



Graveyard of Hubris

Yemen Annual Review 2021



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This monthly series is designed to provide readers with contextualized insight into the country's most important ongoing issues.

Cover Photo:

Government soldiers look upon the graves of fallen soldiers near Marib city on February 28, 2021 //Sana'a Center Photo by Ali Owidha

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Editorial

Delusions of Victory Laid to Rest

Through most of 2021, the armed Houthi movement appeared unstoppable. As their forces pushed relentlessly toward Marib city, the fall of the last government stronghold in the north began to seem inevitable. Rich in oil and gas, its loss would be a mortal blow to the spiraling economy and political legitimacy of the internationally recognized government. Along frontlines across the country, Houthi forces either held their ground or advanced, showing a cohesiveness, discipline and effectiveness unmatched by the motley array of armed groups opposing them. Houthi drones and ballistic missiles flew across the border into Saudi Arabia, and continued even in the face of retaliatory airstrikes, heightening the cost of conflict for the coalition.

Houthi military efforts were buttressed by developments behind the frontlines and beyond Yemen's borders. A significant threat to the movement emerged and vanished without the Houthis even having to respond. The group was designated a Foreign Terrorist Organization (FTO) in January 2021 as a swan song of the Trump administration in Washington, but the decision was rescinded less than a month later by newly inaugurated US President Joe Biden after the United Nations and aid organizations testified it would paralyze humanitarian operations. For Houthi leaders, it was an affirmation of their strategy of holding the wellbeing of the civilian population hostage, giving the international community the poisoned choice of abandoning people in need or propping up the Houthi state. The group has been able to marshal humanitarian assistance to underwrite economic activity in the areas it controls, helping to legitimate its rule and freeing up resources for its war effort. Houthi security forces have successfully suppressed dissent, and an ever-growing number of children and adults are indoctrinated into the group through the rewriting of school curricula and religious teachings at mosques. The economy remained relatively stable in Houthi-held areas, even as searing inflation took hold elsewhere in the country. Its apparent success has furthered the group's zealotry and sense of impunity, both on display in September with the public executions of eight men and a minor in Sana'a. In sum, the Houthis' theocratic state-building project continued to gain steam through 2021.

As the year wore on, non-Yemeni stakeholders appeared to abandon hope that Houthi leaders were serious about peace talks. Riyadh has now spent several years trying to extricate itself from its military intervention in Yemen but has been unable to negotiate a settlement. In Washington, President Biden appointed a special envoy for Yemen in February to spearhead US diplomatic efforts to halt the conflict, but to little effect. United Nations Special Envoy for Yemen Martin Griffiths, having seen his Joint Declaration proposal for a nationwide cease-fire fail, left to become the UN's head of humanitarian affairs in May. His successor, Hans Grundberg, assumed the post in September, making the grim assessment that he expected "no quick wins".

Then, in late November 2021, came news that the Joint Forces were redeploying from their long-held positions south of Hudaydah city on Yemen's Red Sea coast, and the shape of the conflict very quickly began to change.

In 2018, the United Arab Emirates took the lead in organizing, arming, training and funding three armed groups: the National Resistance Forces, led by Tareq Saleh; the Giants Brigades, consisting mostly of southerners and led by Salafis; and the Tihama Resistance, a local armed group from Yemen's west coast formed early in the conflict. Collectively known as the "Joint Forces", they spearheaded a push up the Red Sea coast to liberate the Houthi-held Hudaydah city, home to the country's busiest port. The UN and international aid agencies decried the assault, arguing that the disruption to commercial and humanitarian imports would spark widespread famine. Saudi Arabia acceded to the pressure, forcing the UAE-backed forces to halt their advance on the southern outskirts of Hudaydah. This localized armistice was then formalized by the December 2018 Stockholm Agreement. In 2019, Abu Dhabi drew down most of its military investment in Yemen, while maintaining its patronage of the Joint Forces, which remained stationed on the west coast.

The sudden redeployment of the Joint Forces in November was unexpected and its initial motivation unclear. But then the Giants Brigades began to engage Houthi forces in Shabwa and southern Marib in late December and early January 2022, erasing Houthi aspirations for an imminent takeover of Marib city. Better trained, armed and coordinated than any force the Houthis had faced in their two-year push toward the city, the Giants Brigades accumulated a series of quick victories, retaking territory and cutting Houthi supply lines. That the Emirati-backed forces proved so effective, particularly relative to Saudi-backed groups, was both a source of relief and wounded pride in Riyadh; the most effective military push against Houthi forces since 2018 was again spearheaded by the kingdom's much smaller neighbor. In Western capitals, the results of the redeployment made clear the respective organizational and military capabilities of the two Gulf states. The Giants Brigades' string of victories upended the most significant Houthi military initiative of the past two years, in which the group has lost tens of thousands of fighters, dealing a blow to propaganda claiming a divine right to rule. The Houthi drone strike on Abu Dhabi in early January 2022 was not just to impose a cost on the UAE for its re-engagement, but a message to Houthis' domestic audience, projecting an image of strength after a series of stinging setbacks.

Though the Houthi advance had stalled, the party that fell the farthest in stature and power in 2021 was Islah, particularly after the reengagement of the UAE. As the Yemeni affiliate of the regional Muslim Brotherhood, which Abu Dhabi deems a terrorist organization, Islah has been an Emirati target during the coalition's intervention, even though it is ostensibly on the same side. A condition of Abu Dhabi's reengagement was that Riyadh agreed to facilitate the sacking and replacement of the pro-Islah governor of Shabwa, which happened in late December. The speed with which the Giants Brigades racked up victories against Houthi forces in Shabwa, forcing them out of the southern governorate, underscored for many the ineptitude and corruption that had prevented Islah from mounting an effective resistance. Islah's closest ally in the government, Vice President Ali Mohsen al-Ahmar, has clearly fallen in standing and appears destined for replacement in 2022. President Abdo Rabbu Mansour Hadi, another key Islah ally, appears to be weaker, both politically and in terms of his physical health, than at any other time in the conflict. The party's only bright news came from abroad, with Saudi Arabia and Qatar, the main Gulf backer of the Muslim Brotherhood, mending their years-long feud. But Islah has never looked weaker in Yemen, and the party's prospects have appreciably dimmed.

Islah's primary domestic rival, the Southern Transitional Council (STC), fared better in 2021. A secessionist party used to being in opposition, its participation in the national unity government has been predictably uncomfortable. The STC has had to parse the hypocrisy of attending cabinet functions while rallying its supporters to protest the government and demand a separate state in South Yemen. But in the latter half of 2021, the currency collapsed in areas outside of Houthi control, and the STC's de facto rule over Aden and other southern areas exposed the group to growing public anger. Backed by the UAE, the STC benefited from Emirati reengagement and the removal of the pro-Islah governor in Shabwa, where the STC was defeated by pro-government forces in 2019. By year's end, the STC was welcome in both Riyadh and Abu Dhabi, and managed to increase its stockpile of money, weapons and political support.

Away from the battlefield, the rapid collapse of the Yemeni rial in non-Houthi areas posed an existential threat to the government. The remnants of the government's legitimacy could be felt evaporating with the currency's plummeting value, which led to protests that threatened to dissolve what remained of social and political order. But just as Emirati reengagement dramatically reshaped the conflict, so did the government's decision to sack the senior leadership of the Central Bank of Yemen in Aden (CBY-Aden). The bank has long faced accusations of mismanagement and massive corruption – including by the UN Panel of Experts on Yemen in January – and the threat of further graft has been a major obstacle to securing desperately needed financial support. Following the announcement of new leadership at the bank in early December, accompanied by reports that Saudi Arabia and other Gulf countries were considering renewing financial support to the bank, the Yemeni rial began a dramatic recovery. While the currency remained unstable, it held onto most of its December gains as 2022 began, with the market clearly pricing in its support of the new administration and the prospect of new external financial assistance. Should the rial's recovery continue, it would be a dramatic step forward for economic stability, the humanitarian situation and the government's legitimacy.

