Aaqwaldayh (i.e. naughty boy) while a Turkish Yemeni would say "Valadaaq".

Unfortunately, most have melted and the remaining few are trying to melt as quickly as possible into Yemeni society. Some have chosen extremely local Yemeni names while others opted for a lineage to the Prophet in imitation of other segments. So Yemen, not just the USA, has proved to be a melting pot despite all odds.

A new diplomatic frenzy

Dealing with North Korea's nuclear blackmail

By HIDEAKI KANEDA

North Korea's announcement that it possesses nuclear weapons has fuelled a diplomatic frenzy. To persuade North Korea to return to the six-party talks – with China, Japan, the US, Russia, and South Korea – on defusing the nuclear threat on the Korean peninsula, Japan, the US, and South Korea have now offered to expand the scope of the talks to allow North Korea to raise any issue that concerns it. This could be a grave mistake.

The talks ground to a halt in June 2004, when the North Koreans pulled out, citing the allegedly hostile policies of the US and Japanese governments. Now they claim to have manufactured nuclear weapons for self-defense. Although there had been several unofficial statements by Kim Jong-il's regime admitting that North Korea possesses nuclear arsenal, the announcement was the first official confirmation.

What lay behind the declaration was the regime's recognition that a second-term Bush administration would not soften its demand for a complete repudiation of its nuclear program, but would instead continue to pursue policies aimed at isolating and stifling North Korea. The same goes for Japan, whose stance on the abduction of its citizens by North Korean agents in the 1970's and 1980's was also cited by the Kim regime last June as a reason for

walking out of the six-party talks.

With this in mind, the North Koreans' motives in playing the nuclear trump card are clear, and the timing couldn't have seemed more advantageous for them: force the Americans into making concessions while the situation in Iraq leaves the US with no room for maneuver, and undercut the rising call in Japan for economic sanctions against North Korea over the abduction issue. Thus, whereas North Korea's announcement of its nuclear capability strongly condemned Japan and the US, it did not mention China, Russia, and South Korea, which had been more conciliatory during the six-party talks.

Indeed, in withdrawing from the six-party talks, North Korea did not completely abandon the possibility of resolving the nuclear standoff through dialogue. Rather, North Korea's aim was to postpone the six-party talks as long as possible in order to force direct bilateral negotiations with the US, in which it would presumably extract energy assistance and other aid while demanding a security guarantee for "Dear Leader" Kim Jong-il.

America didn't budge on bilateral negotiations, and its response to North Korea's recent announcement that it possesses nuclear weapons likewise emphasized the need to revive the six-party talks. Japan adopted a similar stance.

Like Japan, the Bush administration's relatively moderate stance toward North Korea has

changed since the talks broke down last year. The US seems to be tightening its diplomatic encirclement of North Korea with a view to shifting the nuclear discussion to the UN Security Council.

Moreover, the Japan-US Security Consultative Committee brought together the countries' foreign and defense ministers in Washington in February to discuss common strategic objectives related to the reformation of US forward forces. This includes US forces in Japan, which will focus on responding to North Korean nuclear and ballistic-missile threats, as well as new threats posed by international terrorism and China's military build-up. Remaining in step with each other on security issues is essential if Japan and the US are to maintain a firm alliance to ensure the stability of the Asia-Pacific region.

The Japanese government has also been searching for effective measures to respond to North Korea's consistently insincere attitude on regional and bilateral issues, including the abduction cases. Militarily, Japan revised its law on the Self-Defense Forces to establish procedures for ballistic missile defense, with a strong focus on North Korea.

