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Inside:



Al-Jazeera top news editor:
"I'm a soldier at the service of the community"



WHO wants total ban on tobacco advertising



60th anniversary of Nakbah commemorated with folk dance-theatre performance

The fourth of its kind in Amran governorate

Gunman kills 7 worshipers, wounds 10 others at Amran mosque

By: Saddam Al-Ashmori For The Yemen Times

AMRAN, May 31 — At least seven men were killed and 10 others injured when a gunman, believed to be mentally ill, fired into a mosque full of worshipers during Friday prayers in Amran's Quhal area.

An Amran security official said 25-year-old Abdulalh Saleh Zaid broke into the village's mosque while worshipers where performing Friday prayers and fired more than 90 live rounds from a Kalashnikov rifle.

The shooting rampage left brothers Bilal and Mohammed Salem Al-Quhali, ages 20 and 19, Abdullah Ahmad Al-Quhali, 25, Sadeq Mohammed Al-Quhali, 30, Abdulbasit Nasser Al-Quhali, 30, and Abdulbasit Al-Faqeeh dead.

According to the security source, another worshiper died of his injuries at an Amran hospital, thereby bringing to seven the death toll from the attack. More than 10 other individuals were injured, some seriously, and they are

receiving treatment at Sana'a hospitals.
"The governorate's security depart-

ment is investigating the attacker, who is from the same village where the shooting occurred. Initial investigations reveal that he had disputes with some villagers over farmland and that he is mentally ill," the security source went on to say, adding, "This incident has nothing to do with the fighting in Sa'ada between the Yemeni army and Houthi loyalists."

Another security official affirmed that Zaid walked into the mosque during the weekly sermon and opened fire with his assault rifle; however, he was quickly taken into custody, noted the official, who requested anonymity because he was not authorized to speak to the press.

The official described the gunman as "deranged," but tribal leader, who requested not to be identified for fear of government reprisals, dismiss the claim of mental illness, noting that Zaid was a driver for a local legislator.

As one area resident recounted, "He opened fire indiscriminately because



Seven casualties were reported at a mosque shooting in Amran.

two of his own relatives were even among the dead."

The incident is the fourth of its kind in Amran governorate where 33 worshipers were burned inside a mosque while performing Friday prayers in another area of the governorate. The attackers closed the doors of the mosque in Al-Saudah area and then ignited kerosene.

Another gunman shot dead three worshipers at an Amran mosque in 2001, while a grenade was detonated in 2003 amid worshipers in Amran's Kharif area, killing one and injuring 50 others.

In recent weeks, the escalating war between Houthi loyalists and Yemeni army troops has spread south to Amran and even to the suburbs of the capital, where government bombing raids can be heard and armored vehicles now roam the streets. However, there's no evidence that Friday's mosque attack was related to this fighting.

Attacks on civilians have been rare in the war between the government and Houthi supporters, which began in 2004 in the remote mountainous governorate of Sa'ada, located north of Sana'a near the Saudi border.

However, on May 2, a bomb rigged to a motorcycle exploded outside another mosque in northern Sa'ada city, killing at least 12 worshipers. Houthis denied government accusations that they had planned the attack, but it seems to have spurred more fighting between the two sides.

Following Friday's attack, Yemeni security officials said they had captured the killer, identifying him as 25-year-old local resident Abdullah Saleh Zaid

Local tribal leader Mujahid Al-Kuhali said the attack appeared to be related to a personal dispute.

Because Yemen is awash in weapons, violence is relatively common in tribal areas like Amran, where the central government has little control.

Also on Friday, two Katyusha rockets were fired at an oil installation in the southern port of Aden, officials said, though there was no word of casualties.

Although government claims to have cleared Bani Hushaish district of Houthis

Houthi fighters threaten to hit Sana'a Airport

By: Mohammed Bin Sallam

SANA'A, June 1 — "We've observed fierce clashes between Yemeni military forces and Houthi loyalists in Bani Hushaish area since Friday morning," witnesses say, adding that Houthis deployed excessively in Sana'a's northeast suburbs are threatening to hit Sana'a International Airport, despite the Defense Ministry's announcement that the army has driven Houthis from Bani Hushaish and taken over strategic mountaintop positions in the area.

Mortar attacks have been heard from Sana'a city as the army continues attacking mountains east and northeast of Sana'a, in addition to the Hatarish Mountains near Sana'a International Airport.

Observers claim that the government's declaration that the Bani Hushaish clashes had ended is an attempt not to alert international media outlets to what's happening on the ground where clashes are ongoing.

Al-Wahdawi.net, which is affiliated with the Nasserite Unionist Popular Organization, reports that Houthi loyalists have threatened to strike Sana'a International Airport if Yemeni army forces don't stop attacking their tribesmen in Sa'ada. It adds that the Houthi field leader in Bani Hushaish has vowed to move the fighting into Sana'a and attack vital state institutions.

Authorities have heightened security around Sana'a Airport in the expectation

that Houthis may target the installation.

Tribal sources in Sa'ada governorate note that the confrontations between Houthis and the Yemeni army are expanding in various districts, particularly in Jaamala area. This comes after government sources affirmed that the army had seized control of strategic positions in Sa'ada; however, Abdulmalik Al-Houthi's office denies this allegation, maintaining that his supporters control most of the strategic mil-

Amran governorate also is experiencing ongoing armed confrontations between government forces and Houthi loyalists in Harf Sifyan and Houth districts. Other clashes occurred northeast of Harf Sifyan in the areas of Majzaa and Shibarq after the Sana'a-Sa'ada Highway once again was blocked last weekend. Houthis burned a military truck loaded with food supplies and car

Other tribal sources clair

Other tribal sources claim that Houthi supporters in Amran seized two military trucks loaded with ammunition and ordinance and arrested their accompanying soldiers. According to witnesses in Amran, hundreds on both sides have been killed, their bodies left to decay out in the open, and many civilians' homes have been destroyed.

At its first meeting of the season on Saturday, Parliament approved summoning the appropriate Cabinet ministers to discuss the security situation and the renewed clashes in Sa'ada, designating the coming weekend as the deadline for the Cabinet ministers to brief its members on what's happening on the ground in Sa'ada and other areas and submit an urgent report thereupon.

Charges by Sheikh Sultan Al-Barakani, head of the General People's Congress's parliamentary caucus,

directed at opposition parties and accusing them of collaborating with Houthis provoked outrage in the Yemeni Parliament. According to members of Parliament, such accusations neither serve the national interest, nor contribute to resolving the country's pressing problems.

The MPs added that the nation is experiencing harsh circumstances and there's no need to falsely charge effective opposition forces like the Joint Meeting Parties, especially when, "Everyone knows the government is responsible for the nation's current complicated problems and their negative consequences."

A campaign entitled, "Together against the Sa'ada Fighting," organized by numerous nongovernmental organizations, rights groups and political dignitaries, had planned a June 1 sit-in at the Presidential Palace. Being prevented

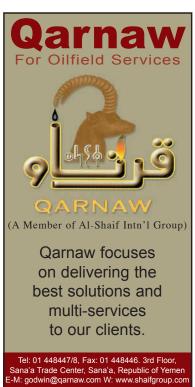
from doing so at that location, the participants then headed toward Parliament to hold their sit-in there and submit a letter of appeal to end the fighting in Sa'ada.

According to a statement by the campaign's organizers, the sit-in seeks to end the Sa'ada fighting and resolve its consequences, as well as unblock area roads for relief and humanitarian organizations to reach affected residents. A further aim is to engage the media, various constitutional and civil institutions, NGOs and political parties in mediation efforts to end the four-year fighting.

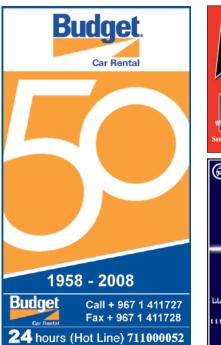
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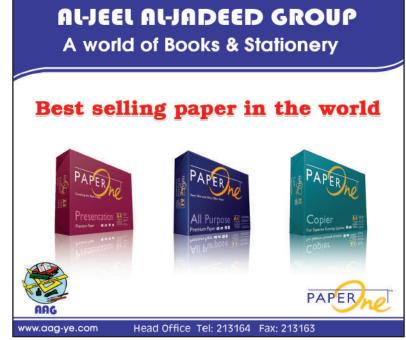














In Brief

SNACC to show 1st Corruption **Cases National Survey's results** The Supreme National Authority for Competing Corruption (SNACC) is to organize Sunday a workshop on the initial results of the first National Survey for Corruption Cases in

The workshop aims to discuss the initial outcomes of the first corruption survey in Yemen carried out in cooperation with World Bank. A number of experts will take part in the workshop representing the Central Organization for Controlling and Audit (COCA), Supreme Tender Committee, Anti-Money Laundering Unit at the Central Bank of Yemen (CBY), ministries of justice, interior, planning and Sana'a University.

Diplomat's Spouse Association

supports children emergency unit Arab and Foreign Diplomat's Spouse Association in Yemen affirmed in its meeting on Saturday support for equipping unit of children emergency in Al-Kuwait University Hospital Sana'a. In a statement to Saba, chairwomen of Children Emergency Section in the hospital Hala al-Kherbash said that Unit of Children Emergency was introduced recently including the latest apparatuses, equipment and medical services aimed at providing excellent emergency services for children, pointing out that equipment provided by the association cost around \$55 thousand.

Presidential orders to release 75 prisoners in Aden

Upon directions from President Ali Abdullah Saleh,75 prisoners, among of them four women have been released after finishing three quarters of the period of their imprisonment. Governor of Aden Adnan al-Jefry, who attended release ceremony along with Human Right Minister Huda Al-Ban, clarified that according to president's directions, the government had paid the YR 1,939000 worth rights prisoners have been sentenced to pay to others.

Al-Jefry stated to Saba that prisoners' release is a pardon from the president on the occasion of the 18th anniversary of Yemen's reunifica-

Eritrean pirates seize Yemeni boats in international waters

Eritrean pirates have seized in the last few days five Yemeni boats in the Red Sea, the GPC-run almotamar.net has reported.

Governor of Hodeida province Ahmed Salim al-Jabali ordered the competent authorities to recover the boats as soon as possible and according to effective laws. Al-Jabali also urged the authorities to put an end to the pirate attacks against Yemeni

Yemeni fishermen usually suffer from baseless confiscation of their boats by Eritrean coastguards who used to take away Yemeni boats in the international waters and deport Yemeni fishermen violently.

Yemeni fishermen face many risks while coming back home after being held by Eritreans.

Total launches scholarship program for Yemenis

The French Oil Total company has announced a new scholarship program that will enable Yemenis to study abroad. General Manager of the company

in Yemen Martin Deffontaines told Saba that the scholarships would be granted to Yemeni nationals across Deffontaines added that the program includes five undergraduate scholarships for Yemeni youth, three intensive diplomas for junior engineers from the Ministry of Oil and Minerals, and two Master's level scholarships for students from the Institute of Diplomacy. Such program comes to strengthen ties between the company and

Last March, the French company celebrated production of 100 million barrels during its 20 years work in Yemen.

Yemen, he said.

Total is one of the biggest investors in Yemen, and also runs programs to facilitate access to clean water, electricity, healthcare, and education in the Shabwa and Hadramout governorates, where the company runs extensive operations.

No change in U.S. laws for qat-chewing resident visa applicants

By: Sarah Wolff

SANA'A, May 31— There are no changes in the laws passed for qatchewers who are applying for residential visas to the United States, despite rumors of Yemeni governmental intervention, according to embassy spokespersons.

The U.S. embassy in Yemen demands that applicants be gat-free for three years before moving permanently to the U.S., and Yemenis who want this type of visa must undergo a medical examination at embassy-approved

Qat is considered an illegal substance in the U.S. because it contains a Schedule I narcotic known as cathinone, a highly addictive substance which has no known medical uses. The Immigration and Nationality Act expressly forbids drug addicts from taking up permanent residence in the U.S., labeling it a "Class A" medical ineligibility. Once qat users have been clean for three years, they can again be considered for a residency visa. Yemenis applying for tourist visas do not have to be tested for qat use.

In April, Yemeni students studying in the U.S. asked President Ali Abdullah Saleh to urge the U.S.



Qat chewers will not be granted U.S. residency visas unless they prove they have been "clean" for three years

embassy in Sana'a to cancel this rule and call U.S. ambassador Steven Seche to discuss the situation. The Yemeni student community in the U.S. added that they are obliged to follow U.S. laws during their stay in the country and that they did not chew qat while there. An estimated 80 to 90 percent of Yemenis chew qat.

The former Minister of Expatriate Affairs, Saleh Sumi'e, who was ousted from the Cabinet by a republican decree and charged with corruption, had previously publicly requested a meeting with the embassy's consular affairs bureau as reported in Al-Siyasiya newspaper. Though the meeting did take place, embassy sources said that Sumi'e did not request a change in the policy.

Sumi'e, along with nine other ministers who were either removed or reassigned, has been referred to the National Panel for Combating

Ahmad Hussein was named as Sumi'e's replacement shortly over a about Hussein's prospective actions to appeal this provision.

Prime Minister launches 25th round of ESCWA conference

By: Mahmoud Assamiee

SANA'A, May 28 — Yemen hosted the meeting of regional minds that comprise the United Nations' Economic and Social Commission for Western Asia (ESCWA) from May 26 and 29 in Sana'a, with Prime Minister Ali Mujawar opening the 25th round of the session.

ESCWA is a United Nations (UN) agency that works specifically with Western Asian countries including all those in the Gulf and Levant. Senior officials, regional ministers and various representatives from UN agencies meet every two years to discuss how development - social, financial, political - can be as a tool to reach the Millennium Development Goals set out by the UN.

Ban Ki-moon, who wrote an address for the meeting that was delivered by ESCWA executive secretary Badr Omar Al-Dafa, said that he had confidence that the 25th round would reflect regional contributions and intentions for realizing all the Millennium Development Goals in due time

SANA'A, May 25 — The Minister of

financed by Global Fund, a multilater-

al organization that finances and loans

money to other organizations to help

fight these three diseases worldwide.

During the workshop, Professor

Julian Gold, senior staff specialist and

director of the WHO Collaboration

Center, supervised the project and

introduced the Monitoring and

Evaluation Systems into the work-

Gold directed the participants in the

workshop, who came from the

Ministry of Health and Population, the

Ministry of Finance, the Ministry of

Endowments, and various civil society

organizations, to divide themselves

into three discussion groups according

to their fields: one for HIV/AIDS spe-

cialists, one for tuberculosis special-

ists and another group for malaria spe-

and ran from May 25 to 27.

shop's agenda.

By: Moneer Al-Homaidi

development in the region since it is an unaligned body with international ideals," added Ban.

In his opening speech, Mujawar discussed the development achievements Yemen has realized since the last ESCWA meeting, stating that the country achieved progress despite difficulties and challenges facing the nation and the region in general.

Concerning social development, he indicated that since the last meeting two years ago, the country has witnessed progress in health, education, social protection and enabling female social participation, and asserted that the government is working on realizing the Millennium Development Goals.

He clarified that the economic sector has witnessed real growth as the gross domestic product (GDP) grew more than four percent between 2000 and 2006. Al-Mujawar noted that the same period witnessed a decrease in oil production, while non-oil sectors have grown considerably to reach over five percent of the GDP.

He said he expected that economic rowth would increase to six percent of an active role in social and economic other exports like liquefied natural gas Republic of Sudan to join ESCWA.

Workshop trains local health

workers to record accurate statistics

They were all given a questionnaire

to voice their opinions on how Yemen

of action for dealing with these three

At the end of the three-day program,

the groups came together to present

their collective thoughts about imple-

menting their plans in the field. The

census information, spot checks and

field visits to hospitals and treatment

centers. If this information is not

recorded properly, it will skew

Yemen's statistics on disease preva-

lence. For this particular problem, the

three groups suggested holding a bi-

annual training course in data collec-

deadly and pervasive killers.

and new economic and administrative reforms that will be implemented in early 2009. Al-Mujawar also noted that Yemen put three new anti-corruption laws into place and emphasized the role played by regional and international organizations, namely the UN, in serving countries of the region in general and Yemen in particular.

Meanwhile, Saudi Minister of Economy and Planning Khaled Al-Qusaibi highlighted Yemen's role as host of the commission's meetings.

The Saudi minister, who chaired ESCWA's 24th round, indicated that despite the challenges it has faced, the commission could realize all planned aims set out in its 2007 agenda.

After the opening session, Saudi Arabia handed over chairmanship of ESCWA's 25th round to Yemen. Work sessions began shortly thereafter, featuring ESCWA Executive Secretary's report on the commission's activities from the past year and creating a new agenda for the year to come.

The conference reviewed uppermanagement issues, approving an international transport treaty in Eastern "ESCWA is in a position to perform the GDP from 2008 to 2010 due to Arab countries and formally asked the

tion for local health workers so that

they can record the number of

HIV/AIDS, malaria and TB patients

meet the goal of controlling

HIV/AIDS by 2015. The reported stat-

ed that although the disease in not

widespread in Yemen, there is "weak

institutional capacity to tackle

HIV/AIDS, insufficient monitoring

Corruption. week ago, but there is no word vet

Sheba Center for Strategic Studies launches workshop on youth extremism

By: Yemen Times staff and the **Sheba Center for Strategic Studies**

SANA'A, May 29 - The Sheba Center for Strategic Studies hosted its first-ever workshop on extremism among youth in Yemen last week. The center invited several social dignitaries, politicians and foreign ambassadors to participate in the workshop, where four working papers were presented on the topic.

In a speech at the workshop, presidential political advisor Abdulkarim Al-Eryani stated that improving curricula at all educational levels, but particularly basic education, will protect society from terrorism.

Yemen also must breed tolerance and make further strides in economic development by creating job opportunities if it wants to safeguard against any future terrorist attacks and youth recruitment.

Al-Eryani emphasized that poverty, poor education and copious amounts of idle time also contribute to extremism. "This workshop is attempting to address extremism among Yemeni youths, as 60 percent of Yemeni society is under age 25," he pointed out.

The four working papers presented at the workshop attempted to highlight the causes and risks of extremism among Yemeni youth. Sheba Center director Ahmed Saif Al-Masabi presented two papers, the first of which entitled, "Problematic Conceptualization," and explored the idea of terrorism compared to the real-

looking deeply into the matter itself. The issue shouldn't be attributed to some compelling social or economic circumstance, nor as a reaction to Western dominance of Arab and Islamic society," Al-Masabi said, adding, "We must read and review critically our religious and political legacy."

Terrorism should be defined by

The director's second paper, entitled, "An Exit Strategy from Terrorism," criticized Western media for equating Islam with terrorism, saying such bias won't serve anyone and will provoke a severe reaction by Muslims.

"It's extremely significant to highlight the difference between true Islam and the wrong interpretation of Islam being adopted by terrorists. We mustn't allow terrorists to claim that they are the true and legitimate representatives of Islam," Al-Masabi said.

Mohammed Al-Maitami, secretarygeneral of the Chamber of Commerce, presented a paper entitled, "The Socio-economic Factor Behind Extremism," suggesting targeting leadership to deal with the source of terrorism.

He also advocated alleviating the pressures upon youths, which will keep from driving them toward joining terrorist organizations. Al-Maitami also explored the success stories of several nations' programs in this respect, including the Saudi Prisoner Release Program and the Yemeni Dialogue Program

The final paper, entitled, "Social Breeding and its Role in Determining Extremism Among Yemeni Youth," pointed to the lack of family ties that first increases domestic violence then gives rise to extremism.

At the concluding session, Sheba Center board chairman Hussein Al-Ameri highlighted the center's objectives. "The center [works] in four main fields: the strategic, political, social and economic arenas," he said, noting that the center hopes to publish an annual report entitled the Sheba Magazine for Middle East Studies

The Sheba Center for Strategic Studies seeks to provide decisionmakers in Yemen rational policy alternatives via several means, such as publications, workshops, periodicals and special reports.

Minister of Information will launch a religious TV channel

By: Almigdad Dahesh Mojalli

SANA'A, MAY, 31 — The Minister of Information announced his intention to launch a religious satellite channel, but did not reveal when the channel will start broadcasting.

The Minister of Information Hassan Al-Lawzi said the decision to launch his Al-Iman Channel was "a real vision of the media's role and duties towards Islam and its issues." One of the important goals of Al-Iman Channel is to educate and make people aware of Islam as a faith, along with its morals and rules.

He also noted the significance of the media's role in presenting Islam, pointing out its significance for all peoples and confronting the distorted picture of Islam "reflected by its enemies."

Al-Lawzi said that the channel will be neither fanatical nor extremist, and in accordance with Sharia law. The channel will present Islam's legacy and its strong points to viewers. However, he did not reveal where in and outside of the country the channel plans to broadcast

"This is a serious and committed contingency embodying all the contents of the media policy stated by the

government and besides that, is making all principles of Islam confront individuals' general behaviors and responsibilities," added Al-Lawzi.

He said that the current struggle is to support the rights of learning and knowledge, present the news and to bestow credibility and objectivity by showing opposing opinions and

The Minister of Endowment, Hamoud Al-Hitar pointed out the crucial need of specialized preachers taught specifically by the Ministry of Endowment and the need for a specialized Islamic media where preachers touch on daily issues from the Islamic viewpoint.

He also touched on the role that Al-Iman channel will play in spreading righteous thoughts and refuting lies. "The western media tries to distort the image of Islam and we have to present the right one, as God has given us, and to bring out moderation in our religion," said Al-Hitar.

According to the media law in Yemen, TV channels and radio stations have to get approval from the Ministry of Information before broadcasting. So far Yemen has two satellite channels broadcast from Yemen and one that airs from Egypt.

Health and Population, Abdul Kareem treats patients with these diseases. more accurately. Rasa', recently held a training course The UN's most recent report on Through these questionnaires, the parat the Movenpick hotel in Sana'a on ticipants weighed the strengths and the Yemen's progress towards the how to improve Yemen's capacity to weaknesses of Yemen's capacity to Millennium Development Goals monitor HIV/AIDS, tuberculosis and [MDGs] said that there was insuffimonitor HIV/AIDS, tuberculosis [TB] and malaria. The workshop was malaria, then discussed possible plans cient data to find out if Yemen would

groups said that one of Yemen's and surveillance of blood donations strengths is the Health Ministry's leadand transfusions and social stigmatizaership and advocacy of the anti-TB tion of patients." program. One of Yemen's weaknesses The UN report added that though it in monitoring these diseases stems has high incidence rates of malaria and from local health workers, who do not TB, Yemen has made strides to bring collect data according to guidelines. these diseases under control and could Disease statistics are recorded through potentially reach the MDG set out for

> Additionally, the Deputy Minister of Health and Population in the primary health care sector, Majid Al-Gonaid, assured the techniques the three groups decided on could be used to help patients of these diseases in all Yemeni governorates.

Continued from page 1

Houthi fighters threaten to hit Sana'a Airport

'Together against the Sa'ada Fighting" launched on June 24, 2007 as an initiative by politicians, human rights activists and media personnel to settle the ongoing Sa'ada clashes, which have left thousands dead or injured on both sides since fighting first broke out in June 2004.

