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Socio-economic Potentiality of Aden Governorate Statistical Study

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1. Introduction

The Republic of Yemen is located in the Middle East, bordering Saudi Arabia to the north, Oman to the northeast, the Gulf of Aden to the south and the Red Sea to the west with an area of 550,000 square kilometers and a population of approximately 21 million., according to 2004 census, The country is divided into 21 administrative units, called governorates.

Aden is a major port on the Red Sea and is the economic capital of the Republic of Yemen. The city is located at the tip of the Arabian Peninsula. Its position near the entrance to the Red Sea has made the city one of the busiest re-fueling stations in the world; servicing most of the ships that pass through the Suez Canal. Due to such proximity to the container port terminal, Aden was declared a free trade zone in May 22, 1991, and became the economic and commercial capital of Yemen. The city plays an important role in the economic life of Yemen as it contains a number of industries, most importantly is the oil refinery which started production in 1954. The refinery, the port complex and the new Aden Container Terminal (ACT) are the principal sources of employment in the Governorate.

However, despite such comparative advantages, the local authority is facing serious difficulties in the provision of quality and quantity basic services to both citizens and investors, attract investment to expand employment and services, and to define effective and sustained urban poverty reductions policies.

The main socioeconomic challenges that the city now confronts are: Worsening poverty, unemployment, lack of skill match, limited access to commercial credit facilities, complex regulatory procedures and massive real estate speculation. In terms of urban governance, Yemeni local governments were severely limited in addressing the problems their cities faced because of a highly centralized decision making process. However, due to the far-reaching Local Authorities Law enacted in February

2000, one of the most innovative decentralization efforts in the Middle East and North Africa region, decision-making is being transferred from the central level to popularly elected local councils charged with supervising the activities of the newly decentralized line ministries.

Information and data are important in making right decisions. However, at present only limited information and data are available for decision makers, particularly for business people who make decisions on investing their scarce capital. Therefore this study was carried out to collect and put together basic information and data required for economic decisions at district and governorate levels.

2.Objectives

The overall objective of the study is to make available information and data required for economic decisions in particular, information and data on the availability of resources and demand potentials for new businesses and development of existing businesses, at district and governorate levels.

The specific objectives of the study are:

- 1- To assess the resources available - natural, agricultural and human - present utilization and future scope for further exploitation.
- 2- To analyze the basic infrastructure facilities - physical and organizational - available.
- 3- To examine the present status of existing industries with a view to determine the scope for new industries, expansion and modernization and establishing backward and forward linkages.
- 4- To identify new industries having potential for development based on resources, demand and skills available in the area.
- 5- To assess the needs for various facilities and incentives for the development of industries in the area.

3- Methodology and sampling

The study is based on both secondary and primary sources of information. Secondary sources of information - published and unpublished documents - were basically used in collecting information and data for the purposes of preparing district

and governorate level profiles. Primary sources of information included structured/unstructured interviews and questionnaire.

For collecting data about small enterprises, four districts were selected. These were Seera, Al Maala, Al Mansoorah and Al Shek Othman. Total of 100 small entrepreneurs were selected using systematic sampling procedure, and distributed equally between the selected districts. 25% of the sample was assigned for female owned enterprises.

4. Demographic and Socio-economic Profiles at Governorate and District Levels:

4.1 Geographical Location:

Aden governorate is bounded by Lahej governorate in the north and the west. In the east is Abyan governorate and in the south is the Aden Gulf. The governorate has an area of 344 square kilometer.

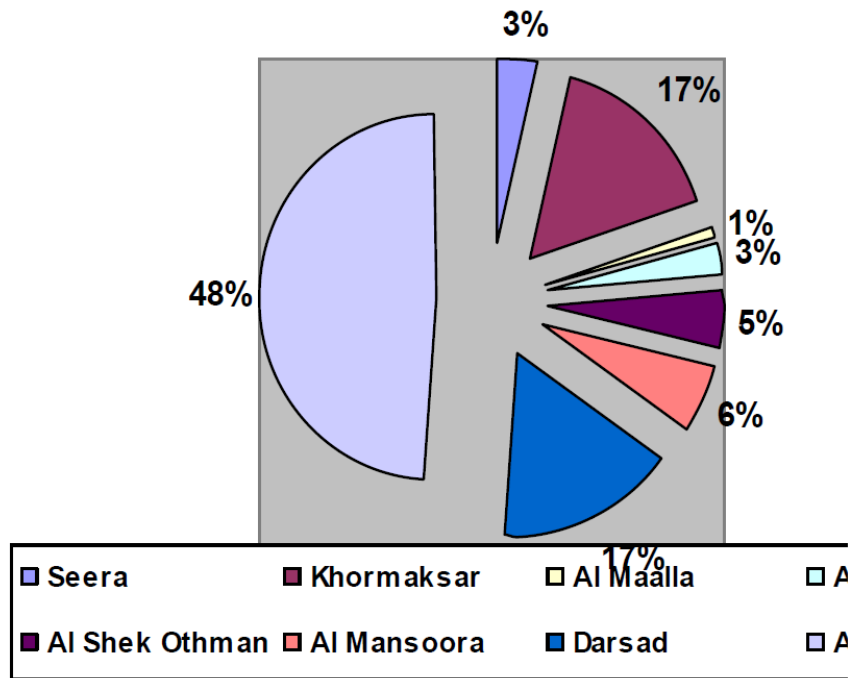
The governorate is administratively divided into eight districts, namely. Seera, Khormaksar, Al Maalla, Al Shek Othman, Al Mansoorah, Dar-sad and Al Burayka. There are eight district level local councils, one in each district, and one governorate level local council.

