

# REPUBLIC OF YEMEN

The GEN. AUTH. for SOCIAL SECURITY & PENSIONS

## INVESTMENT DIRECTORY

LIFE WITH ULTIMATE SECURITY & ASSURANCE WE ESTABLISH







*President*  
*Ali Abdullah Saleh*



## CHAIRMAN'S MESSAGE

The authority's legislations enable financial and administrative independency, and mandate to invest surplus revenues according to economic and financial proper bases. Therefore, authority duties in social and economic development , as stressed by its functional feature, will be doubled as surplus revenues increase which requires investment expansion to all various economic sectors.

Authority's overall investment activities should not be regarded as most objective sought as investments and partnerships boost for that authority's operations have been generally connected to the social , economic, and development process. Subsequently, authority should be viewed as a distinguished Authority among all other financial corporations as it performs two essential major roles:

1- Socially: safety, settlement ,and assurance creation among all secured employees , pensioners, and their families.

2- Economically: contribution ,by setting up projects, to the development process.

The Authority has played an essential role in all economy sectors to accomplish financial sustainability and to make use of all available revenues to enhance evolutionary investments.

As a compatibility to the newly effort exerted to promote economy units role under the auspice of H.E. President Ali Abdullah Salleh, the Authority actively interacts with the newly trend adopted especially projects/ enterprises characterize with workforce density and small enterprises as being the crucial bases of social and economic development.

The Authority has gained a cumulative experience throughout a long period of time. It relays on economic and technical studies for surplus revenues investment projects to assure economic feasibility in light of market needs to progress implementation of such projects forwards with confidence and economic profitability.

In pages below, you get acquaintance with the current investments of the GASSP & future investments sought to be achieved.

**Dr.**  
**Ali Mohammed AL-SHOUR**



## Preface

The GASSP has been established by a republican decree no. 25, for the year 1991, its executive bylaw issued by a republican decree no. 125, for the year 1992, to integrate Retirement Fund with Social Security Corporation.

Most significant objectives sought to be achieved:

- Suitable living standard for the insureds after service termination and support for their families if deceased.
- New job provisions contributions for new graduates to occupy vacant posts, as insureds reached either one of the two pension eligibility limits are referred to retirement.
- Creations of new jobs by the GASSP's investments.
- Increase financial resources of the Authority to ensure sustainability and stability.
- Efficient contribution to national economy development.

The BoD is regarded as the supreme supervision of the Authority and is accountable for the implementation of its general policy, revenues, and investments policy implementation in light of article no. 65, of its establishment law, with BoD recognition.

BoD consists as follows:

- Minister of Civil Service and Insurance – BoD Chairman.

- Minister of Finance – a member.
- Minister of Planning and International Cooperation- a member.
- Minister of Trade and Industry- a member.
- Central Bank of Yemen Governor- a member.
- The GASSP Chairman – a member.

Article no. 96 of the Social Security and Pensions Law no. 25 for the year 1991 reads as follows ( BoD defines fund management ,investments trends of fund liquidity in considerable returns projects, terminally award bids for such projects). Also article no. 66 of the aforementioned law indicates ( BoD defines liquidity that must be retained to meet fund's liabilities as well as accredits financial plan ,surplus revenues investment policy, assumed budget project, financial statement, and approves laws and bylaws relevant to fund's affairs).

Most important financial resources of the GASSP are the following:

- a. Employers and secured employees contributions approved in light of provisions of the law.
- b. Contribution sums paid by secured employees for earlier or deemed service periods.
- c. Amounts committed by the public treasury of the state for earlier service periods of state employees before issuance of the law.
- d. Returns of fund surplus revenues.
- e. Grants and subsidies accredited to be accepted by the BoD.



## Investment activities of the GASSP's surplus revenues

The objectives of investing surplus revenues are mainly to maintain capital assets real value, erosion avoidance due to inflation, and increase ability to meet liabilities of social security expenditures for the beneficiaries. In addition to serving the national economy, development contribution in accordance with state social, economic, and development plans/ objectives ,and poverty combating. However, investments primarily lies in available investments opportunities, and risk level.