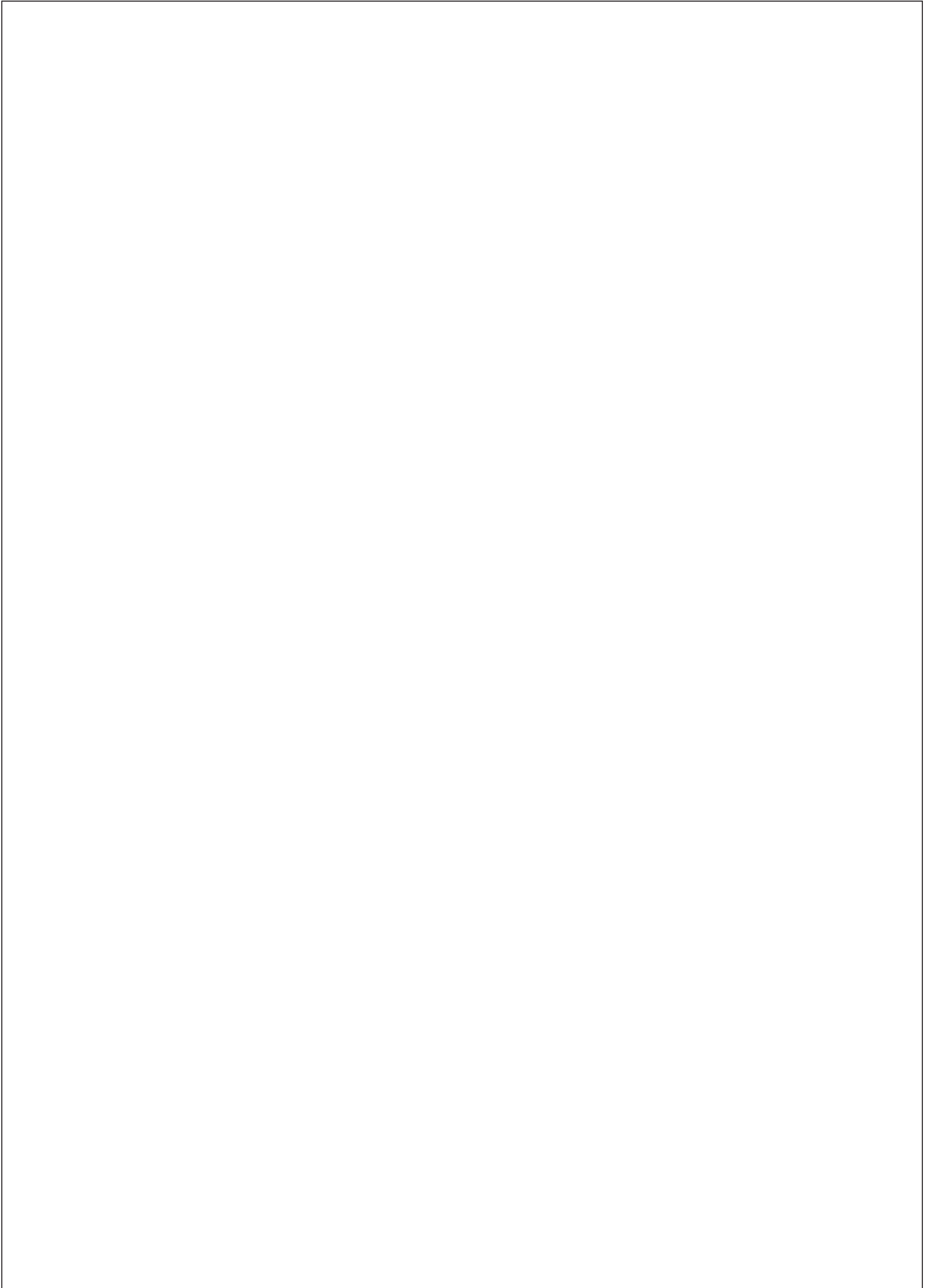
The decision, coming at the cabinet's regular meeting on February 15th, was not intended to coincide with Kim Jong-il's 63rd birthday the following day. But it did show that Japan's government, having long suspected that North

Korea already possessed nuclear weapons, would not be intimidated into a fundamental policy change by confirmation of the threat.

The revision establishes the future direction of Japan's military posture by delegating greater authority to the commanders of the Self-Defense Forces to initiate defensive actions against immediate threats. According to South Korean news reports, in addition to its existing mid-range Nodong missiles, North Korea has improved its Scud missiles, extending their range to reach Japan's main islands. If North Korea is, indeed, continuing to develop not only its nuclear arsenal, but also various types of ballistic missiles, in defiance of international commitments, it is truly a rogue state.