Had Houthi forces taken Marib, along with its oil and gas resources, the group would have secured the economic resource base for its de facto state and emerged with even less incentive to negotiate. The diplomatic track will remain fraught in the near term, however, as the redeployment of the Joint Forces increases the probability that other, long-dormant frontlines become active and push peace talks further off the table. Houthi drone and missile strikes against the UAE also threaten further regionalization of the Yemen war.

But the door is still open for common ground and compromise on the dire economic crises the country faces, which negatively impact far more Yemenis than the immediate violence. Diplomatic efforts to resolve the conflict have yet to gain traction; there was little incentive for the Houthis to come to the table while their military successes continued. As the war enters its eighth year, the prospect of an economically strengthened Yemeni government, and a possibly chastened Houthi leadership, may offer the UN special envoy and other international stakeholders new avenues for mediation.

Executive Summary

Part I: The Year in Politics

Open warfare between the Yemeni government led by President Abdo Rabbu Mansour Hadi and its new junior partner, the Southern Transitional Council (STC), largely quieted in 2021, but their relationship never evolved into a partnership of governance. The fallout from this divide – combined with distrust and hostility that weakened the Islah party, the other key partner within the Hadi government – contributed to the government's inability to cohesively address a rapidly deteriorating economic situation. As the Yemeni rial plummeted in value throughout 2021, popular protests against rising fuel prices, electricity outages and unpaid salaries roiled southern and central Yemen (see: '[Declining Currency, Living Standards Spur Unrest](#)').

In March, one protest, backed by the STC, led to the storming of Aden's Ma'ashiq Palace, the seat of government. In Hadramawt, on March 30, security forces west of Mukalla city fired on demonstrators, killing one civilian, and leading to the declaration of a state of emergency by Hadramawt's governor. Protests also occurred in Taiz, beginning in late May, against the local governor, and in mid-September large demonstrations broke out across southern Yemen.

Protesters did not spare the Hadi government's smaller factions in areas where they dominated local authorities. While the STC painted itself as supportive of the protests, it also cracked down on some of them in Aden; the demonstrations of 2021 were largely a grassroots effort to express outrage at Yemen's political elites, whatever party or movement they belonged to. Popular protests in Shabwa escalated dramatically against the pro-Islah local authority in the final months of the year; accusations of corruption and poor performance on the battlefield combined with the economic pressure. Ultimately, Hadi fired Shabwa's pro-Islah governor, Mohammed bin Adio, on December 25. Awadh bin al-Wazir al-Awlaqi, a tribal leader and General People's Congress member of parliament, replaced him. Al-Awlaqi had been living in the UAE before returning to Shabwa to lead the protest movement (see: '[The Shabwa Protest Movement and Bin Adio's Fall](#)'). The turnover highlighted Islah's diminishing status politically as well as militarily, and furthered the STC-UAE ascent.

The STC's confidence grew through the year, in part owing to its ability to capitalize on the political and military misfortunes of the Islah party and the more active involvement of the UAE. The return to Aden in May of STC leader Aiderous al-Zubaidi showcased the group's confidence in its position in the government's interim capital, and the STC's leadership was not willing to compromise with the government to implement the remaining provisions of the December 2019 Riyadh Agreement that gave them a formal share of power. Both the government and the STC have obstructed implementation of provisions such as the appointment of new governors for most southern governorates, the redeployment of the majority of government and STC armed forces away from Aden, and the incorporation of

STC military and security units into the ministries of Defense and Interior (see: '[Status Update: The Riyadh Agreement](#)').

The inclusion of STC members in the Yemeni cabinet was a provision of the Riyadh Agreement, which had been implemented in late 2020. Prime Minister Maeen Abdelmalek Saeed had declared three priorities at the start of the new administration: reform of the economy; an end to the deterioration of the currency; and a fight against corruption. However, the prime minister often worked from outside Aden during the cabinet's first year and, even when based in Yemen, the government was largely ineffective (see: '[A 'Unity Cabinet' with Myriad Problems, Minimal Presence](#)').

While Saeed has been largely unsuccessful in implementing policies that would solve some of the economic problems crippling Yemen, he has sought to establish some independence from President Hadi; there has been notable friction between the two, according to political insiders. Saeed represents a separate power center in the government, with his rise coming at the expense of Hadi and Islah. A large part of this has been thanks to Saeed's own good relations with Saudi Arabia and UAE, the latter which he has visited, unlike Hadi.

Houthis Focus on Consolidating their Position as a Governing Authority

The Houthis have taken advantage of being relatively secure in the areas under their control to focus on entrenching their rule and with it a quasi-restoration of the Zaidi Imamate that ruled northern Yemen prior to 1962. The Houthis' multi-pronged approach to this focused on education, persecution and the consolidation of power in the hands of Houthi loyalists (see: '[Houthis Shore Up Mechanisms of State](#)').

Through the educational system they control in northern Yemen, the Houthis have been able to indoctrinate young people in their ideology. They have changed the curriculum to emphasize concepts such as "defending the homeland" and the history of Yemen's Zaidi imams. Additionally, the movement has employed extra-curricular education programs to preach their ideology to children, and, as local human rights organizations have argued, to recruit fighters (see: '[Educational Indoctrination and Child Recruitment](#)').

Emboldened with their success on the frontlines through much of 2021, the Houthis were able to persecute rivals with impunity, even civilians of whom they disapproved. In February, a Yemeni model, Intisar al-Hammadi, was detained along with three other women. Ignoring the criticism this unleashed on social media and from human rights organizations, the Houthis sentenced the women in November to up to five years in prison for indecency. An even more chilling event took place in September, when eight men and a teenager were publicly executed in the center of Sana'a, after being found guilty by a Houthi court of their involvement in the April 2018 drone strike that killed then-president of the Houthis' Supreme Political Council, Saleh al-Sammad. The men were tortured during their time in detention, and the teenager, Abdulaziz Ali al-Aswad, was partially paralyzed by the time of his execution (see: '[Consolidating Power, Spreading Fear](#)').

The Houthis also began to install more of their loyalists, particularly those from Sa'ada, in high-ranking ministerial positions. The Houthis had previously allowed non-Houthis to assume figurehead positions with Houthi loyalists in behind the scenes positions, but this

appears to be changing. While some details of tensions within the Houthi movement have emerged, the group appeared to still be fairly united in its goals, and the reality is that it long has been difficult to glean much in the way of reliable information on the leadership dynamics within the Houthi movement (see: '[Houthi State-Building and the War Effort](#)').

Regional Actors' Interests, Houthi Disinterest Complicate De-escalation

Anti-Houthi coalition members may all consider the Houthis to be their opponent, but it is hard to argue that they are on the same side. Throughout 2021, the UAE and Saudi Arabia appeared to be seeking to minimize the Saudi-led coalition's role in the conflict, while protecting their own specific interests (see: '[UAE Proxies Allow for Continued Influence](#)'). The first controversy was over the island of Mayun (also known as Perim), in the Bab al-Mandab Strait, where UAE forces were present and an airbase was being built. Although the Saudi-led coalition publicly stated that positions in Mayun were being used to support anti-Houthi forces on the Red Sea coast, the UAE's broader political and economic goals have seen it focus on situating bases along oil and commercial trade corridors. Its presence in Mayun as well as Socotra, where it also has a base, merely exacerbated concerns about the implications for Yemeni sovereignty.

Saudi Arabia, the senior partner in the regional military coalition, was looking for a way out of the war in Yemen throughout 2021 that would prioritize its national security interests, perhaps over the interests of the kingdom's local allies. In March 2021, Riyadh presented a new peace proposal that involved the lifting of the Saudi-led coalition partial blockade of Hudaydah port, the reopening of Sana'a International Airport, and peace talks among the Yemeni parties involved in the conflict. It was quickly rejected by the Houthis, who insisted the proposal was "nothing new", but discussions between the two sides continued for the rest of the year, aided by Omani mediation and parallel to Saudi Arabia's own de-escalation talks with Iran (see: '[Attempts at Saudi-Iranian Deescalation](#)').