Sa'ada tribal sources further noted that Houthis attacked two Saudi military vehicles patrolling the Saudi border with Yemen in Al-Malahidh area last Tuesday. While there's no clear reason why the Saudi army was patrolling an area near the site of the fighting between Houthis and the Yemeni army, the same sources disclosed that a Saudi official visited Sana'a last Monday, deliberating with Yemeni government officials about how to quell the Sa'ada rebel-



Their News

Saudi Contributes US\$ 500 million to WFP appeal

The Kingdom of Saudi Arabia, under the guidance of the Custodian of the Two Holy Mosques King Abdullah Bin Abdulaziz Al Saud, responded to the World Food Programme's extraordinary appeal by committing US\$500 million their largest-ever contribution to any UN agency - to help the organization alleviate the suffering of millions of hungry people affected by high food

"This extraordinarily generous donation is historic," said WFP Executive Director Josette Sheeran. "The Saudis are major players in global humanitarian action. Today's donation will keep many people from dying, others from slipping into malnutrition and disease, and will even help to stave off civil unrest."

With Saudi Arabia's generous pledge, the special appeal for rising food prices launched by WFP in March has been met, and funds are now available for critical operations which have been insufficiently funded, especially in Africa and other parts of the world. WFP needs to feed at least 73 million people worldwide this year.

As the Saudi cash donation is not earmarked to any one country or operation, WFP has maximum flexibility to use the funds to address areas of greatest needs. These include helping to nourish millions of children - those most vulnerable to the effects of hunger - enrolled in school and therapeutic feeding programmes in Kenya, Cambodia, Yemen, Ethiopia and Somalia.

"This is a symbol of what can happen when humanitarians come together to rise to the kind of challenges and human suffering which face us in the world today," said Sheeran.

Today's half-billion dollar contribution puts the Kingdom of Saudi Arabia at the forefront of the large-scale, highlevel, multilateral UN action by the global community, focused on emergency and longer-term solutions to the high food and fuel price crisis which is sweeping the globe. More costly food is

leaving in its wake drastically increased levels of hunger and poverty, and in some places, provoking riots and destabilising governments.

High food prices represent the biggest challenge that WFP has faced in its 45-year history. Analysis underway by WFP experts supports World Bank estimates of around 100 million people being pushed deeper into poverty.

WFP is the world's largest humanitarian agency: this year, WFP plans to feed more than 70 million people in around 80 countries.

WFP now provides RSS feeds to help journalists keep up with the latest press releases, videos and photos as they are published on WFP.org.

more details http://www.wfp.org/english/?n=999.

Barwa International commences investments in

Sudan by buying 3mn sq m plot Barwa International Company, the global arm of Barwa Real Estate Company, has bought a large land in Sudan for developing a commercial and residential project. The land deal was finalised on the 3rd of this month, in Khartoum, the Sudanese capital.

The plot admeasures 3mn sq m and is located in Al Jazeerah state, one of the largest states in Sudan, on the main road leading to the centre of Khartoum. Besides, it is only 30 minutes drive from Khartoum international airport.

Mr. Ghassan Abdullah Albinali, chief executive officer of Barwa International, said the company had launched the Sudanese project after studying the local market and the need for integrated real estate projects in that

The company examined more than one plot but settled to choose this land in particular because of its numerous merits, some of which are being close to the capital, the international airport and being close to modern public com-

Mr. Albinali added: "The acquired land had all the necessary clearances for starting the project this is along to other economical advantages. In addition, the licenses given include establishing a hotel, hotel apartments, an international school and a university for post graduate studies. Also, there will be villas, residential complex, offices and a commercial complex."

Mr. Albinali clarified that the Company started setting up the general plan for the project with the assistance of companies with international experience. He added: "We expect the project's general plan will be licensed by the concerned entities before the end of this year. This shall be followed by starting with the project's infrastructure, building models of villas, and other buildings planned in the project."

Albinali also announced: "The Company established Sudan Barwa Company for the purpose of investing in Sudan. The company will also open an office in Khartoum.'

About Barwa International:

Barwa International is the international arm of Barwa Real Estate, a leading real estate company in Oatar, which has executed many mega projects in Qatar, GCC and Egypt. Its lists of local projects include Barwa Al Khor, Barwa Housing Programme, Barwa Doha, Barwa Financial District, Barwa City, Barwa Al Qassar, Barwa Al Barah, Barwa Commercial Street and the Exhibition Centre. The company is currently building the tallest tower in Qatar. Barwa International's portfolio includes many European countries such as the UK, France, Germany and Switzerland in addition to other developments in other parts of the world. Also, the Barwa Real Estate Bank was recently established to help Barwa execute its huge real estate and construction projects and is considered to be Oatar's first bank dedicated to the real estate and construction industry.

Call for Participation in an **International Conference of NGOs** This is a Call for Participation in an International Conference of NGOs holding from 19th July till the 30th of July 2008 in London, United Kingdom where as many as 200 participants from across the world including Health Practitioners, Professionals in relevant fields, Lawyers, Psychologists, Women and Youth Development Groups, Government Officials, Donor Agencies and participating NGOs will meet to discuss issues pertaining to the Welfare of NGOs...and also to meet others like yourself; to learn, teach, inspire and being inspired. This event will be exploring the potential of a practical approach that will unleash and nurture the human capacity to create, collaborate and change positively, the world at large.

What are the objectives of this meeting? The meeting will provide a medium where participating individuals and NGOs will convene to address and discuss ways of improving key Humanitarian issues and topics with much emphasis on Human Rights, Gender Equality, Peace and Security, Social and Economic Development, Youth and Children, Health Education, Ethics and Value and Environmental Protection. Participating NGOs will have direct access to grants by International Donor Agencies. The opening Lecture will be held by Dr Mrs Artemisa Franco who is the President of the Center for Human Rights Research and Development, Maputo -Mozambique.The program will include:

- * Thought-provoking plenaries
- * In-depth breakout and dinner sessions for strategy-development
- Capacity and skills-building sessions; and
- * Debates to stimulate discussion.

In addition to the main program, the meeting will also host book launches, artistic and cultural activities, exhibitions, plenty of space and opportunity for informal networking and alliance building. All plenaries and selected breakout sessions will have interpretation into English, Spanish and French.

Who can participate? What happens

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- Arabic program from 12:00 noon 2:30 p.m.

Box 2002, Sanaa, Yemen Phone: 370 191-2 Fax: 370 193 Email: gordonblackie@qsi.org Web site: http://yem.qsi.org



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if more than 200 participants apply? Anyone who is a member of an NGO. Professionals in related fields, Students Unions, Lecturers of Universities and Community based organizations, the Clergy as well as women and youth development groups can apply to par-

If more than 200 people apply (as we anticipate), a global selection committee will select a representative 200 from among the applicants. This committee will ensure that the participants at the meeting are truly international and represent a diverse range of interests,

issues, and regions. The events shall commence on the 19th July till the 30th of July 2008 in London at Abba Queens Gate Hotel

I can't afford the cost - Can you help? Juan kroc foundation Foundation has set up an Access Fund to support the travel costs for all qualified partici-

How do I apply, and when is the deadline? All Interested organizations should send an email to the Local Organizing Committee. Participants MUST be a group of 1-3 persons to qualify for registration.

Contact Person: Rev.George solomon Email:

JUANKROCFOUNDATION2000 @yahoo.com





Department for International Development Management of Yemen Justice and Policing Programme Reference CNTR 200808435

The Department for International Development (DFID) wishes to engage the services of a Managing Consultant for a new justice and policing programme in Yemen. The purpose of the programme is to support the Government of Yemen (GoY) and civil society to develop more effective, accessible and fairer justice and policing services for all Yemenis. It will involve work on capacity building in key institutions, local service delivery and donor/sectoral coordination. The Managing Consultants will be responsible for the effective management and implementation of the programme, including through the establishment of a Programme Management Unit in Sana'a, provision of long-term and short-term advisers for the Government of Yemen on policing and criminal justice, and management of an international non-governmental organisation working on local service delivery. The Managing Consultants will work closely with the GoY and will therefore require strong political analysis skills. The Managing Consultants will also be expected to have strong experience of justice and policing programmes in developing countries (preferably in the Middle East); a proven track record on project management; access to quality personnel with strong technical policing and justice expertise and experience, and Arabic language skills.

Site or location of works, place or delivery of performance is Yemen

Duration of the contract is up to 60 months with the possibility of extension of up to 12 months.

Please refer to the DFID website at www.dfid.gov.uk/procurement/contractopportunities.asp for a copy of the full OJEU notice, draft Terms of Reference and details required for completion of Expressions of Interest (EOIs), including the required Application Form. EOIs will be evaluated against the criteria outlined in the Application Form.

As from April 2001 all UK development assistance has been fully untied, which allows suppliers from anywhere in the world to tender for DFID projects.



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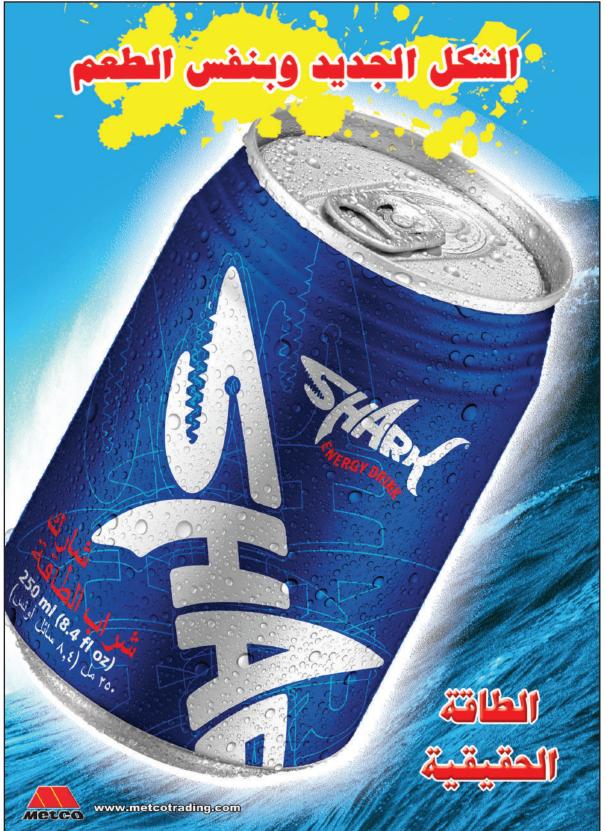
SEPOC is the Republic of Yemen's leading national oil and gas Company. It is the upstream Operator of Yemen's premier Marib Block (18) and largest and second largest producer of gas and oil in the country respectively.

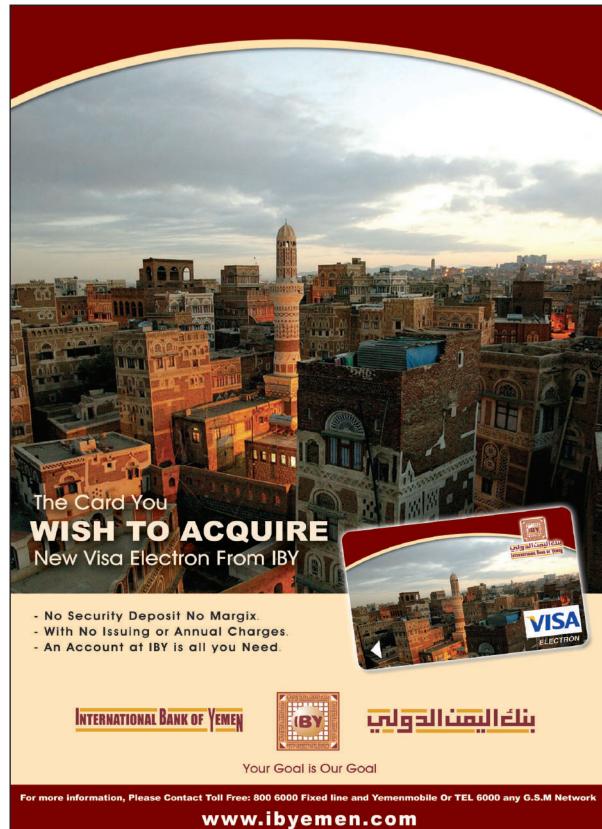
SEPOC is embarking on an aggressive growth plan. As part of its expansion project, SEPOC is currently seeking to expand its workforce by hiring the following talented, qualified and dedicated professionals who desire a fulfilling and rewarding career with a growing and outstanding organization:

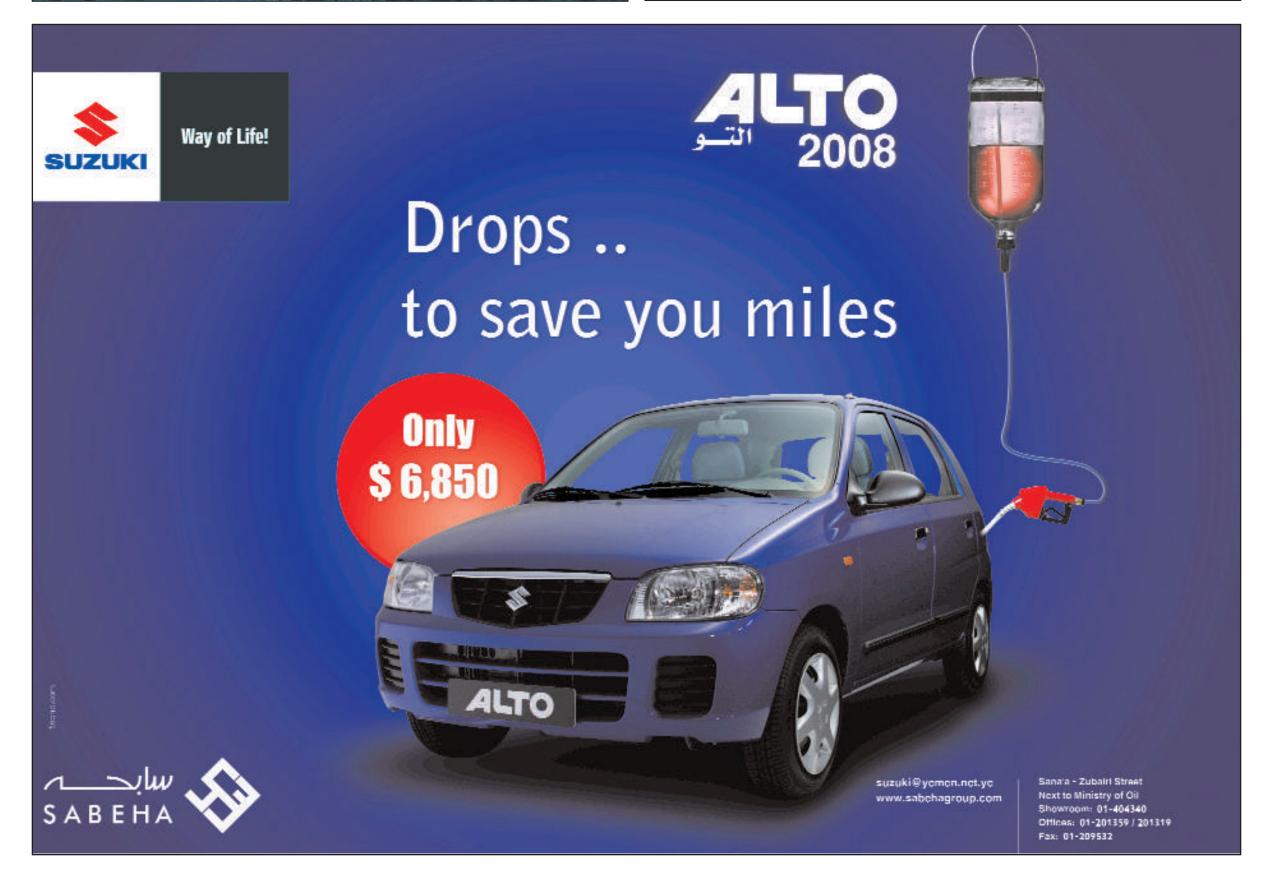
- 1. Job Title: Mechanical Technician
- 2. Job Title: IT Analyst
- 3. Job Title: <u>Application Project Team Leader</u>

Job Details of the above and other positions are posted on 'Careers' at SAFER'S Website: www.sepocye.com.

To apply and process your application and CVs online for the above positions, please visit SAFER'S Website.







Al-Jazeera top news editor Samir Khader:

"I'm a soldier at the service of the community"

By: Alia Ishaq

amir Khader, a Jordanian journalist who leads the Al-Jazeera Arabic language television news channel, was in Sana'a for six days to lead an investigative journalism workshop for members of the Yemeni media.

In cooperation with a group of nongovernmental organizations, the Al-Jazeera Training Center held the workshop at the Taj Sheba hotel in Sana'a from May 24-29. Funding for the training was provided by the United States Agency for International Development, or USAID.

With nearly 30 years of experience in the media, Khader has been employed by Al-Jazeera since 1998 and is in charge of nearly all news and special coverage for the channel.

He and 20 Yemeni journalists worked on research, interviewing, writing techniques and investigative ethics. Khader

of knowledge and education. A journalist is someone who knows something about everything, but not necessarily everything about something. No university can give you that. You have to build it yourself; it's self-education.

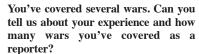
We should be convinced that this [journalism] is our mission in life, always reminding ourselves that we have a message. True journalism means remaining neutral - of course, not 100 percent because that doesn't exist - but at least balanced. We should strive to do this every day, hour and minute until it's accomplished.

What do you think of the state of the media in Yemen?

Media is a general term. In Yemen, you only have government television and radio. You have many newspapers, some daily and some weekly. The Yemeni media resembles media in many Third World countries 20 years ago and it still

Of course not! This is a one-sided view of the term journalism because journalism is one of the rare fields where women can beat men in all areas. There's no such thing as women working only in "general" journalism and not investigative journalism. Investigative journalism simply means going out into the field and building a story from scratch. In fact, you're doing it right now and you're a woman!

Women can do better than men, even in conflict zones. At Al-Jazeera, many of our journalists in conflict zones are women. For example, two years ago when we covered the war in Lebanon, one of our best journalists there was a woman named



Covering a war is like covering any other world event, apart from the fact that you have to consider the risks, asking yourself whether you're ready for those risks. Other than that, it's a story like any other.

Of course, you sometimes have to be willing to live in difficult situations. For example, you might not find a bed, so you may have to sleep on the street or in the bushes. The risks sometimes might involve being shot and you have to accept that. However, if you believe in God and that your life is in His hands, nothing [else] is important.

I've covered the Iran-Iraq war, the Bosnian war, the U.S. invasion of Somalia, the first Gulf War between the United States and Iraq in 1991, the 2003 [U.S.] invasion of Iraq and the 2006 war in Lebanon between Hezbollah and Israel.



Jazeera Arabic news television editor Samir Khader last week.

Do you think it's worth it to risk your life in such ways? Of course it is. Do you think it's worth

it for a soldier to risk his life? Do you see yourself as a soldier?

I'm a soldier at the service of the commu-

Do you regret anything you did while covering these wars?

Of course not. No one should regret anything because you can benefit from everything you've done. Even if you make mistakes, you can still learn from them. If you should happen to do great things, you should ask yourself what were the elements of success in order to transmit them to the next generation.

What's your biggest challenge as a journalist?

The challenge facing every journalist is to remain neutral in all conflicts. Your heart

always leads you to one side or the other, but you must struggle to remain neutral because this is the basis of journalism.

Obviously, there are differences between Arab and Western media. Having worked on both sides, what are the main differences you notice?

At the time, those in the West practiced sound journalism, which is real journalism, but in the Arab world, we practiced something we called journalism, but it wasn't really journalism.

However, I'm now honored to be part of the first experience of true journalism in the Arab world because Al-Jazeera functions exactly like any good Western media outlet. Like many of my Al-Jazeera colleagues who worked in Western media for a time, we took that experience and tried to prove to everyone that we can do the same in the Arab world.

Some said Arabs couldn't produce professional media, but we proved them wrong! And we aren't the only ones, as other channels and newspapers now are doing the same. We now have print media in the Arab world that are just like the Washington Post and the New York Times, i.e., Al-Hayat newspaper.

As an Arab citizen, what is your dream?

That one day, just like the United States, we'll have the United Arab States. Just imagine what could happen! I think my generation failed, so it's now your generation's turn to try.

Amid the current situations, do you still

If it was easy, we would've done it straight away. I know it's not easy, but at least I did my share of the work. It's now your turn to do your share and transfer that to your children and so on. I'm sure we'll achieve it one day, but the sooner the better, of course.

ideas for life

شركة ألفا البحدودة ALFA



Yemen Times participant Alia Ishaq and Al-Jazeera's Samir Khader. Khader is a Jordanian journalist with nearly 30 years of experience in the field, and has covered crises and conflicts all over the world.

spoke with the Yemen Times regarding his thoughts about the Yemeni media, female journalists and why it's worth risking his life in order to deliver the news.

What is your evaluation of this investigative journalism workshop you led for members of the Yemeni media?

This is a really good start for the Yemeni journalism syndicate in terms of taking care of young journalists and exposing them to experiences from other parts of the world in order to learn more about investigative journalism, which isn't wellknown in the Arab world, although it's the core of journalism.

The [Yemeni] journalists were terrific and eager to learn. They obviously believe in their mission in life. They want to do something; however, they still lack many things, including a solid background and discipline, in addition to training. It's not enough to go to university and graduate with a degree. You must observe what others do because it's really important to mix cultures. When I say "cultures," I mean journalistic cultures.

You have to benefit from what others do, learn why they do it and then decide whether you can apply this in your own context and environment - what you can take from it and what you can reject. This is really important in order to build a solid

Are you saying Yemeni journalists lack experience?

Of course, it's experience that matters. At university, you have only theories; you don't have practice, so they need to praclacks many things.

However, you have something that few countries have - motivated journalists. These journalists must build for the future, but you can't build the future depending on your own desires and practices. I think these journalists first need experience and exposure. Journalists here are the basis for any good future for this country. Also, it's really good to have a variety of press in this country, all coexisting with each other, whether they're governmental, opposition or independent [news sources]. Journalists here must know that it's ok to work at a newspaper belonging to one of the political parties. However, they should accept each other's viewpoints because pluralism is really important. I've met journalists here who have the idea that because they work for a certain newspaper belonging to one of the parties, they must be completely attached to this newspaper and its point of view. You can attack others – and this is your right - but be nice sometimes.

You've been to Yemen before. Do you find any changes here since your last

I've been to Yemen dozens of times: the last time I came was four years ago. Of course, [there are] big differences! A society that doesn't change over the course of a year is considered a dead society, whereas Yemeni society is a vibrant society. I see a big difference in the streets, cars and buildings.

Many people consider investigative journalism a place for only men, with field for women. Do you agree?





🗨 عصر: هاتف: ٢/١٤٣٥ / 🌑 شارع حدة: هاتف: ٢٠٠٧٣ / ١٠٠٧٠ 🕒 الزبيري: ٢٩٨١٧ 🗨 صنعاء جملة: ٣٣٩٨٧ الحديدة: تلفاكس: ٢٠٥٨٥٠ 👁 عدن: هاتف: ٢٤١٢٧١ 🗨 المكلا: هاتف: ٢٠٠٢٨ - تعز: ٣٠٤٦٢٠ – ١٤

In the presence of Deputy Minister of Industry and Trade, Non-resident Ambassador of Sweden and many businessmen

El-Aghil Trade Co., Ltd celebrates inauguration of New Volvo Car Showroom

eputy Minister of Industry and Trade Mr. Ali Ahmad Al-Sayyaghi inaugurated last Sunday the New Showroom for World Volvo Cars, affiliated with El-Aghil Trade Group, the sole agent for Volvo automobiles in Yemen.