As for the nuclear issue, Japan's policy toward North Korea should continue to emphasize solidifying ties with the US and strengthening cooperation with China, South Korea, and Russia, making every effort to promote early resumption of the six-party talks. But dialogue with the Kim regime cannot be an end in itself. Negotiation is necessary, and it must be sufficient, but progress will be impossible if North Korea is allowed to turn its mere participation in the six-party talks into a bargaining chip.

Hideaki Kaneda, Retired Vice Admiral of Japan's Self Defense Forces, is currently Director of the Okazaki Institute.



Writers in newspapers

What do writers offer readers?

By MURAD ALAZZANY
UPM UNIVERSITY
KUALALAMPOUR,
MALAYSIA

I believe that the ultimate message of a writer is to create an awareness among his readers about issues by enlightening their minds and satisfying their curiosity of what is going around them in the real world. A good writer can bring the whole world and put it in the hands of his readers from the desired angle point and perspective. A writer can do that only when he believes in what he says. That is, by making the people feel that he is one of them, and shares with them their suffering, pains and worries.

A review of many articles written and reported in the newspaper, may lead one to wonder as to what the newspaper is trying to say, and whom it addresses. I, for one, posed a question relating to the organizational framework of so many newspapers that are issued in Yemen, their sense of news and the central concern of their readership. I hope it is not an under statement to say that most of the newspapers in Yemen are just bulletins for political parties or merely unapologetic cheerleaders for the ruling elite. The rest, irrespective of their political affiliation or allegiance, are ill-founded and betray a sense of immaturity as if they are still in early stages of establishment. Yet it is heartening to find some news papers admirably professional in reporting and covering events and issues, although hardly you can identify the ideology they are trying to

serve.

As a matter of fact, I can't help emphasizing the ignominious harassments of our journalists in the hands of the authority by way of punching, kidnapping, or censoring their news papers and sentencing them to prison for years. That is awful in a country that pretends to be democratic to the back bones. So all of us are aware that we are not living in a democratic society that respects freedom of the press or of individuals. What the hell are they talking about? They can never dare deceive us.

But as it has already been mentioned, writers can never enlighten their readers' minds unless they adopt a style of writing that is appropriate to their readers' knowledge, culture, beliefs and background. That style must not be clothed in a neutral language. I believe that newspapers must offer themselves as a brand of entertainment by being lively and updated. They have to make their readers enjoy their readership. They must compete for readers, because people have more choices now a days. So never allow dullness to masquerade as seriousness. Never blame the vendors and buyers if they stop selling or buying papers. I even can bet that most of the Yemeni people who are good at surfing the net read other news papers but not the local ones for they have nothing much to offer. Newspapers should harbour no fear and just do what their professions expect them to do. A writer must uphold his principles, and feel proud to live, die and sacrifice for their sake. The first step towards achieving that is clearly defining their own ideology and system of beliefs. In that way a news paper can report the truth frankly,

fearlessly, without compromising with the authority. I have really never come across one single article or reportage in a language that reflects common sense about matters on which there is already a consensus. To put that in a different way, the elites of the society want to read what they can feel, to see what they are actually experiencing. That is to say, they want to hear personal voices of the newspaper as well as their instructional statements that really address sensitive issues like press freedom, corruption in its true realistic version, regionalism, nepotism, exploitation of power by people in the authority and so forth. We would love to hear in a novel and realistic style how some members of the society are using their positions and power to live a luxurious life while others are starving; we want them to be identified, trapped, and then exposed to the public as they really are with unmistakable evidences about their corrupt practices. The duty of the journalist is not to be complacent with reporting alone. In fact, he can be involved in spying, tracing, trapping and then reporting as long as the intention is to serve the welfare of the society and to create a healthy world order.