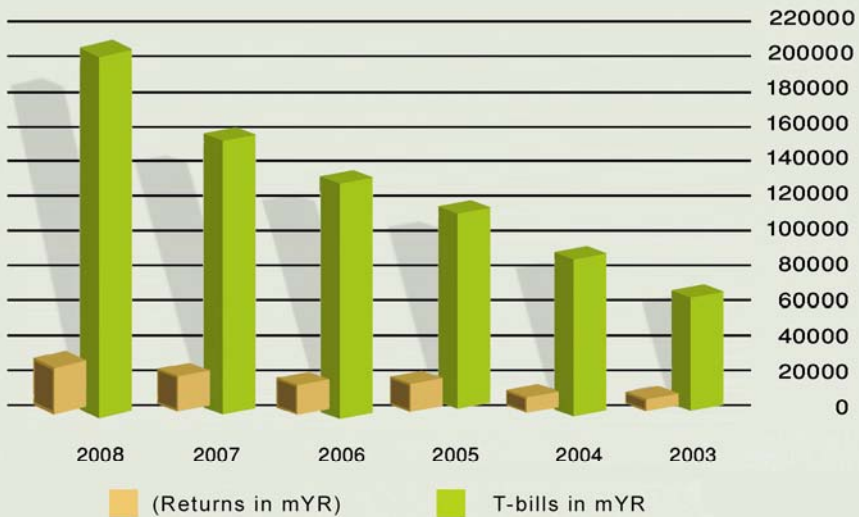
The current investment scopes are :

- Firstly, cash investments.
- Secondly, shares.
- Thirdly, real estate investments.

## Cash investments

### 1-1 T-bills

Treasury bills investment is regarded as one of the most source of investments sources the least risky, and the most secure at the existing time. The following figure shows such investments and revenues anticipation during the period 2003-2008.



Note:2009 T-bills balance until November 30<sup>th</sup> is YR 6.197.911.315  
T-bills interests during January 1- December 31<sup>th</sup>,2009 YR 8.218.516.845

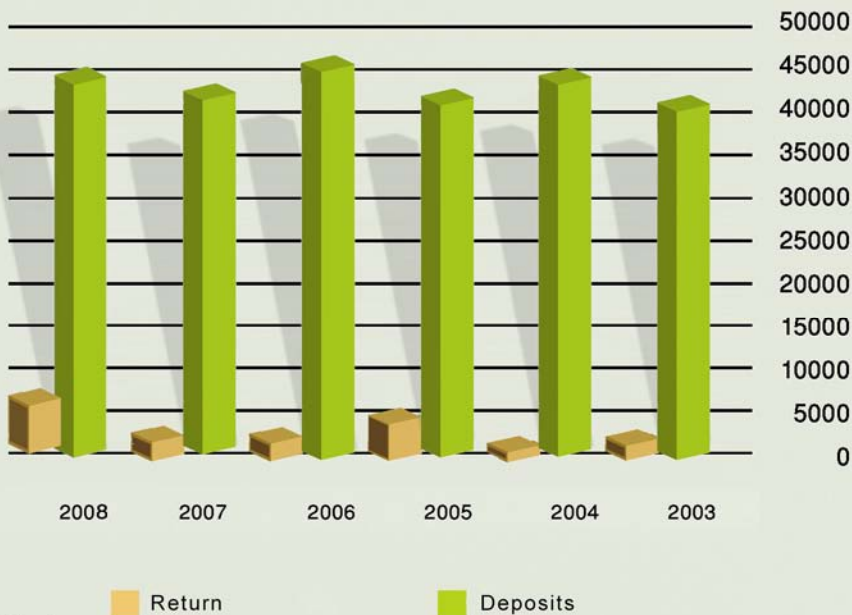
### 1-2 Governmental bonds

The government has made a resolution outset 2009 to deprive all social security funds from T-bills investments, among which was the Authority's fund ,and to be replaced by governmental bonds with interest rate of 7%. That leads to the transference of all due amounts of T-bills to governmental bonds. Governmental bonds total amount reached 242.100.000.000 in November 30, 2009, anticipated returns amount for these bonds in December 31, 2009 17.884.717.388 approximately.

## Deposits

### 1-3 Deposits

A portion of surplus revenues is invested in US\$ deposits. The GASSP's reserve incorporates considerable rates of deposits. The following indicates deposits and revenues volume during the period 2003- 2008 valued by YR ( the domestic currency).



Note:

2009 US\$ deposits interests amount is YR 65.399.354.

## Secondly : shares

All Retirement Funds and social security corporations' assets have integrated into the GASSP inclusive to shares in companies prior to its establishment. The GASSP has paid its portion of some companies' capitals increases as well as became a partner in other new companies' capitals to carry out development projects after evaluation of available opportunities and economic feasibility.