During the cheerful ceremony, attended by His Excellency Non-Resident Ambassador of the Kingdom of Sweden Mr. Yan Thiesliev, a large number of businessmen and chairmen of trade companies and agencies, Al-Sayyaghi delivered a speech during which he stressed the necessity of expanding the scope of honest competition in the Yemeni markets, on the basis of offering top quality and most appropriate products, particularly cars and other transportation means.

According to Deputy Minister of Industry and Trade, most of the automobiles entering the Yemeni markets lack the required standards of quality and safety, and therefore are responsible for increasing the number of traffic accidents that cost the government and society heavy material losses. He also held automobiles lacking the required quality and safety standards responsible for the rising number road accident's victims who number up to thousands per year. "This means several families are tragically bereaved and children orphaned while mothers become widows," he went on to say. During his speech given at the ty and safety constitute the topmost requirement that must be satisfied by automobile manufacturers in order to help our society avoid potential road accidents, as well as ensure a safe and clean environment in Yemen.

Concluding his speech, Deputy Minister of Industry and Trade wished El-Aghil Trade Co., Ltd further success and prosperity in its business.

On his part, Mr. Abdullah Ahmad El-Aghil, Honorary Consul of the Kingdom of Sweden to Yemen and Deputy Chairman of the Board of Directors at El-Aghil Trade Group, reviewed the numerous activities that have been so far undertaken by the group since it was established in the 1960s, mainly in the area of World Volvo automobiles, which satisfied all the internationally recognized standards of quality and safety. According to him, products of the Swedish Volvo Company gained a worldwide reputation, thanks to their top quality.

"As our group is the sole agent for Volvo automobiles in Yemen, the Project Manager of Volvo car showroom Eng. Hussein Al-Azzani and his team paid great attention during arranging for and establishing the New Volvo Car Showroom to studying how we can offer complete, distinctive and top quality service with regard to Volvo car maintenance, and provide all the parts needed by Volvo vehicles in all branches of El-Aghil Trade Co., Ltd based in the





inaugural ceremony of New Volvo Car Showroom, the Yemeni official said that Volvo Company is one of the first automobile manufacturers that entered Yemen and marketed its cars in the country. "Volvo vehicles are famous for their internationally recognized quality and safety standards, not only in Yemen but in the whole world," Al-Sayyaghi reiterat-

Al-Sayyaghi continued that quali-

main governorates as well as the Sana'a-based Headquarters. We also prepared and trained a specialized Yemeni staff with a high level of expertise and technology to be in charge of providing maintenance for Volvo cars," El-Aghil noted.

Facilities and complete services: El-Aghil added, "As part of our plan we have been pursuing since the very beginning of our business, we have concentrated on the quality of products we offer to citizens including Volvo vehicles, which Yemeni citizens have been testing since the 1960s, thereby certifying to their quality. Yemeni citizens also acknowledged that Volvo vehicles satisfy all the safety requirements and are durable and suitable for Yemen's harsh topography."

Mr. Abdullah Ahmad El-Aghil, Honorary Consul of the Kingdom of Sweden in Yemen and Deputy Chairman of the Board of Directors at El-Aghil Trade Group conveyed good news to Yemeni citizens who are willing to get Volvo cars with top quality. He said that his company provides several facilities to clients including sale by installments vial the different banks, specifically as the new batch of Volvo vehicles is considered the most modern and luxurious in the world of cars.

According to El-Aghil, the new batch of Volvo vehicles have unlimited specifications and technical advantages, which is the fruit of ten years of experience and development regarding the advancing technology and update of Volvo automobile products, be they small cars or

Mr. Thomas Erinburge, Regional Director of Volvo Company gave a speech at the ceremony in which he said, "It is my pleasure to welcome you all at the New Volvo Car Showroom in Sana'a. I am pleased to be available in Yemen, the country of civilization and history. I congratulate the El-Aghil family for investing in Volvo automobiles in Yemen."

He added, "Today, Volvo vehicles have become linked with all the means of safety. When people talk about Volvo cars, they usually talk about a product, which they know well and know what the Volvo products available in the market mean."

A history full of quality:

According to Erinburge, people's talk about Volvo products has not come from vacuum. Instead it is related with Volvo Company's commitment to safety criteria in manufacturing of Volvo vehicles. Concluding his speech, Regional Director of Volvo Company expressed his gratitude and appreciation to the Yemeni government that promotes honest competition in its markets, and provides a variety of options for Yemeni citizens to choose the best and safest products including Volvo vehicles.

Sales and Marketing Manager of Volvo Car's Department at El-Aghil Trade Co., Ltd: Good exhibition represents a chance for Volvo fans and adorers

Mr. Mohammed Al-Khayyat, Head of Automobile Department at El-Aghil Trade Co., Ltd clarified that the new generation of Volvo cars is comprised of numerous models (Sedan Taxi and Four-Wheel Drive). Al-Khayyat maintained that the new showroom is pondered upon as an opportunity for all Volvo fans and adorers who want to get ancient and old vehicles at ease with an internationally recognized luxury, as well as Swedish manufacturing style, famous for its safety-related advantages. "We promise the public to bring a variety of other models in the near future," he affirmed.

Non-Resident Ambassador of Sweden praises El-Aghil's efforts in strengthening relations between Yemen and Sweden

His Excellency Mr. Yan Thiesliev, Non-Resident Ambassador of Sweden praised the efforts expended by Mr. Abdullah Ahmad El-Aghil, Honorary Consul of the Kingdom of Sweden to Yemen, in strengthening relations between Yemen and Sweden. This came in a speech Thiesliev gave while handing a meritorious award to El-Aghil.

"It is my pleasure to be in the company of my dear friend the Honorary Consul of the Kingdom of Sweden Mr. Abdullah Ahmad El-Aghil at the time of inaugurating the

New Volvo Car Showroom in Sana'a, the capital of history and civilization," Thiesliev expressed. "I am pleased to give him a modest gift in recognition of his sincere efforts in consolidating mutual relations between Yemen and Sweden. The El-Aghil's family played a prominent role in establishing relations between both states, as well as in arranging political meetings I had and will have with His Excellency Dr. Abu Bakr Al-Qirbi, Yemeni Minister of Foreign Affairs and other senior officials in the friendly government of Yemen."

The Swedish diplomat continued "Here I confirm that the Swedish-Yemeni ties reflect a great possibility of establishing mutual cooperation, and by this I don't only mean economic cooperation that may be limited to the transfer of technology and exchange of commodities, products and services, but I talk also about the strong desire to develop joint business and work hard for building permanent partnership. I also reiterate the strong desire to construct bridges of mutual understanding and an edifice of everlasting friendship between both countries, of which the positive outcome become apparent in the various commercial, tourist and educational







ر لأقمشة الستائر والتنجيد ولوازمها





اليمن - صنعاء - شارع الأربعين هاتف: ٦٨٢٣٠٠ فاكس: ٦٨٢٣٠١ جوال: ٧٧٧٧٠٤٠٤٨

من زيارتك الأولى ستزورنا دائماً



EUROPEAN UNION DELEGATION OF THE EUROPEAN COMMISSION TO THE REPUBLIC OF YEMEN

The Delegation of the European Commission to the Republic of Yemen is seeking to recruit for its offices in Sana'a qualified personnel to fill the position of:

DRIVER

This is a responsible non-supervisory position. Duties include operating and maintaining transportation vehicles with a focus on safety and efficiency; performing daily pre-trip and post-trip vehicle inspections; performing minor maintenance tasks on the vehicles when necessary; fuelling the vehicles; ensuring that periodic scheduled vehicle maintenance is completed and reported; Responsible for ensuring inside and outside of vehicle are properly cleaned and fuelled on an ongoing basis. Keeping interior of vehicle neat and orderly. Documenting usage; preparing trip reports; preparing accident and incident reports as necessary; and providing other services as requested by Chargé d'Affaires a.i.

Qualifications and skills required:-

- Completed secondary education.
- Proven on-the-job experience of minimum 5 years
- Good command of English and Arabic (oral and written); knowledge of a 2nd EU language is considered an advantage
- Ability to work in a multi-cultural team; ability to work under pressure (meet deadlines at any cost); high sense of responsibility and initiative.
- Neat and tidy, punctual and ready to work long hours.

Interested candidates are requested to send an application letter together with detailed curriculum vitae to:-

Delegation of the European Commission to the Republic of Yemen Attn: Mr. Michele Cervone d'Urso, Chargé d'Affaires a.i. Email: delegation-yemen@ec.europa.eu or fax: 01 440 887

Applications received after 15 June 2008 will not be taken into consideration. <u>Only short listed candidates will be contacted.</u>

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Words of Wisdom



Gentlemen, Yemen does not need more money! It needs a system. Yemen need accountable officials, and it needs people with some decency in the way they work. If the IMP, World Bank and other organizations pump loans into Yemen, where will it go? More importantly, how will it be paid?

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



Is Liberalism the way to reform the Middle East?

ifteen academic researchers, journalists, and human right activists gathered in Ankara, Turkey last week to discuss how to promote free society. The Association for Liberal Thinking (ALT) who hosted the conference claims that "liberalism" is the ideology that can best promote a free society.

The concept of liberalism stresses individual freedom over societal freedom. According to Turkish intellectuals at the ALT, that means the guarantee of a free society, in which individuals should have the abilities, tools and channels to pursue his or her individual desires inside of the societal framework.

Liberalism is distinct from socialism, nationalism, and secularism because individuals' rights include the right to religious freedom, which encompasses the right to practice any religion of the individual's choice as well as the freedom to be non-religious. Liberalism also encourages economic freedom through free trade and open markets.

Freedom of speech and the freedom to partake in political activities such as voting and forming political parties or civil society organizations are also part of this ideology.

Religious freedom, and economic freedom were the most debatable points at the workshop, and participates did not hide their fears that such values are not suitable for application in Middle Eastern countries. Right now, the region's citizens are undergoing difficult economic and social upheavals that are preventing them from competing in the global marketplace. In addition, most Arab Muslim countries strongly believe in Islamism, not just as an ideology but also as rule of law (sharia).

Clearly, Liberalism is an ideal that cannot be practiced in the short term in the Arab World, where the authorities control the lifestyle of the individuals. After decades of this type of rule, individuals themselves begin to accept that it is the government, sheikhs, or tribes who should take responsibility for determining their rights.

In Yemen, for example, where religious and tribal sheikhs have great influence over the population, citizens do not understand or accept Liberalism with an open mind. Many people think that such a philosophy will threaten their way of life, and political authorities are afraid of having their power revoked through the popularization of Liberalism. Yemen does not have a free economy. since most of its business enterprises are in some way tied to the state. Obstacles such as corruption and a high unemployment rate prevent the economy from becoming a free entity with local and international investments flowing in from around the world like so many of the neighboring gulf countries. But with that economic freedom come social trends and customs from outside - something that both citizens and politicians in the region fear.

Politicians are likewise quick to accuse Liberalism of opening the door to extremist parties, whether they are religious or political. They say that under the Liberalism umbrella, these extremist parties are able to practice threatening activities and emphasize their ideologies to the exclusion others, which will threaten not only individual freedom and the Liberalism philosophy but society as a whole. "Protecting the culture and the social aspects of a society," was and is still used as an excuse for dictatorial governments to dominate their citizens by limiting human rights and silencing the media.

Some of the participants assumed that Liberalism was merely the latest approach by which the United States government will use to gain more influence in the region. This could be true, as foreign countries have been competing for regional power though the force of their ideologies, such as Islamism, socialism and nationalism, for quite some time.

Others participants said that that promoting freedom of the individual in the changing Arab world is not just a suggestion but a compulsory element of development. Ideologies - even those with the best intentions - can harden and become dogmatic, as in Turkey where the workshop took place, which imposes secularism throughout the country. Liberalism could be guilty of the same offenses.

With all these changes, there are many questions still needing answers. Are Arab Muslims citizens ready to accept Liberalism? Can Middle Eastern governments comprehend and employ Liberalism to overcome economic religious political travails that limit rights and freedoms? Do regional governments and their citizens label Liberalism as an unacceptable. Western-only belief inter-

fering with the cultural norms of the Arab Muslim masses? The answers of these questions can only be found in the future. But there is no perfect ideology that can ensure human rights all of the time, in every situation. Each of us must individually take on

the responsibilities that come with freedom. Managing Editor

Amel Al-Arigi

The state is only concerned about statesmen's issues

By: Ahmad Hussein Tallan

The government gets extremely engaged in governors' elections amid highway robberies, killings and other forms of crimes. It goes without saving that each state has its own components of existence and survival, and such components include people, homeland and order, which are available in our beloved Yemen, but our state lacks an appropriate political will to offer multiple services to people who are unarguably the direct beneficiaries from law and order.

Regretfully, such didn't happen from a practical viewpoint because the state doesn't represent will of the people, nor does it work according to the social contract under which it was given the right to rule and manage affairs of the nation. In Yemen, we have the kind of state that is extremely engaged in the issues of statesmen, as well as what is related with their affairs under the cover addressing social issues.

Our state is also extremely busy improving living conditions of statesmen, developing plans and programs and enacting legislations in line with interests of its members, who are monopolizing all the resources of the nation within a narrow scope not exceeding the limit of ruling General People's Congress (GPC).

Real faces, which had been conserved by the ruling elite for decades, were unveiled after they ran out of their cosmetic supplies. Here I mean that all the faults and deformities of the regime have become apparent as the invented scenes could not cover the regime's faults and mistakes

The ridiculous scenes fabricated by the failed regime include the recently conducted gubernatorial elections, which the ruling party invented to

cover its being unable to manage the national affairs at the central and local level. The ruling party amended the Local Authority Law in line with its policies that destroy all the components of law and order.

The GPC surprised us by these amendments when it added conditions and regulations that were not placed into effect under the system of governor appointments by republican decrees. In the past, the authority was controlling the selection process, buy now nobody knows which criteria the authority depends on in determining the qualities of an elected governor. Seemingly, there is nothing new and no difference between appointing governors or electing them as our government did in the first gubernatorial vote in the country.

The strangest thing is that the door was left open during the gubernatorial nomination process as no firm requirements or conditions were listed for candidates to satisfy. This disclosed numerous faults and frauds in the miserable electoral process.

In order to clearly contemplate on the fact, we should have a glance at the general election and local authority laws and their conditions that govern nomination for Parliament or local councils at the governorate and district levels. The General Election Law stipulates that any government employees willing to nominate themselves in any local or parliamentary elections must resign their current posts. The same also applies even for simple employees in order to ensure that candidates can not use their power to influence or intimidate voters.

During Yemen's first governor elections, all such conditions violated and were not even considered by candidates who ran for governor in the various Yemeni provinces. The legal

violations committed before, during and after the votes provides the clearest evidence of the absurdity of the electoral process that has created a market for deals and offers to many of those who made bids to run for governor in order to withdraw in favor of ruling party candidates.

Even worse, the local communities paid no attention to the governor election that was conducted amid local crises in most of the Yemeni governorates. Shortage of diesel in the local markets hindered public and private businesses, many governorates were suffering insecurity and highway robbery of vehicles was practiced in several areas. No attention was drawn to these problems as the authority was extremely engaged in electing governors.

At this point, I would like to highlight a dangerous phenomenon practiced by the GPC government that never feels ashamed of committing frequent violations against the Constitution and effective laws. It violated Article 60 of the Election Law stipulating that "no Parliament or local council member is allowed to have another government job in addition to his/her being Parliament or local council member."

The legal article, placed in effect, was violated by the GPC General Secretariat that nominated four functioning Parliament members to run for governor in four governorates where all of them won. Who may dare say that this is not a violation of the just quoted legal article? It is also a violation of a constitutional article reading that a Parliament member is not allowed to have another government job with the exception of a cabinet member.

others. As Muslims, we don't want to

hear that Judaism or Christianity is

insulted. Also, we don't see ourselves

as real Muslims unless we respect

other religions. It is a call for dialogue

and understanding while the right and

the left can only meet at the middle

point where dialogue exists as the

only means for enhancing peace and

harmony among nations.

Source: Al-Sahwa.net

Yemen's Unity and UAE Federation: Failed centralization and successful federalism

By: Moneer Al-Mawri

uring my brief stay in the United Arab Emirates over the past two weeks, I met businessmen and officials in the federal government, as well as in the local authorities. I also met educated people in the Gulf country and found that most of them, if not all, are closely observing what is happening in Yemen with grief and sadness.

More importantly, a state of grief and sorrow was even noticed among businessmen who are planning to invest in a virgin country like Yemen, but they avoid adventuring their capitals due to a lack of trust in Yemen's current govern-

All the Gulf states, not only UAE, see the Yemeni Reunification as a fragile unity as the nation may fragment and split at any time in the future. They also see the political leadership in our country as failed since it proved unable to build necessary basic structures despite 30 years have passed since it first assumed power.

According to the Gulf states, Yemen's political leadership views investment as one of the forms of trading that must be lucrative to it irrespective of its benefits sought by people. Great portions of populations in the Gulf states project that changing Yemen's system of governance may help attract huge investments needed by Yemen and investors in the various areas

Yemeni regime impedes invest-

The Gulf people hold the view that current system of governance in Yemen creates numerous obstacles to their plans aimed at initiating investment projects in the vulnerable country.

The current regime in Yemen tries to get closer to the Gulf States via imitating the negative aspects of those regimes in terms of bequeathing power to the sons and distributing wealth and resources to particular families and groups, but at the same time depriving the absolute majority of Yemeni citizens of benefiting from the natural resources in their homeland. These imitators don't understand that the ruling dynasties in the Gulf did not once bear any malice against their peoples. Instead, they expend hard efforts for the sake of their peoples' happiness and prosperity.

These dynasties, which we describe in Yemen as 'nomadic' managed to exploit returns from oil and other natural resources in favor of their peoples by establishing giant projects and providing all the basic services such as electricity,

road networks, health and education. Except for Saudi Arabia, all the Gulf states are competing with the world's superpowers in the sense of reached achievements and services offered for their people.

The Emeriti people, for instance, enjoy the kind of social liberty whose influence is superior to that of the political freedom, which we are proud of in Yemen. The cities of Ain, Abu Dhabi and Dubai are topping the list of world cities in terms of attracting foreign investments to their territories, thanks to the nomadic wisdom demonstrated by rulers in the Gulf state.

The government of UAE Federation never intervenes in what is happening in Dubai, Sharija or Ajman, and any local activities and projects in each emirate are exclusively handled and utilized by the emirate itself without any interference of the other emirates.

On the other hand, a small project in the Yemeni city of Aden may require a special permission from Ali Maqsa, an official in charge of Mr. President's projects, and it is impossible for anybody to approach Ali Maqsa except via Abdullah Al-Bashiri, Ali Al-Anisi, Abdu Bourigi or Aziz Mulif, the close tenure to President Saleh, who also work in his office, as administrators, journalists or top security guards.

We celebrated the 18th Anniversary of 22 May central and fragile unity, which the exiled Ali Salem Al-Beedh, President of once People's Democratic Republic of Yemen or South Yemen before the north and south merged in 1990, is responsible for announcing in such a fragile structure.

Thanks to the nomadic wisdom and prudence of the late Sheikh Zayed Bin Sultan, the Emeriti citizens have understood that centralization is the strongest enemy of unity. Consequently, the late leader established a successful federation, which is one of the forms of decentralized unity and this federation may last for hundreds of years to come. The Emeriti people are due to celebrate the 38th Anniversary of establishing the federation next December.

Yemeni people are likely to be plagued by wars and fighting. Ultimately, they will understand how vital the late Sheikh Zayed's experience is to their unity and then think about establishing a federal unity to survive for hundreds of years in lieu of fragile merging due to expire on the first day of the death of its founder President Ali Abdullah Saleh. Until now, Saleh left no clear mechanism for his tenure to share power following his

Source: Al-Masdar.com

Dutch's wisdom and the need for international dialogue

By: Jamal Al-Awadhi

announcement to televise a film produced by the rightist Parliament member Van, which the Arabs and Muslims says insults the Holy Quran, the government of Netherlands proved that it is more wise and able to positively deal with any potential reactions in the Muslim

The Arabs and Muslims were projected to react to the film, based on the fact that freedom of expression in the Netherlands or any other part of the world doesn't intend to insult other ideologies and religions.

Many Muslims and Arabs were satisfied with the Dutch government's declaration that it is not responsible for the film's content and its strong denunciation of the film, which it says calls for violence. This was also predicted to trigger more violent reactions by the Islamic communities in Europe and Muslims worldwide.

Islam respects all the divine religions, and throughout the Islamic history, no Muslim dared to disgrace the prophets Jesus and Moses or others revealed in the other three divine books: the Old Testament, New Testament and Book of Psalms.

At this point, such events make the world more violent amid the currently dire situations, and therefore there is

an urgent need for conducting broad international dialogues and activating international role of organizations, particularly the ones having effective slogans such as those concerned with dialogue between religions and cultures.

Until now, the businesses practiced by the various international organizations worldwide doesn't seem to be in line with their slogans since these organizations remain Jamal Al-Awadhi is Editor-in-Chief silent without reacting to what of Yemenonline.info happens in the world of today.

The risk of fomenting conflicts over race and religions has a great role in the human destructions and catastrophes the world has been exposed to throughout the various stages of history. Such acts may justify to the simple Muslims what the extremist Islamists do against the western interests in the region, which consequently leads to destabilizing the region and generating more extremist youths who favor extremism in order to protect Islam from its enemies.

Those who practice such violent acts and promote violence, extremism and conflicts between nations are Fascists who should face fair trials. Their acts have nothing to do with the freedom of expression, which we are struggling to protect and demand that our government must lift any restrictions on it.

But, the human freedom doesn't mean insulting the ideologies of



Bv: Samer

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Al-Sahwa Weekly, Mouthpiece of the Islah Party Thursday, May 29, 2008

Top Stories

- Student unions accuse government of privatizing government universities
- Red Cross Society warns against fomenting violence in Yemen and other 51 vulnerable countries amid soaring food prices
- Taiz-based JMP calls for ceasing bloodshed in Sana'a
- Court prosecutes opposition leaders for allegedly damaging national unity

Yemeni court began Wednesday prosecuting three prominent leaders of the Yemeni Social Party (YSP) Hassan Baoum, who is also a member of the YSP's political bureau, central committee member Yehya Ghaleb Al-Shuaibi and activist Ali Haitham Al-Ghareeb, on charges of damaging Yemen's national unity, calling to secession and inciting deadly unrest in the south, the weekly reported in its lead story

It went on to say that the Secretary-General of the Nasserite Unionist party Sultan Al-Atwani said that the trial was politically-motivated, and in the meantime recommending that the authorities should focus on addressing the state's crises and not to try the opposition leaders.

On his part, former secretary-general of YSP Ali Saleh Obad told Al-

Sahwa.net that there are no certain charges against the defendants. Mohammad Al-Mikhlafi, Yemeni lawyer, said that Yemen's terrible conditions and government's poor policy must be seriously reviewed while human rights violators should be prosecuted and not those who have appropriate demands.

According to the weekly, the three political activists, arrested in early April, are being tried in Sana'a over a wave of protests in southern provinces which authorities blamed on the YSP, which was the former ruling party in South Yemen.