Table 1: Area of the Districts of Aden Governorate (2007)

S. N.	Name of Districts	Total Area in Square Km
1.	Seera	12
2.	Khormaksar	57
3.	Al-Maalla	3
4.	Al-Tawahi	9
5.	Al-Shek Othman	17
6.	Al-Mansoorah	21
7.	Dar Sad	57
8.	Al Burayka	168
	Total	344

Source: SYB, SCO-Aden, 2007

Chart 01: Area of the Districts of Aden Governorate in Sq Km



4.2 Climate, Rainfall and Humidity:

Aden lies in the hot desert belt that is marked by high temperature, especially in summer. The average annual temperature in Aden is 29.2C⁰. In summer, the highest average temperature is 33.2C⁰ and in winter, the coolest average temperature is 24.8C⁰.

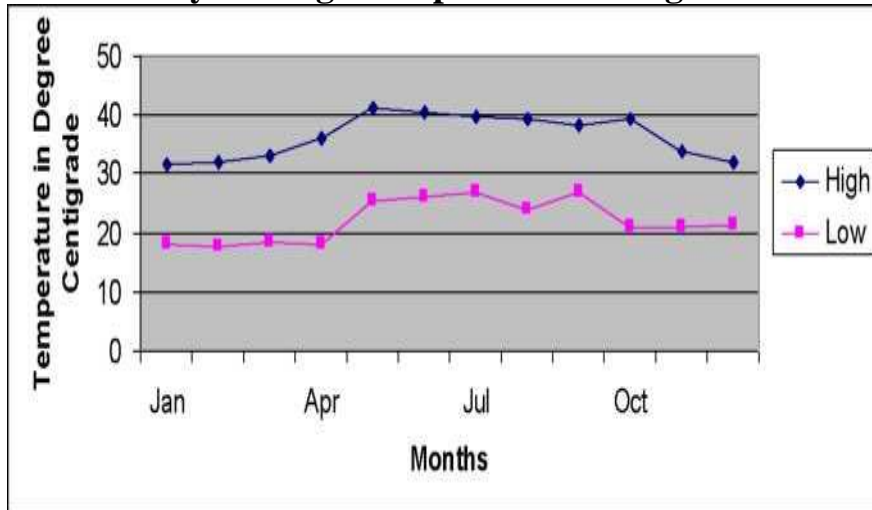
The average highest humidity is 90% and the average lowest humidity is 34%. The average annual rainfall is less than 0.50mm, which is very little.

Table 2: Monthly Temperature, Humidity and Rainfall (2007)

Months	Temperature in Degree Celsius		Humidity in %		Rainfall in mm
	High	Low	Max	Min	
Jan	28.2	23.1	90	29	8.4
Feb	29.2	23.7	88	44	0
Mar	30.7	24.7	88	54	0
Apr	31.9	26.2	88	32	0
May	34.6	28.2	95	18	0
Jun	37.5	30.1	100	29	0
Jul	35.4	27.5	99	32	0.7
Aug	35.8	27.5	100	36	3.0
Sep	35.7	27.8	100	32	0
Oct	33.3	24.9	77	13	0
Nov	31.4	23.7	79	16	0
Dec	29.5	22.8	84	44	0

Source: Public Board of Civil Aviation, 2007

Chart 2: Monthly Average Temperature in Degree Celsius - 2007



4.3-Water Resources:

Pipe water is the main source for domestic and industrial users. Total quantity produced was 36,256,000 cubic meter, and total quantity consumed was 25,761,000 cubic meter. Total number of subscribers registered was 111,209 and total number of beneficiaries was 778,463 in the year 2004.

4.4 Population:

The 2004 census revealed the resident population of Aden governorate was 589,419. The population growth rate in 2004 was 3.8%. If this population growth rate continues, the population of Aden governorate is expected to double by the year 2010 (SYB, SCO, 2006).

The age distribution of the population showed that the child population (1-4 years old) constituted 36 percent of the total population. The population of age group (15 - 64 years) constituted 61% and the age group (65+ years) constituted 3%.

Table 3: Total Population of Aden Governorate by District and Sex for 2001-2007

S N	Name of Districts	Population								
		2001			2004			2007		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
1	Seera	43784	40105	83889	83889	40105	83889	44734	41142	85876
2	Khormaksar	21997	19189	41186	41186	19189	41186	28324	24332	52656
3	Al-Maalla	27180	24860	52040	52040	24860	52040	29486	26357	55843
4	Al-Tawahi	29317	26272	55589	55589	26272	55589	30566	28739	59305
5	Al-Shek thman	50423	40491	90914	90914	40491	90914	65120	52683	117803
6	Al- Mansoor	56493	50493	106986	106986	50493	106986	68981	59661	128642
7	Dar Sad	34260	31043	65303	65303	31043	65303	47457	41765	89222
8	Al Burayka	27663	26200	53863	53863	26200	53863	36008	33844	69852
	Total	291117	258653	549770	549770	275,864	589,419	350676	308523	659199

Source: SYB, SCO, 2001/2004/2007

Chart 3: Population of Aden Governorate by District and Sex - 2007

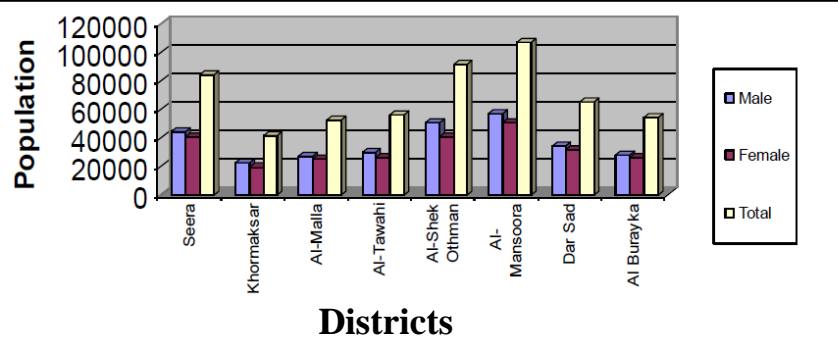
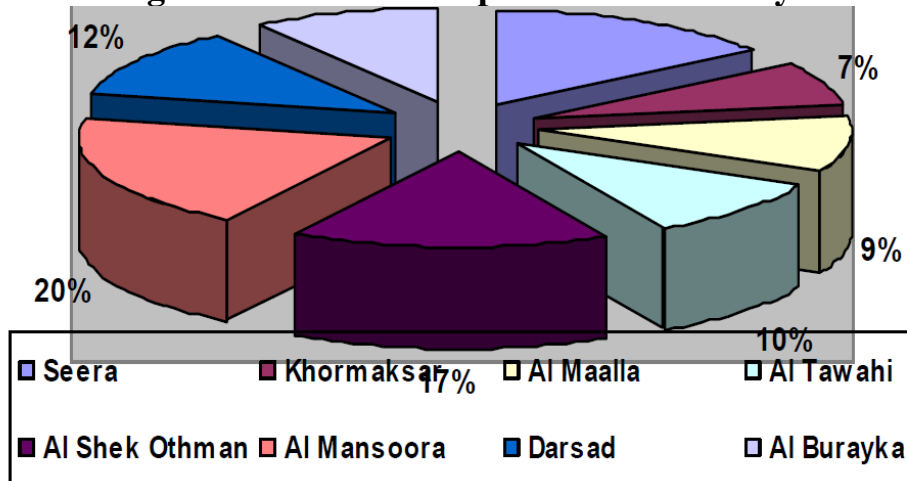