Herein companies GASSP participated in with different percentages:

### 2-1 Arabic Yemen Libya Holding Company

- Company location (headquarter) : the capital secretariat , Algeria street.
- Establishment year: 1989 – operation commencement 1991.
- Company feature: a joint holding company between the Yemeni and Libyan governments.
- Function scope: carry out all activities of setting up projects and projects financing. Most important of which:

#### **Sana'a Trade Center**

Deemed to be one of the most important trade centers and the biggest in the capital. It consists of :

- The administrative tower : five floors with a total area of 4.340 square meter.
- Two residential towers : composed of 40 apartments.
- Commercial center : composed of two floors with an area of 5.027square meter.

#### **Hadramout Hotel, Almukla, (4 stars level).**

- Projects under establishment : entertainment center project, Hadah Tourism Entertainment Project.

Company 'shareholders and the share of the GASSP

| Shareholder                 | Rate  |
|-----------------------------|-------|
| Libyan government           | 50    |
| Ministry of finance         | 38014 |
| GASSP                       | 7.49  |
| Social security corporation | 4.37  |



Sana'a Trade Center

## 2-2 Yemen Salt refinery and packaging company

- Company headquarter: the capital secretariat.
- Company feature: a Yemeni shareholding company.
- Establishment year: 1985.
- Operation scope: marketing, packaging, and exporting salt.

### Shareholders of the company & the share of the GASSP

| Shareholders                          | Rate |
|---------------------------------------|------|
| GASSP                                 | 25   |
| Ministry of Trade & Industry          | 19   |
| Yemen Construction & Development Bank | 19   |
| Social Security General Corp.         | 12   |
| Private sector                        | 25   |

## 2-3 YEMEN HOTELS COMAPNY

- Company headquarter : the capital, circular Lane.
- Company feature: a Yemeni partnership company.
- Operation scope: tourism and hotels section, with one hotel in Mare'b city.
- Company shareholders: GASSP has a percentage of 7.21%, the rest is distributed between Yemen Airways and the private sector.

## 2 – 4 YEMEN MOBILE NETWORK COMPANY

- Company headquarter : the capital secretariat , Aljiraf.
- Company feature: a Yemeni partnership company.
- Operation scope: ownership, construction, management , and operation of cell phone network in the Republic (Yemen Mobile).

| Shareholders   | Rate |
|--|------|
| Wire & Wireless Communication General Corporation              | 55   |
| GASSP  | 4    |
| Social Security General Corporation                            | 3    |
| Yemen Economical Corporation                                   | 3    |
| Social Security Fund for Army Personnel                        | 2    |
| Social Security Fund for Police Personnel                      | 2    |
| Postal Saving Fund   | 1    |
| Ministry of Transportation's employees, & its affiliated Auth. | 10   |
| Private companies& Commercial Banks                            | 5    |
| Private sector- the public                                     | 15   |

## 2 – 5 Yemen LNG Company Limited

- Company headquarter : the capital secretariat , next to Ramadh Hadah Hotel.
- Establishment year: 2004.
- Operation scope: LNG production and exportation.  
Production capability estimate is 6.7 Million per year.

| Shareholders      | Rate  |
|-------------------|-------|
| GASSP             | 5     |
| TOTAL company     | 39.62 |
| Hundayi company   | 5.88  |
| Yemen Gas Company | 16.73 |
| Yemen Hunt        | 17.22 |
| Sk Corp.          | 9.55  |
| Ko. Gas Corp.     | 6     |





The LNG Company is considered as an important investment company. Liquidity of gas and exportation is deemed to be the grandest investment project in Yemen. The project consists of gas cooling unit, natural gas liquefaction , exportation port , three pipelines connecting two units of gas production and treatment in Mare'b , one main pipeline with length of 320 kilometers from upstream plant to balhaf , and another to deliver gas supply to Ma'ber , Dahmar governorate to meet local market needs . besides establishment of two reservoirs with a capacity of 140 thousands cubic meter to generate electricity , water filtration , water treatment units, and vapor generation plant.



## 2 – 6 ASSAS REAL ESTATE COMPANY

- Company headquarter : the capital secretariat.
- Establishment year : 2008.
- Company feature : limited liability.
- Operation scope : regarded as the first of its kind in Yemen as a comprehensive real estate development company aimed at investing in real estate development and evolvement of land. In addition , it will be the center of inspiring real estate activities.