26 September Weekly, Organ of the Yemeni Army Thursday, May 29, 2008

Top stories

- Security authorities arrest 11-person terrorist cell affiliated with Qaeda
- Military and security forces drive rebels off Bani Husheish

organization in Yemen

- Yemen renews demands for releasing citizens detained in Guantanamo
- ESCWA ready to facilitates Yemen's entry into GCC

According to the Yemeni Army's organ, Executive Secretary of the UN Economic and Social Commission for Western Asia (ESCWA) Badr Ali Al-Dafa expressed ESCWA's readiness to provide training and orientation to facilitate Yemen's entry into the Gulf Cooperation Council (GCC) in 2015. The UN official said the ESCWA will work along with the Yemeni government to develop the Yemeni legislations and investment climate in order for Yemen to be compatible with the GCC states.

He pointed out the ESCWA will work with all funds, organizations and donor countries to accelerate implementation of various development projects in Yemen so as to help the Yemeni government achieve the Millennium Development Goals.

The ESCWA is carrying out special studies for the water situation in Yemen where citizens are experiencing severe shortage in water supplies in order to help the nation suggest appropriate solutions to this problem, Al-Dafa said. He asserted that the 140 representatives of agencies, funds and institutions of the United Nations attending the 25th Round of the Economic and Social Commission for Western Asia (ESCWA) being launched in Yemen is a great indictor of the success.

The round will come out with significant recommendations for strengthening the process of development in the region and recommendations will be submitted to the Conference on Financing for Development in Doha, Qatar, which will be held on September 29 to November 2, 2008, Al-Dafa explained.

Al-motamar.net, affiliated with the General People's Congress (Ruling Party) Wednesday, May 28, 2008

Top Stories

• UAE donates 500,000 tons of wheat to Yemen

 Three people hurt in Amran's hand grenade.

- Women's quota in elected bodies referred to Ministry of Labor and Social Affairs
- Defense Ministry's source announces purging of Houthis from Bani Husheish district

An official source at the Ministry of Defense announced Tuesday the purging of Sana'a governorate's Bani Hushaish district from elements of terror, sabotage and insurgency, the website reported in one of its lead stories. It quoted the source as saying that armed forces and security personnel were able to liquidate all elements of sedition and insurgency who are outlaws in the district of Bani Hushaish after these elements have carried out violation of security and public peace in addition to attacking public and private property.

On the other hand, Minister of Interior Gen. Mutahar Rashad Al-Masri has on Tuesday called on the criminal elements of sedition, sabotage and insurgency in the province of Saada to hasten surrendering themselves to heads of local authorities and police departments and stations in the governorate before it becomes too late for them to do so.

The minister said those elements are held fully responsible for whatever consequences of the rebellion they have ignited in some districts of Saada and the crimes and killing they have committed against the citizens, sheikhs, social personalities as well as destruction of public and private property, blocking roads and displacement of citizens from their homes and villages.

According to the website, the minister added these criminal elements who are

dreaming of restoring the rule of the Imamate have nothing before them now but the option of surrender. On his part, the Minister of Defense a affirmed that the armed forces and security troops, in cooperation with citizens, will confront all the terrorist elements planning to threaten the homeland's stability and security. "We will toughly deal with these insurgents and compel them to surrender and abide by power of the law," the Defense Minister was quoted as saying.



affiliated with the Nasserite Unionist Popular Organization (NUPO) Wednesday, May 28, 2008

Top Stories

- YOHR launches annual report on human rights and democracy
- Qaeda Organization in Yemen call on comrades to attack foreign interests in Yemen
- Sana'a commercial court fines Al-Arabia Satellite Channel YR 3,000 (equivalent to \$15)
- Interior Minister calls on Houthis to surrender themselves to police stations

Yemen's Interior Minister Gen. Mutahar Rashad Al-Masri called on Houthi supporters, entrenching in the Bani Husheish district of Sana'a governorate, as well as other armed Houthis spreading in the various Sa'ada governorate, to surrender themselves to nearby police stations and departments following two weeks of fierce clashes that left dozens on both sides killed or injured, the NUPO-affiliated website reported.

This came after a Defense Ministry's source declared that Bani Husheish district had been purified from Houthi loyalists, who expressed allegiance with Houthis's field leader Abdulmalik Al-Houthi in his fight with the government troops. On his part, Abdulmalik Al-Houthi denied authenticity of stories published by the official media outlets that he was killed in a rocket attack by the government troops in Al-Naqaa area of Sa'ada governorate over the past two days

Al-Houthi said in a recorded tape that stories published by the government are inauthentic and baseless, adding that he is leading his followers' battles with army personnel in Sa'ada. "There is no honor for the authority to claim that it killed or injured any Yemeni citizen without committing a sin. Since the military operations were started, the authority achieved nothing of its soughtafter objectives, and therefore it is accused of committing crimes against humanity," the Houthis' fieled leader was quoted as saying.

According to the website, the latest outbreak of fighting in the mountainous province of Saada had erupted in April last year after a lull in hostilities ensuing a ceasefire agreement brokered by Qatar in last June.

The government launched a major offensive to crush al-Houthi's rebel group and the Yemeni President Ali Abdullah Saleh vowed to impose law and order in the province after a bomb blast outside a mosque killed 15 people dead there on May

Political and economic crisis in Yemen: On the brink

By: Philipp Schweers

emen, which is somewhat of an "also ran" according to public opinion and is either exaggerated as a violent eastern tribal country or characterized as the stronghold and home of snarling, apocalyptic terrorists, has recently shifted rather involuntarily to the forefront on international news tickers.

The reason was not only tabloid-style stories about forced marriages of young girls of elementary-school age or two-line items about attacks on foreign residential complexes. Even the familiar reports on kidnappings of foreign tourists were a long time coming up to now.

The poorest country on the Arabian peninsula is not only struggling with economic turmoil, social problems, and runaway population growth, but increasingly with itself as well.

In addition to bloody hunger protests, which illustrate the growing difficulties in the Yemeni system of oil-financed consumer subsidies, the ever deeper rift between the two former states also threatens stability.

The North dominates, the South drifts

Since the unification of North and South Yemen in 1990, and particularly since the civil war of 1994, the country has been dominated politically by the northern Yemeni Hashid tribal federation.

Ali Abdullah Saleh, Yemen's president since the unification and, prior to it, the president of North Yemen – also a member of the Hashid tribe – gradually established a power structure based on the loyalty of his own tribe which systematically prevents rival tribes from having a full share of the power.

The tribes of southern Yemen, in particular, who are notorious for being extremely proud, do not accept such political and, often, economic restraints and have established or reactivated their own tribal structures.

Even innately optimistic development workers, such as the German Development Corporation (GTZ) representative in Yemen, Dr. Thomas Engelhardt, see a great danger as the two parts of the country drift apart.

Failing State?

This unilateral tribal dominance in Yemen, which is still influenced by tribal identity, and the government's author-

ifts itarian style have led to a continuing weakening of the central government.

In reality, this situation is prevalent only in the heartland around the capital of Sana'a, in the northern Yemeni highlands. It is little surprise that this is also the principal settlement area of the Hashid and their tribal allies.

In other areas of the country, the central government is only present in the form of roadblocks and military posts at strategically and commercially important locations and is regarded with suspicion by local tribal leaders.

The military forces adopt strange tactics to maintain control over the still-flowing oil wells and protect the facilities and transport routes. Thus, approximately 18 hours are needed for a 600-kilometer cross-country trip on good roads from Sana'a to the eastern coastal city of Al Mukalla.

The reason for this is the over 70 roadblocks and control points along the way, at which soldiers housed in barracks and sometimes in Russian armored combat vehicles inspect every car with extreme thoroughness.

War Is raging

At the moment, the situation is the most unstable in the province of Saada,

around two hours north of Sana'a. An open but quiet war between Houthi rebels and the Yemeni government has been raging there since 2004.

These rebels, named after their leader, Hussein Badr Eddin al-Houthi, who was killed during fighting in 2004, are adherents of a Shiite Islam in Yemen, where Sunni Muslims form a majority of the population.

As a result of the conflicts between these two currents within Islam, which have intensified recently, Yemen's Zaidi-Shiite minority sees itself increasingly on the defensive.

The rebels are members of the Zaidi sect, which was previously the ruling power until the Zaidi Imam was deposed in 1962 but is virtually powerless today.

Despite intensive Qatari mediation efforts, which in June 2007 and, most recently, in February 2008 led to cease-fire agreements between the rebels and the government, fighting has broken out again recently.

After a bombing attack in the provincial capital of Saada in which 16 people died, including seven government soldiers, the two sides are blaming each other for the renewed escalation.

As ambiguous as the precise goals may be in this conflict – they range from

speculations about a desire to restore the Imamate on the Houthi side to a complete expulsion of the Shiites supposedly envisaged by the government (President Saleh is himself a Shiite) – a quick and lasting peace agreement is equally questionable.

One thing is certain, however – this conflict is having a fragmenting and seriously destabilizing effect on Yemen.

Economic downturn

In addition to, and intensifying, the political conflicts within Yemen, increasingly obvious economic problems are threatening the country. The economy, which is dependent on oil exports, is on the verge of collapse due to falling production quotas and dwindling reserves. If one believes the estimates of foreign producers, this key resource will be exhausted within the next eight years. Investments in leading-edge sectors have been neglected, and there is no industrial base.

The optimistically cultivated tourism trade suffered tremendous losses after a deadly suicide bombing of Spanish tourists in summer 2007 and a machinegun attack on a tourist convoy in January 2008, in which two Belgian tourists died.

Yemen's population growth exceeds that of the economy, and the actual unemployment rate is over 30 percent. Combined with the increasingly precarious water shortage, which has developed into an existential threat, not only for agriculture, this paints a grim scenario for the future.

On the verge of collapse?

The two parts of the country are drifting apart, and tribal and religious conflicts are growing. The economy and, with it, the rudimentarily developed social system are on the verge of collapse. War is raging in the north. Even essential basic needs, such as water supply, are no longer covered.

In the words of the well-known Yemen expert, Dr. Robert D. Burrowes from the University of Washington, if a decisive stimulus does not come now, a slide into anarchy, à la Somalia, or civil war, as in Lebanon, can no longer be prevented in Yemen.

Philipp Schweers
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Translated from the German by Phyllis Anderson

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information

The myth of the Shia crescent

By: Michael Bröning

ecently, Israel's Vice Prime Minister Shaul Mofaz offered an unequivocal veto on a key issue in the Middle East peace process. Any return of the Golan Heights to Syria would result in an "Iranian foothold" on Israel's border and would thus not only be politically naïve but irrational.

Mofaz's statement is symptomatic of a perception that is now deeply entrenched, not only in the Middle East, but in the United States as well. That notion is of a hegemonic Iran that is attempting to dominate the region through an array of Shiite proxies. This Iranian fifth column is believed to stretch from Beirut via Damascus, Gaza to Baghdad and finally from Iran to Saudi-Arabia to Yemen. Recent armed clashes between Hezbollah and the Lebanese government are, it is said, just another sign of Iran's hegemonic reach.

Ironically, this perception brings Israel some rather unlikely partners. President Hosni Mubarak of Egypt claims that Shiites are "always loyal to Iran," while King Abdullah of Jordan has coined the axiom about a rising "Shiite crescent." This "rise of the Shiites" and the resulting "Sunni/Shia divide" is alleged to be creating an ever widening chasm in the region.

Although this perception may convince at first glance, it is ultimately based on generalizations that reveal more about its advocates than the actual reality on the ground. Take Iraq, where the looming "Shia crescent" is often blamed for much of the chaos. Recent developments in Iraq allegedly point to a fundamental clash between Sunnis and Shiites in the region and bear witness to malevolent Iranian interferences. But is Iraq really symptomatic of a greater Shia scheme?

True, sectarian tensions between Sunnis and Shiites in Iraq have escalated since the fall of Saddam. But contrary to common perception, Iraqi Shiites do not form a homogenous block that opposes the supposedly unified Sunnis. Indeed, the contrary is true. In the light of Iraqi nationalism that crosses sectarian boundaries, it is farfetched to consider the Iraqi Shia merely proxies of Iran.

Instead, what we are witnessing in Iraq

today is not ever increasing friction between religious communities but escalating internal power struggles within the Sunni and Shiite communities. Ongoing violence in Basra and the fighting between Sunni "Awakening Councils" and Al Qaida in Iraq demonstrate this. In fact, the current escalation points to an increasing political struggle between the federalist position of Shia Prime Minister Nouri Al Maliki and the centralist position of Shiite cleric Moqtada al Sadr. This struggle will ultimately define the political structure of Iraq.

Here is where Sunni-Shiite cooperation comes in. Widely unnoticed, Iraqi Sunni and Shia centralists have managed in the last couple of months to form a united parliamentary platform that leaves sectarian tensions behind. More than a hundred followers of Ayad Allawi, Al Sadr, and others have joined their ranks. This supra-sectarian platform calls for a central government administration of Iraq's natural resources and the postponement of the looming referendum to settle the status of the city of Kirkuk.

Change within the government is also noteworthy. Sunni ministers who had been boycotting the government since last year have returned to their posts. Thus, Iraq is seeing both escalating intrasectarian violence and cautious steps towards inter-sectarian alliances.

And what about Iran? Contrary to the blame games being played out in the US, Iran cannot be accused of an unrestrained aggressive stance toward Iraq. Of course, no Iranian decision-maker is interested in a US-success in Iraq that might well put regime-change in Iran back on the agenda. But the rationale behind Iran's policy

of economic, social and military engagement seems to be first and foremost, defensive.

Memories of Iraq's eight year war of aggression against Iran in the 1980's have not faded. From Iran's perspective, any future threat originating from Iraq needs to be averted by ensuring the participation in Iraq's government of Shiites and Kurds.

These complexities are lost on many observers when matched up against the convenient and catchy rhetoric of the "Shia Crescent." But they have not gone unnoticed among ordinary Arabs. A recent poll by the University of Maryland indicates that a large majority of Arabs in the region consider Iranian President Mahmud Ahmadinejad one of the three most popular political leaders worldwide. Only 11% identified Iran as the biggest threat to their security. So if a Shia threat organized by Iran really does exist, why is it being ignored by those that it purportedly targets – the Sunni Arab majori-

ties?

Rather than objectively describing the actual political situation in the Middle East, the notion of a fundamental Iranian threat is being used to continue unconditional Western support for increasingly unstable regimes. Moreover, the overstatement of the threat posed by Iran is also being used as a convenient excuse for political inflexibility and stagnating reform processes throughout the region.

But exaggerating the supposed Shia threat has a price. Continuous talk of a "Sunni-Shia divide" might ultimately develop into a self-fulfilling prophecy. Alarmist rhetoric may, in the end, jeopardize rather than protect the status quo in the region.

Michael Bröning is director of the Friedrich-Ebert-Foundation (FES) in Amman, Jordan. FES is a political foundation affiliated to the Social Democratic Party of Germany.

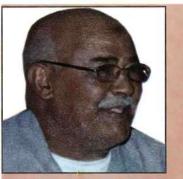
Party of Germany.
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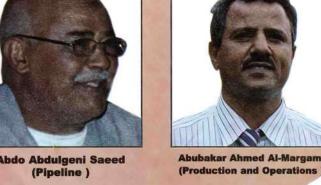


شركة صافر لعمليات الاستكشاف والإنتاج Safer Exploration And Production **Operations Company (SEPOC)**

On the Occasion of the World Labor Day

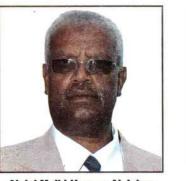
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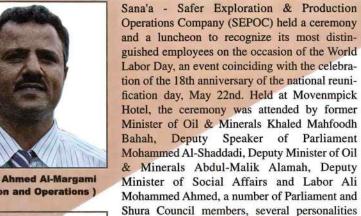




(Supply Chain)



(Production and Operations)



In the beginning of the recognition celebration, former Minister of Oil & Minerals pointed out that the celebration marks the World Labor Day and is in recognition of SEPOC's most outstanding employees and officers.

and representatives of media outlets.

He added, "Life has its successes and failures; everyone has to decide either to succeed or to fail. I mean that all of us in this particular industry want to succeed. Obviously, SEPOC has achieved great results since it assumed the operation of Block (18) on Nov 15, 2005 despite the numerous internal and external challenges. The company has devoted its efforts to overcome those challenges in cooperation with certain governmental authorities including the Ministry of Finance, Ministry of Social Affairs & Labor, Ministry of Civil Service and the Ministry of Local Governance.

He went on saying, "After SEPOC took part in laborious negotiations that defined its relationplant with feedgas through a 300-km pipeline."

Mr. Bahah also called on the Marib locals to support SEPOC as they used to support the for- Company makes headway." mer operator. He expressed his confidence that SEPOC is able to manage many oil-producing backed SEPOC right from the beginning. "We tion of its employees, given the nature of tasks were drilled in some fields such as Wadi Saba fields in the future. "We trust SEPOC to be able appreciate the support given to the SEPOC they perform and risks they encounter." to mange a large number of oil fields in Marib and in other places in the future. We all have to Ministry of Oil & Minerals (MOM). When the areas where operations are conducted, Mr. Al-spudded as well. Some of the wells drilled are solve the relevant problems. Al-Woshali and continually making achievements."

At the end of his speech, Mr. Bahah concludto do their best to get prizes next year."

On the other hand, SEPOC's Executive ees deserve awards, given their remarkable and could be solved.

2005, I and the employees encountered many difcialist consultant companies. ficulties and obstacles. We all saw to it that the

whether from the political leadership or from the all the awarded employees and encourage others for his unconditional support, saying that he is authorities."

"the reason behind the Company's success". On the other hand, SEPOC's EGM indicated Natural Gas (YLNG) Project which is considered Health, Safety, Security and Environment, and General Manager Mr. Mohammed Hussein Al- the internal and external challenges the Company one of the largest projects in Yemen and is the Corporate Strategy Office. Many training the last year. There were three types of awards his Special Recognition Award. This year's Haj delivered a keynote address. He welcomed faces, emphasizing the seriousness of the internal expected to be a major source of income for the programs have been set up for the Company's presented: Outstanding Achievement Award, recipient was Mr. Abdul-Rahman Abdullah Althe attendees. He pinpointed the fact that SEPOC ones. He hoped that, with the support of the polit-country. Yet, he explicitly set forth SEPOC's employees both locally and abroad. has a tradition of honoring some outstanding ical leadership and the concerned authorities, the main responsibility: to provide the country with employees on annual basis although "all employ- challenges could be overcome and problems oil from Block (18), a mission that should not be Minerals & Chemical Workers, Mr. Abdul Company's Yemeni nationals can compete for performance criteria mentioned above. The

natural gas that will supply Belhaf liquefaction "Since I took charge of the Company on Nov 19, the departmental managers concerned and spe- Parliament, etc. "The rule is that an employee is appointed in

Concerning the social development in the local

work as hard as possible for the sake of success Company assumed operation of Block (18) on Haj said, "We are highly keen to serve the local now producing oil. They are located in different Nov 15, 2005, there were rumors that SEPOC communities including the areas where the fields including Alif, Raidan, Asad Al-Kamil, would collapse after two weeks. However, we all Marib-Ras Issa Export Pipeline passes. We pro- and Al-Raja. The E&D Department also conducted," Such kind of recognition of outstanding worked as one team and devoted our efforts to vide electricity, drill water wells for adjacent dis- ed studies to evaluate the oil reserves in the SEPOC's employees will encourage competition make SEPOC succeed." Mr. Al-Haj showed his tricts and do whatever we can do in this regard Block. among the company's workforce. I congratulate gratitude towards President Ali Abdullah Saleh but we cannot replace the social development

compromised.

successful achievements during the last three Mr. Al-Haj added that one of the reasons At the end of his speech, Mr. Al-Haj thanked gratitude towards the MOM, SEPOC's Executive departmental managers for the achievement award recognizing his selection.

Then, SEPOC's Exploration & Development

Manager Saif Mohsen Al-Sharif presented a the position he/she fits. The Company's perform- review of the Company's achievements during and Al-Sloob, Western Nogum, etc. He further noted that a number of development wells were

The Company underwent a recent restructure ed. with the result that new departments have been He also talked about the Yemen Liquefied created including the Tender & Contract Dept.

On behalf of the General Union of Petroleum.

Mr. Al-Haj admitted that it would take much behind the success of the Company is the recruit- President Ali Abdullah Saleh and all those who Manager Mohammed Hussein Al-Haj, and all awards and selection was made by the Executive ship with the YLNG Co. over the last three years, time to enumerate the achievements of SEPOC. ment and appointment of well qualified person-support SEPOC including the MOM, Ministry of employees who stand behind the current progress Manager and a special award committee. Some SEPOC nowadays is a producer of the Yemeni He, however, indicated briefly some of them. nel, after taking into consideration the opinion of Finance, Ministry of Civil Service, the and success of the Company. He congratulated 37 Outstanding Achievement Awards were prethe winners along with all employees on the sented with each recipient receiving a cash bonus

"The Company and its employees deserve such recognition and honor," he said. "We, in the sented based on the following criteria: Mr. Al-Haj did not forget to thank those who ance, therefore, is high and so is the compensa- 2007. He said that a number of exploration wells Union, encourage the Company's personnel to Employee's contribution to the overall success of

confidence that SEPOC's management is able to tive/creativity, and dependability/reliability. In demanded the MOM to grant the employees the recipients, four other employees were chosen by nature-of-work allowance and improve their conditions. "The oil sector employees should be Hussein Al-Haj, to receive the Special taken into consideration because this sector Achievement Awards. They are: counts for 80% of the national revenues," he stat-

During this special recognition event, SEPOC recognized some forty two employees who demonstrated excellent performance throughout

and a certificate recognizing her/his selection. The Special Achievement Awards were pre-

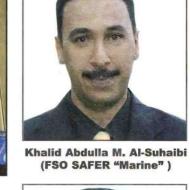
Safer Exploration and Production Operations Regarding the job evaluation, he expressed his Company (SEPOC); leadership ability, initiaaddition to the Outstanding Achievement Award SEPOC's Executive Manager Eng. Mohammed

> 1- Hassan Naji Thawaba 2- Hussein Mohammed Al-Sanabani 3- Mahmoud Ahmed Saleh Saeed, and

4- Ahmed Abdul Tawab Saleh Saeed Special Achievement Award, and Executive Akwa'. This award is given to recognize the Manager's Special Recognition Award. All employee or officer who best exemplifies the Wahab al-Woshali delivered a speech expressing these awards. Employees were nominated by recipient was given a special certificate and cash



Mr. Mohammed Hussein Al-Haj **SEPOC Executive Manager**





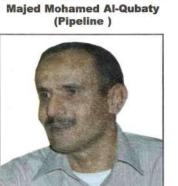




Abdulla(Administration



Zayed Ahmed Roban



Mansoor Abdulla Raieh



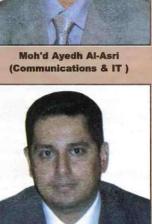


Member of the Labor Union



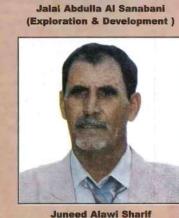
Mahmoud Ahmed Saleh Saeed Received his Special **Achievement Award**





Mohamed Ahmed Al-Jabali

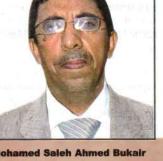
(Finance)



(Pipeline)



Najwa Sadig Abdulla Yani (Production and Operations)



(Production and Operations) (Production and Operations)



Abdul Rahman Abdulla Al-Akwa'a.