Chart 4: Percentage Distribution of Population of Aden by District - 2007



4.5 Education:

Educational level of the population of the governorate is an important characteristic as educational attainment often observed to be determining the socio-economic development process. Overall, a little less than one third (28%) of the population of Aden governorate are illiterate. Illiteracy is higher among females than males (20% among males and 38% among females).

With regard to educational attainment, the total number of students in the basic education (1 - 9 level), in the educational year 2005/2006, registered was 96,735 students (51,231 males and 45,504 females) distributed in 87 basic schools in Aden governorate. Number of students in secondary level (10 - 12 level) was 19,325 students distributed in 28 secondary schools.

At the university level, the number of students in Aden University has increased from 4,415 students in the academic year 1990/1991 to 20,462 students in the academic year 2004/2005. Number of new students admitted has increased from 1,677 students in 1990/1991 to 8,500 students in 2004/2005. Number of graduate students for the year 2004/2005 was as 4,934 students, while 715 students graduated in the year 1990/1991, an increase of seven-fold approximately. Number of teaching staff increased from 945 teachers in 1990/1991 to 1,300 in 2004/2005 (SCO-Aden, 2005)

Table 4: Number of Students and Schools by Educational Levels, Sex and Districts for the Year 2005/2006

Districts		Primary level school (1- 9 levels)	Secondary level school(10 - 12 levels)
Seera	Male	6167	1437
	Female	5549	5549
	No of schools	11	4
Khormaksar	Male	4235	956
	Female	3744	758
	No of schools	6	3
Al Maalla	Male	3684	572
	Female	3468	1028
	No of schools	6	2
Al Tawahi	Male	4859	582
	Female	4337	1095
	No of schools	9	3
Al Shek Othman	Male	9512	2283
	Female	8243	1362
	No of schools	13	3
Al Mansoorra	Male	8929	1589
	Female	8318	1521
	No of schools	10	3
Darsad	Male	7201	1234
	Female	6262	1496
	No of schools	10	3
Al Burayka	Male	6644	1198
	Female	5583	914
	No of schools	22	7
Total	Male	51231	9851
	Female	45504	9474
	No of schools	87	28

Source: SCO-Aden, 2005/2006

4.6 Health:

Number of hospitals in public sector for the year 2007 was 5 which were in Seera, Khormaksar, Almansooraa and Al Shek Othman. There were 20 health centres, 12 clinics and 2 maternal centres, 4 workers' clinic and 3 health units in different districts of the governorate in the same year.

Table 5: Distribution of Public Health Establishments in Aden Governorate for 2007

District	Hospitals	Health centers	Poly Clinics	Maternal centers	Workers' clinics	Health units
Seera	1	2	2	0	0	0
Khormaksar	1	6	1	0	0	0
Al Tawahi	0	4	1	1	1	0
Al Maalla	0	1	1	0	0	0
Al Mansooraa	1	1	3	1	0	0
Al Shek Othman	2	1	1	0	1	0
Darsad	0	0	1	0	1	0
Al Burayka	0	5	2	0	1	3
Total	5	20	12	2	4	3

Source : SCO-Aden, 2007

Number of hospitals in private sector for the year 2007 was 7 which were in Khormaksar and Al Mansooraa Shek Othman and Al Tawahi districts with total of 150 hospital beds. There were 11 nursing homes in Seera, Khormaksar, Al Mansooraa and Al Shek Othman districts with total of 220 beds. There were 412 specialized and general clinics, 92 laboratories and 21 x-ray units.

Table 6: Number of Private Health Establishments in Aden Governorate for 2007

District	Hospitals		Nursing homes		Clinics		Lab	X-ray
	Number	Beds	Number	Beds	Specialized	General		
Seera	0	0	2	40	38	40	16	2
Khormaksar	2	50	1	20	19	15	17	6
Al Tawahi	1	0	0	0	9	10	4	0
Al Maalla	0	0	0	0	15	27	12	2
Al Mansooraa	2	100	7	140	16	47	30	9
Al Shek Othman	2	0	1	20	124	31	10	2
Darsad	0	0	0	0	7	3	1	0
Al Burayka	0	0	0	0	5	2	2	0
Total	7	150	11	220	233	175	92	21

Source ; SCO, Aden, 2007

4.7 Road and Transportation:

According to the Statistical Year Book of Aden governorate for the year 2002, length of asphalted and paved roads were 277 Km and 428 Km respectively. Total length of roads in the governorate was 705 Km.

Number of registered vehicles in the governorate by activities were: 35,325 private cars, 5,180 taxies, 2,201 buses, 16,413 commercial trucks and lorries, 2,066

motorcycles, 1,121 tractors & cranes. Total number of vehicles in the governorate was 62,306.

With regard to Aden seaport, total number of ships arrived was 1,782 ships in 2002. The size of unloaded dry cargo was 1,705,000 tons, while the size of offloaded dry cargo was 209,000 tons.