Despite the talks, Saudi Arabia faced a succession of cross-border Houthi drone and missile attacks throughout the year, mainly targeting military and oil facilities, as well as airports. These strikes, combined with the Houthis' persistent pressure on Marib, frustrated international actors, who lacked the leverage to interest the battle-confident Houthis in a cease-fire much less in laying groundwork for a peaceful settlement.

Reassessing Strategies: International Players Seek a New Direction

On the international front, both the United States and the United Nations altered course in Yemen in 2021. Newly elected US President Joe Biden promised early in 2021 a stronger US diplomatic role and support to UN cease-fire and peace negotiation efforts (see: '[Yemen and the US Under the Biden Administration](#)'). He quickly appointed a veteran State Department official, Timothy Lenderking, as US special envoy to Yemen and overturned a last-minute Trump administration designation of the Houthis as a foreign terrorist organization (FTO), hoping to facilitate negotiations. By mid-year, however, the US was "beyond fed up" with Houthi intransigence and "horrified by the repeated attacks on Marib;" by early 2022, Biden was considering reimposing the FTO designation. At the UN, Martin Griffiths, the UN special envoy since February 2018, gave a final, futile push for his Joint Declaration initiative, which was intended to instill a cease-fire, improve the

economic and humanitarian situation and provide a framework for peace talks. Griffiths then left the envoy post in mid-2021, taking up a new senior UN position as under-secretary-general for humanitarian affairs, replacing Mark Lowcock (see: '[Yemen and the UN: Dead Ends and Fresh Starts](#)').

The UN tapped Swedish career diplomat and European Union envoy to Yemen, Hans Grundberg, in August to take over for Griffiths. Grundberg spent weeks meeting with local, regional and international actors before briefing the UN Security Council in December and sketching out his intended approach. Grundberg prioritized deescalation and, in a departure from his predecessor, economic relief; he also urged the warring parties to talk, even if they continued their battles on the ground. Although Grundberg met with many parties inside Yemen, including the Southern Transitional Council, Hadi government officials, military figures, civil society organizations and local government officials, he had not visited the Houthi leadership in Sana'a by the end of the year.

The UN humanitarian response in Yemen, meanwhile, scaled back programs, citing funding shortages as pledges failed to keep pace with recent past years. Donor skepticism combined with pandemic-related economic concerns to hit funding levels hard in 2020, when the UN received US\$2 billion (59 percent of its appeal) and recovery was slow in 2021, when US\$2.24 billion was received (58 percent of the requested amount). The shortfalls prompted cuts to food, health, clean water and other programs, and warnings of more to come (see: '[UN Donor Conferences and Humanitarian Funding](#)').

For complete coverage and analysis of political developments in Yemen in 2021, including local, regional and international actors' roles, see the full section, Part I: The Year in Politics, which includes:

Political Developments in Government-Held Areas

A 'Unity Cabinet' with Myriad Problems, Minimal Presence

Status Update: The Riyadh Agreement

STC Struggles with Balancing Act

The Push for Control of State Institutions

Takeover of State Media

Raids on State Institutions and Contested Appointees

Yemeni Parliament Fails to Reconvene

Declining Currency, Living Standards Spur Unrest

The Government-STC Conflict in Shabwa

Qana Port Controversy

The Shabwa Protest Movement and Bin Adio's Fall

Islah: In Search of Allies

Saleh's Forces Enter the Political Fray

Eastern Power Struggles: Al-Mahra, Socotra and Hadramawt

Unrest in Hadramawt

Politics and Governance in Houthi-Held Areas

Houthis Shore Up Mechanisms of State

Yemen & COVID-19: A Strategy of Looking Away

Consolidating Power, Spreading Fear

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Saudi-Houthi Peace Talks: The Long Road to Nowhere

Omani Mediation Briefly Raises Hopes for a Deal

Attempts at Saudi-Iranian Deescalation

Iranian Military Support for the Houthis

UAE Proxies Allow for Continued Influence

Yemen and the UN: Dead Ends and Fresh Starts

Infobox: The Joint Declaration

Prisoner Exchange Talks

Griffiths' Shuttle Diplomacy Makes a Stir, but Falls Short

Grundberg Takes Over

UN Human Rights and Humanitarian Issues

Experts Document Violations, Cite a Lack of Support

UN Donor Conferences and Humanitarian Funding Levels

Yemen and the US Under the Biden Administration

Part II: Military Developments in Yemen

On Yemen's battlefields, it is hard to argue that 2021 was anything other than a year of victories for the armed Houthi movement. In Marib, Houthi forces advanced on Marib city from the west and the south, taking control of the heartlands of the main government-allied tribes fighting them. In Al-Jawf, the Houthis pushed government forces almost entirely to the governorate's eastern deserts, leaving only one base still precariously in the hands of government forces. In Taiz, a government offensive designed to take the pressure off forces defending Marib eventually led to a Houthi counterattack, in which the latter took back many of the areas lost. That scenario was repeated, to greater effect, in Al-Bayda, where government forces set out to capture a key city only to lose the entire governorate, positioning the Houthis well for some of their most dramatic advances on the ground in recent years (see: '[How the Govt Offensive in Al-Bayda Backfired, Jeopardizing Marib](#)'). Even in Shabwa, in Yemen's south, the Houthis were able to seize three districts, their first victories in the hydrocarbon-rich governorate before being forced out at the turn of the new year.

The Houthis benefited throughout 2021 from their cohesiveness, their ability to continually send a greater number of fighters to the frontline and divisions among their opponents. A case in point is the battle for Marib (see: '[The Road to Marib City](#)'), the government's main stronghold in northern Yemen, where tribal fighters supported by government troops struggled to keep Houthi forces at bay. A February offensive brought the Houthis to the Balaq mountains, the gateway to Marib city from the southwest, prompting a wave of displacement as families fled frontline areas (see: '[The Other War: Missile Strikes, Assassinations and Displacement](#)'). While that offensive stopped there as a result of the excellent defensive position the Balaq mountains gave government defenders, the Houthis later found another route from which to push toward Marib city.

Southern Marib is the home of the Murad and Bani Abd tribes, the backbone of pro-government forces fighting in the governorate. However, after years of fighting, the deaths of hundreds of tribesmen, and complaints about the lack of salaries and effective support from the government and Saudi-led coalition, the tribal areas of Al-Abdiyah, Al-Jubah and Jabal Murad fell to the Houthis in quick succession in October 2021 (see: '[The Southern Offensive](#)'). The advance brought the Houthis within 15 kilometers of Marib city, as close as they would come in 2021 to conquering a city coveted as a game-changer before Saudi Arabia and the United Arab Emirates shook up the anti-Houthi coalition's military strategy.

Islah's Fortunes Fade: Left Out of Marib, Marginalized in Taiz, Replaced in Shabwa

While gleaning information about the inner workings of the armed Houthi movement remained difficult as ever in 2021, it clearly maintained a broadly united force. Despite heavy casualties sustained throughout the year, the Houthis were able to recruit and send more fighters to the frontlines, including child soldiers (see: '[Child Soldiers in Yemen](#)'). In stark contrast to the Houthis' united front, Yemen's anti-Houthi forces were riven by divisions, the impact of which clearly was felt on the frontlines.

Supporters of the Islamist Islah party long have dominated government military forces in Marib, Taiz and Shabwa governorates. Opponents of Islah within the coalition, therefore, blamed the party for the poor performance of those military forces in 2021, accusing the group of focusing on its own goals rather than cooperating with others. For their part, pro-Islah media and political figures have accused the United Arab Emirates of undermining Yemen's sovereignty and sowing division within the anti-Houthi coalition by backing paramilitary forces aligned with the secessionist Southern Transitional Council (STC). Saudi and Emirati priorities as well as the key regional powers' distrust of some of their local partners on the ground also complicated the military campaign throughout the year.