### Shareholders of the company

| Shareholders                           | Rate % |
|--|--------|
| Arabic Yemeni Libyan holding company   | 60     |
| GASSP                                  | 23     |
| Cooperative & Agricultural Credit Bank | 10     |
| Private sector                         |        |

The company is making the final touches of a study prior the presentation of the latest batch of its real estate investments in the Yemeni market by the Hadah Rreal Estate Project. It is located in Hadah area ,and occupying a unique location with an area of 16500 square meter.

The project consists of the following main compositions (components):

- Two basement floors on nearly all the location area as parking lots and services places. It is planned to contain 1000 vehicle in the two floors.
- Three floors , ( basement and two floors), commercial mall and entertainment center covering nearly all the area.
- Two towers in the front part with three meters height starting from the third floor to the fifth with an area of 1000-1200 square meter each floor.



Hadah Real Estate Project

## HADAH REAL ESTAT PROJECT

Two residential towers in the rear side with height of eight floors starting from the third floor to the tenth. It includes three residential modes , two stereos of 50-75 square meter, typical departments( two rooms to three rooms with average space of 150 square meter, and deluxe departments of overall area 300-350 square meter with possibility of using one tower as hotel departments.

Rest of compositions, entrances, exits, avenues, landscape, as required by project beauty, safety, security, and barriers-free moves.



## 2-7 YEMEN HIGHER EDUCATION COMPNAY LIMITED

- Company headquarter: the capital secretariat.
- Establishment year: 2008.
- Company feature: limited liability.
- Operation scope: higher education investment.

### Shareholders and the share of the GASSP

| Shareholder                  | Rate |
|------------------------------|------|
| GASSP                        | 5    |
| Yemen economical Corporation | 5    |
| Governmental universities    | 37   |
| Social security funds        | 7.5  |
| Private sector               | 45.5 |

The GASSP contributed to the establishment of the company with the aim of efficiently promoting undergraduate education, encouraging education privatization as well as establishing high quality experienced universities.

**REAL ESTATE INVESTMENTS**

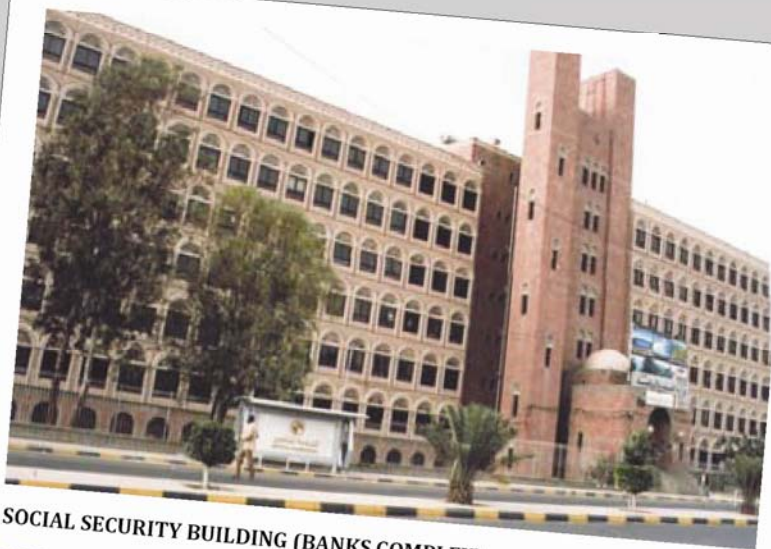
All real estate investments transacted prior to the establishment of the GASSP by the two earlier entities, outset of 1984, have changed into it (GASSP).

Real estate investment is attributed to be not risky and possesses several positive features. Some of which real assets value maintenance, inflation avoidance, and purchase capability decrease. Therefore, the GASSP has continued real estate investments and bought many buildings in the capital and in other governorates.

**GASSP real estate investments are:**

**3-1 BANKS COMPLEX BUILDING**

- Location : the capital secretariat , Al-Zuberi Str.
- Establishment year: purchase date 1980.
- Building function : administrative offices.
- Compositions: basement and six floors 36 rooms each.



**SOCIAL SECURITY BUILDING (BANKS COMPLEX)**

### 3-2 Social security administrative and Investment Building

- Location : the capital secretariat , Al-zuberi Str. Next to the Banks Complex.
- Establishment year: 2008.
- Building function : administrative offices.
- Compositions : ten floors, basement .099-20 square meter, and a parking lot.

The project is unique due to being located in the most important street in the capital .Besides architecture designing corresponds with modernization and Yemen genuine heritage.