The number of aircraft movement in Aden International Airport registered was 3,443 flights. Total number of passenger arrivals and departures were 87,000 and 93,000 respectively in the year 2002. The size of freight incoming and outgoing were 618 and 239 ton respectively in the same year.

4.8 Electricity

Electricity power generated was 843 G.W.H in 2002 in Aden governorate. Number of subscribers were 87,800 and average consumption per subscriber was 5,784 K.W.H. Total energy sold was 396 G.W.H.

4.9 Communication

Total number of telephone lines and mobile phones available were 60,041 and 3,316 respectively in 2002. Line telephone service is provided by Public Telecommunication Corporation (Yemen Telecom). International direct dialing facility is provided by Yemen International Telecoms Co. LLC (Tele Yemen). Mobile phone service providers are Tele Yemen, Spacotel and Sabaphone. Satellite telephone service is provided by Thuraya Company. Internet service providers are Yemen Telecom and Tele Yemen.

Altogether there are 13 post offices and 5,530 post boxes. The 13 post offices are located in the eight districts of the governorate.

5- Resources Available:

Agriculture Produce:

The main types of agriculture produce in the governorate are corn, sesame, vegetables and fruits, cotton and fodder. The average production of corn and sesame crops, for the period 2005-2007, reached 170 ton and 50 ton respectively. The average production of vegetables, watermelon and muskmelon were 25 ton, 18 ton and 14 ton respectively for the same period. The production of cotton crop decreased from 225 ton in 2005 to 178 in 2007 .

Table 7: Agriculture Produce for the Period 2005-2007

Types of agriculture produce	Year and produce available in ton			Name of Districts available produces
	2005	2006	2007	
Corn	164	176.5	176	Darsad
Sesame	45	54..5	54..5	Darsad
Vegetable	21	24	30	Darsad
Watermelon	14.5	15	13	Darsad
Muskmeion	16.8	19	17	Al Burayka
Cotton	225	188	178	Al Burayka
Cattle feed - Alaff	2201.9	2220	2035.0	Darsad

Source: Source: Ministry of Agriculture, Aden Branch

Livestock

The types of livestock available in the governorate are cow, sheep, goat and camel. The average number of cows in the governorate, for the mentioned period was

3,500 heads. The number of sheep decreased from 52,400 heads in 2005 to 53,500 heads in 2007. There were 11,500 head goats in average in the governorate for the same period. There were 1,800 head camels in average for the period 2005-2007.

Table 8: Livestock for the Period 2005-2007

Type of livestock	Year and livestock available in number			Name of Districts available livestock
	2005	2006	2007	
Cow	3500	3500	3560	Darsad
Sheep	52400	52900	53500	Darsad/Al Burayka
Goat	11500	11600	11800	Darsad/Al Burayka
Camel	1800	1800	1750	Darsad

Source: Ministry of Agriculture, Aden Branch

Fishery and Sea Products

Surface water fish production was 11,213 ton in 2005, 12,198 in 2006 and 9,650 in 2007. This shows that surface water fish production has been 11,000 in average for the period 2005-2007. Deep water fish production decreased from 6ton in 2005 to 2567 ton in 2007 . Sea products (lobsters) increased from 835 ton in 2005 to 1268 ton in 2007.

Table 9: Fish and Sea Products for the Period 2005-2007

Type of fishery and sea products	Year and products available in ton			Name of Districts available sea products
	2005	2006	2007	
Surface water fish	11213	12198	9650	Seera
Deep water fish	6	16	2567	Seera
Sea products (lobster)	835	1688	1268	Al Burayka

Source: Ministry of Fishery, Aden branch

6- Human Resources and Skills Available Traditional Skills Available

A sample survey of 100 micro and small enterprises of 4 districts - Seera, Al Shek Othman, Al Maalla and Al Mansoor and more than 50 business organizations of Aden governorate was carried out to find out traditional skills available in the governorate.

According to the sample survey, the main traditional skills available in Aden governorate are embroidery, incense, handloom textile, tailoring, fishing net, tanning, blacksmith, pottery, weaving baskets and mats, cooking oven and Hinna. Most of these skills are available in all the districts of Aden governorate. However some skills like fishing net is mostly available in Al Burayka, pottery in Seera and Al Shek Othman, cooking oven, tanning and weaving baskets in Al Shek Othman. For details see Annex 01.

Human Resources from Academic Institutions:

Main academic institution of Aden governorate is Aden University. Other universities are Applied and Social Sciences University, Al Watania University and Technology University and Lebanese International University which are recently established.

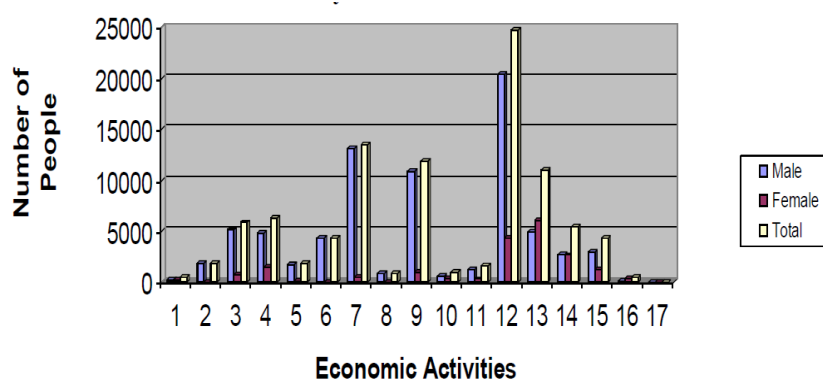
Total number of students graduated from Aden University during the period 2002-2003 reached 2,796 students which included 1,357 female students (49%). Out of the total graduates during the period, 44% of students were science, education and arts

degree holders . 24% of students were economics and management degree holders .7% of students were engineering degree holders and 16% of students were medicine degree holders and 9% of students were law degree holders. Total number of teachers and instructors were 1321 which included female 294 and male 1027 for the academic year 2002-2003..