People are keen to see in a plain language a story that adequately, and appropriately reflects their suffering. People are in need to see their spiritual ideology printed in a clear and elevating idiom, a language that can ventilate their pent-up feelings that have been suppressed for a long time and allow them to revolt against the tyrants of corruption. Words always make heroes and protagonists, words make a lot of things from nothing. These are the apt weapons that I am talking about; I don't want to see the powerful

armoury, vainly hanging on the writer's minds. Writers and journalists must practice their rights and freedom with consummate courage and skill so as to make their readers, through their writings, discover the fountain of strength along with the will to act and the will to win. They must not allow the concept of the press freedom to be nothing but just a fallacy. They have always to remember that the freedom of the press is geared to benefit them. If they feel constrained to express themselves, should they expect free people to read them?

I wish to see writers address issues of a serious nature that people are faced with in their daily life. I have heard a lot of people talking about regionalism that unfairly endows some with the right to enjoy status, positions and advantages just because they came from a particular area of the country. How can a particular region give some people the distinctive advantages of education, prestigious positions, scholarships, investments over others in a society where in the eyes of law all people are guaranteed equality in terms of rights and duties. Even worse, how come the press doesn't address such a pertinent issue that concerns every body. Are they waiting till the issue became explosive? Press must extensively and intensively talk about all the issues a society is suffering from irrespective of their degree of sensitivity. Important issues must not be left unattended in the name of ideology. Such issues must be debated in public because that is what the people want. Otherwise, the message writers are supposed to convey would be sidelined and it would leave readers bewildered which I consider a very serious crime.

A letter to the teachers of English: 77 Language teacher education and training (1)

DR. M.N.K. BOSE
(BOSE@y.net.ye)
Associate Professor of
English,
Faculty of Arts, Ibb.

Dear Fellow teachers,

This and the next few letters will focus on something not directly related to classroom English teaching, but has a lot of bearing on all that you, as a teacher, do; it is language teacher education and training, LTTE in short. I have chosen to discuss this area with you because most of us do not realize the vital link between LTTE and the classroom teaching; some of us, though we know, forget it as soon as we enter the teaching career. Forgetting LTTE is like forgetting the mother once you get married to someone. I hope this discussion will remind you of the role of LTTE in the life of an English teacher.

Not long ago, educationists thought that teacher preparation for the teachers of English should be revamped, as the gap between the preparation programme and the actual teaching programme was becoming wider. Many countries applied the results of the researches in the fields such as language, linguistics, psychology, educational technology and sociology to enrich the teacher preparation programmes. Educationists desired that teachers be educated rather than trained, as was the practice at that time. Education, they said, would prepare teachers for meeting the challenges of the classrooms more confidently as they would be prepared to meet any eventuality; training, on the other hand, would prepare them to face only a classroom which is problem free and tailor made for a few teaching practices.

Those who are trained will be successful as teachers in classroom teaching situations which replicate the teaching practice classes they have had on their preparation programmes; they may feel miserable in the event of situations different from the ones they have not been prepared for; they will feel insecure to face professionally threatening situations, if they arise, in the classrooms; they feel ill at ease while facing problem students or unnecessarily complicate the situations because of their lack of professional competence to handle them tactfully. They are happy using the curriculum with the teaching materials and exercises handed down to them without any difficulties, without worrying if they suit the needs of their students; they find it difficult to evaluate their students effectively through various ways of evaluation procedures. On the whole, they are the 'human robots', effectively programmed by their trainers and left in the classrooms. Their teaching is very successful as long as the parameters of the classroom for which they have been tuned do not change.

But is the classroom made of unchangeable and unchanging parameters? Isn't it full of active lives bubbling with energy and enthusiasm? Do you think that today's classrooms are the same as the classrooms of yester years? Are our students same as what we were as students, academically as well as otherwise? Isn't it true that psychologists and sociologists have declared that children of one generation are wiser and more knowledgeable than the past generation? Some of us are misguided by our students' knowledge of English and misjudge their intelligence. Will continue. Bye.

*Yours fraternally,
Dr.M.N.K. Bose.*

UNIX OS: the core of the Internet

By WALEED AL-JANADI
CLEVELAND STATE UNIVERSITY
USA
WAAAHG@AOL.COM

UNIX was the first operating system designed to run on 'dissimilar' computers by converting most hardware specific commands in machine language into an independent programming language called 'C.' UNIX was the basis of AT&T's telephone system and the government's wide area network system.

