

Yemen Safe Passage Group

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The Yemen Safe Passage Group was formed in mid-2015 as an informal grouping of senior professionals, all acting in their personal capacity, who have worked in Yemen and who share a concern about the well-being of its people. The group brings together a wide range of expertise – international politics and diplomacy, security, trade and the economy, port operations, infrastructure, livelihoods and humanitarian operations. This is coupled with an understanding as to how this expertise might realistically be applied to the Yemen situation. The group also has a wide range of contacts in Yemen, living on every side of this complex conflict. This helps keep our recommendations rooted in Yemen's often complex reality. For further details see www.yemensafepassage.org

Famine threat and public health crisis

Food insecurity in Yemen continues to climb alarmingly. 65% of households are now estimated to be food insecure, facing daily hunger and possible famine. Seven governorates are now at IPC 4 level of food insecurity ('Emergency') with Taiz (badly affected by conflict) and Hodeidah (severely hit by infrastructure damage to spate irrigation and the decline in fishing) judged the most acute.

Local food production, which normally accounts for some 10% of grain consumption, was 37% below the five-year average in 2016. Imported food accounts for the other 90%, but consumer prices of wheat are up 32% since pre-crisis despite a 38% drop in international wheat prices. Even more serious has been the decline in purchasing power – with livelihoods hard hit and public salaries, pensions and welfare unpaid.

The UN has declared Yemen the largest of the world's food crises, as large as the food crises in Somalia, Sudan and Nigeria combined. UN Secretary General Antonio Guterres and World Bank President Jim Kim recently held a press conference to jointly highlight the urgent need to prevent a further deterioration in Yemen's situation.

Public health has become a major focus of concern. Sana'a, where sanitation workers have been unpaid for weeks, is now facing a cholera epidemic. Meanwhile many hospitals and clinics throughout the country remain closed, damaged by air attacks or with staff unpaid.

Threat of military attack against Hodeidah

Mokha fell to the Coalition military advance during these last two months, although YSPG understands that fighting continues in the area, as well as a push against the large military base near Taiz. Coalition public statements have been declaring Hodeidah the next target, to be taken by a combination of a military move up the Tihama coast and attacks from the sea. Leaflets were dropped by Saudi planes on the city in late April declaring 'legitimate forces were on their way to liberate the city'. Saudi briefings at the time sought to reassure that this would be a 'quick and clean' military victory and that in the meantime Aden could act as the port for vital food imports.

The international reaction, including from YSPG, has been strong. UN and international agencies warned that Yemen, already on the brink of famine, was in no position to lose Hodeidah as a main port for food imports. Furthermore, it is difficult to see how Salif's operations could continue if neighbouring Hodeidah was a war zone. Hodeidah and Salif between them currently account for some 70% of annual wheat and rice imports, and are considerably closer to the highland areas of Yemen where the bulk of the population live. The estimated time Hodeidah Port would be out of operation, with war damage and a likely protracted fight, was likely to be many months at very least.

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Western policy rethink

The positions of the Coalition's international allies have always been critical to the ability to pursue this war - especially those providing the arms and ammunition which underpin it. While the US and UK play the central role, this extends much wider. Eurofighter Typhoon and Tornado jets are European projects, involving Germany, Italy and Spain (and France in earlier stages) as well as the UK.

In the UK concerns about the conduct of war in Yemen have been most vociferous. The issue of whether arms sales meet Britain's own standards, has been the subject of a Judicial Review, but the date for publishing its findings has still not announced after some two months of deliberations. Providing the means to bomb while patching up with aid is now being publicly questioned not just by opposition parties but also by senior Conservatives, such as former DFID Minister Andrew Mitchell.

In recent weeks, there have been three high level visits to Riyadh – Theresa May, Jim Mattis (US Defence Secretary) and Angela Merkel. While trade relations would be top of the agenda, the war in Yemen with its potential for social breakdown to feed Islamic extremism was discussed in each case. Each leader highlighted the need for a political solution to the Yemen conflict and none declared support for the military push on Hodeidah.