7-Economic Activities Number of People Involved in Economic Activities

Total number of people involved in economic activities in 2002 were 95,668, which consisted of 80% male and 20% female. Highest percentage of people was involved in public administration including defense and security (25.83%) and followed by wholesale and retail trade (14.15%), transport, storage and communication (12.48%) and education (11.54%). Manufacturing sector absorbed 6.59% of the total economically active people.

Chart 5: Economic Activities by Sex in Aden Governorate 2002



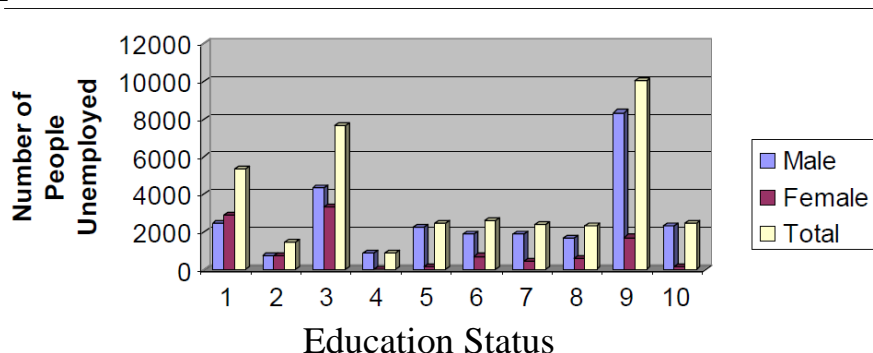
Key	10. Finance and Business Service
1. Agriculture, Hunting and Forestry	11. Real Estate and Renting
2. Fishing	12. Public Administration and Defense and security
3. Mining and Quarrying	13. Education
4. Manufacturing	14. Health
5. Electricity, Gas and Water supply	15. Other community social and personal services
6. Construction	16. Private households with employed persons
7. Wholesale and Retail Trade	17. Unspecified
8. Hotels and Restaurants	
9. Transport, Storage and Communication	

Unemployed Persons (15 years and above) by Sex and Educational Status

Unemployment is one of the problems facing Yemen economy in general, as percentage of unemployment is increasing in alarming rate. The 1996 statistical year book for Aden governorate indicated that unemployment rate in the governorate was 19% where as for the year 2001, unemployment rate was 27.8%. (Yemen HDR, 2001)

Total number of unemployed persons were 3,7581 which consisted 26,825 male (71%) and 10,756 female (29%).

Chart 6: Unemployed Persons (15 years and above) by Sex and Educational Status in 2002



Key:

1. Graduates or more	6. Basic Preparatory
2. Post Secondary Diploma	7. Unified
3. General Secondary	8. Primary
4. Technical and Vocational Secondary	9. Read and write
5. Training and Vocational Institute	10. Illiterates

8- Export and Import of Aden Governorate Export:

Total export value of Aden governorate was 2.7 billion YR in the year 2002 as per the statistics available from the Customs of office of Aden governorate. The main export items included fish (69%), bran and fodder (15.63%), cotton (3.54%), soap (3.4%) and salt (2.64%).

Import

Total import value of Aden governorate was 56.6 billion YR in the year 2002 as per the statistics available from the Customs of office of Aden governorate. The main import items included wheat and rice (30.85%), iron (20.54%), sugar, honey and sweets (16.76%), and wood (9.35%), building materials (7.52%) and meat (6.84%).

9- Business Related Organizations and Institutions Governmental Organizations

There are total of 47 governmental organizations in Aden governorate. Private Sector Organizations related to Businesses

Total number of associations registered with Ministry of Labour and Social Affairs (MoLSA) Office in Aden is 447 as of 31 December 2002. Types of the associations registered are classified in the table below.

Table 10: Types of Associations Registered

S.N.	Types of associations	Total Number
1	Charitable associations	99
2	Social and developmental associations	54
3	Cultural associations	5
4	Technical and Educational associations	9
5	Vocational and craft associations	16
6	Friendship associations	3
7	Agricultural cooperatives	69
8	Housing cooperatives	146
9	Fishery cooperatives	4
10	Consumers associations	4
11	Sports clubs	9
12	Labour unions	29
	Total	447

Source: Ministry of Social Affaires and Labour - Aden Office

The associations that are related to micro and small enterprises are under the categories of social and development associations and vocational and craft associations.

Out of the total 54 social and developmental associations, 12 are directly involved in the promotion of micro and small enterprises. These are:

Table 11: Names of Social Development Associations involved in Promotion of Micro and Small Enterprises

S.N.	Names of organisations
1	Aden Women Development Association
2	Aden Women Association for Family Promotion
3	Al-A'mal Development Association (Al-Basatin Area)
4	Al-Idaroos Area Development Association
5	Al-Idaroos Development Association
6	Al-Thoria Family Development Association
7	CEFE Association for Training and Qualifications
8	Seera Development Association
9	Solidarity Association For Development
10	Women and Child Development Association
11	Women Continuous Development Society
12	Woodyan Society For Development Association

Out of the total 16 vocational and craft associations, 10 are related to micro and small enterprises. These are:

Table 12: Names of Vocational and Craft Associations related to Promotion of Micro and Small Enterprises

S.N.	Names of organisations
1	Audio and Video Vocational Association
2	Auto-body repairers' Association
3	Carpenters' Association
4	Garment and Tailors' Association
5	Goldsmiths' Association
6	Meat Sellers' Association
7	Metal Welders' Association
8	Transportation Vehicle Owners Association (Route of Al-Shek Othman - Al - Mansoor)
9	Transportation Vehicle Owners Association (Route of Al-Shek Othman - Basateen)
10	Weavers' Association

Commercial and Development Banks and Financial Institutions

There are 11 commercial and development banks in Aden. Among them, there are 2 foreign banks - Credit Agricole Indosuez and Arab Bank.

Academic and Training Institutions:

There are 11 academic and training institutions. Among them, there are 3 universities, 4 vocational and technical institutions and 1 each of tourism, commerce, marine and administrative sciences institutions.