Then it became the basis of communication between engineers and scientists, and eventually the basis of communication for everyone worldwide 'World Wide Web. It has held this remarkable spot since 1969. However, in the 1990s there are competitors in the market, namely, Microsoft Corporation with its Windows NT product. But UNIX-based software suppliers are not just turning over and letting the competitors win.

UNIX supporters are many, and

UNIX remains, and will remain a major player in the marketplace.

The unique advantage of the UNIX operating system when it was introduced was that it could (and still does) run on dissimilar machines, unheard of prior to 1969. UNIX also can run more than one program at a time, store complex graphics and databases, and link to other UNIX and mainframe computer systems, including DOS and it has been doing so since the late 1980s.

UNIX-based systems control various programs written by many companies to distribute information between multiple computers within the network.

This minimizes user costs and eliminates system-wide hardware crashes.

UNIX was developed at AT&T in 1969, primarily for controlling the phone network and handling government communications. Other U.S. companies and international companies now sell versions of UNIX that work best on their computers. UNIX at first worked over ARPnet, 'named after its sponsor from the Pentagon.'

The ARPA network grew throughout the 1970s when computer networks from various organizations, both national and international, began to link to ARPAnet, mostly for transferring engineering and scientific research data. 'With the advent of satellite transmissions, the first international network connection was made with the University of London (England) and the Royal Radar Establishment of Norway in 1973.'

In 1979, the National Science Foundation established the Computer Science Research Network (CSnet), which was connected to ARPAnet through a gateway.

This system was used for e-mail and for sharing technical information. In the early 1980's, the NSF created its own network, which added educational links for schools and libraries. However, access to NSFnet was limited to these government or government research organizations.

In 1992, NSF created Advanced Network and Services, Inc. (ANS), used to manage the NSFnet, which

opened up the Internet to everyone. ANS also opened up the potential for multimedia on the Internet through the World Wide Web.

Once the potential was there, the European Laboratory for Particle Physics (CERN) began a project to create the international internet. The CERN project operated on TCP/IP transfer protocols which was developed inside a Berkeley UNIX system. The project was started in the mid-1980s and completed in 1990.

By 1993, the internet had become a world-wide phenomenon. The Web allows users to easily browse through hypertext and multimedia located on various computers and main frame systems around the world.

The Web can best be described as a 'global interactive, dynamic, cross-platform, distributed, graphical hypertext information system that operates over the internet. Most of the text transferred over the internet is written in hypertext markup language. Graphics are transferred via standard generalized markup language through the UNIX operating system.

No one owns the web, but a consortium of U.S. and European individuals and organizations who support its operation, called the World Wide Web. All of these are currently transferred over the UNIX operating system. 'Today, the Internet is still growing in terms of size and number of connections.

UNIX has served many different government and scientific entities in the past and continues to be enhanced by software designers in order to better serve customers by being responsive to today's marketplace. UNIX serves, and will continue to serve the world through the Web.

Poetry Corner

My eyes are wandering for you

By Nasira Alvi
nasira866@hotmail.com

My eyes are wandering for you
You told me to scratch you from my heart
I did My dear, I tried to be apart
I found my fingers wounded
I found my nails wrapped
I found my heart dead
Tell me, my dear, the way too
To forget you or to seep away from you

My eyes are wandering for you
I went far away from you
I found you as breath
I found you as heart beat
I found you as body sheet
I found you as God & me
My eyes are wandering for you
I found the moon in wane
The people find me in wane too
I love you
My eyes are wandering for you.

Sheikh Abdullah Bin Hussain

By Ahmed Taher Nagi El-Hady
anasouq@yahoo.com
USA

In the name of the confederation
Hashid, Mathadji and Bakiel.
Sheikh Abdullah Bin Husain is the only weapon
we conceal.
In Allah and Islam we believe and we trust.
Obedience for the Sheikh is absolutely a must.

For you are the Sheikh and father of Yemen and all its territory.
But, most of all, you're Yemen's hope and glory.
Your history and stances will always be deeply remembered.
As your men are increasing in great numbers.
You're cherished in the hearts of millions, might I confess.
Even in the heart of a Hady born and raised in the U.S.