Islah supporters maintained that the Saudi-led coalition did not properly back government forces fighting in Marib. Salary payments to government soldiers in Marib were notoriously late, and often not paid in full; whether the coalition was providing government forces in Marib the weapons they needed also was a point of contention. At the same time, offers by Tareq Saleh, the leader of the UAE-backed Joint Forces, to have his troops help fight the Houthis in Marib were rejected. In Taiz, when the pro-Islah Taiz Military Axis carried out an offensive against the Houthis in March, there was little support from the Joint Forces or the Saudi-led coalition. The coalition even refused to provide weapons to Islah-affiliated government forces lest those weapons be used in the future against Saleh, who maintains good relations with Riyadh and Abu Dhabi (see: [‘The Taiz Front’](#)). It was little surprise, then, when a Joint Forces' offensive against the Houthis in western Taiz later in the year received no support from the Taiz Military Axis.

In late September, when Houthi forces crossed from Al-Bayda governorate into Shabwa, a stronghold of the Yemeni government in southern Yemen, Islah-aligned government forces soon withdrew. This allowed the Houthis to gain control of Ain, Bayhan and Usaylan districts in northwestern Shabwa, from where they were able to mount their second big push toward Marib city in 2021 (see: [‘The Bayhan Offensive and Its Aftermath’](#)).

Islah's quick retreat prompted accusations from its political opponents, most notably the Southern Transitional Council (STC), of a Houthi-Islah conspiracy. Shabwa governorate had seen confrontations between the Islah-affiliated local administration and STC supporters throughout 2021, despite the presence of pro-STC, UAE-backed Shabwani Elite forces being limited to the Balhaf LNG terminal and Al-Alam military camp. Shabwani Elite members were detained at several points in the year by local government forces, and the tension between the two sides culminated in a stand-off over Al-Alam after the UAE withdrew from the camp in October. Pro-government forces ultimately took Al-Alam by force on October 30 (see: [‘The Conflict in Shabwa’](#)).

Despite that success against the STC, Islah's power in Shabwa had been intrinsically weakened by the loss of northwestern Shabwa to the Houthis. It was units from the UAE-backed Giants Brigades, a constituent of the Joint Forces brought in from the Red Sea coast and backed by a coalition air campaign, that ultimately forced the Houthis out of Shabwa. By the time the dust had settled in January 2022, Islah had lost both political control and military dominance in Shabwa, and members of the disbanded Shabwani Elite were reactivated, reconstituted and rebranded as the Shabwani Defense forces.

Eyeing the Exits? Coalition Redeployments and the Hudaydah Withdrawal

The UAE withdrawal of its forces from Al-Alam camp and other positions in Shabwa came within weeks of Houthi forces entering the governorate's northwestern districts. Saudi forces had already withdrawn from positions in Al-Mahra, Aden and Hadramawt governorates. Although the Saudi-led coalition described the troop movements as redeployments rather than withdrawals, they added to speculation that the coalition was preparing for an exit from Yemen (see: '[Coalition Shifts](#)').

Another withdrawal — the coalition-backed Joint Forces' unilateral retreat from large swathes of Hudaydah governorate, including Hudaydah city — also raised questions, even within the Joint Forces' ranks (see: '[The Hudaydah Front: Ceding Ground to the Houthis](#)'). Regular bouts of fighting persisted even though there had been little movement on the frontlines in Hudaydah for much of 2021. It was, therefore, surprising when the Joint Forces unilaterally withdrew 90 kilometers south from Hudaydah city to Al-Khawkhah district. The Joint Forces' leadership linked the decision to withdraw to the 2018 UN-brokered Stockholm Agreement, which ended a coalition offensive on Hudaydah city, explaining that any advance by the Joint Forces in Hudaydah city and its environs would lead to accusations that the forces were obstructing implementation of the deal. The fact that the withdrawal came three years after the agreement raised eyebrows, and the withdrawal was confused, with some fighters criticizing the decision to abandon territory they had fought to gain. The Joint Forces eventually established new positions in southern Hudaydah governorate and from there launched fresh offensives in southeastern Hudaydah and northwestern Taiz governorates. These petered out in December, however, as UAE-backed Giants Brigade units redeployed to Shabwa to counter the Houthi advance there.

If the UAE and Saudi Arabia had withdrawn their forces as steps toward extricating themselves from the Yemen War, leaving behind a multi-sided civil war, they were effectively pulled back in by the Houthi presence in Shabwa and threat to Marib. The final weeks of 2021 required hands-on strategic involvement of Abu Dhabi and Riyadh, not to mention significant coalition air support, to execute an effective counterattack against the Houthis. The UAE itself, despite its announced military withdrawal from Yemen in 2020, exerted significant influence in 2021 that was arguably growing at the start of 2022. With the UAE-backed Giants Brigades leading the fight against the Houthis on the battlefield, it was clear that the pendulum had swung sharply away from Islah to UAE-supported forces in Shabwa. This was compounded by the quick and effective performance of the Giants Brigade forces in early January 2022; backed by coalition airstrikes, they were able to push the Houthis out of Shabwa in less than two weeks.

While Islah would argue that its allies within regular government forces would have had the same successes with the same coalition support, it appeared likely that Islah's opponents would take charge in 2022 of the fight against the Houthis in Al-Bayda, and potentially in Marib. Whether the UAE would lend the same support as it did in Shabwa remained to be seen. The Houthis, their march on Marib having sustained a serious blow, were unhappy with the UAE's reemergence on Yemen's frontlines; they made that abundantly clear at the start of 2022 with a drone attack on Abu Dhabi International Airport that killed three people.

For complete coverage and analysis of military developments in Yemen in 2021, see the full section, Part II: Military Developments in Yemen, which includes:

The Road to Marib City

The Western Marib Offensive

The Southern Offensive

How the Govt Offensive in Al-Bayda Backfired, Jeopardizing Marib

The Other War: Missile Strikes, Assassinations and Displacement

Failed Government Offensives

The Taiz Front

The March Offensive

Intra-Coalition Disputes in Taiz

The Northern Front: Fighting Reignites in Hajjah, Simmers in Sa'ada

The Hajjah Front

The Saudi-Houthi Border War in Sa'ada

Intra-Coalition Flashpoints

The Abyan Front: De-escalation, Re-escalation and Houthi Intrusion

The Abyan Shadow War

The Fight for Administrative Control

Houthi Incursions into Abyan

The Conflict in Shabwa

Standoffs at Al-Alam and Balhaf

The Bayhan Offensive and Its Aftermath

Shabwani Elite Forces, Sabotage and Suppression

Aden: Bombings, Assassinations and Insecurity

The STC Consolidates Control

Clashes, Kidnappings and Assassinations

Coalition Shifts

Was the Coalition Withdrawing?

Mayun and Al-Rayyan: Early Signs of Change?