Receiving his Special Recognition Award

(Production and Operations)



Hussien mohamed Al-sanabani

Receiving his Special Achievement Award



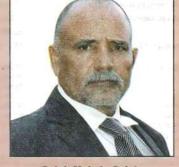
(Production and Operations)



Hassan Naji Thawaba

Receiving his Special Achievement Award

(Production and Operations)



(FSO SAFER "Marine")



Ahmed Abdul Twab Ahmed Ghaleb

Receiving his special Achievement Award

(Supply Chain)



(Production and Operations









Cooperative & Agricultural Credit Bank

CIAL STATEMENTS FOR THE YEAR ENDED 31

Dear H. E. Dr. Mansour Ahmed Al-Hoshb Minister of Agriculture and Irrigation

arive & Age

Subjects CAC Bank Annual Administration Report of the Fiscal Year Ending on 31/12/2007 Accountants - Auditors - Consultants

In my name and on behalf of my colleagues; the executive senior managers, consultants and employees of the Bank, I would like to thank you for accepting the invitation to attend this meeting specified for the discussion of the Audited Financial Statements as they are on 31/12//2007 As well, to hear the independent Auditor's Report expressing the financial performance of the Bank and the audited results reached in the same year.

The year 2007 was a pioneering year for GAG Bank; during which the Bank witnessed a lot of achievements and remarkable results. Such accomplishments are counted as a part of the many achievements fulfilled by the national accomplishments are downed as a part of the society in general. These outstanding accomplishments simply reflect the sincere and strenuous efforts exerted by the government in light of the guidance given by H.E. the President, All Abdullah Saleh, who Issues rational instructions to further enhance the economical, financial and monetary policies beside improving the general performance of the concerned authorities dealing with local and foreign investors.

These polices have led to encouraging incentives which attracted more investments in all aspects. The rationalized policy adopted by our political leadership and rightly guided government has resulted in encouraging many of the local banks to improve their performance and to play a prominent and influential role to shoulder the investment and

OAG Bank has continued its distinguished performance in 2007 and emphasized its role in the service of the national economy by virtue of the well controlled and balanced management to its assets. It is remarkable to mention that the management of the Bank, supported by the dedicated employees, has sincerely put all their valuable efforts to move-forward with the Bank to take a pioneer position among the Yemeni Banking Community. In the 2007 consolidated Balance Sheet of banks in Yemen, Issued by the Gentral Bank of Yemen, the following self-explanatory quotation has been highlighted:

"It is noticeable that national banks have achieved a remarkable growth in regard to the total of Assets i.e. GAG Bank has scored rate of growth at 124.1 % which is the highest among the national banks as well among other working banks in general."

Below are figures abstracted from the 2007 Audited Financial Lists compared with the Financial Lists of the previous three years:

Items years	2004	2005	2006	2007
Net assets	17.465.384	27.891.313	55.593.152	125.866.950
	13.449.464			
Net advances and loans	5.570.978	13.818.103	15.398.776	43.586.124
Not each and each equivalents	10.616.784	12.324.085	32.390.049	63.214.685
Net liabilities	3.090.958	4.581.012	5.073.568	6.452.392
Net profit	13.419	ZERO	512.758	1.278.823

Comparing above indicators for 2007 and 2006, it is observable that the total Assets of the Bank grew by 127%, deposits grew by 142%, Loans 2 advances grew by 183%, cash portfolio grew by 95%, net profits – after Zakahi deduction increased by 149% and shareholders' equity increased to YER. 6,462,392 compared to YER. 6,073,668 in 2006. Such indicators are witness for the distinguished performance and continuous progress realized by the Bank.

On the other hand, the bank has continued to realize advanced improvements in the quality of its various banking products and services, besides adopting institutional

During 2007 the Bank has expanded its inter-branch network – connected (on line) to the central core-banking in the Head Office - to cover 21 branches. On the same pace, an additional six new branches were opened to serve remote areas in the country. As well, 35 ATMs and 1165 point of sales (P.O.S.) network service are also supplied to the public. The electronic banking services become essential outlets to the Bank alming to satisfy the requirements of its clients any where and any time countrywide. It is notable to mention that the new electronic products give its fruits as over one hundred and fifty thousand clients are now well oriented to use CAC Bank Smart Cards. Herein it is worthy to mention that the Rank animy the privilege of issuing directly the visa cards locally.

Training:

All achievements obtained together with the various banking products launched in 2007 sould not be done without the intensive care given to the human resources who are considered the backbone to the banking Industry. The bank carried out a number of extensive training courses and illustrative workshops internally and abroad aiming to qualify and improve the employees' skills and proficiency to meet the international standards. Such programs were held in the most famous banking institutions and centers. The number of candidates joined such programs were 1168 employees, coincided to the evolutionary programs planned by the Bank to develop, update and wholly up-rise with its banking activities. The Bank launched a program called "Developing and Nodernizing the Bank" aiming to position the Bank up to the level of the regional banks. The strategy of the project targets to improve and update its; policies and procedures, the organizational chart and legal affairs and in general to implement a total re-structuring process and transform it to a real universal bank connected with a comprehensive and continuous training program.

Towards this end the Higher Tender Committee has passed its approval to the project which is entrusted to a Joint Venture Consultant Company and the implementation of the

CAC Bank which is dealing with different sectors of people is considered the first public bank (the Bank of the People) by virtue of its spread 49 branches, the 50 ATMs besides a big number of POSs, the bank obtained several outlets to provide services to the public. The Bank was also taking the privilege to present itself by participating and sponsorin economical, social, sports activities and other popular events.

Based on the financial statements and related clarifications, it is observable that all passes of the insulation consists and control control of the board of Directors, executive management and employees of the Bank to achieve a concrete capital base for the Bank. Besides increasing its share from banking market and thus improving its assets constantly. The Bank is strongly seeking to play a prominent role to shoulder the development projects and enhance investment sectors related to the national economy. As well, the Bank targets include reducing of unemployment and to create and finance job opportunities for the youth sector and to carry out the rationalized policies of the government in all related fields.

Finally, in my name and on behalf of my colleagues, Board of Directors and CAC Bank staff, I would like to extend my profound thanks and gratitude to the President, Ali
Abdullah Saleh for his wise policy and enlightening directions which represent the
solid base and security valve for all the achievements, prosperity and progress
enjoyed by our Country and the people. I would like also to take this opportunity to
extend our thanks and appreciation to H.E. Dr All Mohammed Mojawar, the Prime
Minister Dr Mansor Al Haushahi, Minister of Agriculture and

Minister, Dr Mansor Al Hawshabi, Minister of Agriculture and Irrigation, Dr Noman Taher Al-Suhibi, Minister of Finance , Mr AbdulQader Hilal, Minster of Local Administration and all Government Figure who strongly supported the Bank, Our thanks are also extended to Mr. Ahmed Abdurrahman Al-Samawl, the Governor of Central Bank of Yemen and to Or Abdullah Abdullah Al Sanafi, Head of COCA for their sincere cooperation and efforts made to improve the banking sector through regulations and control levels.

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Chairman of the Board of Directors Hafedh Fakhir Maa'yad

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS ON THE COOPERATIVE AND AGRICULTURAL CREDIT BANK

Report on the Financial Statements

We have audited the accompanying financial statements of the Cooperative and Agricultural Commissions and fee income on banking services Credit Bank (The Bank) which comprises the balance sheet as of 31 December 2007, the (Loss) / Gain on foreign currency transactions related income statement, statements of changes in equity and cash flows for the year then Grants ended, and a summary of significant accounting policies and other explanatory notes. Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and related Yemeni laws and regulations. This responsibility includes designing, implementing and Provisions maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and related Yemeni laws and regulations. Those standards require that we comply with ethical requirements and plan and pertorm the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Cooperative Agricultural Credit Bank as at 31 December 2007, and of its financial pertormance, the changes in equity and its cash flows for the year then ended in accordance with International Financial Reporting Standards and related Yemeni laws and regulations.

Report on other Legal and Regulatory Requirements

We have obtained all the information and explanations which we required for the purpose of our audit. We also confinm that, in our opinion, proper accounting records have been kept by the Bank and the accompanying financial statements are in agreement therewith. According to our knowledge and belief no material violations to the provisions of the Banks Law no. 38 of 1998, Cooperative Agricultural Credit Bank Law no. 39 of 1982 or guidelines of Central Bank of Yemen have occurred during the year ending 31 December 2007.



BALANCE SHEET

		31 December	31 December	T
		2007	2006	
ASSETS	Note	YR-000	YR: 000	
Cash on hand and reserve balances with the Central Bank of Yemen	5	22,004,055	7,927,054	þ
Due from banks	6	16,652,364	8,773,008	Į,
Treasury bills, net	7	30,197,280	7,640,991	ľ
Certificates of deposit with the Central Bank of Yemen	8	4,800,000	8,750,000	l
Government bonds	9	4,460,866	4,460,866	l
Loans and advances to customers, net of provision	10	43,586,124	15,398,776	l
Available for sale investments, net	11	59,060	57,000	l
Debit balances and other assets	12	1,729,214	829,282	l
Property, plant and equipment, net of accumulated depreciation	13	2,377,987	1,756,175	9
TOTAL ASSETS		125,866,950	55,593,152	1
LIABILITIES AND EQUITY				I.
LIABILITIES				4
Due to banks	14	10,706	82,461	ŀ
Customers' deposits	15	117,113,434	48,426,392	h
Credit balances and other liabilities	16	1,557,698	1,578,361	1
Other provisions Long term loans	17	589,915 142,806	289,564 142,808	l
TOTAL LIABILITIES		119,414,559	50,519,584	F
TOTAL EMBILITIES		110/1111/200	30,010,301	[5
EQUITY				F
Capital	19	6,000,000	4,875,770	l
Reserves	19	452,391	197,798	6
TOTAL EQUITY		6,452,391	5,073,588	li
TOTAL LIABILITIES AND EQUITY		125,866,950	55,593,152	Ι,
CONTRA ACCOUNTS AND OTHER COMMITMENTS, NET	20	58,991,467	31,147,228	
Independent Auditors' report attached (page 1).				١,

The attached notes 1 to 41 form an integral part of these financial statements.





2007 2008 OPERATING INCOME Interest on loans and advances to customers and due from banks 4,227,239 2.278.430 Interest on certificates of deposit with the Central Bank of Yemen 1.458.255 204.218 Interest on treasury bills 664,876 706,276 507,025 Total interest income 8,545,144 3,654,549 Cost of deposits 2,747,491 23 1.389.837 826,688 (31,925) 328 327 60,000 60,000 Other operating income 336,723 50,041 NET OPERATING INCOME 6,818,700 4,012,547 OPERATING EXPENSES 4,579,169 2,954,137 General and administration expenses 950,708 535,652 TOTAL OPERATING EXPENSES 5,529,877 3,489,789 PROFIT FOR THE YEAR BEFORE ZAKAT 1,288,823 522,758 (10,000)(10,000)PROFIT FOR THE YEAR AFTER ZAKAT 1.278.823 512,758 PROFIT FOR THE YEAR 1,278,823 512,758 YR 234.65 YR 104.64 Basic comings nee share 30

		Capital YR 000	Statutory Reserve YR-000	General Reserve YR 000	Profit for the Year YR 000	Total YR 000
Balanc	e at 31 December 2005	4,523,221	41,958	2,013	13,819	4,581,012
Profit f	or the year				512,758	512,758
Transf	er to statutory reserve		76,913		(76,913)	-
Transf	er to general reserve			76,913	(76,913)	
Transf	er to capital	352,549			(352,549)	
Govern	ment dividend				(20,202)	(20,202)
Balano	e at 31 December 2006	4,875,770	118,872	78,926		5,073,568
Transf	er from general reserve	24,230		(24,230)		
Capital	paid in by Agricultural Promotion Fund	100,000				100,000
Restat	ed balance as at 1 January 2007	5,000,000	118,872	54,696		5,173,568
Profit f	or the year				1,278,823	1,278,823
Transf	er to statutory reserve		191,823		(191,823)	
	er to general reserve			192,000	(192,000)	-
	r from profit for the year and general reserve to capital	1,000,000		(105,000)	(895,000)	
Goven	ment dividend					
Balano	e at 31 December 2007	6,000,000	310,695	141,696		6,452,391

In compliance with the resolution of Central Bank of Yemen no. 12 for 2004 dated 8 December 2004 and based upon the approval of the Bank's Board of Director's resolution in its meeting held on 23 April 2007 and the approval of Ministry of Finance dated 3 March 2007 it was resolved to increase the capital of the Bank out of the profits for the year 2005 and subsequent years, until the capital reaches YR 6,000,000 thousands. After the transfer of the residual balance remaining from the profit for the year 2006 after the transfer to statutory and general reserves and the proposed dividend payable to shareholders to share capital the share capital reached as at 31 December 2006 4,875,770 thousands.

The Board of Directors resolved in its meeting held on 23 January 2008 to transfer YR 24,230 thousands from general reserve to the paid share capital to become VR 5,000 million comprising of 5,000 thousands shares of nominal value VR 1,000 each. The Board of Directors also resolved to increase the share capital to VR ten billion and to increase the nominal value of the share meanwhile fixing number of the shares. The Board of Directors will implement this increase in the capital during the coming period from the current reserves or those which will be formed from future profits without contradicting the rules and regulations of the Central Bank of Yemen in this regard. The Board of Directors resolved in its meeting held on 25 March 2008 to increase the share capital to YR 6,000,000 thousands by the transfer of YR 105,000 thousands from general reserve and the balance of the profit for the year after transferring to statutory reserve and general reserve for the year to the share capital, making number of issued shares 6,000 thousands of nominal value YR 1,000 per share.

As shown in note 13 the Bank did not revalue properties it owns in accordance with the provisions of International Accounting Standard no. 16. Had the Bank done so, the equity would have increased by YR 1,480,962 thousands to YR 7,933,373 thousands (2006: YR 6,554,550 thousands) and the fair value of each share would have been YR

	1,587 (2006: YR 1,311/ share).		
er	The attached notes 1 to 41 form an integral part of these financial statements.		
_	STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 33	LDECEMB	ER 2007
		2007	2008
	CASH FLOWS FROM OPERATING ACTIVITIES	YR 000	YR 000
	Profit for the year before the Zakat Adjustments for:	1,288,823	522,759
	Provision for losses on loans and advances and on contra accounts made during the year	950,708	53(5,857)
	Provision for losses on losse and advances and contra accounts written back to income statement	(302,497)	-
	Amount utilized during the year from provision for losses on loans and advances		(75)
	Income from sale of property, plant and equipment	(1,656)	(3,302)
•	Zakat paid	(10,000) 340,768	(10,000) 219.650
	Depreciation of property, plant and equipment		
	Net operating profit before changes in assets and flabilities related to operating activities (1)	2,266,146	1,264,684
•	CHANGES IN BANKING ASSETS AND LIABILITIES		
2	(Increase) in reserve balances with the Central Bank of Yemen (Increase) in Treasury bills maturing after three months, net of unamortized discount	(9,724,922) (13,089)	(5,078,038) (12,074)
-	(Increase) in Treasury bills meturing after three months, net or unamortized discount (Increase) in Loans and advances to customers before provision but after suspended	(28.535.208)	(1,910,784)
	Interest	(20,000,000)	11,212,144
	(Increase) in Debit belonces and other society	(899,932)	(587,291)
	Net (Increase) in assets (2)	(39,173,151)	(7,588,187)
	(Decrease) / Increase in due to banks	(71,755)	82,460
2	Increase in customers' deposits	68,687,042	26,643,077
	(Decrease) / Increase in credit balances and other liabilities	(20,663)	900,957
	Net increase in liabilities (3)	68,594,624	27,626,494
_	CASH FLOWS (USED IN) INVESTMENT ACTIVITIES		
1	Purchase of property, plant and equipment	(972,350)	(714,205)
	Sale proceeds from sale of property, plant and equipment Purchase of sociable for sale investments	11,428 (2,060)	11,811
		1-11	-
	Net cash flows (used in) investing activities (4)	(982,984)	(702,394)
	CASH FLOWS FROM / (USED IN) FINANCING ACTIVITIES (Decrease) in Long term loans		(514.431)
	Increase in the capital	100,000	(514,431)
_	Dividend poid for the year	100,000	(20,202)
2	Net cash flow from / (used in) financing activities (5)	100,000	(534,633)
	Net increase in each and cash equivalents (1+2+3+4+5)	30,824,635	20,065,964
•	Cash and cash equivalents at 1 January	32,390,050	12,324,085
	Cash and cesh equivalents at 31 December	63,214,685	32,390,049
	Represented by:		
	Cash on hand and reserve balances with the Central Bank of Yernen	22,004,055	7,927,054
	Due from banks	16,652,364	8,773,008
	Tressury bills Covernment bonds	30,197,280 4,460,866	7,840,991 4,460,866
-	Certificate of deposit with Central Bank of Yemen	4,800,000	8,750,000
	Reserve balances with the Central Bank of Yemen	(14,802,980)	(5,078,038)
	Treasury bills maturing after three months, net of unemortized discount	(96,920)	(83,832)

web site:www.cacbank.com.ye

يتك التسليف التعساوتي والزراعسي Cooperative & Agricultural Credit Bank (A C BA N K و الزراعسي والزراعسي التعساوتي والزراعسي والزراعسي التعساوتي والزراعسي والزراعس والزراعس والزراعس والزراعس والزراعس والزراعس والزراعس والزراعس والزراع والز

Cash and cash equivalents at 31 December 63,214,685

The attached notes 1 to 41 form an integral part of these financial statements.

بنك التسليف التعساوني والزراعسسي Cooperative & Agricultural Credit Bank 🌙 🗘 🖽 🗥 منك

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4- RISK MANAGEMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (continued)

Interest rate risk Interest rate risk arises from the possibility that changes in interest rates will affect the future | Tier 1 capital cash flows or 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.

The table below shows the Bar	nk's exposu	re to Intere	st rate risks			
As at 31 December 2007	Less than 3 months	From 3 to 6 months	From 6 months to 1 year	Over 1 year	Non Interest Sensitive	Total
ASSETS	YR'000	YR'000	YR'000	YR'000	YR'000	YR'900
Cash on hand and reserve balances						
with the Central Bank of Yemen	7,981,782		-		14,042,293	22,004,05
Due from banks	7,674,565	-			8,977,799	16,652,36
Certificates of deposit with Central						
Bank of Yemen	4,800,000	-	-		-	4,800,00
Treasury bills, net	30,100,360	96,920				30,197,28
Concernment bonds				4 400 000		4 400 00

Available for sale investments, net 59,060 59,060 Loans and advances to customers net of provision 32,248,703 8,084,100 2,610,149 643,172 43.588.124 1,729,214 Debit balances and other assets 1,729,214 Property plant and equipments 2,377,987 Total assets 82,785,390 8,181,020 2,810,149 5,104,038 27,186,353 125,866,950 LIABILITIES AND FOURTY Due to banks 10,706 10,706 105,325,783 11,782,400 5,251 117,113,434 Credit balances and other liabilities 2.147,613 2,147,613 142,806

42,886 Long term loans 100,000 6,452,391 6,452,391 Total liabilities and equity 105,325,783 11,782,400 42,806 8,715,961 125,966,950 Interest rate sensitivity gap (22,540,393) (3,601,380) 2,610,149 5,061,232 18,470,392 Cumulative interest rate sensitivity gap. (22,540,393) (26,141,773) (23,531,624) (18,470,392)

								١.
	As at 31 December 2006	Less than 3 months	From 3 to 6 months	From 6 months to 1 year	Over 1 year	Non Interest Sensitive	Total	
	ASSETS	YR'000	YR'000	YR 1000	YR'000	YR'000	YR'000	l.
Ì	Cash on hand and reserve balances with the Central Bank of Yemen	4,196,257	-			3,730,797	7,927,054	1
	Due from banks	5,044,769			-	3,726,239	8,773,008	ľ
	Certificates of deposit with Central Bank of Yomen	8,750,000					8,750,000	
	Treasury bills, net	7,551,151	89,840				7,640,991	l.
	Government bonds				4,460,866		4,460,866	ľ
	Available for sale Investments, net	-	-			57,000	57,000	ı
	Loans and advances to customers, net of provision	9,882,288	5,351,245	160,452	4,790		15,398,775	ı
	Debit balances and other assets	-	-		-	829,282	829,282	ı,
	Property plant and equipments					1,756,175	1,756,175	i
	Total assets	35,424,465	5,441,085	160,452	4,465,656	10,101,493	55,593,151	
	LIABILITIES AND EQUITY							ı
	Due to banks	82,461			-		82,461	ı
	Customers' deposits	40,640,236	7,786,156				48,426,392	ı
	Credit balances and other liabilities					1,867,924	1,867,924	l
	Long term loans				42,806	100,000	142,806	ľ
	Equity	<u> </u>	<u> </u>		<u> </u>	5,073,568	5,073,568	ľ

In addition to the above mentioned note no. 33 shows the average interest rates on assets and liabilities applied during the years ended 31 December 2007 and 31 December 2006.

40,722,607 7,786,156

(5,296,232) (2,345,071)

(5.298,232) (7.643,303) (7.482,851) [3,060,001)

42,806 7,041,492 55,593,151

160,452 4,422,650 3,060,001

Due to the nature of the Bank's activities, the Bank deals in different foreign currencies; hence it is exposed to exchange rate risk. The Bank strives to maintain a balanced foreign currencies positions in compliance with the Central Bank of Yemen instructions and the requirements of the 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. In order to comply with the Central Bank of Yemen circular no. 6 of 1998, the Bank regularly monitors its 8- CERTIFICATES OF DEPOSIT WITH THE CENTRAL BANK OF YEMEN foreign currency positions and sells the excess funds in foreign currencies to the Central Bank of Yemen at the prevailing rates on the date of sale.

The significant foreign currency positions of the Bank are shown in note no. 38. The Bank had the following significant net exposures to foreign currencies:

		Dollar	Starling	Euro	Saudi Riyal	currencies	Total
		YR'000	YR'000	YR'000	YR'000	YR'000	YR'000
	Assets	46,053,144	33,324	1,802,606	2,230,453	601,771	50,721,298
	Liabilities	44,972,863	34,493	1,830,752	2,068,918	599,672	49,506,696
	Net currency position	1,080,281	(1,168)	(28,146)	161,535	2,099	1,214,600
	As at 31 December 2006	United States	Pound			Other	
		Dollar	Starling	Euro	Saudi Riyal	currencies	Total
ı							

YR'000 YR'000 YR'000 YR'000 YR'000 72,579,087 447.013 1.672.696 8,683,133 902,908 84.284.837 Liabilities 71,089,886 81,600 1,426,086 8,341,350 342,370 81,281,292 1,489,201 365,413 341,783 560,538 Net currency position 246,610 3,003,545

Capital management

8000

Total liabilities and equity

Interest rate sensitivity gap

Cumulative interest rate sensitivity gap

As at 31 December 2007 United States Pound

The primary objectives of the Bank's capital management are to ensure that the Bank complies with external imposed capital requirements and that the Bank maintains strong credit ratings and healthy capital ratios. The capital adequacy are monitored on a quarterly basis by the management of the Bank employing techniques based on the guidelines as implemented by the Central Bank of Yemen for supervisory purposes. The required information is filed with the Central Bank of Yemen on a quarterly basis.