Republic of Yemen
Hodeidah University
Faculty of Education

Call for papers

Hodeidah University is pleased to announce that it will host the Third International Conference in ELT in Yemen from 18th December - 20th December 2005.

The theme of the conference is Learning to Learn: Focus on the Learner. Placing the learner on centre stage, the conference will focus on the following areas/topics:

- 1- Learner Centred Teaching
- 2- Teacher Education (The Teacher as Learner)
- 3- Learning Literature and other content subjects
- 4- The ESP learner
- 5- Reports of Classroom practices
- 6- Translation Studies

Proposals for papers relevant to the areas/topics are invited. Presentations will be in English.

The deadline for submission of abstracts is 28th May 2005.

Details regarding proposals:

- 1- The abstract should be not more than 150 words.
- 2- It should be typed or computer printed in Times New Roman font, with a font size of 12.
- 3- Sessions papers/presentations will be of 30 minutes duration.

For further details please contact:

Professor Ashok Kumar Sinha e-mail stasok2003@yahoo.com Or
Mr. Fahd Ojaili e-mail ojailifahd@yahoo.com

Abstracts may be sent to the following postal address:

Professor Ashok Kumar Sinha
PO Box: 4840
Hodeidah
Republic of Yemen

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Yemeni Jews feel oppressed

By MOHAMMED BIN SALLAM
YEMEN TIMES STAFF

Yemeni Jews are part of the Arab people of Yemen, and history shows they embraced Judaism 2500 years ago.

Jews are one branch of the Semitic peoples, which have a common language, Yemen's Jews are an integral part of the Yemeni people. They have the same characteristics as Yemenis including racial, facial, Arabic language with its various dialects. They have the same demographic distribution as other Yemenis over the Yemeni land.

The fact can easily be realized if we compare between a Muslim and a Jew from Hadhramout or a Muslim and Jew from Sana'a. Their physical characteristics are the same. Thus we say, "Nobody can find a difference between two citizens from Hadhramout or Sana'a (a Muslim and a Jew) but we can find a difference between two citizens one from Sana'a and the other from Hadhramout."

This time, during my attendance of a Jewish wedding in Raydah district, Amran province, where hundreds of Yemeni Jews dwell, I tried to recognize any difference between the Jews and the Muslims native to the area who had been invited to the wedding. My attempt was in vain, save the facial whiskers. Then it is only the whiskers that makes Jews different from Muslims in Yemen, and nothing else.

During this invitation, I could acquaint myself with some aspects of Jews' life such as the living and cultural standards, their relations with their Muslim neighbors, their wedding and religious rituals, and other things. I do not claim that this article will cover everything. However, allow me to report as much as the article can contain.

Thus, wedding is costly and represents a big burden for limited-income people. The average expense hits the mark of YR 1.2 million distributed as follows:

- YR 200,000 as a dowry.
- YR 200,000 for gold ornamentation.
- YR 210,000 for three bulls (70 thousand for each)
- YR 90 thousand for bride's mother, and maternal and paternal aunts.

There is also the expenditure on meals, drinks and other petty cash.

Living conditions

Unofficial statistics reveal that number of Jews in Yemen does not reach 1,000 people. Some Jews mention they are 450, excluding women.

Yet, living conditions of Jews do not differ from Muslims' in terms of poverty, privation, and destitution.

Muslims in this area are distinguished from Jews by possession of more lands and free movement facing no obstacles or restrictions and other prerogatives such as medical and educational services as well as recruitment for the army, governmental departments, and other establishments. We have not heard of a Jew being employed by the army or the government in general.

Jews are not equal to Muslims in rights and duties. They are prohibited from carrying arms both white and fire weapons. They face difficulties wherever they go due to the whisker (one of a pair of hair strings dangling on both sides of the head) which makes him stark among other citizens.

Jews have professional experience in handicrafts as well as trade, bricklaying, automobile engineering and other humble professions.