Late Year Withdrawals

The Hudaydah Front

The Stockholm Agreement and 'Cease-Fire'

The Air War

Part III: Economic Developments

Among the most important economic developments in 2021 was the dramatic depreciation of the Yemeni rial (YR) in government-controlled areas, followed by its just-as-dramatic recovery as the year ended. This caused rapid price spikes, declining living standards and civil unrest, particularly from August through November. A primary factor in the rial's decline has been that the Yemeni government, facing massive budget shortfalls, has continued to monetize the public deficit by having the Central Bank of Yemen in Aden print new rials to cover recurrent expenses, largely public sector salaries. The increasing supply of domestic currency in government-held areas has been exacerbated by dwindling hard currency stocks. This comes in sharp contrast to northern areas where Houthi authorities have largely abdicated their responsibility for paying civil servant salaries while continually strengthening their revenue collection through customs, taxes and coercive fee collection. Controlling the majority of the Yemeni population and business centers, the Houthi authorities also benefit from the economic leverage of having most of the country's current foreign currency inflows, in the form of remittances and humanitarian aid funds, arriving in areas the group controls. Other contributing factors behind the depreciation of the rial in government areas include the escalating struggle over monetary policy with the Houthi-controlled Central Bank of Yemen in Sana'a (CBY-Sana'a), and Houthi battlefield advances, which undermined faith that currency printed by the government-run Central Bank of Yemen in Aden (CBY-Aden) – which the Houthi authorities have banned – would maintain its value. The potential implementation of an electronic currency and e-payment ecosystem was increasingly contested, with Houthi authorities and CBY-Sana'a attempting to push forward a minimally regulated model that largely circumvents the formal banking sector, while the Yemeni government and the CBY-Aden sought to oppose these efforts, and adhere to the pre-conflict legal mandate for a highly regulated, bank-led system.

The tussle for economic preeminence between the warring sides continued across the various sectors in 2021. This included a struggle over fuel imports, with the Yemeni government significantly reducing clearances for commercial fuel shipments through the Houthi-controlled port of Hudaydah, redirecting them to its own ports where it could collect customs revenue. Traders quickly adapted their supply chains, trucking fuel overland to Houthi-controlled areas in sufficient quantities – based on import data and anecdotal evidence – to keep the overall supply of fuel stable in Houthi areas. However, Houthi market manipulation and a second layer of customs tariffs imposed at land crossings led to price spikes and fuel shortages in northern areas, which Houthi authorities then used to build international pressure against the government's policies. Houthi authorities and the Yemeni government have also both raised their respective customs duties on many non-fuel commodities. Higher tariffs and higher fuel prices left millions of Yemenis facing prices for basic commodities they could ill afford.

Civil servants in Houthi-controlled areas saw only minimal salary payments in 2021. Most workers on the Yemeni government payroll, meanwhile, received their monthly salaries regularly, though their value was rapidly eroded throughout the year as the Yemeni rial depreciated in government-held areas. Exceptions to this were various military units in

southern Yemen, mostly affiliated with the Southern Transitional Council (STC), which have not seen regular salary payments since 2020 due to issues related to the stalled implementation of the Riyadh Agreement between the STC and Yemeni government. Other major economic developments also included the United States continuing to target the Houthi movement and affiliated actors with sanctions, and one of Yemen's largest telecommunications operators, MTN Yemen, selling its shares to an Omani company suspected of being a Houthi front.

For complete coverage and analysis of the economic situation in Yemen in 2021, see the full section, Part III: Economic Developments, which includes:

From Fragile to Failing: Economic Developments Pre-Conflict to 2021

Dramatic Exchange Rate Depreciation in Govt-Held Areas

Too Many Rials, Too Few Dollars, and the CBY-Aden's Crisis of Confidence

Escalation on the Monetary Battlefield

Steep Decline to Steeper Recovery

Impacts of Inflation: Higher Prices and Declining Living Standards

Fuel Market Dynamics and Oil Production

Warring Parties Wrestle for Control of Fuel Imports, Spurring Price Hikes

Domestic Hydrocarbon Production and Yemen's Balance of Trade

Competition for Customs Revenue

Public Sector Salaries

Uncertainty Surrounds Remittances and Expat Expulsion from Saudi Arabia

US Sanctions Against the Houthis and Affiliated Parties

E-Rial Developments

Telecoms: MTN Yemen Exits Amid Controversy

1

22. Political Developments in Government-Held Areas

44. Politics and Governance in Houthi-Held Areas

56. Regional and International Developments in 2021

Part I: The Year in Politics

After more than a year of negotiations, a government unity cabinet representing Yemen's anti-Houthi political factions flew into Aden International Airport on December 30, 2020, to begin governing from the interim capital. Its problems began before everyone could get off the plane. Three missiles launched by Houthi forces struck the airport as passengers disembarked, killing at least 25 people and injuring more than 100.^[1] The Aden airport attack presaged a difficult year for the cabinet, led by Prime Minister Maeen Abdelmalek Saeed, and the broader anti-Houthi coalition, backed by Saudi Arabia and the UAE. Beset by economic protests and infighting over control of state institutions, the unity government, once trumpeted as the solution to the coalition's problems, has thus far failed to effectively address the major issues facing Yemenis.

Saudi Arabia's declining faith in the Islamist Islah party, both in terms of its battlefield capability and capacity for local governance, became increasingly apparent as the year wore on. This further complicated the perennially tense relationship between the Islah-backed government and the secessionist Southern Transitional Council (STC), as the latter increased in relative power. After grudgingly incorporating the STC into the unity cabinet, the government has become ever more beholden to it, politically and militarily. In Aden, the STC has continued to use its control of the city to consolidate authority within government institutions, which it has presented as the basis of a future southern state. At the same time, as an internal opposition movement wielding real power, the STC faces significant challenges in balancing the need to administer territory, appease coalition backers and placate its secessionist base.

In the north, the Houthis have continued to expand their control, with the movement's intent to recast the Yemeni state and society in accordance with its Zaidi revivalist ideology gaining further momentum. Empowered by battlefield successes, the Houthi leadership has fine tuned its control over state institutions and public revenues, cracked down on competing power centers and inculcated the public with its ideology. The intensive consolidation of the de facto state's bureaucracy entailed shifting large numbers of loyalists from the Houthi heartland of Sa'ada governorate to Sana'a. While in the past, Houthi officials would be appointed to oversee non-Houthi personnel, increasingly loyalists have been installed to simply replace less-trusted members of the administration. This has ensured more direct, efficient implementation of security and bureaucratic measures and improved control through a more unified state-like apparatus which, in turn, has allowed for relaxation of the more visible restrictions in Houthi-held areas, such as security checkpoints.

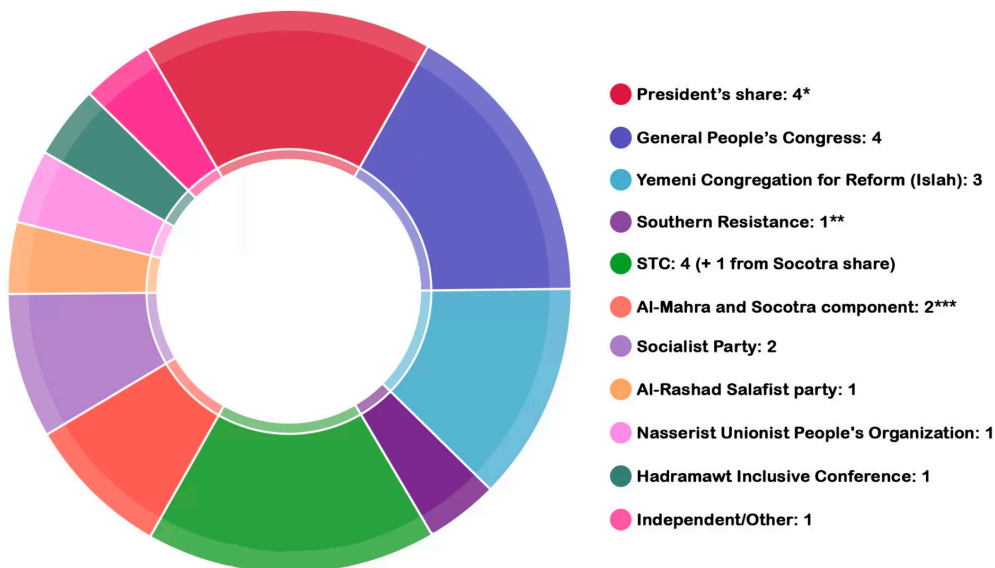
[1] Edith M. Lederer, "UN experts blame Yemen's Houthis for Aden airport attack," The Associated Press, March 30, 2021, <https://apnews.com/article/middle-east-yemen-united-nations-28a47733b8ec3b559cb1fo8f425c6bc2>; Among the dead were Yasmin al-Awadhi, deputy minister of public works, aid workers and journalists. For a personal account of the airport attack, see: Hussam Radman, "In Focus: How I Escaped Death at Aden Airport," Sana'a Center for Strategic Studies, January 19, 2021, <https://sanaacenter.org/publications/analysis/12947>