10. Existing Businesses:

Businesses are registered with district municipality offices, Investment Authority and Ministry of Industry and Trade.

All types of micro and small, medium and large business are required to be registered with their respective district municipality offices. However it seems that some of the medium and large businesses registered with Investment Authority are not registered with the respective district municipality offices.

Existing Businesses Registered with Municipality Offices The total number of businesses registered with district municipality offices were 3,692. Micro and small trading business constituted 50% of the total number of businesses. Micro and small service business were 27% of the total number of businesses. Medium manufacturing business constituted 8.6% of the total number of businesses.

Details of businesses registered with municipality offices are given in Annexes from 02 to 08.

Table 13: Number of Businesses Registered with District Municipalities in 2002

Types of businesses	Districts and number of businesses								Total	Total in %
	Seera	Khormaksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka		
Manufacturing										
Micro and small (See Annex 13)	65	1		17	120	5	8		216	5.07
Medium (See Annex 14)	30		10	6	150	57	74	4	331	7.77
Large (See Annex 15)		1		7		4	15	2	29	0.68
Services										
Micro and small (See Annex 16)	125	270	28	61	311	95	129	13	1032	24.23
Medium (See Annex 17)		25	49	22	71	48	34	6	255	5.98
Large (See Annex 18)		11		6	8	16	15	2	58	1.37
Trading										
Micro and small (See Annex 19)	598	127	108	177	651	102	225	350	2338	54.90
Medium										
Large										
Total	818	435	195	296	1311	327	500	377	4259	100.00

Existing Businesses Registered with Investment Authority, Aden Office

The total number of businesses registered with Investment Authority Aden office were 226 medium and large businesses. 30% was large manufacturing business, 22% medium manufacturing business, 26% large service business and 15% medium service business.

Details of businesses registered with Investment Authority - Aden office are given in Annexes from 09 to 14.

Table 14: Number of Businesses Registered with Investment Authority in 2002

Types of businesses	Districts and number of businesses								Total	Total in %
	Seera	Khormaksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka		
Manufacturing										
Micro and small										
Medium (See Annex 20)	15	1	2	9	2	13	3	5	50	22.12
Large (See Annex 21)	6	8	1	14	9	28	2	1	69	30.53
Services										
Micro and small										
Medium (See Annex 22)	7	2	4	6	11	4	2	0	36	15.93
Large (See Annex 24)	8	19	14	1		17	0	1	60	26.55
Trading										
Micro and small										
Medium (See Annex 25)				4					4	1.77
Large (See Annex 26)	1	0	1	3	1	1	0	0	7	3.10
Total	37	30	22	37	23	63	7	7	226	100.00

Informal Business Sector

There is no studies or any proper estimation of number of informal businesses. However as per the views of retailers and informal vocational training centers, total number of informal businesses would be 3 fold of micro and small enterprises registered with Municipality offices, which are about 9,000.

Manufacturing informal businesses mostly include tailoring, making pickles, making incense, stone cutting, weaving and making handicrafts. Service informal businesses mostly include pensions, hairdressing, ceremonial services and repairing shoes. Trading informal businesses mostly include selling cooking gas, grocery, selling vegetables, selling Kat and selling snacks and food items.

11. Potential Business Ideas

Based on the opinions of business entrepreneurs, business promotional organizations, financial institutions and government organizations, some potential business ideas have been identified. Potentiality of businesses were identified based on availability of raw material, skilled labour, market demand, market competition and availability of required infrastructure. Lists of potential business ideas that were identified are in Annex 15 (manufacturing), in Annex 16 (service) and in Annex 17 (trading).

12. Problems and Needs of Micro and Small Business:

In view of finding out the problems and needs of micro and small businesses, a sample survey of 100 micro and small businesses was carried out in 4 districts - Seera, Al Maalla, Al Mansoor and Shek Othman. The survey included 25% of the sample of women run businesses.

The sample survey revealed that a large number of respondents faced problems

related to customs, tariffs and taxes (17.5%), registration and licensing (15.5%) and infrastructure like electricity, water and rental (15%). However other problems mentioned were machinery and equipment (12%), raw material (10%), skilled labour (9%) and marketing (8%). Detailed list of problems with percentage of respondents is given in the table below.

Table 15: Problems of Micro and Small Business

	Problems and needs	Res-pondents in %
1	Marketing	8.0
2	Raw material	10.0
3	Finance	5.0
4	Skilled labor	9.0
5	Machinery and equipment	12.0
6	Business management knowledge and skills	1.0
7	Technology and business information	0.5
8	Registration and licenses and renewal	15.5
9	Customs, tariffs and taxes	17.5
10	Government policies and regulations	2.0
11	Support and facilities of banks and financial institutions	2.0
12	Support and facilities of Chambers, associations and other non-governmental organizations	2.5
13	Infrastructure: Electricity, Water, Rent	15.0
	Total	100.0

In addition to the above problems, women respondents mentioned the problems related to low economic opportunities (50%), tradition, values and beliefs (20%) and inequality in rights and opportunities (17%).

Table 16: Women Specific Problems

S.N.	Problems and needs	Res-pondents in %
1	Tradition, values and beliefs	20
2	Low level of education and Skills	13
3	Inequality in rights and opportunities	17
4	Low economic opportunities	50
	Total	100

13.-Recommendations:

In view of the study , a number of recommendations for the socio-economic potentiality of Aden Governorate can be stated, and these are as following:

- 1- Aden , as an economic and commercial capital of Yemen , should be given greater importance in any socio -economic development plan .
- 2- Utilization of the biggest part possible of the area available for the free zone in Aden to be inline with the size of foreign investment.