The Central Bank of Yemen requires each bank in Yemen to maintain a ratio of total capital to the risk weighted assets at or above the internationally agreed minimum of 8%. In addition, the Bank is required to maintain a ratio of total capital to the customer deposits at or above 5%. The total capital of the Bank is divided in two tiers:

Tier 1 capital: which comprises the share capital, statutory reserves and general reserve.

Tier 2 capital: which comprises the revaluation reserves and unrealized gains arising from any changes in fair value of available for sale investments.

Investment in any local bank or finance company is deducted from the Tier 1 and Tier 2 capital. The balance of general provision for loans and advances is added to the Tier 1 and Tier 2 capital.

The risk - weighted assets are measured by means of a hierarchy of four risk weights classified according to the nature of and reflecting an estimate of credit, market and other risks associated with each asset and counterparty, taking into account any eligible collateral or guarantees. A similar treatment is adopted for off balance sheet exposure, with some adjustments to reflect the more contingent nature of potential losses.

RISK MANAGEMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

Capital management The Bank complied with all the externally imposed capital requirements to which they are subject. The capital adequacy is calculated as follows: 31 December 31 December

2007 2006 YR:millions YR millions 4,876 Capital 452 198 Total equity 6.452 5,074 823 372 General provision balance as at year end Investment in any local banks or financial companies (57)Total qualifying capital 7,216 5,389 Risk weighted assets 25,406 14.034 On balance sheet Off balance sheet 26,479 16,293

Total risk - weighted assets 51,885 30,327 Capital adequacy ration 17.76% Total capital 13.91% 5- CASH ON HAND AND RESERVE BALANCES WITH THE CENTRAL BANK OF YEMEN 31 December 31 Decemb

2007 2008 YR-000 YR:000 Cash on hand: in local currency 4,126,094 1,324,712 In foreign currencies 3.075.001 1,524,304 7,201,095 2,849,016 Total cash on hand Reserve balances with the Central Bank of Yemen: 7,961,762 4,196,257 In foreign currencies 6,841,198 881,781 Total reserve balances with the Central Bank of Yemen 14,802,960 5,078,038 Total cash on hand and reserve balances with the Central Bank of Yemen 22,004,055 7,927,054

In accordance with the Yemeni Banks Law no. 38 of 1998, the Bank is required to maintain statutory leposits with the Central Bank of Yemen at 10% on local currency and 20 % on foreign currencies of ts demand, time and other deposits. The rate of interest income is determined by the Central Bank | 10-b Suspended interest of Yemen from time to time. The reserve balances in local currency carry an effective interest rate of 13% (2006: 13 %) and the balances in foreign currency are non-interest bearing deposits.

1	6- DUE FROM BANKS	31 December	31 December
ı		2007	2006
ı	Due from the Central Bank of Yemen and other local banks	YR-000	YR'000
	Current accounts with the Central Bank of Yemen:		
١	In local currency	3,794,364	3,260,838
١	In foreign currencies	666,751	465,174
ı	Total due from the Central Bank of Yemen	4,461,115	3,726,012
;	Current account balances with local banks	2,177	2,226
	Total due from the Central Bank of Yemen and other local banks	4,463,292	3,728,238
٩			
:	Due from foreign banks and other financial institutions		
1	Current and demand account balances	4,514,506	3,633,530
1	Time deposits	7,674,566	1,411,240
	Total due from foreign banks and other financial institutions	12,189,072	5,044,770

16,652,364 8,773,008 Total due from banks Current accounts and time deposits with foreign banks carry variable interest rates while current account with the Central Bank of Yemen and local banks do not carry any interest.

7-TREASURY BILLS, NET	31 December	31 December
	2007	2006
	YR-000	YR'000
Treasury bills due within 90 days	30,900,000	7,700,000
Treasury bills due within 180 days	104,600	89,840
Total treasury bills	31,004,600	7,789,840
Unamortized discount due within 90 days	(799,640)	(142,840)
Unamortized discount due within 180 days	(7,680)	(6,009)
Net book value of treasury bills	30,197,280	7,640,991
Net book value of treasury bills	30,197,280	7,640,991

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.

	31 December 2007 YR:000	31 December 2006 <u>YR'000</u>
ertificates of deposit - 91 days	4,800,000	8,750,000
and the state of t	Charle of Venner, much contiffe	

are considered as part of cash and cash equivalent assets.

	2007	2007
	YR'000	XK.000
Government bonds	4,460,866	4,460,866
In accordance with the Council of Ministers' Resolution no. 145 of 2006 of decided that the Ministry of Finance should purchase the agricultural credi December 2006 and according to the agreement reached between the Ministry	t portfolio due to ti	e Bank as at 31

Bank of Yeman, on behalf of the Government, issued government bonds maturing on 11 April 2016. These bonds sem interest, psyclide in emeans, at the everage rate of three months and being paid on due dates.

10 - LOANS AND ADVANCES TO CUSTOMERS, NET OF PROVISION

9- GOVERNMENT BONDS

1		2007	2006
	Agricultural loans (Junior farmers)	YR-000	YR'000
٠	Short term agriculture loans	333,916	80,739
	Medium term agricultura loans	147,510	131,273
1	Long term agriculture loans	13,072	4,838
	Rural development and environment protection loans	143,723	30,300
¢	Total agricultural loans	638,221	247,650
5	Other loans and advances		
	Debit current accounts and overdraft facilities	30,643,051	12,886,690
	Commercial loans	2,965,058	1,134,082
	Personal loans	6,162,617	2,666,987
1	Employees loans	214,216	187,878
1	Documentary letters of credit financing	4,413,355	850,383
	Cheques purchased	2,351,378	431,985
	Total other loans and advances	46,769,675	18,158,005
	Provision for losses on non-performing agricultural loans (10 – a)	(6,383)	(2,477)
1	Provision for losses on non-performing agricultural loans (10 – 2) Provision for losses on non-performing other loans and advances (note 10 - a)	(2,610,723)	(2,266,789)
1		4-1	4-1
г	Suspended Interest (note 10-b)	(1,204,666)	(137,633)
8	Total provision for losses on non performing loans and advances and suspended interest	(3,821,772)	(3,006,879)
	Not loans and advances to customers	43,586,124	15,398,776

10- LOANS AND ADVANCES TO CUSTOMERS, NET OF PROVISION (CONTINUED

Gross non-performing loans and advances at 31 December 2007 amounted to YR 5,196,422 thousands

ı	(31 December 2006: YM 5,117,820 (housends). The breekup of the at	DVM amount is so tolicars:		
ı		31 December		
ı		2007	31 December 2006	
ı		YR:000	YR'000	١.
ı	Substandard debts	1,000,599	815,171	
ı	Doubtful debts	247,295	2,226,009	
ı	Bad debts	3,288,528	2,076,659	
1	Total gross non performing loans and advances	5,196,422	5,117,839	,

10 - LOANS AND ADVANCES TO CUSTOMERS, NET OF PROVISION 10-e Provision for losses on non-performing loans and advances

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 rovision for losses on loans and advances made by a bank in compliance with the regulations of the Central Bank of Yernen in this respect, are not subject to the provisions of any income tax law and are allowable as a deduction in arriving at the taxable income. This is not applicable as the Bank is exempted from income tax.

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

Provision for agriculture loans		ecember 200	,,		ocember 266	
	Specific YR'900	General YR'000	Total YR'000	Specific YR'000	General YR'000	Total YR'000
Salance at 1 January Provided for the year (note 28)	:	2,477 3,566	2,477 3,586	_ :	2,477	2,477
Salance at 31 December		6,383	6,383		2,477	2,477
rovision for other loans and advances	31 December 2007			31 December 2006		
	Specific YR 100	Ceneral YIE'000	Total YR 1000	Specific YR'000	General Yik'000	Total Y11'000
Balance at 1 January	2,185,188	81,661	2,366,768	1,853,068	46,068	1,939,134
Provided for the year (note 28)	501,468	144,583	846,451	250,117	35,503	327,710
Written back during the year (note 26) Amount utilized during the year	(302,497)	-	(302,407)	(76)	:	(76)
Salance at 31 December	2,384,079	226,644	2,610,723	2,185,106	81,001	2,288,789

watch loans at the rate of 1% (2006: 1%)

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

	31 December 2007	31 December 2006	
	YR'000	YR'000	
Balance at 1 January	737,633	429,284	
Recovered during the year	(26,041)	(56,910)	Г
Suspended during the year	493,074	365,259	
Balance at 31 December	1,204,666	737,633	
			1

11- AVAILABLE FOR SALE INVESTMENTS, NET

	31 December 2007 YR:000	31 December 2006 YR 1000
nvestment in associated company:		
Mareh Poultry Company (note 11-a)	78,744	78,744
nvestment in other companies:		
Yemen Financial Services Company - Yemen (note 11-b)	59,060	57,000
Yemen Company for the Manufacturing of Pumps	15,750	15,750
Yemen Company for Marketing Agricultural Products	1,350	1,350
Yemen Hotels Company	2,500	2,500
Dates Factory at Al Tahiti	11,834	11,834
Yemen British Company for Investment	125	125
Total available for sale investments	109,363	167,303
Provision for impairment (note 11-c)	(110,303)	(110,303)
Net book value of available for sale investments	59.060	57,000

Cooperative & Agricultural Credit Bank

31 December 31 December

2006

2007

11-a Mareb Poultry Company

The Bank owns 23,20% of the share capital of the March Poultry Company. The company faces several problems but expected to continue and get stabilized in the future. Nevertheless a full impairment provision was taken for the decline in value of investment in the company. 11-b Yemen Financial Services Company - Yemen

The Bank has contributed a sum of USD 310.7 thousands to the capital of Yemen Financial Services Company

(Closed Yemani Shareholding Company), which had been established in joint venture with a number of other local banks. The share capital of the company is USD 3,000,000. The Bank has during the year increased its shareholding in the above company by purchasing part of the shares held by Al Watani Bank which is under liquidation.

11-c Provision for impairment

31 December 31 December

31 December 31 December

Since no dividends were received from the other companies' investments and Mareb Poultry Company during the last few years and no dividends are expected to be received in the coming years, a full imperment provision was taken for the decline in value of those investments. 12- DEBIT BALANCES AND OTHER ASSETS

	TH: UUU	118 000	ı
Prepaid expenses and other advances	127,953	59,048	l
Interest receivable	233,861	142,612	I.
Deposits and amounts paid in advance	268,858	83,537	ľ
Inventory for sale	102,097	91,995	l
Inventory other than for sale	65,520	32,803	l
Advance towards purchase of fixed assets	47,023	12,111	l
Capital costs of new branches under construction	464,238	227,729	l
Sundry debit balances, net of provision	419,664	179,447	l
Total debit balances and other assets	1,729,214	829,282	l

The sundry debit balances is shown after a deduction of a provision of doubtful balances amounting to YR 117,296 thousands (2006: YR 117.296 thousands

13- PROPERTY, PLANT AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION

	Land, Buildings &Constructions YR'000	Lessehold Improvements YR'000	Furniture, plant & Equipment YR 100	Motor Vehicles YR'000	Appliances, Points of Sale& ATMs YR'000	Total YR'000	(
Cost or valuation:							ı
At 31 December 2006	726,569	189,646	806,697	260,112	344,360	2,327,384	K
 Additions during the year 		166,769	665,458	77,353	56,500	972,350	ı E
Disposal during the year			(2,515)	(15,178)		(17,693)	П
Adjustments		1,059	(1,059)				1
At 31 December 2007	732,831	357,474	1,488,581	322,287	400,888	3,282,041	٦
Depreciation:							П
At 31 December 2008	91,592	78,427	199,458	149,693	52,039	571,209	Ŕ
Charge for the year	15,465	37,585	177,957	35,586	74,165	340,768	ı
On disposal for the year			(1,142)	(6,781)		(7,923)	3
- Adjustments		37	(37)				ľ
At 31 December 2007	107,057	116,059	376,236	178,498	126,204	904,054	
Book Value:							ı
At 31 December 2007	625,774	241,415	1,092,345	143,789	274,884	2,377,987	1
At 31 December 2006	634,977	111,219	607,239	110,418	292,322	1,756,175	
- [

بنك التسليف التعاوني والزراعسي Cooperative & Agricultural Credit Bank (A C DA N K و الزراعسي الزراعسي

web site:www.cacbank.com.ye

يتك التسليف التعساوتي والزراعسي Cooperative & Agricultural Credit Bank (A C BA NK و التعساوتي والزراعسي

ـــليف القعــــاوني والزراعــــــي Cooperative & Agricultural Credit Bank 🛴 💯 🗥 🗥 بنتك القعــــاوني والزراعـــــي Соорегаtive & Agricultural Credit Bank والزراعـــــي Соорегаtive & Agricultural Credit Bank والزراعــــي القعـــاوني والزراعــــي

Cooperative & Agricultural Credit Bank بنك التسليف التعساوني والزراعي

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The Cooperative and Agricultural Credit Bank (The Bank) was established in Sana'a under law no. 39 of 1982, as a result of the merger of the Agricultural Credit Bank (ACB) (which was established in 1975) and the National Co-operation Development Bank (NCDB), (which was established in 1979).

The share holding of the Bank as on 31 December 2007 is 45.10%, 0.90% and 54% for the Governme represented by the Ministry of Finance, the General Confederation and the Agricultural Promotion Fund respectively. The Bank practices all banking activities through its head office, and 49 branches spread all over the governorates of Yemen.

The Bank is registered with the Ministry of trade and industry under license no. 5391. The registered address of the head office is Al Qeyada Street, P.O. Box 2850, Sana's, Republic of Yemen.

In its meeting held on 25 March 2008, the Bank's Board of Directors approved these financial statements and decided to submit them to the relevant authorities for approval to publish them.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in Yemeni Riyals and all values are rounded to the nearest one thousand Yemeni Riyal except when otherwise is indicated.

The financial statements are prepared on a going concern basis in accordance with International Financial Reporting Standards (IFRS) as adopted by the International Accounting Standards Board (IASB) in force at 31 December 2007 and, the interpretations of the international Financial Reporting Interpretations Committee (IFRIC) of the IASB in force at 31 December 2007, the requirements of the current local prevailing laws and regulations and the rules and instructions issued by the Central Bank of Yemen including those covered by the Central Bank of Yemen circular no. 2 of 2002 regarding the format of the financial statements

Amendments to published standards and interpretations effective 1 January 2007;

For the preparation of these financial statements, the following new standards and interpretations became mandatorily applicable and were not early adopted last year:

- IFRS 7: Financial Instruments - Disclosures and IAS 1 (Amendment): Capital Disclosures, effective from 1 January 2007. IFRS 7 introduces new disclosures to improve the information about financial instruments and the Bank has disclosed additional qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures and risk management policies. IFRS 7 adds certain new disclosures about financial instruments to those currently required by IAS 32 and replaces the disclosure requirement for banks currently required by IAS 30.

The other interpretations listed below became mandatory for annual periods beginning on or after 1 March 2006. The application of these interpretations did not result in substantial changes to the Bank's accounting policies or disclosures.

-IFRIC7: Applying the Restatement Approach under IAS 29, effective from 1 March 2008; -IFRIC 8: Scope of IFRS 2, effective from 1 May 2006;

-IFRIC 9: Reassessment of embedded derivatives, effective from 1 June 2006;

-IFRIC10: Interim Financial Reporting and Impairment, effective from 1 November 2006; -IFRIC11: IFRS2:Group and Treesury Share Transactions, effective from 1 March 2007.

b) Standards and interpretations issued but not yet effective:

For the avoidance of doubt, the following standards and interpretations, which were issued by IASB before 31 December 2007 and are not yet in effect, have not been adopted early:

 IFRS 8: Operating Segments, effective from 1 January 2009; -IAS 1: Presentation of Financial Statements (as revised in 2007), effective from 1 January 2009;

-IAS 23: Borrowing Costs (as revised in 2007), effective from 1 January 2009; -IFRIC12: Service Concession Arrangements, effective from 1 January 2008;

IFRIC13: Customer Loyalty Programmes, effective from 1 July 2008;

IFRIC14:IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, effective from 1 January 2008.

The Bank does not foresee that the application of these standards interpretations will result in a significant impact on figures and disclosures on the reporting period they will be adopted.

2-SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) 2.1 Basis of Preparation of Financial Statements (Continued)

Statement of Compliance (Continued)

The exceptions to International Financial Reporting Standards in compliance with local laws and regulations issued by the Central Bank of Yemen are:

i) The adoption of minimum fixed percentages for losses on non performing loans and advances in accordance with the Central Bank of Yemen circular no. 6 of 1996 and circular no. 5 of 1996 and circular no. 5 of 1998; prevailing at the date of acquisition, of each asset over its expected useful life using the straight - follow-up and period reviews of customers and banks in order to evaluate their The inclusion of the general provision for risk calculated on the particular. the general provision for loans and advances rather than equity.

iii) The non adoption of some of the provisions of IAS 39: Financial Instruments - Recognition and Measurement relating to the valuation of investments available for sale on the basis of fair value unless such investments are traded in a recognized stock exchange.

by The non adoption of some of the provisions of IAS 16: Property, Plant and Equipment relating to the valuation of real estate owned by the Bank and the recognition of the surplus on revaluation in the equity. Real Estate Properties Acquired from Customers in Settlement of Loans Pending Sale (Collateral Pending Sale

2.2 - Significant Accounting Judgments and Estimates

The preparation of financial statements requires management to make adjustments, estimates and assumptions that affect the application of policies and reported amounts of the financial assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates considered by the management of the Bank to have a significant risk of material adjustment in subsequent periods primarily comprise provisions for impairment of loans and advances. The Bank takes into consideration the following factors when determining the provisions for loans and advances and contingent liabilities: The overall customer's financial position;

Risk percentage i.e. the ability of the customer to conduct profitable business activities and collect enough money to pay the debt;

Value of the collateral and possibility of transferring ownership to the Bank; and Cost of settling the debt.

The estimates and associated assumptions are based on historical experience of the bank and various other factors that are believed by the Bank to be reasonable under the circumstances. the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on a regular basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.3-Summary of Principal Accounting Policies

The Bank has applied, consistently, the following accounting policies in dealing with significant items of the financial statements:

All "regular way" purchases and sales of financial assets are recognised on the trade date, i.e. the date that the bank 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.

(i) The Bank maintains its records in Yemeni Riyals which are the Bank's functional and presentation currency. (ii) Transactions denominated in foreign currencies are initially recorded in the functional currency at the rate of exchange ruling at the value date of the transactions. Balances of monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Yemeni Riyals at the rate of exchange rate ruling on that date. All realized and unrealized gains or losses resulting from revaluation are taken to "other operating income" or "other operating expense" in the income statement. (iii)The Bank does not deal in forward foreign exchange contracts.

2-SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of Principal Accounting Policies (Continued)

Revenue Recognition (i) Interest income is recognized in the income statement on the accrual basis using the effective interest rate method. The effective interest rate is established on initial recognition of the financial asset/liability and is not revised subsequently. However, in order to comply with the requirements of the Central Bank of Yemen circular no. 6 of 1996, the Bank does not accrue nterest income on non-performing loans and credit facilities. When an account is classified 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 Income. Income from Investments is accrued on notification of entitlement. Dividend Income is recognized when the right to receive payment is established

(ii) In accordance with the Central Bank of Yemen circular no. 2 of 2000, any provisions written back are included under "other operating income".

(iii) Commission and other fee income are recognized when accrued.

Cash and Cash Equivalents

For the purpose of preparing the statement of cash flows, cash and cash equivalents consist of cash on hand, cash balances with the Central Bank of Yemen other than statutory reserve balances, demand deposits with other banks, treasury bills and certificates of deposit with the Central Bank of Yemen maturing within three months from the date of acquisition.

Due from Banks

Deposits and balances due from banks are presented at cost after deducting any amount that has been written off and any impairment in their value. All customer deposits are carried at amortised cost. Treasury Bills

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 outstanding at the balance sheet date.

Certificates of Deposit

Certificates of deposit issued by the Central Bank of Yemen and are stated at cost. The accruei interest on certificates of deposit is included under "debit balances and other assets".

Provision for Losses on Loans and Contingent Liabilities

in compliance with the Central Bank of Yemen circular no. 6 of 1996 and circular no. 5 of 1998. provision is made for specific loans, overdrafts, advances and contingent liabilities, in addition to a percentage for general risks calculated on the total of other loans, overdrafts and contingent lia bilities 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, provision is made in accordance with the following rates:

- Performing loans including watch loans
- Performing contingencies including watch accounts 1% · Non-performing loans and contingencies: Substandard debts 15%

 Doubtful debts 45% Bad debts

When a loan is known to be uncollectible, after all the necessary legal procedures have been completed, and the final loss has been determined, or if directed by the Central Bank of Yemen upon review of the portfolio, it will be written off by debiting the provision. Loans to customers an presented in the balance sheet net of provision and uncollected interest. Proceeds from loans and advances previously written off in prior years are credited to "other operating income".

Available for Sale Investments

All investments are initially recognised at cost, being the fair value of the consideration given including acquisition costs. As of the financial statements date, the available for sale investments are classified either as investment in associates or investments in other companies.

 investment in associate: The value of the investment in an associate is adjusted by adding or subtracting, at balance shee date, according to the Bank's share in the associate equity. The value of change is recognised in

the Income statement. ii) Investment in other companies:

Investments in other companies appear, as long-term investments, at cost value. A provision is made for any permanent decline in their values computed on individual bases.

Property, plant and equipment, net of accumulated depreciation

Property, plant and 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 or revalued amount, less estimated residual value based on prices problems facing customers or banks;

- line method at the rates shown below Buildings and constructions 2.5% Vehicles 20%
- Furniture, machinery and equipments 10% · ATMs and points of sale 20%
- Years of lease or estimated useful life whichever is lower. Improvements to leasehold property

The Bank occesionally acquires real estate in settlement of certain loans and advances. In accordance with the Banks Law no. 38 of 1998 and the Central Bank of Yemen instructions assets 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 assets were acquired less any decline in their value. Any decline is charged to the income statement. Social Security Provision

The employees of the Bank are contributing to the social security scheme in accordance with the Republic of Yemen's Social Insurance Law no. 25 of 1991.

Contingent Liabilities and Commitments Contingent liabilities and commitments, in which the Bank is a party, are presented off balance

sheet, net of margins, under "contingent liabilities and commitments" as they do not represen

actual assets or liabilities at the balance sheet date. Leases are classified as finance leases whenever the terms of the lease transfer substantially all

the risks and rewards of ownership to the lessee. All other leases are classified as operating

leases. All the leases entered into by the Bank are operating leases.

Rental agreements Rentals payable under this lease are charged to income statement on a straight-line basis over the term of the relevant lease.

Long term loans are stated at cost in accordance IAS 39: Financial Instruments - Recognition and

In accordance to Article no 21 of the Cooperative and Agricultural Credit Bank Law no. 39 of 199 the Bank is exempted from commercial and industrial profit tax. The Bank, also, is not subject the Income Tax Law no. 31 of 1991 and its amendments in the Republican Decree Law no. 12 1999 and the provisions of article no. 85 of the Banks Law no. 38 of 1998.