Political Developments in Government-Held Areas

A 'Unity Cabinet' with Myriad Problems, Minimal Presence

At its inception, the unity cabinet prescribed by the 2019 Riyadh Agreement (see: '[Status Update: The Riyadh Agreement](#)') and announced in December 2020 in Saudi Arabia was composed of 24 ministers — 12 from northern Yemen and 12 from southern Yemen — with seats distributed among Yemen's main anti-Houthi parties, including the STC, the General People's Congress (GPC) and the Islah party. Prime Minister Maeen Abdelmalek Saeed identified the unity cabinet's top priorities at the outset: "reform the economy, stop the deterioration of the currency and fight corruption."^[2] On top of that was an expectation that the cabinet would help mend the rift between the government of President Abdo Rabbu Mansour Hadi and the STC, after more than a year of open conflict. Presenting a united political, military and diplomatic front against the Houthi movement was intended to head off disputes and obstacles in any future negotiations to end the broader war, increasing the chance for more comprehensive, lasting results.^[3] A year later, it is difficult to see progress on any of these fronts.

Allocation of ministerial posts by party/actor



* As part of the Riyadh Agreement, President Hadi was given the prerogative to put forward candidates to head Yemen's four sovereign ministries (Interior, Defense, Finance, Foreign Affairs)

** The minister representing the Southern Resistance is also a member of Islah.

*** The minister representing Socotra is also a member of the STC.

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[2] "Abdelmalek: The new government's priorities are reforming the economy and fighting corruption [AR]," Asharq Al-Awsat, December 18, 2020, <https://aawsat.com/home/article/2689381/>

[3] Khaled Ameen, "Yemen's Power-Sharing Cabinet: What's At Stake?" Sana'a Center for Strategic Studies, April 5, 2021, <https://sanaacenter.org/publications/analysis/13695>

Several challenges prevented the unity cabinet from carrying out its mandate, the most apparent being its absence from Aden for half the year. Although the cabinet was publicly committed to addressing deteriorating economic conditions and unpaid salaries, the early months of 2021 were characterized by rising fuel prices and electricity outages in government-held territory.^[4] These hardships in turn gave rise to persistent and widespread protests (see: '[Declining Currency, Living Standards Spur Unrest](#)'), and on March 16, STC-backed demonstrators stormed the seat of government at Aden's Ma'ashiq Palace.^[5] While no ministers were hurt, and newly empowered Aden security director Mutaher al-Shuaibi was able to convince protesters to leave the palace compound without violence, the incident highlighted the precarious security situation the cabinet faced in Aden. Within a week, Saeed left Aden for Saudi Arabia.^[6]

Although several STC-aligned ministers remained in the city, others decamped to Riyadh, Cairo and other parts of Yemen. Hadi-appointed Interior Minister Major General Ibrahim Haydan later accused factions within the STC of obstructing security arrangements that would allow the cabinet to safely operate in Aden.^[7] The STC denied the allegations and called for the government's return, promising to provide the necessary security.^[8]

Saeed spent most of the next six months in the Saudi capital, apart from a tour of Yemeni government-held areas in late April and early May.^[9] He returned to Aden on a permanent basis in late September, following major Houthi advances in Shabwa and Marib governorates that raised concern that government strongholds across the country would fall (see: '[The Road to Marib City](#)' and '[The Conflict in Shabwa](#)').^[10] Despite its stated emphasis on economic issues, the government was unable to arrest the deterioration of the Yemeni rial in government-controlled areas until early December, when Hadi appointed new leadership to the government-aligned Central Bank of Yemen in Aden (see: '[Dramatic Exchange Rate Depreciation in Govt-Held Areas](#)').

[4] "The government raises domestic gas prices by 40% in the areas under its control [AR]," Al-Sharaea News, February 8, 2021, <https://alsharaeanews.com/2021/02/08/50999/>; "A protest carried out by the military in Aden demanding the payment of their salaries [AR]," Al-Mahrah Post, January 25, 2021, <https://almahrahpost.com/news/22538#Ygvbld8zat9>; "Angry protests over power cuts in Aden [AR]," Socotra Post, January 25, 2021, <https://socotrapost.com/localnews/7966>

[5] "Hours after storming it, protesters withdrew from the presidential palace in Aden [AR]," DW, March 16, 2021, <https://www.dw.com/ar/-بعد-ساعات-من-استيلاء-المتظاهرين-على-القصر-الرئاسي-في-عدن/a-56888377>; "Yemeni protesters storm palace with Cabinet members inside," Reuters, March 16, 2021, <https://www.reuters.com/article/yemen-security-protests-int/yemeni-protesters-storm-palace-with-Cabinet-members-inside-idUSKBN2B81AG>

[6] "The Prime Minister arrives in Riyadh days after protesters stormed the Al-Ma'ashiq Palace in Aden [AR]," Al-Mahrah Post, March 21, 2021, <https://almahrahpost.com/news/23661#Ygvbld3N9Byt9>; Saeed Al-Batati, "Yemen PM returns to Aden amid protests, plunging currency," Arab News, September 28, 2021, <https://www.arabnews.com/node/1937201/middle-east>

[7] "The Minister of Interior in an interview with 'September 26': There is a sense of the importance of the state's presence in the liberated governorates, and we were keen from the beginning to extricate Aden from its bad security situation [AR]," September 26, July 14, 2021, <https://www.26sepnews.net/2021/07/14/1-8149/>

[8] "In an interview with the London-based Al-Arab newspaper.. Transitional Council spokesman: The Riyadh Agreement is an integrated package that does not accept any selectivity or fragmentation [AR]," Southern Transitional Council, June 24, 2021, <https://stcaden.com/news/15062>

[9] "The Prime Minister arrives in Mukalla, Hadramout Governorate [AR]," Saba News (government-aligned), April 25, 2021, <https://www.sabanew.net/story/ar/74911>; "The Prime Minister arrives in Marib Governorate to review the military and humanitarian situation on the ground [AR]," Saba News (government-aligned), May 4, 2021, <https://www.sabanew.net/story/ar/75173>

[10] Casey Coombs, "PM Maen Abdelmalek Returns to Aden," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#Govt_territory

Saeed's return exacerbated the tension between himself and Hadi, who opposed the move.^[11] Saeed's relationship with Saudi Arabia, the UAE, the STC and other factions that have become increasingly hostile to Hadi's leadership (and to the marginalized Islah party that he favors) has given the prime minister more room to maneuver and pursue his own agenda. This has put Saeed, a technocrat appointed in 2018 to fix the economy and rebuild state institutions, at loggerheads with Hadi's sons, Nasser and Jalal, and others in the president's Riyadh-based entourage. As Saeed's power has grown, so has his conflict with Hadi. The extent of the rift was perhaps best illustrated by the prime minister's decision in late December to monopolize the import and distribution of fuel products through the state-owned Yemen Petroleum Company.^[12] This directly impacted Hadi's inner circle, including billionaire businessman Ahmad al-Essi, who has derived significant wealth from the existing fuel import system.