- 3- Decentralization and adoption of Local Authority Law enacted in February 2000.
- 4- Improving and expansion in the level of public services in Aden Governorate. recommendations for the promotion of micro and small business in Aden Governorate are summarized as following :
- 5- Make available raw material and machinery and equipments for small businesses
- 6- Make available well trained skilled labor as demanded by small businesses
- 7- Provide support to vocational and training institutes to improve their services for small businesses
- 8- Make available improved financial and non-financial services and support for small businesses through banks and non-governmental organizations
- 9- Improve registration, renewal and licensing procedures and systems
- 10- Decrease customs, tariffs and taxes for small businesses
- 11- Provide government support, incentives and facilities for promotion of small businesses
- 12- Improve the existing legal framework and regulations for the growth of small businesses

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Annex 01: Traditional Skills Available in Aden Governorate

Types of traditional skills		Districts and number of persons available								Total	
		Seera	Khor-maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Bur ayka		
Embroidery	M	5	2	2	2	5	2	3	2	23	39
	F	2	1	1	1	4	2	2	3	16	
Incense	M										26
	F	3	2	2	3	6	3	4	3	26	
Handloom textile	M	4	2	2	2	7	3	7	2	29	41
	F	2	1	1	1	3	1	2	1	12	
Tailoring	M	5	3	2	2	5	1	2	2	22	38
	F	2	1	2	2	3	2	2	2	16	
Fishing net	M	2	0	0	0	2	0	0	6	10	10
	F										
Tanning	M	2	0	0	0	4	0	0	0	6	6
	F										
Blacksmith	M	3	0	1	1	3	0	0	0	8	8
	F										
Pottery	M	3	0	0	0	4	2	3	0	12	21
	F	4	0	0	0	5	0	0	0	9	
Weaving baskets, mats Mashgub, Gab, Masaref	M										4
	F	0	0	0	0	4	0	0	0	4	
Cooking oven (Mofa)	M	0	0	0	0	3	0	0	0	3	3
	F										
Hinna (Colouring powder)	M										13
	F	1	0	1	6	1	2	1	1	13	
Total		38	12	14	20	59	18	26	22	209	

Annex 02: Micro and Small Manufacturing Business (1 - 4 labors) Registered with Municipality Offices

Types of businesses	Districts and number of businesses								Total
	Seera	Khor-maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Mansoor	Dar Sad	Al Burayka	
Cooking oil press					33		3		36
Sweets	5			3	6	3	4		21
Textile				4		1	1		6
Ice cream					2				2
Bricks manufacturing				2	2				4
Carpentry	10			5	15				30
Gold shaping	5	1			62				68
Silver shaping	41								41
Blacksmith	4			3		1			8
Total	65	1		17	120	5	8		216

Annex 03: Medium Manufacturing Business (5 - 9 labors) Registered with Municipality Offices

Types of businesses	Districts and number of businesses								Total
	Seera	Khor-maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Mansoor	Dar Sad	Al Burayka	
Aluminum manufacturing						17	6		23
Stone cutter						11	3		14
Carpentry workshops					10	18	48		76
Bakery (machine made)	20		10	6	134		17	4	195
Sweets manufactory	10				6				16
Bricks manufacturing						9			9
Ice cream						2			2
Total	30		10	6	150	57	74	4	331

Annex 04: Medium Manufacturing Business (5 - 9 labors) Registered with Municipality Offices

Types of businesses	Districts and number of businesses								Total
	Seera	Khor maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka	
Food beverages & tobacco industry	6	0	0	6	2	7	1	1	23
Textile & clothes	3	0	0	0	0	1	0	0	4
Printing & publication	4	0	0	0	0	0	0	0	4
Chemical industry	2	1	1	1	0	2	0	4	11
Building materials, cement & mirror industry	0	0	1	1	0	1	2	0	5
Machinery and metallic products	0	0	0	1	0	2	0	0	3
Total	15	1	2	9	2	13	3	5	50

Annex 05: Large Manufacturing Business (10 and above labors) Registered with Municipality Offices

Types of businesses	Districts and number of businesses								Total
	Seera	Khor maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka	
Gas factory							15		15
Cigarettes & matches industry				1					1
Paint & emulsion				1					1
Flour (wheat, maize)				3					3
Aluminum				1					1
Shoes				1		1			2
Nail industry		1							1
Bags						1			1
Leathers						1			1
Ice						1			1
Aden refinery								1	1
Sibolt Company								1	1
Total		1		7		4	15	2	29

Annex 06: Large Manufacturing Business (10 and above labors) Registered with Municipality Offices

Types of businesses	Districts and number of businesses								Total
	Seera	Khor-maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka	
Food beverages & tobacco industry	2	2	0	7	6	5	1	1	24
Textile ,clothes & leather	0	1	0	1	0	7	0	0	9
Wood & wood products	0	0	0	0	0	2	0	0	2
Printing & publication	3	0	0	1	0	0	0	0	4
Chemical industry	1	3	0	3	2	5	1	0	15
Metallic industry & machine	0	2	1	2	1	9	0	0	15
Total	6	8	1	14	9	28	2	1	69

Annex 07: Micro and Small Service Business (1 - 4 labors) Registered with Municipality Offices

Types of businesses	Districts and number of businesses								Total
	Seera	Khor-maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka	
Communications	20	12		21	68	10	17	4	152
Welding workshops					12		45		57
Laundry			2	8	12		3		25
Cafeteria	40	12			44		20		116
Mechanic workshops			4				6		10
Plumbing	10				38	43	3		94
Pensions (Boarding houses)		6			37		2		45
Restaurants		38			12		29		79
Fuel stations		2	2			5	4	2	15
Mill		1			12				13
Public services	25				21	21		3	70
Electrical & electronic maintenance	5		8		17				30
Car maintenance	10		4	3	38	13			68
Hair Dressing	15	4	8	3				4	34
Electronic Games				6		3			9
Internet Cafe				8					8
Medical Clinics		2		8					10
Laboratory		3		4					7
Advertising boards		127							127
Trade agencies		30							30
Engineering consultation		33							33
Total	125	270	28	61	311	95	129	13	1032

Annex 08: Medium Service Business (5 - 9 labors) Registered with Municipality Offices