President Trump's upcoming visit to Riyadh could potentially be an important marker in the US's relationship to the war in Yemen. It comes after the recent strong statement issued by 55 US Senators and Congressmen (see <https://pocan.house.gov/media-center/press-releases/bipartisan-effort-55-us-representatives-call-on-trump-to-come-to>).

Update on YSPG Positions

YSPG wrote to Prime Minister Theresa May on 20th March (see <http://www.yemensafepassage.org/wp-content/uploads/2017/03/YSPG-letter-to-British-PM-20.3.17p.pdf> for full text) calling for a new UNSC Resolution that would include the elements below. YSPG have reviewed these proposals six weeks on and continues to find them valid.

- a) *Explicitly recognize that all major parties to the conflict must be part of the solution, and that for genuine sustainable peace each must recognise the deep-rooted concerns of the other. UNSCR 2216 needs to be superseded by something more realistic, and must reflect the facts on the ground in a way that will help get all parties to the negotiating table. Much has changed since the original resolution which focused on the legitimacy of one party to the conflict.*
- b) *Repeat the calls for an immediate ceasefire and a return to the negotiating table.*
- c) *Emphasise the practical value of involving women in peace negotiations, including leaders now in self-imposed exile. Many senior Yemeni women have been at the forefront of the demand for peace and the reconstruction of a broken country.*
- d) *Call, in the very strongest terms, for the safe passage of humanitarian goods and of imports essential for economic activity, including food, fuel and medicine. Specifically and immediately, the four cranes need to be allowed into Hodeidah Port, the destroyed cranes need to be cleared and the operation of the new cranes safeguarded, if necessary, by international supervision. A wider role for United Nations Office for Project Services (UNOPS), who manage the successful UN Verification and Inspection Mission, should be immediately approved if the parties to the conflict cannot agree between themselves a special arrangement for Hodeidah as a Safe Port outside the conflict zone.*
- e) *Support the immediate implementation of the scheme already developed by the International Finance Corporation to provide a working structure and transparent oversight to essential currency*

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transactions and in support of the Yemeni Riyal. This is a priority - to ensure that social welfare and public sector salaries are paid, to facilitate the unfettered commercial import of grain on time, at the best port for inland distribution and in the quantities needed, and to counter inflation and its impact on food prices.

f) Recognise the importance of independent witnesses on the ground, including the international media who have been denied access by both sides to the conflict, and the urgent need for reliable data collection relating to food insecurity and infant malnutrition, so that relief can be well-targeted. Binding assurances are needed from both sides on the protection of humanitarian workers.

g) Urge the re-opening of diplomatic missions in Sana'a, even on a limited scale. This will provide the opportunity to directly inform and influence the Houthi alliance, and facilitate peace building by ensuring face to face meetings with both sides.

No formal reply to these points has yet been received, but YSPG has held several written exchanges and discussions with key figures both in the Foreign Office and with the Department for International Development. Although the final test is publicly declared policy shifts and concrete actions, it seems our representations are not going unheeded and appear to have been helpful in both encouraging and informing a reset of UK policy.

Hodeidah as a safe port (YSPG Proposal d)

This proposal has attracted the most immediate interest. YSPG was asked to develop our ideas further and a paper was produced outlining how an 'UNVIM+' operation might work in practice.

Meanwhile, perhaps in recognition that a military operation against Hodeidah was likely to turn severely counterproductive, the Coalition were demanding the UN take over the running of Hodeidah. On the other side of the conflict, YSPG had received positive signals from Speaker Yahya Ali Al-Ra'e who informed us that the House of Representatives (i.e. those Members of Parliament still in Sana'a) had discussed and approved our seven points, including the recommendation about Hodeidah as a safe port.