[11] Coombs, "PM Maeen Abdelmalek Returns," https://sanaacenter.org/publications/the-yemen-review/15218#Govt_territory

[12] "The Yemeni government limits the purchase and distribution of oil derivatives through the oil company only [AR]," RT, December 24, 2021, <https://arabic.rt.com/business/1308060-شركة-النفط-تحتكر-شراء-وتوزيع-المشتقات-النفطية-عبر-شركة-النفط>

Status Update: The Riyadh Agreement

Nascent hopes that the unity cabinet would implement the remaining political, economic, military and security requirements of the [Riyadh Agreement](#) have been dashed by infighting. Originally signed in November 2019, the Saudi-brokered deal for the government and STC to share power was agreed following the STC's August 2019 takeover of Aden and the spread of fighting into Abyan and Shabwa governorates. The agreement contains 20 provisions settling differences between the government and STC, with the intention of allowing the two nominal allies to refocus on fighting Houthi forces.^[13]

The most notable accomplishments of the agreement include:

- Creation of a unity cabinet and its return to Aden
- Appointment of a new governor and security director for Aden
- Appointment of a new governor for Shabwa governorate
- Redeployment of government and STC forces away from conflict areas in Abyan
- But important provisions remain unfulfilled:
- Appointment of new governors for other southern governorates
- Redeployment of government and STC forces away from Aden, with the exception of the government's 1st Presidential Protection Brigade
- Incorporation of STC military and security units into the ministries of defense and interior

Steps to further implement the Riyadh Agreement have proven short-lived, partial and open to reversal. Although the government's 1st Presidential Protection Brigade entered Aden to take up positions on Sirah Island in late January, the redeployment of STC forces away from Aden and Abyan and government forces from Abyan and Shabwa did not occur. Nor were STC-aligned forces incorporated into state military and security structures.^[14] As a result, the STC has retained effective control of Aden, emboldening the party to unilaterally institute changes strengthening its influence within state institutions (see: [‘The Push for Control of State Institutions’](#)).

Saudi Arabia invited the STC and Yemeni government to implementation talks in Riyadh on May 29, but hours before talks were to begin, fresh controversy erupted over the appointment of Major General Shallal Ali Shayea, the controversial STC-aligned ex-security director for Aden, as commander of the Counter-Terrorism Force.^[15] A face-to-face

[13] Full Text of the Riyadh Agreement, Southern Transitional Council, Riyadh, November 5, 2019, <https://stc-eu.org/en/document-of-the-riyadh-agreement-between-the-legitimate-government-and-the-southern-transitional-council/>

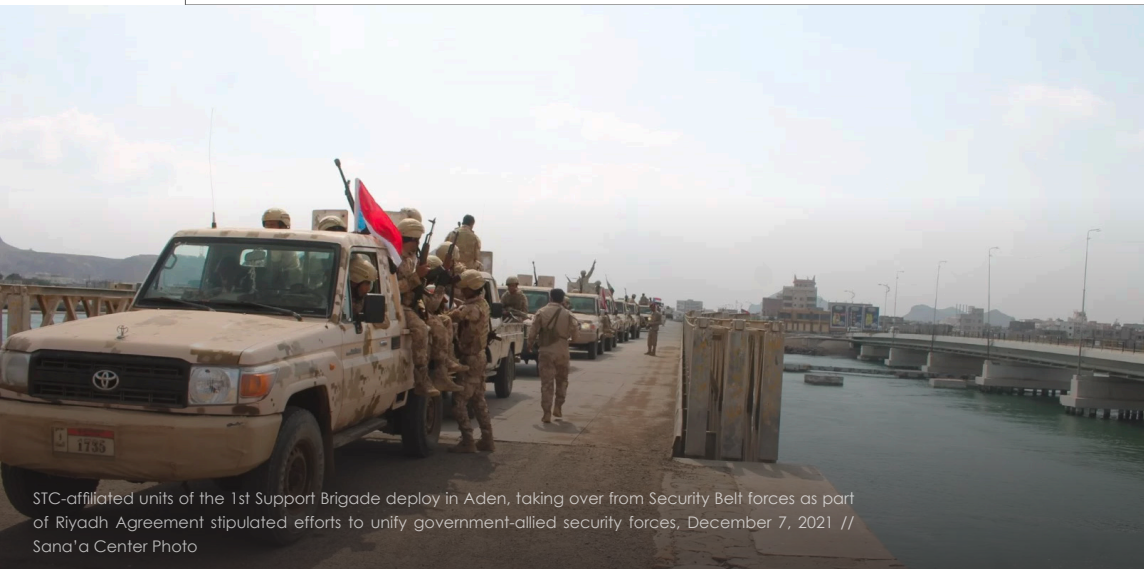
[14] "Yemeni Presidential Protection Forces take over Sirah Castle in Aden," *Debrief*, January 26, 2021, <https://debrief.net/news-22708.html>

[15] "Yemen: The Southern Transitional Council confirms that it has received a Saudi invitation to complete the implementation of the Riyadh Agreement [AR]," *Xinhua Net*, May 25, 2021, http://arabic.news.cn/2021-05/25/c_139969197.htm; "Al-Zubaidi appoints Shallal Shayea in a new position [AR]," *Aden Al-Gad*, May 29, 2021, <https://adengad.net/posts/547219>

session was postponed until June 14, then abruptly broken off by the STC.^[16] Although Saudi Arabia has periodically called for implementation of the Riyadh Agreement, and both the government and STC remain publicly committed to it, no significant progress was made until the last week of 2021, when President Hadi appointed a new governor for Shabwa governorate under coalition pressure (see: ‘[The Shabwa Protest Movement and Bin Adio's Fall](#)’).^[17]

[16] “The Saudi team to implement the Riyadh Agreement holds a meeting with representatives of the Yemeni government and the Southern Transitional Council [AR],” Saudi Press Agency, June 14, 2021, <https://www.spa.gov.sa/viewstory.php?lang=ar&newsid=2240744>

[17] “The Kingdom calls on the parties to the Riyadh Agreement to respond urgently to what was agreed upon following the meeting of representatives of the Yemeni government and the Southern Transitional Council to discuss completing the push for the implementation of the Riyadh Agreement [AR],” Saudi Press News, July 7, 2021, <https://www.spa.gov.sa/viewfullstory.php?lang=ar&newsid=2249244>; Tawfeek Ali, “Saudi Arabia calls on Yemenis to unite to ‘get back their country’ [AR],” Independent Arabic, October 30, 2021, <https://www.independentarabia.com/node/272786/الأخبار>
السعودية-تدعو-اليمنيين-إلى-الوحدة-لاستعادة-دولتهم



STC-affiliated units of the 1st Support Brigade deploy in Aden, taking over from Security Belt forces as part of Riyadh Agreement stipulated efforts to unify government-allied security forces, December 7, 2021 // Sana'a Center Photo

STC Struggles with Balancing Act

The Southern Transitional Council attempted to pull off a risky balancing act in 2021, potentially alienating both its secessionist base and the international powers backing the government it fought successfully to join. Its leader, Aiderous al-Zubaidi, had been based in the UAE since 2019. Bolstered by his return to Aden in May, the STC tried to negotiate the dual role it took on when joining the unity cabinet. Officially part of the government, it was now partnered with President Hadi and the very state from which it advocates secession, yet it still presents itself as an opposition movement that advocates for the southern people. The STC has to present different attributes to different audiences: if it is too radical it will alienate Saudi Arabia and the international community and risk being left out of future peace talks, if it is too pliant it will lose domestic support and legitimacy. This balancing act has led to contradictory messaging. In May, Al-Zubaidi called for the government to return to Aden. In the same speech, he called the government's presence in Sayoun, Shabwa and Al-Mahra an "occupation".^[18]

The STC's efforts to present itself as a viable alternative have been undermined by its inability to improve the economic and security situation in the south, where it operates both as a local administration and as part of the government. This dual role has cast the STC as responsible for both its own failures and those of the government in which it now participates. Deteriorating living conditions in southern Yemen have led to protests throughout the year. Despite attempts by the STC to co-opt the demonstrations, popular dissatisfaction was directed at the political elite of which they are now part. It is now much less tenable for the STC to cast blame elsewhere for any deterioration of law and order and the worsening economic conditions.