Types of businesses	Districts and number of businesses								Total
	Seera	Khor maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka	
Hotels		7	2	0	11		1		21
Restaurants		10	33	16	54	48	29	6	196
Banks		1			2				3
Fuel stations					2		4		6
Computer & language centers		7		6	2				15
Public Service			14						14
Total		25	49	22	71	48	34	6	255

Annex 09: Medium Service Business (5 - 9 labors) Registered with Investment Authority

Types of businesses	Districts and number of businesses								Total
	Seera	Khor maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka	
Private schools	2	4	0	2	1	3	0	0	12
Communication centres	0	0	0	1	0	0	0	0	1
Car maintenance workshops	1	1	0	0	0	0	0	0	2
Private universities		1							1
Photo studios	6	1		5	8		2		22
Gardens & clubs	0	0	2	0	0	0	0	0	2
Land transportation	0	0	0	0	1	0	0	0	1
Sea transportation	0	0	1	1	0	0	0	0	2
Housing	1	0	0	0	2	0	0	0	3
Health	0	0	0	0	0	4	0	0	4
Fishery	0	0	1	0	0	0	0	0	1
Total	10	7	4	9	12	7	2	0	36

Annex 10: Large Service Business (10 and above labors) Registered with Investment Authority

Types of businesses	Districts and number of businesses								Total
	Seera	Khor-maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka	
Hotels & beach cabins	4	4	9	3	7	16	15		58
Gardens	1			1	1				3
Restaurants & Cafeteria	6	1		2					9
Total	11	5	9	6	8	16	15		70

Annex 11: Large Service Business (10 and above labors) Registered with Investment Authority

Types of businesses	Districts and number of businesses								Total
	Seera	Khor-maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka	
Cooking gas refilling stations	0	0	0	0	0	1	0	0	1
Education	1	6	0	1	0	0	0	0	8
Health	3	7	0	0	0	7	0	0	17
Fishery	0	2	3	0	0	1	0	0	6
Sea transportation	0	0	0	0	0	0	0	1	1
Hotels and beach cabins	4	4	9	0	0	7	0	0	24
Restaurants	0	0	2	0	0	0	0	0	2
Gardens	0	0	0	0	0	1	0	0	1
Total	8	19	14	1	0	17	0	1	60

Annex 12: Micro and Small Trading Business (1 - 4 labors) Registered with Investment Authority

Types of businesses	Districts and number of businesses								Total
	Seera	Khor-maksar	Al-Tawahi	Al-Maalla	Al-Shek Othman	Al-Man-soora	Dar Sad	Al Burayka	
Grocery	150	116	108	115	354	42	205	340	1430
Scrap iron					21				21
Building materials	7			5	64	17	3		96
Jewelry					62				62
Opticians	10				3				13
Electrical tools shops	40			7	68	12	5		132
Furnishings		4			30				34
Toys shops	25				9				34
Mirror and frames	10				6				16
Tobacco and coal					12				12
Sports instruments		1			6				7
Ice					2				2
Honey					2				2
Oil selling					12				12
Perfume	202	1						4	207
Pharmacy	40	3		11				2	56
Home materials	59	2						4	65
Cloth	25			11					36
Whole sale	30			22					52
Timber						17			17
Car spare parts				6		14	12		32
Total	598	127	108	177	651	102	225	350	2338

Annex 13: Medium Trading Business (4 - 9 labors) Registered with Investment Authority

Types of businesses/ owned by Male/Female	Districts and number of businesses								Total
	Seera	Khor maksar	Al- Tawahi	Al- Maalla	Al- Shek Othman	Al- Man- soora	Dar Sad	Al Burayka	
Retail trade				4					4
Central freezers						1			1
Total				4		1			5

Annex 14: Large Trading Business (10 and above labors) Registered with Investment Authority

Types of businesses	Districts and number of businesses								Total
	Seera		Al- Tawahi	Al- Maalla	Al-Shek Othman	Al- Man- soora	Dar Sad	Al Burayka	
Car sales and exhibitions				3					3
Central freezers	1	0	1	0	1	1	0	0	4
Total	1	0	1	3	1	1	0	0	7

Annex 15: Potential Business - Manufacturing

S.N.	Potential Manufacturing Business	S.N.	Potential Manufacturing Business
1	Furniture and carpentry	17	Honey processing and packaging
2	Aluminum products	18	Packing fish
3	Ironworks	19	Sugar
4	Packing tomato	20	Dates
5	Ice-cream	21	Milk products
6	Chicken farming	22	Biscuits
7	Plastic products	23	Sweets & cakes
8	Paint & emulsion	24	Incense
9	Leather shoes	25	Leather bags
10	Soft drinks	26	Foam and sponge products
11	Blacksmith	27	Marble cutting
11	Perfumes	28	Tobacco
12	Weaving/textile	29	Paper
13	Drug production	30	Pickles
14	Tailoring	31	Pottery
15	Drinking water bottling	32	Plastic shoes
16	Boat making	33	Rugs

Annex 16: Potential Business - Service

S.N	Potential Service Business	S.N	Potential Service Business
1	Cafeteria	14	Internet cafe
2	Communication center	15	Computer institute
3	Public recreational garden	16	Nursery school
4	Pharmacy	17	Tailoring
5	Hair dressing	18	Coffer
6	Hospital	19	Restaurant
7	University	20	Dispensary
8	Language institute	21	Patterning henna
9	Car maintenance	22	Centers for handicaps
10	Mill/Grinding	23	Private school
11	Hotel	24	Training centers for women
11	Photography (Female)	25	Sport center
12	Medical laboratories		
13	Bakery		

Annex 17 : Potential Business - Trading

S.N.	Potential Service Business	S.N.	Potential Service Business
1	Cloth center	9	Perfumery & makeup
2	Slaughterhouse	10	Agriculture tools store
3	Grocery business	11	Computers shop
4	Selling fishes store	12	Salt store
5	Spices shop	13	Ready made cloth store
6	Supermarket	14	Incense shop
7	Shoes store	15	Bags store
8	Electrical equipments store	16	