A focus on a specific practical issue like the interim arrangements for the port could help unblock stalled peace negotiations and provide the possibility for a more constructive dialogue. Both sides realise that a failed Yemeni state with a destitute population is in no-one's interests except the extremist groups.

Regarding the cranes destroyed by the Coalition, a senior member of the Gulf of Aden Ports Corporation has written to us pointing out that these were container gantry cranes and so not used for the bulk unloading of grain. However, the extensive damage has reduced the capacity of Hodeidah port's container operations (and food such as oil, sugar and flour is likely to be shipped in containers) while the damaged cranes continue to hinder operations at the essential quay space provided by the container berths.

Grain prices and an International Financing Facility (YSPG Proposal e)

This remains as urgent as ever, but there has been some encouraging movement. The need to stabilise the Yemeni Riyal, which on street exchanges has lost 68% of its value against the dollar since the start of the crisis, has become increasingly urgent following the move of Yemen's Central Bank to Aden which contributed strongly to its effective collapse. The exchange rate factor is the largest of all the drivers of grain prices, dwarfing other conflict-related issues such as high demurrage costs,

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increased insurance premium and multiple levies at checkpoints. YSPG input here has been through DFID who represent the UK in multilateral discussions on this point.

The World Bank are now proposing a mechanism (along the lines of the YSPG proposals to DFID) called the *Trade Finance Facility for Food Imports* to establish a US\$500m secured facility to finance imports of wheat and rice by local importers. YSPG urges the donor community to support this with the necessary collateral.

The measures YSPG have been proposing for Hodeidah would also have an impact on prices. They would allow the clearing of bomb damage debris and the re-equipping of the port. They would massively reduce waiting times and hence demurrage costs and, by removing Hodeidah from the war zone, reduce insurance premiums.

Ending the war, finding other ways to address some of the key drivers

Finally, YSPG has turned its attention to supporting the search for a viable way out of this ruinous war. All parties (and the Coalition's western backers) are increasingly realising not just the human and economic cost and accompanying reputational damage, but also the lack of any significant change either on the military or diplomatic front for over a year.

There is also an increasing realisation of the massive problems (and financial costs) being stored up by the continuation of the war. GCC countries have in the past been central to financing key projects in Yemen. Looking forward there is a realisation, *on both sides of this conflict*, that there are no other options to securing the very large sums involved in getting Yemen economically back on its feet. Recent estimates of war damage alone amount to US\$14 billion. Even before the war there was a US\$10 billion price tag on essential infrastructure projects, focused on water provision and energy. Both GCC and Western donors (with the EU here playing an important role) have been developing plans for the post war reconstruction.

One potential way forward is to more directly address Coalition concerns about Iranian arms fuelling the conflict. There is much debate about the extent of this in practice and it has sadly been in all parties' interests to play this up. More technically sophisticated surveillance and interception operations are possible both at sea and land. These would be considerably cheaper than the current war, involve no 'collateral' war casualties and have the important potential to also address piracy and smuggling. Control of smuggling will be much needed to avoid the drain on Yemen's future economy.

The Coalition charge that Iranian arms are still entering Hodeidah (or more realistically being landed at smaller Red Sea jetties) could be addressed by closely watching all vessels entering the 30km wide Bab el Mandeb and subsequently tracking suspicious cases to their destination. The long coastline of the Gulf of Aden and the land border with Oman is less easy and will require cooperation from local leaders. In practice, much of the smuggling is concentrated around specific border crossings or specific ports and landing points around Bab el Mandeb and in the far east of the country.

Any political settlement that not only reassures Coalition (and Western) concerns but also addresses the underlying future health of Yemen's economy needs to tackle this issue.

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YSPG believes there is no single solution to the conflict in Yemen. As an independent and impartial group, it will continue to pursue solutions at all levels to create the conditions for safe passage of food imports fuel and medicines, and by the promotion of confidence building measures for peace negotiations.