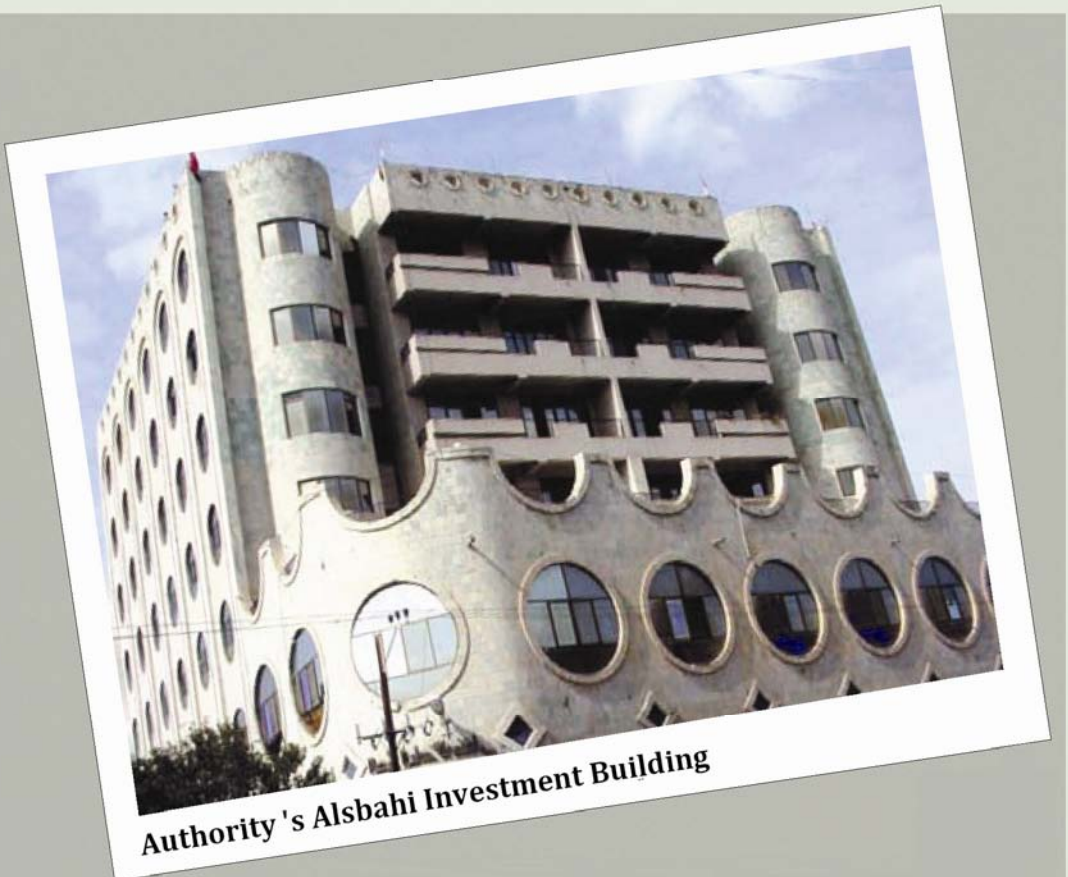


Authority's administrative and Investment Building

### 3-3 Authority 's investment building of Alsbahi

- Location (Headquarter) : the capital secretariat, Jerusalem Str. In front of the Saudi Arabia Embassy.
- Establishment year: bought in 1991.
- Operation feature : administrative offices.

compositions: composed of eight floors with four departments each , and a parking lot behind.



Authority 's Alsbahi Investment Building



### 3-4 Authority's Hadah Building

- Location (Headquarter) : the capital secretariat , the main street of Hadah.
- Establishment year : bought in 1984.
- Building operation feature: residential, commercial , and administrative.
- Compositions : composed , at the exiting time, of three floors.



GASSP's current commercial building

As being build a long time ago and due to building limited compositions, a study is being conducted currently so as to make use of the unique location of the building by being replaced by a tower incorporating first class residential departments, several commercial shops to meet lessees social and entertainment projections.



GASSP's HADAH COMMERCIAL BUILDING PROJECTION

### 3-5 Al-Wah'a (Oasis) Commercial Center

- Headquarter : the capital secretariat.
- Establishment year : 1991.
- Function feature: an administrative and commercial building.

Compositions : first phase completed ( a basement used as a parking lot, services center, and two commercial floors)



Oasis Commercial Center Current Building

Its location is uniquely distinguished where two major hotel lies ( Sheraton , and Movenpik ) , and a place where a number of international real estate companies intend to set up commercial corporations in the time to come, especial y with the growing interest to accelerate activation of commercial malls and increasing its capabilities to match the rapidly growing comprehensive development in the Capital.