The Bank pays zakat, in accordance with the Zakat Law no. 9 of 1999 to the Zakat Authority th decides on its allocation

Related Party Transactions

Disclosures are made in the financial statements of transactions carried out with related partisuch as such as Board of Directors members, senior management, their families and compan in which they are major owners as well as major shareholders, other than the Government, ownin directly or indirectly, 5% of the voting rights.

A party is considered related if being able to either control or exercise significant and mater nfluence over the Bank's financial and operating decision making process. The Bank deals wi related parties on the same basis by which it deals with other unrelated parties in compliance w circular no. 4 of 1999

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of Principal Accounting Policies (Continued) Impairment of Assets

The Bank assess at each balance sheet date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Bank makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell or cash generation unit's fair value less costs to sell and its value in use and determined for an individual assets, unless the asset does not generate cash inflows that are largely independent of those from other assets or Bank assets.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognised in the income statement consistent with the function of the impaired asset.

 An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exit or may have decreased. If such indication exits, the ecoverable amount is estimated.

 A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systemic basis over its remaining useful life.

Offsetting the financial assets and liabilities

Financial assets and financial liabilities are only offset and the resultant net balance is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and the Bank intends to either settle on a net basis or to realise the asset and settle the liability simultaneously.

3- FINANCIAL INSTRUMENTS

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".

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

4- RISK MANAGEMENT OF FINANCIAL INSTRUMENTS

Risk is inherent in the Bank's activities but it is managed through a process of ongoing identification, messurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.

The Bank is exposed to credit risk, liquidity risk, interest rate risk and exchange rate risk.

Credit risk Loans and credit facilities to customers and banks, current accounts and decosits 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 above-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

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.

The table below shows the maximum exposure to credit risk for the components of the balance sheet. The maximum exposure is shown gross, before the effect of mitigation by the use of collateral agreements 31 December 3f December

	Asserta:	NR 600	Y/7:000
5	Cash on hand and reserve balances with the Central Bank of Yemen (excluding cash on hand) Due from Bank	14,802,960 18,852,384	5,078,838 8,772,808
L.	Tressury bills	30,197,200	7,548,991
	Certificates of deposit with Central Bank of Yemen	4,800,000	8,750,000
	Covernment bands	4,460,886	4,480,388
e	Loans and advances to customers, net of provision	43,586,124	15,398,775
	Available for sale investments, net	59,060	57,000
	Debit balances and other assets	1,729,214	829,282
8	Total assets	116,287,868	58,387,960
í	Contra accounts and other commitments	58,991,467	31,147,228
_	Total credit risk exposure	175,279,335	82,135,188

The Bank manages concentration of risk by distributing the portfolio over diversified econo sectors and geographical locations. Note no. 34 shows the distribution of financial instruments over different economic sectors and note no. 35 shows the

distribution of financial instruments based on geographical locations.

Liquidity risk

Liquidity risk is the risk that the Bank will be unable to meet its payment obligations when they fall due under normal circumstances. To limit this risk, the bank's management in addition to its core deposit base, manages assets with liquidity in mind and monitors future cash flows and liquidity

	The table below shows the m contractual maturities:	aturity analysi	s for financial	liabilities that	shows the r	emaining
	As at 31 December 2007			From 6		
82,	THE STOTE SECTION SECTION	Less than	From 3 to	months to	Over	
t to		3 months	6 months	1 year	1 year	Total
lo S	LIABILITIES	YR'000	YR'000	YR'000	YR'000	YR'000
	Due to banks	10,706				10,706
	Customers' deposits	105,331,033	11,782,401			117,113,434
hat	Long term loans				142,806	142,806
	Total liabilities	105,341,739	11,782,401	-	142,806	117,266,946
	As at 31 December 2006			From 6		
ties		Less than	From 3 to	months to	Over	
iles		3 months	6 months	1 year	1 year	Total
ng.	LIABILITIES	YR'000	YR'000	YR'000	YR'000	YR'000
	Due to banks	82,461	-	-	-	82,461
rial	Customers' deposits	40,640,236	7,786,156	-	-	48,426,392
vith	Long term loans				142,806	142,806
vith	Total liabilities	40,722,697	7,786,156		142,806	48,651,659
the	to a database de abre electronico		Alban			the better the second

the provision of the law and the narrative resolutions of the Central Bank of Yemen issued in the In addition to the above, note no. 32 shows the maturity analysis of assets and liabilities and the net gap between the two.

بنت التسليف التمساوني والزراعسي Cooperative & Agricultural Credit Bank (بنت التسليف التمساوني والزراعسي

web site:www.cacbank.com.ye

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)					
FOR THE YEAR ENDED 31 DECEMBER 2007					
13- PROPERTY, PLANT AND EQUIPMENT, NET OF ACCUMULATED DEPRECIATION (CONTINUED)					
In August 2006, the lands and buildings owned by the Bank were revalued by the Yemeni Engineering Group -					
	Engineering Consultants (Aden). The following table shows the market value, the book value and the				
revaluation surpluses of the lands and buildings subject to revaluat added or disposed off since the date of the valuation:	lion at that date	e except land	a and buildings		
added or disposed on since the date of the valuation:					
	Market Value	Book Value	Revaluation		
	YR1000	AMERICO AMERICA	Surplus YR'000		
Landa	1,203,588	77.932	1,125,656		
Buildings	912,374	557,048	355,326		
Total	2,115,962	634,980	1,480,982		
10131	2,113,202	424,200	1,400,000		
The Benk did not recognise the market value of its properties according to requirements of the diagnostic study of the Bank carried out properties at the market value in accordance with the provisions of the made in the event that there is a material difference between belience of properties and equity would have been increased by YR.	rt same year. FIAS 18 which the market va	If the Bank states that v lue and the I	had valued its slustion should		
14- DUE TO BANKS					
		cember 107	31 December 2006		
	YR	000	YR'000		
Current and demand accounts with foreign banks	10,	706	82,461		
Total due to banks	10,	706	82,461		
15- CUSTOMERS' DEPOSITS					

	Current and demand accounts with foreign banks	10,706	82,461
	Total due to banks	10,706	82,461
	15- CUBTOMERS' DEPOSITS		
		31 December	31 December
		2007	2006
		YR'000	YR'000
		110,440	10.000
	Current accounts	54,766,131	27,061,967
	Savings accounts	1,176,805	457,024
	Time deposits	49,388,097	13,121,245
П	Other deposit	1.935,119	255.093
ı	Cash deposit for documentary letters of credit and letters of guarantee	9,847,282	7,531,063
	Total customers' deposits	117,113,434	48,426,392
	16-CREDIT BALLANCES AND OTHER LIABILITIES		
		31 December	31 Desember
		2007	2006
		YR:000	YR 100
			200.000
	Accrued interest payable	365,001	106,096
	Accrued expenses Interset collected in advance on leans.	122,895	145,555
•	Deferred income	285.887	64,392
	Psychia to Ministry of Finance against agricultural loans, collected	200,001	225,877 620,625
	Tux authority	28.573	25,585
	Miscellaneous psychiae.	20,212	5.383
	Other credit balances	251,295	384.838
	Total credit balances and other liabilities	1,557,606	1,578,361
	17-OTHER PROVISIONS	31 December	31 December
		2007	2008
		YR:000	YR'000
	Cabrica at 1 January	209,554	192,346
	Provision charged during the year (note 28)	300,351	97,218
	Ralance at 31 December	589,915	289,564
	16- LONG TERM LOANS	81 December	31 December
		2007	2005
		XH-000	YR 1000
	Tehama Development Project-III	6,232	6,232
	Rainnah Development Project Mahra Rural Development Project	8,490	8,490
	Manna Rural Deleopment Project Agricultural Promotion Fund	28,084 100,000	20,004
	Agricultural Promotion Fund Total long term loans	142.886	100,000 142,805
	Total ong sem soals	142,806	142,899

19- EQUITY				
19-a leaved and paid up capital	Interest income for the year Interest expense for the year			
The paid up share capital amounting YR 6,000,000 thousa	institut experior rat any year			
consists of 6,000 thousands shares of YR 1,000 par value each	30- MATURITIES OF ASSETS AND LIABILITIES			
19-b Legal reserve	22 INTOMINES OF ASSETS AND EMBERNES			
In accordance with article 12-1 of the Banks Law no. 38 of 199	98, 15% of the pro	ifft for the year is	transferred to the	As at 31 December 2007
statutory reserve until the balance of this reserve reaches dou	ble the capital. T	his reserve canno	t be used without	
the prior approval of the Central Bank of Yemen.				
19-c General reserve				ASSETS
This balance of this reserve can be used for the purposes app	noved by the Ben	k.		Cash on hand and reserve balances with the Central Bank of
20- CONTRA ACCOUNTS AND OTHER COMMITMENTS, NE	т			Due from banks
Credit related commitments include commitments to extend cred		of credit and gue	rentees, which are	Treasury bills, net
designed to meet the requirements of the Bank's customers.		_		Certificates of deposit with the Central Bank of Yemen
Commitments to extend credit represent contractual commitments to				Government bonds
Commitments generally have fixed expiration dates or other termination				Leans and advances to customers, net of prevision
may expire without being drawn upon, the total contract emounts do:				Available for sale investments, net
Standby letters of credit and guarantees commit the Bank to make		alt of customers' co	ontingent upon the	
fallure of the customer to perform under the terms of the contract				Total assets
20- CONTRA ACCOUNTS AND OTHER COMMITMENTS, NET (CONTINUE			State State of the Land	LIABILITIES
As of the balance sheet date, commitments on behalf of customers for w of the following:	thich there were con	responding customer	habilities consisted	Due to banks
•	Gross	Covered by	Net	Customers' deposits
As at 31 December 2007	commitments	margin	commitments	Long term loans
	A8,000	A8.000	AE.000	
Decumentary letters of credit	35,965,432	4,023,266	31,942,166	Total liabilities
Letters of guarantee - customers	38,798,811	5,824,016	24,884,795	Not Gap
Other commitments	2,164,586		2,164,586	m. oup
Total contra accounts and other commitments	68,838,749	9,847,252	58,991,467	As at 31 December 2006
	Gross	Covered by	Net	
As at 31 December 2005	commitments	margin	commitments	ASSETS
	XH2000	XH-000	X8:000	Each on hand and reserve balances with the Central Bank of
Decumentary letters of credit	15,269,986	3,855,526	11,414,460	Due from banks
Letters of quarantire - customers	21,853,969	3,675,537	17,378,422	Treasury bills, net
Other commitments.	2,354,346	-	2,354,346	Certificates of deposit with the Central Bank of Yemen
Total contro accounts and other commitments	38,678,291	7,531,063	31,147,228	Government bonds
21- INTEREST ON LOANS AND ADVANCES TO CUSTOMERS AND DUE F	HOM BANKS			Leans and advances to customers, not of prevision Available for sale investments, not
rest on leans and advances to customers:		2007 YR1000	2006 YR 1000	
Interest on loans and advances to customers		855,325	310	Total assets
Interest on debit current accounts		2,360,219		LIABILITIES
Interest on other facilities		137,789		Due to banks
Total interest on loans and advances to customers		3,353,333	1,877,458	Customers' deposits
Interest on balances with banks:				Long term loans
Interest on reserves balances with the Central Bank of Yemen Interest on due from banks		638,925 234,981	245,721 195,254	Total Inhilities
Total interest on balances with banks		873,906	400,975	
Total Interest on Joans and advances and due from bar	nice	4,227,239	2,270,430	Net Gap
The comparative figures of interest on loans and advances to customers	have not been grow	ided due to lack of in	formation.	33- AVERAGE INTEREST RATES ON ASSETS AND I
22: COST OF DEPOSITS			2006	W PRESENCE MEDICAL PRICE OF THE
Interest on customer deposits		2017 YR 1000	78'900 2006	
Interest on current accounts and savings accounts		61,771	25.039	
Interest on time deposits		3,489,061	855,775	ASSETS
Total Interest on customer deposits		3,470,032	893,847	Due from benks:
Interest on due to banks.		9.749	12,256	Current accounts
Interest on long term loans		220	984	Time deposits
Tatal cost of deposits		3,481,079	907,097	Treasury bills
25- COMMISSIONS AND FEE INCOME ON BANKING SERVICES				
22 COMMISSIONS AND FEE INVOICE ON DANNING SERVICES		2007	2005	Certificates of deposit with the Central Bank of Y
		18.000	A16,800	Government bands
Commissions on documentary letters of credits		395,031	203,734	Loans and advances to customers, net of provis
Commissions on letters of guarantee		526,891	292,044	and the second s

ı	25- GRANTS		2007	2006	34 - DISTRIBUTION OF AS
ı			YR 1000	YR '999	As at 31 December 2007
ı	Agricultural Promotion Fund		60,000	60,000	
1	The Agricultural Promotion Fund has granted the Bank as amount of YR 60.0 Sent's agricultural financing activities.	00 thousands (2006	: YR 60,000 thousa	nds) to support the	ASSETS
1	26- OTHER OPERATING INCOME		2007	2006	Cash on hand and reserve by Central Bank of Yemen
1			AIS.888	AK.000	Due from banks
ı	Provision for lesses on loans and advances no longer required. (note 10-a)		302,497		Treasury bills, net
ı	Prior year adjustments		25,944	45,411	Certificates of deposit with t
ı	Income from sale of property, plant and equipment.		1,656	3,302	Bank of Yemen
ı	Sundry income		5,626	1,328	Government bonds
ı	Total other operating income		336,723	60,041	Loans and advances to cus
ı	27- GENERAL AND ADMINISTRATION EXPONSES		2007	2006	of provision
1			YR'000	YR 000	Available for sale investmen
ı	Salaries, wages and related costs		2,495,933	1,789,094	Total assets
1	Depreciation of property, plant and equipment (note 13)		340,768	219.937	LIABILITIES
1	Rent		144,899	69,026	Due to banks
1	Electricity and water		58,970	36,726	Customers' deposits
ı	Repairs and maintenance		134,903	46,920	Long term loans
1	Telephone, telex and postage		80,237	54,758	Total liabilities
ı	Transportation and allowances		229,626	147,736	Contra accounts and other o
ı	Premotions and publications		481,769	214,682	
ı	Insurance expenses		23,267	22,786	As at 31 December 2006
ı	Legal expenses		5,170	5,296	
ı	Entertainment.		61,822	48,455	
ı	Stationary and printing aupplies		104,544	59,049	ASSETS
ı	Consultancy and prefessional fees		59,005 88,032	67,315 77,447	
ı	Training expenses Prior years expenses		5,954	19,866	Cash on hand and reserve b
ı	Prior years expenses Other general and administration expenses		254,620	96,684	Bank of Yemen
ı					Due from banks
ı	Total general and administration expenses		4,579,199	2,964,137	Treasury bills, net
ı	The Bank had 1,664 employees as on 31 December 2007 (31 December 2006:	1.460 employees).			
ı	26-PROVISIONS		2007	2006	Conflicates of deposit with the
ı			YR:000	YR:000	Government bands
ı	Provision for lesses on loans and advances (note 10-a)		650,357	330,186	Loans and advances to custo
ı	Provision for off-balance sheet dams (note 17)		300,351	97,218	
ı	Other provisions.		<u> </u>	108,248	Available for sale investments
ı	Total provisions		950,708	535,652	Total ass
ı	25-ZAKAT		2007	2006	LIMBILITIES
ı			AK-600	AK.000	
ı	Zuhut		10,000	10,000	Due to banks
ı	30-BASIC EARNINGS PER SHARE	2007		2006	Customers' deposits
ı		YR:000		YR 000	Long term loans
ı	Profit for the year	1,278,823		512,758	Total fabi
J	Weighted average number of shares	6.450 thousands s		thousands shares	Contra accounts and other co
I	Basic camings per share	YR 234.65		YR 104.64	
J	If - RELATED PARTY TRANSACTIONS	ale of the Planeton		and the brown	35- DISTRIBUTION O
J	In the cellinary course of business, the Rank conducts transactions with cert and companies in which they own 25% or more of its capital and who were o				GEOGRAPHICAL LO
ı	transactions are approved by the Bank's management.				
1	The lower lawsed to related modiles during the core appropriate to VO 45 CO #	house mode (136 Plane)	mbar 2000: VP 4 70	Complete Special Complete Company	As at 31 December 2007

30-BASIC CARNINGS PER SHARE		2007 YR:00		-	000
Profit for the year		1,278,8	23	512	758
Weighted average number of shares		6.450 thousan	do shares	4,900 thous	ands shares
Back comings per shi 31 - RELATED PARTY TRANSACTIONS in the ordinary counts of business, the Bank co and companies in which they own 25% or more transactions are approved by the Bank's manual transactions are presented parties during they represented to repeal as par the contract with it concerned mixed party, cath deposits and con-	educts transactions with cert of its capital and who were o generat, year amounted to YR 10,629 t feet. The loans to the relati	sulpmens of the houseands (2) C ad parties are ;	oes, senior ma i Benk during t lecember 2000:	ingement and he year. The l	arms of these
The year-end balances included in the financial			31 Dep	ember	31 December
Board members and parties related to there:			200 1E3		2006 YR'000
Gross loans and advances, set of provision Customers' deposits Payable to Ministry of Finance against agrics	third loses calleded		10,0		6,753 6,336,366 626,625
Long term loans Other contingent liabilities			180,0 572,0		100,000 2,345,574
			200 YR1		.2006 YR:1000
Interest income for the year Interest expense for the year			15 93		9 205
33- MATURITIES OF ASSETS AND LIABILIT	TES				
As at 31 December 2007	Less than	From 3 to	From 6 months to	Over	
1	3 months	6 months	1 year	1 year	Total
ASSETS	YR'000	YR'000	YR'000	YR'000	YR'000
Cash on hand and reserve balances with the Centra		-	-	-	22,004,055
Due from banks	16,652,364 30,100,360	96.920			16,652,364
Treasury bills, not Certificates of deposit with the Central Bank of Y		36,320			30,197,280 4,800,000
Government bonds	enen 4,000,000			4.460.866	4,460,366
Leans and advances to customers, not of provisi	ion 32,248,703	8,084,101	2,610,150	643,170	43,586,124
Available for sale investments, net				59,060	59,060
Total assets LIABILITIES	105,805,482	8,181,021	2,610,150	5,163,006	121,759,749
Due to banks	10.706				10,706
Customers' deposits	105,331,033	11,782,401			117,113,434
Long term loans				142,806	142,806
Total liabilities	105,341,739	11,782,401	-	142,806	117,288,946
Net Gap	463,743	(3,601,380)	2,610,150	5,020,290	4.492.803
			From 6		
As at 31 December 2005	Less than	From 3 to	months to	Over	
	3 months	6 months	1 year	1 year	Total
ASSETS	YR'000	YR'000	YR'000	YR'000	YR'000
Cash on hand and reserve balances with the Centra	il Bank of Yemen 7,927,054		-	-	7,927,054

Available for sale investments, net				5	7,000	57,000
Total assets	42,883,501	5,441,085	160,48	92 4,5	22,656	53,007,684
LIABILITIES						
Due to banks	82,461	-	-		-	82,461
Customers' deposits	40,640,236	7,786,158	-		-	48,426,392
Long term loans				14	2,806	142,806
Total liabilities	40,722,997	7,786,156		14	2,806	48,651,658
Net Gap	2,160,804	(2,345,071)	160,40	52 4,3	79,850	4,356,035
33- AVERAGE INTEREST RATES ON ASSETS AND LIABIL	ITTES	2007			2004	
	Yeneni	us		Yemeni	US	
	Riyal	Dollar	Euro	Riyal	Dolla	Elito
ASSETS	4	%	%	%	%	%
Due from benks:						
Current accounts		4.00	4.00		4.90	2.00
Time deposits		4.00	2.00		5.90	
	-	4.00	2.00	-	2.00	-
Treasury bills	15.59	- 100	-	15.60	2.00	:
Treasury bills Certificates of deposit with the Central Bank of Yemen			-	15.60		

8,773,008

7,551,151

8,750,000

89,840

9,882,288 5,351,245

47,521

825,885

787900

168,340

328,327

54,499

1,389,837

TH 1000

(42,360) 10,435

(31,989)

Loans and advances to customers, net of provision:

Loans to customers

Due to banks

Customers' deposits

Time deposits

Long term loans

Saving accounts

Advances to customers

icultural Promotion Fund	60,000	60,000					Building and				
Agricultural Promotion Fund has granted the Bank an amount of YR 60,000 thousands (2006:	YR 60,000 thousands	s) to support the	AGGETG	Manufacturing		Trade	Construction	Financing	Tourism	Other	Total
K's agricultural financing activities.		.,	rsoacra	AH. 000	79.300	HH 000	14.000	AH. 000	YP: 100	A44,000	19.000
OTHER OPERATING INCOME	2007	2006	Cash on hand and reserve belances with the Central Bank of Yemen					22,804,855			22,804,855
	YR'900	4K.000	Oue from banks					16,602,364	-		15,652,364
vision for losses on loans and advances no longer required. (note: 10 a)	307,497		Tressury bills, net.					30,151,280			
r year adjustments	25,944	45.411	Certificates of deposit with the Central					20,101,200	-		30,197,280
one from sale of property, plant and equipment.	1,656	3,307	Bank of Yemen					4,000,000			4,000,000
dry income	5,626	1,328	Government books					4,000,000	-	4,480,385	4,450,855
•			Loans and advances to customers, net	-					-	1/mojan	-7400,000
Total other operating income	336,723	60,041	of provision	12,209,545	3349.707	9 98T 234	10.865,638	11.507	1,040,029	G-004.794	40.595.124
GENERAL AND ADMINISTRATION EXPENSES	2007	2006	Analishia for sale investments, net	12,200,340				50,080		0,000,000	50,050
	YR 000	YR 000			<u> </u>	<u> </u>	<u> </u>	_	<u> </u>		
erias, waces and related costs	2,495,933	1,783,054	Total assets	12,208,545	3,348,707	9,987,234	10,966,488	73,734,346	1,048,829	10,465,550	121,759,749
recision of property, plant and equipment (note 13)	340.768	219.937	LIABILITIES								
t	144,899	69,026	Due to banks			4		10,706			10,706
thicity and water	58,920	36,726	Customers' deposits	3,889/08	23,919,158	49,849,792	8,464,495	121,070	885,405	30,030,046	
aits and maintenance	134,903	46,920	Long term loans					142,806	-	-	142,806
sphone, tries and postage	89,237	54,758	Total liabilities	3,869,438	20,970,158	49,849,792	8,464,495	277,982	865,435	30,030,046	117,266,945
reportation and allowances	229,526	147,736	Contra accounts and other commitments			20 100 425	21,890,250			1070744	53,991,407
motions and publications	481,769	214,082	CONTRACTORISM NO CONSTITUTION OF	<u> </u>	<u> </u>	20,100,610	21,080,230	<u> </u>	<u> </u>	4,666,111	30,881,901
inter organics	23,267	22,786	As at 31 December 2006								
ni nopement	5,170	5,296									
elarment.	61,822	48,455					Building a	nd			
lonery and printing supplies	104,544	59,049		Manut	acturing Agric	ruture Tra	de Constructi	on Financing	Tourism	Other	Total
roultancy and professional fees	59,805	67,375	ASSETS	YE	3000 118	1000 181	000 YR'000	YR'000	XK.000	18'000	YR'000
Ining expenses	88,032	77,447	Cash on hand and resenue belonces with the	a Cartral							
or years expenses	5,954	19,886	Bank of Yemen	o woman			_	7,927,054			7,927,054
er general and administration expenses	264,620	96,684						-11	-		-11
Total general and administration expenses	4,579,169	2.964.137	Due from banks		-		-	8,773,008	-	-	8,773,008
Bank had 1,664 enginyoes as on 31 December 2007 (31 December 2006: 1,460 employees).			Treasury bills, net				-	7,640,991	-		7,640,991
PROVISIONS	2007 YR:000	2006 YR-000	Contificates of deposit with the Control Bank of	Ffemen				8,750,000			0,750,000

LIABILITIES									
Que to banks						10.706			10,706
Castomers' decosits	3,819/0	E 23,917	1.150 49.04	69,792 3	1.451.495	124,070	885.405	30,030,046	
Long term loans	2,000,00					142,806			142,806
Total liabilities	3,869,43	8 20,971	1,158 49,84	0,792 8	3,464,495	277,982	865,405	30,030,046	117,266,946
Contra accounts and other commitments			30,10	10,675 2	(,090,250			3,920,741	58,891,407
As at 31 December 2006									
					Building and	1			
	M		Agriculture		Construction			Other	Total
ASSETS		YR'100	18:00	15,000	YR'000	YR 000	YR'000	18'000	YR'000
Cash on hand and reserve balances with the Bank of Yemen	e Central					7,927,054			7,927,054
Due from banks						8,773,008			8,775,008
Treasury bills, net						7,640,991	-		7,640,991
Contificates of deposit with the Control Bank of	l'Yemen				-	E,75E,000	-		E,751,000
Government bands		-			-	-	-	4,460,366	4,451,856
Leans and advances to customers, net of provi	ésion	172,291	345,174	1,984,464	777,267		1,384,525	10,264,143	10,380,770
Available for sale investments, net					-	57,000	-		57,000
. Total assets		733,291	345,174	1,984,464	771,261	33,148,053	1,394,525	14,725,009	53,007,694
LIMBILITIES									
Due to banks					-	82,481	-		82,481
Customers' deposits		285,147	12,085,079	19,824,896	1,200,247	-	-	12,015,023	48,436,300
Long term loans					-	142,886	-		142,886
Total liabilities		255,147	12,385,079	19,524,896	1,232,347	225,267	-	12,015,023	48,651,659
Contra accounts and other commitments				15 170 380	12,355,058		-	359174	31,147,228

	35- DISTRIBUTION OF ASSETS, LIABILITIES, CONTINGENT LIABILITIES AND COMMITMENTS BASED ON
24	GEOGRAPHICAL LOCATIONS
_	As at 31 December 2007
be	Republic of United States

36 -	TRUST	ACTIVITI	ES						
The	Bank di	es not h	old nor	manage	assets t	for or o	on behalf	of other p	parties.