The house owned by a Jew does not differ from that of a Muslim in terms of furniture, fixtures, or other household articles. Social security provided by the state for

Some of the younger members of Yemen's Jewish community.

a few years ago to have a 12-room school built for us," said a teacher. "However, this promise has not been fulfilled yet. Therefore, students are sent over to America to receive religious sciences. They are not accepted by universities due to their low performance and therefore their opportunities to get good jobs in the US or Israel are impossible."

The school's resources are very limited: a blackboard, textbooks kept in the rabbi's closet or with students. There is also a computer set used by a teacher to type lessons in Hebrew. He keeps it at home in fear of burglary.

Teachers' salaries are contributed by US-based Jewish organizations, said a teacher.

The supporting organizations warn teachers of browsing the net in order to avoid surfing porno sites. They are prohibited and whoever is proved to have surfed them will get punished.

They shun traveling to Israel because they fear to commit wrongdoing. Traveling to Israel means mortification and bearing oppressive forms worse than what they face in Yemen. Once in Israel, they would either be recruited for the army or used in menial jobs. They would not be given the chance to join education or training programs appropriate for their ages which most often are over 18.

The youth who want to travel find the US the best choice. A rich Jew would cover all travel expenses (we met with one of the rich Jews who has come from the US, the interview is to be published next issue). There, they get enrolled in religious schools to learn the Modern Hebrew. Then, they are given the right to choose, either to stay in America and work over there or to leave for another country, as he likes. Those who prefer to return to Yemen are supported by wealthy Jews to get married, establish a home and get monthly pensions, sometimes irregular. However, this attention is not paid to aged people or women who do not enjoy similar insurance.

Concerning procedures of travelling to the US, a young Jew mentioned that they were easy before September 11, but now they are complicated. "If you get an invitation from there, things get easier. After all, we receive a better treatment by the US than Muslim do," said he

Jews speak out

Yemeni Jews, besides their hair, look like any other Yemeni.

Marriage traditions

There are no big differences between the Jewish marriage and the Muslim one. The only difference is in the length of the wedding: whereas Muslim weddings continue over three days, the Jews have a week long wedding (if it starts on Thursday, it ends on the next Wednesday). Suppose that Thursday is for engagement, the bride's father has to have a bull slaughtered to entertain the guests coming from different areas (Sa'adah for example) for two days (Thursday and Friday). Most of them are Jews except for Muslim cronies.

On Saturday, the wedding rituals are suspended completely till the evening. The rabbi then slaughters another bull presented by the bridegroom who entertained the guest on Sunday and Monday. Tuesday is the consummation day when the bride is taken to the bridegroom. On this day, the rabbi slaughters a third bull presented by the bull to entertain the guest all the day. Upon the bride's arrival in the bridegroom's house, guests dispersed, coming the next day to the house of the bride's father where they dine, drink, and chew qat at the expense of the bridegroom.

the poor does not cover only 15 Jews while the majority of the Jewish residents are very poor and deserve help. The total amount given to the social-security supported Jews is in the tune of \$80 a month.

Education

Jews in Raydah have a three-room school where four teachers work. There, you can find 60 male students with a minority of girls.

Students are instructed in this school the principles of literacy, religion, and other sciences according to a curriculum imported from abroad.

"President Ali Abdullah Saleh promised



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the short term."

Another Sulaiman added: "Decades ago, our children were allowed to join public schools to learn different sciences as Muslim children. They were also exempted from studying the Islamic subjects. Some of them got the Secondary School Certificate. However, today, especially over the last decade, certain Muslim scholars, who claim to be Sunni, have controlled the bulk of schools in the area and have imposed on our children to memorize the Quraan and study Islamic sciences by force or incite their Muslim classmates to bully them. Therefore, our children have abandoned government's schools."

Another attendant said: "Our being characterized by whiskers has made us outcast by many people. Moreover, we are not educated which considerably lessens job opportunities and complicates our search for bread. This condition has led us down below the most crushed classes in the society."

Other Jewish citizens ask questions about the responsible for these difficulties. "Isn't the State responsible? Where are our rights as Yemenis? Where are our rights to education, health, security, and public liberties? Aren't we Yemenis like you? Don't we have rights and duties as you have?"