Stressed by the importance of the location of the area and the GASSP's investment strategy, BoD approved in its meeting held on 11.2.2007, to execute second phase of the project which will reach the height of 13 floors as a technical study is at the moment being prepared. The project will be inclusive to general administrative offices, entertainment facilities , multi- use suits, and a hall for weddings or other occasions.



OASIS COMMERCIAL NEW BUILDING PROJECTION AFTER PHASE TWO COMPLETION

### 3-6 RESIDNETIAL VILLAS FOR THE PURPOSE OF INVESTMENT

- Location (Headquarter) : the capital secretariat, next to the Japanese Embassy.
- Establishment year : bought in 2009.
- Operation feature :deluxe residential villas for the purpose of investment leased for TOTAL for eight years contract.
- Compositions :two villas.



1 INVETMENT VILLAS

### 3-7 THE INTERNATIONAL EXHIBITION MALL

- Location : Aden, Movenpik Aden.
- Operation commencement : 2008.
- Operation scope : commercial .

Compositions: multi-purposes international exhibition hall with an area of 4.050 square meter, 24 commercial shops, project total area 7.500 square meter.



### 3-8 INVESTMENTS BUILDINGS- ADEN

- Location (Headquarter) : Aden next to the Inter. Exhibition Hall.
- Operation commencement: 2009.
- Operation feature : residential , commercial.

The required technical study has been completed for the two buildings with 6 floors each and total area of 2.760 square meter.

### 3-9 Commercial Warehouses - Aden

- Location (Headquarter) : Aden- Almouallah, nearby Blaza Hotel.
- Operation feature: commercial .
- Compositions: one big hall set into divisions to be commercial warehouses.

### 3-10 Building of the Authority in Almuklah

- Location (Headquarter) : Almuklah, October neighborhood.
- Operation feature: residential.
- Compositions : a building of four floors with four departments each.

### 3-11 commercial shops-Abian

- Location : Abian, Zenjobar, Martyrs square.
- Operation commencement year : in the year 2008.
- Compositions :24 commercial shops and two residential Departments.

## FUTURE ACTION PLAN

Investment future action plan is the general reference framework for the preparation and implementation of investment projects to assure optimal use of Authority's surplus revenues and profitability so as to maintain fund financial balance and sustainability.

Most important investment strategy pillars future action plan is based on:

- To be a contributing party in the social and economic development.
- Long term investments to maintain GASSP's assets real value as well as to be protected from inflation effects.
- Short term investments to promote beneficiaries life standard (as small and medium industrial projects).

### INVESTMENT ACTION PLAN INCLUDES THE FOLLOWING

#### 1- Cash investments

- a. Establishment of an Investment Bank.
- b. Continuation of deposits and T-bills investments.

#### 2-Real estate investments

Most important objectives of real estate investments aim to :

- Create permanent jobs or temporary jobs.
- Invest a part of surplus cash revenues.
- Execute , which is most important project among the projects under study with other partners, the President Saleh's Residential and Investment Project.

## PRESIDENT AL-SALEH RESIDENTIAL & INVESTMENT PROJECT

As an execution of the President's electoral program to provide residents to limited income individuals, the Cabinet issued a decree no. 126 for the year 2007 that a supreme committee be formed by all relevant apparatuses. Some of which , in addition to the General Authority for Social Security & Pensions, were the General Corporation for Social Security and the Agricultural and Cooperative Credit Bank.

The project is simply residential complexes for limited income individuals and investment residential buildings with other service facilities as follows:-

- a. Buildings for limited income individuals composed of five floors 4 departments each with an area of 75-85 square meter.





- b. Investment buildings of 5 floors 2 departments each with an area of 100-130 square meter.

The project will be implemented in three phases . The first phase in the Capital secretariat , Aden, Hadramout , Taize, Alhudiedah, Altale'h, and Hajah.





### 3- Investment in other economic sectors

The GASSP aims , as included in its strategy, to execute qualitative projects with social and economic benefits, decrease unemployment and to make a considerable progress in several economic sectors such as tourism , industrial , and financial sectors. Most important projects that are currently under initial and final feasibility studies are:

- 1- Internal airways company contribution.
- 2- Becoming a partner to set up Investment Bank.
- 3- Building warehouses halls at the Free Zone of Aden.
- 4- Cement production project establishment participation.
- 5- Participation in oil refinery projects.
- 6- Adopting the establishment of small and medium size productive enterprises.
- 7- Electricity projects contribution.

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