37 - CONTINGENT ASSETS AND LIABILITIES

8,773,008

7,640,991 8,750,000

4,490,896 15,396,775

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11,00

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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 inegularities 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, although court decisions were made in favour of the Bank, their executions have not been effected, whereas the other cases are still pending in the courts.

38 - SIGNIFICANT FOREIGN CURRENCIES' POSITIONS

(835) The Central Bank of Yemen circular no. 6 of 1996 establishes limits of 15% of capital and reserves for positions in individual foreign currencies and 25% of capital and reserves for aggregate of all currencies.

The Bank had the following significant net exposures denominated in foreign currencies:

2007	31 December 2008		
(R:000	% YE0	00	
080,281 25	9.35 1,489,	201	
61,535 6	6.73 341,7	83	
(1,169) 7	7.19 365,4	13	
28,146)	4.9 246,6	10	
2,099 1	1.03 560,3	38	
214,800 5	59.20 3,003,	545	
		noember 2006: 198 51 VR/USD)	

39- CAPITAL COMMITMENTS

Capital commitments at 31 December 2007 amounted to YR 3,442 thousands (31 December 2006; YR 16,250 thousands).

40- PUBLIC OFFER OF CAPITAL

The Council of Ministers resolved in its meeting dated 18 January 2005, to issue an amount of YR 1,500,000 thousands of the Bank's capital to the public offer. 1.50

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

بتك التسليف التعاوني والزراعاتي Cooperative & Agricultural Credit Bank (من التعاوني والزراعات والزراعات

24-IL0881/ GAIN ON FOREIGN CURRENCY TRANSACTIONS

evaluation differences on foreign currency transactions ain on foreign eachange trading transactions.

Total (loss) / gain on foreign currency transactions

web site:www.cacbank.com.ye

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19.00

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يتك التسليف التعاودي والزراعات والزراعات Cooperative & Agricultural Credit Bank (A C BA NK و الزراعات والزراعات و التعاليات التعالات التعاليات التعاليات التعاليات التعاليات التعاليات التعاليات ا

TIMES

WHO wants total ban on tobacco advertising

he World Health Organization (WHO) urged governments to protect the world's 1.8 billion young people by imposing a ban on all tobacco advertising, promotion and sponsorship on the eve of World No Tobacco Day, May 31, 2008. This year's campaign focuses on the multi-billion dollar efforts of tobacco companies to attract young people to its addictive products through sophisticated marketing.

Recent studies prove that the more that young people are exposed to tobacco advertising, the more likely they are to start smoking. Despite this, only five percent of the world's population is covered by comprehensive bans on tobacco advertising, promotion and sponsorship. Tobacco companies, meanwhile, continue targeting young people by falsely associating use of tobacco products with qualities such as glamour, energy and sex appeal.

"In order to survive, the tobacco industry needs to replace those who quit or die with new young consumers," said Dr. Margaret Chan, the Director-General of the WHO. "It does this by creating a complex 'tobacco marketing net' that ensnares millions of young people worldwide, with potentially devastating health consequences."

"A ban on all tobacco advertising, promotion and sponsorship is a powerful tool we can use to protect the world's youth," Chan added.

Since most people start smoking before the age of 18, and almost a quar-

The World Health Organization's World No Tobacco Day urges all countries

to adopt bans on tobacco advertising. There are more than 1.1 billion smok-



Ever-present advertising lures young people, especially in developing countries, to try smoking or other tobacco products that usually result in dangerous addictions.

ter of those before the age of 10, tobacco companies market their products
wherever youth can be easily accessed
– in the movies, on the Internet, in
fashion magazines and at music and
sports venues. In a WHO study of 13 to
15-year-olds in schools worldwide,
more than 55 percent of students
reported seeing advertisements for cigarettes on billboards in the previous
month, while worldwide approximately 20 percent owned an item with logo
of a cigarette brand on it.

The developing world, of which Yemen is a part, home to more than 80

percent of the world's youth, is most aggressively targeted by tobacco companies. Young women and girls are particularly at risk, with tobacco companies seeking to weaken cultural opposition to their products in countries where women have traditionally not used tobacco.

"The tobacco industry employs predatory marketing strategies to get young people hooked to their addictive drug," said Dr Douglas Bettcher, Director of WHO's Tobacco Free Initiative.

"But comprehensive advertising bans do work, reducing tobacco consumption by up to 16 percent in countries that have already taken this legislative step."

"Half-measures are not enough," added Dr Bettcher. "When one form of advertising is banned, the tobacco industry simply shifts its vast resources to another channel. We urge governments to impose a complete ban to break the tobacco marketing net," he

The WHO released a report earlier this year that showed that not one single country in the entire world fully implements important tobacco control measures. The full adoption of these strategies to lessen tobacco use, including monitoring usage, public awareness campaigns, advertising bans and increased taxes on tobacco products, could prevent millions of premature deaths.

Source: World Health Organization

Safety measures during lightning high season

By: Khaled Al-Hilaly

With the coming of the rainy season in Yemen, which commences in May every year, lightning-related incidents make news headlines on television and in newspapers. More than three such incidents have been reported so far this year since the rainy season began.

"Lightning struck and killed a boy and his sister and injured their father last month in the Old City of Sana'a," reports Col. Abdulkarim Al-Bukhaiti, director of civil defense for the capital secretariat of Sana'a. "The strike also damaged their home." Lightning bolts are electrical discharges caused by imbalances between storm clouds and the ground or between the clouds themselves. Lightning strikes the earth approximately a hundred times every second.

Just because this year's rainy season was short doesn't mean lightning accidents will decrease; to the contrary, the peak season for lightning in Yemen is next month.

"The lightning season starts in the middle of May and continues to the end of July," notes Rashid Al-Ariqi, director of the forecasting administration at the Yemen Meteorology Service, which is part of the Civil Aviation and Meteorology Authority. He adds, "Lightning reaches its prime time in June"

Rural residents in Yemen are particularly unaware of how to protect themselves from lightning and thus, are exposed to more risk.

Those governorates experiencing the most lightning throughout the year are Hajjah, Ibb, Taiz, Raymah, Dhamar, Al-Mahwit and Sana'a. "There are high mountains in these areas, which is where lightning chooses the nearest point on the ground to discharge its electricity," Al-Ariqi explained.

Worldwide, some 2,000 people are killed and many others are injured by lightning every year. There are no available statistics in Yemen regarding the number or severity of lightning-related incidents, nor are there records concerning its victims, as the media only reports fatal strikes, not lightning injuries.

There are likely far more lightning-related accidents and fatalities than the actual number reported to authorities because victims of lightning accidents in rural areas don't seek help, doctors don't record the incidents as being related to lightning strikes and lightning-related deaths often go unreported.

However, "Dozens of incidents occur weekly." Al-Arigi notes.

In an effort to avoid accidents, the Yemen Meteorology Service periodically distributes forecasts and lightning warnings via television and radio channels to those governorates exposed to lightning storms. "Don't remain on house roofs or mountaintops and don't use any electrical equipment or computers during rain and lightning storms," the YMS warning states.

Additionally, Al-Ariqi warns, "People shouldn't remain outdoors on flat ground, use umbrellas or seek shelter under tall isolated trees. If you're in a vehicle, make sure all doors are closed, windows are rolled up and don't use the car antenna." Metal rods such as those found in umbrellas and car antennas conduct electricity and readily attract lightning.

If inside, avoid showering or washing dishes during a lightning storm. The meteorology service also advises avoiding the use of telephones, televisions or any other electronic equipment that conducts electricity.

Lightning strikes can cause cardiac arrest (when the heart unexpectedly stops

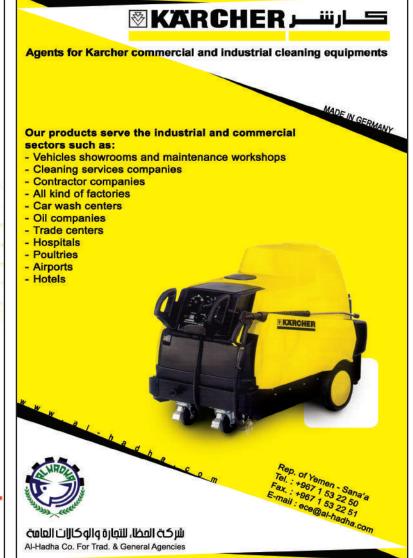
beating) or severe burns, with some victims suffering a variety of lasting symptoms such as memory loss, sleep disorders and joint stiffness.Al-Ariqi urges further studies in order to determine which Yemeni areas most frequently are struck by lightning. Once identified, these areas can be provided rods and other protective measures to conduct a lightning bolt's electricity to the ground without harm.

As he explains, "A lighting rod is a common method of protection against lightning strikes because the rod allows the electrical current from the strike to flow to the ground without causing any heat damage."











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60th anniversary of Nakbah commemorated with folk dance-theatre performance

By: Fahad Faruqui For The Yemen Times mff11@columbia.edu

emen and Palestine special relationship; Palestinians make up one of the largest expatriate communities in Yemen, and President Ali Abdullah Saleh's initiative to reconcile rival Palestinian factions Fatah and Hamas is more proof of the bond. The United Kingdom, which also has a sizeable population, Palestinian commemorated their plight with a performance combining traditional dabke folk dancing of the Levant region with modern theatrical production.

A new adaptation of renowned Palestinian writer Ghassan Kanafani's story, "Ila Haifa" (Returning to Haifa), showed British audiences a personal account of the Nakbah, meaning "the catastrophe," in 1948 when 418 Arab

dirt and some 800,000 people were displaced.

Performed by the British dabke dance troupe, Al-Zaytouna, the show ran from May 8 to 10 at London's Greenwood Theater to commemorate the 60th anniversary of the Nakbah.

The story recounts the tragic tale of a couple torn from their infant daughter, left behind in Haifa during the Nakbah, using a combination of acting, song and dabke, which is a traditional form of Arab folk dancing. Dabke, which means "stomping [of the feet]," is danced by both men and women at weddings or other celebrations. The story of Ila Haifa and its inventive use of dabke counter the notion that the occupation has stripped away the Palestinian people's identity.

"Ila Haifa" epitomizes the agony and struggle of Palestinians, depicting what it would be like to open your eyes to an occupied territory, walk timidly through checkpoints to go to school every morning, become an adult in a marred atmosphere of curfews and

marching into the city of Haifa.

by despair as soldiers took up their positions and overpowered the residents of Haifa, who subsequently were expelled.

During this turmoil, Safiyyah manages to locate a bruised Sa'eed, but they are ousted from Haifa before they are able to find their daughter. Safiyyah wails out her child's name -"Layla!" - as she's forced from her



In the second act, Sa'eed and Safiyyah are living in London and attempting to embrace the cultural norms of the West. Every day, Sa'eed goes to work

villages in Palestine were reduced to body searches, find love amid a canvas of hatred and have children who likely will endure the same ordeal.

While there's no immediate answer to all of these questions, the performance portrays the cyclical life of exiled Palestinians and how they long to return to their homeland.

The tragedy of "Ila Haifa"

The story's protagonists are Sa'eed and Safiyyah, a Palestinian couple eventually exiled to London following the Nakbah and forced to leave behind their young daughter.

Sa'eed and Safiyyah are villagers living a happy pastoral life with their infant daughter, Layla. They eventually move to Haifa, where they live contentedly. Songs using the oud, a type of lute, hail the hospitality of village life and the strong ties between city folk and those living in the countryside.

The songs, music and colorful costumes represent the carefree life Palestinians cherished until the day when their songs of love, hospitality and friendship were replaced by gunfire and jackbooted soldiers

Their gaiety suddenly was replaced

Back to occupied territory

homeland.

movements.

In the following scene, they return to occupied Palestine, lining up with the other refugees to cross the border checkpoint. They feel disgraced at how the Israeli soldiers treat

umbrella, but despite the garb, he's

As soon as he returns home from

work, Sa'eed removes his coat in a

rage and wraps his head in a kuffiyeh

(a men's checkered headscarf) to

regain his Palestinian identity. He later

attempts to dance dabke for a group of

women in a bar, who are appalled his

One evening, as Safiyyah and

Sa'eed reminisce about their life in

Haifa, they decide that now, 20 years

later, it's time to visit their former

unable to integrate into society.

in his very proper suit, holding an Palestinians, preventing some from entering their homeland, but they remain patient. However, after crossing the border, Sa'eed becomes enraged.

Al-Zaytouna dance troupe performs "Ila Haifa," which tells the story of two Palestinians forced to leave behind their

infant daughter during the catastrophic events of 1948, for audiences in London.

He says to his wife, "Finding one's true home means searching below the dust, but when we [Palestinians] look beneath the dust, we only see more

Once back in Haifa, Safiyyah recognizes her old house; it hasn't changed at all. A Jewish woman opens the door and listens as she and Sa'eed inquire about their daughter Layla. The woman tells them that she's at work and invites them inside.

Lavla returns home in a uniform – one belonging to an Israeli soldier. Safiyyah reaches out to embrace her, but the daughter shuns her, telling her parents that DNA doesn't make one a Palestinian and that she was brought up speaking Hebrew, listening to Israeli songs and partaking in Israeli dance and culture.

Listening to Layla, Sa'eed and Safiyyah are reduced to tears, but accept that the daughter they knew has died. Following this disheartening reunion, the couple finally rejoices at their return to their homeland and dance the dabke as they did before the

As one of the performers at the show's finale said, "We're telling people that no matter what happens to us, we'll always be joyful as we resist the occupation."

Fahad Faruqui is a writer who studied philosophy of religion at Columbia University in the United States before pursuing a master's in journalism. He also has hosted a talk show on Aaj TV.



An advertisement poster for "Ila Haifa," depicting Palestinians' forced expulsion during the Nakbah, through song and traditional dabke folk danc-



Invitation for General Bid NO. (7) 2008 year

The TV and Radio General Corporation declared its interest in inviting for general bid number (7) 2008 year for importing, supervising $installment,\ checking\ , operating\ , confirming\ , submitting\ , and\ guarantee$ of ELECTRICITY GENERATOR DYNAMOS WITH ITS STUFF FOR YEMENI TV CHANNEL.

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The TV and Radio General Corporation - Engineering Section - General Administration for Projects - tel: (01/230751)

For buying and having the entire bid documents with receipt: (500 \$) non refund. The deadline of selling the documents is: 18/6/2008.

The file should be enveloped and sealed with the red wax and submitted to the secretary of bids and out-bids committee of the corporation. The file should be addressed with name of the authority, the name of the project, the number of the bid, and the name of the applicant, and the file should include all the following

- Submitting unconditional banking warranty with amount 7000 \$ valid for 120 days starting from the day of opening the files.
- Submitting a copy of the taxing card valid 2008: all the foreign bidders, who don't work, submit a copy of the register documents for extra cost taxation from their countries.
- Submitting a copy of the insurance card valid for 2008 year (the insurance cards are only requested from those companies which have assets in Yemen and have the right to utilize from the revenues given from the general corporation for social insurance in Yemen).
- A copy of the alms tax valid for 2008 year.
- The deadline of receiving the documents and opening the files at 11:00 am on Sunday morning 22/6/2008 at the main branch of the corporation.

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- A minimum of five years relevant experience in Industrial Sector.
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 - DC Drives
 - PLC's • Power distribution & Protections.
- Fluency in both written & spoken in English and Arabic Languages.
- Very good experience with computers and office software and programs.
- Very good interpersonal and communication skills.

B- Shipping Manager:

Responsibilities:

- 1- To manage all aspects of the company transport and shipping.
- To liaise with European Equipment Suppliers.
- To organize Goods to be shipped to Yemen from: Europe, India, China & Korea.
- To ensure speedy compliance with all Government/Customs regulations relating to shipping/imports.
- To ensure efficient trans-shipment of Goods within Yemen.

Requirements:

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- A minimum of five years experience in relevant field.
- Good understanding of Government/Customs regulations & procedures relating to Imports. 3-
- 4-Good contacts within the shipping industry.
- Good contacts for internal road transportation. 5-
- 6-Fluency in both written & spoken English and Arabic Languages.
- Very good experience with computers and office software and programs.
- Very good interpersonal and communication skills.

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communication

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Socotra archipelago in the eyes of a Yemeni visitor

By: Amin Dirhem For the Yemen Times

trip to Socotra Island during this spring was in the company of Mr. Peter Hellmuth the Chairman of the German-Yemen Friendship Association (GYFA) who arrived in Yemen with the purpose of arranging a special visit for some of the GYFA members to both Socotra and Kamaran Islands in 2009. The Germans began preparing for their prospective trip one year ago.

The Socotra Airport now looks clean and tidy, luggage pushcarts are available, other timely services are offered to passengers upon their arrival and departure, and workers appear in clean uniforms. This is a tribute to those who care about offering top quality services, mainly managers of Socotra Airport and Yemenia Airways' office, based in Hadibo, the capital of Socotra.

The archipelago is comprised of five islands: Socotra, Abd Al-Kuri, Samha and Darsa with a total population between 50,000 and 60,000 inhabi-

The area of Diduah Lagoon in Oalansya is marvelous and eye-catching, but two tribes in the area are disputing over plots of the land that the government designated as a protectorate. Local counselors and other executive officials are requested to immediately resolve the dispute before it grows into a complicated problem and has a negative effect on tourism.

The island's capital Hadiboh still looks like it did two years ago ay my last visit, as its roads still lack pavement and light while hotels and restaurants in the city are worse now than they were in the past. The city lacks planning and there is no government agency to provide the required facilities for any investor planning to initiate his or her business.

Entry of qat into the island banned I was very glad to hear that the island's local councils unanimously decided

five months ago to ban qat imports to the island, but such a decision lacked an effective implementation mechanism. Yemenia Airways is still transporting the harmful narcotic substance to the island three times a week.

The Cabinet, the Parliament and the Shoura Council will need to help reinforce the gat ban on the island and impose firm punishment for any individuals who may violate the ban.

Culture & Awareness

It would be wonderful if all those concerned cared for the delivery of newspapers, magazines and other publications to the island in the same way that they care for the transportation of qat, which is shipped in an accurate and well-organized program. The island still needs to be provided with a local



radio station since the Sana'a-based radio programs do not transmit well the island's inhabitants to listen to

The Socotran language, culture and throughout the island, which obliges traditions should be conserved via the establishment of a radio station and Iranian radio stations that come in including these elements in school cur-

riculum. The island is in need of a wellequipped cultural center to contain some of the artistic, sporting and entertainment events that will also help citizens avoid chewing qat

Tourism

The relevant authorities should open an institute on the island for teaching English, German and Italian languages, plus other centers for training locals on how to provide high quality tourism services.

Hadiboh Greenhouse

Ahmad Yahya Ali of the Socotra Maintenance Fund suggested establishing a greenhouse for all the available saplings and plants on the island, particularly the ones close to extinction. As of now, small plants and grass are hardly seen on the island anymore because they are frequently eaten by sheep and goats.

Adeeb Abdullah Hadeeb, a Hadiboh local, got the idea from Ali and began establishing the greenhouse. He recruited one of his children to gather saplings for up to 120 kinds of plants and started his job that is cultivating and growing plants.

Currently Hadeeb's son Ahmad and daughter Fatima are growing rare plants on the island. They distribute saplings of rare plants to those who want to grow them in the island for free, but nobody is allowed to take them to outside the island.

Socotra as an independent governorate

I suggest that Socotra should be made an independent governorate apart from Hadhramout. Its total area is 3,600 square kilometers, which means that it is roughly four times larger than the Kingdom of Bahrain. When Socotra becomes an independent governorate with an autonomous budget and management, it will flourish very rapidly while preserving its natural elements and amazing environment.

Raising bees in the island

On the island, there are French volunteers who give guidelines to locals and instruct them on how to raise bees. There is plan for registering a trademark to carry name of the island's honey that will be marketed at the international level.





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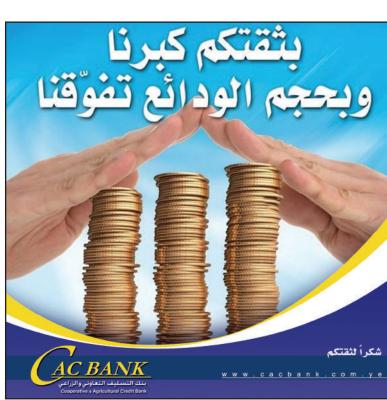
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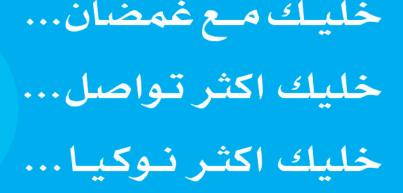


Socotran culture needs to be preserved, says the





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