The party has attempted to strengthen the power of local authorities in Aden, as these report to the governor, former STC Secretary-General Ahmed Lamalas. However, this is a delicate process: the STC does not wish to antagonize Saudi Arabia or the international community by overly undermining the government. The party has also sought to expand its reach. In Hadramawt and Al-Mahra, the STC has allied with the tribal leaders and local

[18] Hussam Radman, "The STC's Delicate Balancing of Contradictions – The Yemen Review, August 2021," Sana'a Center for Strategic Studies, September 10, 2021, https://sanaacenter.org/publications/the-yemen-review/14977#STC_balancing

political elites of the Inclusive Hadramawt Conference,^[19] and with Abdullah Issa bin Afrar, head of the Council of the Sons of Al-Mahra and Socotra.^[20] In Shabwa, the new governor (see: 'Islah: In Search of Allies') and the arrival of the UAE-backed Giants Brigades has allowed the pro-STC Shabwani Elite forces to return to the governorate (see: 'Shabwani Elite Forces, Sabotage and Suppression').

The STC has sought to strengthen its position as the representative of Yemen's south, but the group's difficult 2021 has impacted its popularity, especially among those who had been sympathetic to the party, though not outright supporters. But the STC is still seen as the only force able to protect the south against the Houthis, and anti-Islah southerners worry about the return of Islah should the STC fail. While the STC found it difficult to present itself as an alternative political authority in 2021, it successfully portrayed itself as the defender of the south, and this is the foundation of its strength.

The Push for Control of State Institutions

Infighting between factions associated with President Hadi and the STC over control of state institutions has continued since the government's return to Aden. Contentious negotiations in 2020 resulted in STC Secretary-General Ahmad Hamad Lamlas' appointment as Aden's governor in July 2020 and Mutaheer al-Shuaibi as security director in December 2020. However, multiple disputes erupted over appointments and the seizure of government buildings throughout 2021. On January 15, Hadi appointed several government officials without consulting with the STC leadership – most importantly former Prime Minister Ahmad bin Dagher as Shura Council speaker and Ahmad Ahmad Saleh al-Musay as attorney general.^[21] The STC rejected the appointments as a unilateral "departure from what was agreed upon" and a "blow to the Riyadh Agreement."^[22] The Yemeni Socialist Party and Nasserist Unionist People's Organization, both represented in the unity cabinet, also criticized the appointments, describing them as a "flagrant violation of the constitution... and the law of the judiciary."^[23]

[19] "The STC calls for southern governorates to support the Inclusive Hadramawt Conference," Yemen Window, December 17, 2021, <https://yemen-window.com/posts/134434>

[20] "Al-Afrar meets with the transitional leadership of Al-Mahra and a number of social figures in the governorate [AR]," STC website, October 7, 2021, <https://stcaden.com/news/15823>

[21] "The President of the Republic issued a decision appointing a speaker and deputies to the Shura Council [AR]," Saba News (government-aligned), January 15, 2021, <https://www.sabanew.net/story/ar/70954>; "The President of the Republic issued a decision appointing a Deputy General of the Republic [AR]," Saba News (government-aligned), January 15, 2021, <https://www.sabanew.net/story/ar/70955>; "Motaia Dammaj as Secretary-General of the Council of Ministers, and Dr. Ali Al-Awash as Ambassador of the Foreign Ministry [AR]," Saba News (government-aligned), January 15, 2021, <https://www.sabanew.net/story/ar/70956>

[22] "The Southern Transitional Council affirms its rejection of unilateral decisions [AR]," STC Official Website, January 16, 2021, <https://stcaden.com/news/13694>; "The Southern Transitional Council issues an important statement [AR]," STC Official Website, January 17, 2021, <https://stcaden.com/news/13702>

[23] Casey Coombs, "Cracks Emerge in Aden's Power-Sharing Government," The Yemen Review, January-February 2021, Sana'a Center For Strategic Studies, March 14, 2021, https://sanaacenter.org/publications/the-yemen-review/13365#cracks_emerge; "Al-Nasiri and the Al-Ishtiraki reject the recent decisions of President Hadi (statement) [AR]," Yemen Shabab, January 17, 2021, <https://yemenshabab.net/news/62909>; Khaled Ameen, "Yemen's Power-Sharing Cabinet: What's At Stake?" Sana'a Center for Strategic Studies, April 5, 2021, <https://sanaacenter.org/publications/analysis/13695>

Despite these criticisms, and STC threats to retaliate, Bin Dagher and other Shura Council officials were sworn in before President Hadi on January 19.^[24]

The response came on February 3, when the STC-affiliated Southern Judges Club, an association of judiciary members from southern governorates, issued a statement ordering the suspension of all judicial work until the Supreme Judicial Council was dismissed and restructured. The Judges Club said it was responding to the Judicial Council's support for Al-Musay's "illegal" appointment as attorney general.^[25] On February 7, STC-aligned security forces began enforcing the decision, preventing judges and other employees from entering the Aden Judicial Complex in Khor Maksar district.^[26] Tensions escalated again in early July, when the president of the government-aligned Supreme Court, Judge Hamud al-Hitar, ordered the reopening of courts and referred Southern Judges Club leaders for investigation, while in response the Southern Judges Club announced it would begin managing judicial affairs in southern governorates.^[27] In mid-August, the Judges Club announced the formation of a new body to manage judicial affairs and lifted its suspension on judicial work, although it continued to deny the legitimacy of Al-Musay's appointment.^[28]

Takeover of State Media

STC-aligned officials quickly used their new, formalized standing in Aden to impose their authority on news outlets in the interim capital. The struggle over media began in early May 2021, shortly after STC President Aiderous al-Zubaidi returned to the city.^[29]

[24] "Bin Dagher, Abu Al Ghaith and Aman take the constitutional oath before the President of the Republic [AR]," President Hadi Website, January 19, 2021, <https://presidenthadi-gov-ye.info/ar/archives/53006>; "The Southern Transitional Council issues an important statement [AR]," STC Official Website, January 17, 2021, <https://stcaden.com/news/13702>;

[25] Southern Judges Club, Facebook Post, "A statement issued by the Southern Judges Club [AR]," February 3, 2021, <https://www.facebook.com/JudgesClubSouth/photos/pcb.3648160755280422/3648160518613779>; Aden Al-Hadath, Facebook Video Post, "The statement of the Southern Judges Club announces the suspension of work in all courts and prosecutions until the dismissal and restructuring of the Supreme Judicial Council [AR]," February 4, 2021, <https://www.facebook.com/watch/?v=3709085489126884>; "The Southern Judges Club announces the closure of the courts and prosecutions and the suspension of work until the dismissal of the Supreme Judicial Council [AR]," Al-Wattan Aden, February 3, 2021, <https://www.alwattan.net/news/148223>

[26] "To enforce the decisions of the Southern Judges Club... Security forces affiliated with the STC close the Judicial Complex building in Aden and prevent judges and staff from entering," Al-Masdar Online, February 7, 2021, <https://almasdaronline.com/articles/215324>

[27] "The President of the Supreme Court approves the opening of the court headquarters and prosecutions, and the referral of the Executive Office of the Southern Judges Club for investigation [AR]," Saba News (government-aligned), July 2, 2021, <https://www.sabanew.net/story/ar/77012>; Southern Judges Club, Facebook Post, "A statement issued by the Southern Judges Club in response to the alleged decisions of the President of the Supreme Court, Judge Hammoud Al-Hatar [AR]," July 5, 2021, <https://www.facebook.com/JudgesClubSouth/photos/pcb.4074469322649561/4074466325983194>; "Supreme Court: Forming a committee from the Southern Judges Club to audit accounts is a flagrant violation of the independence of the judiciary [AR]," Saba News (government-aligned), July 27, 2021, <https://www.sabanew.net/story/ar/77746>;

[28] Southern Judges Club, "The Southern Judges Club approves the formation of a higher body for managing the affairs of the judiciary [AR]," Facebook, <https://www.facebook.com/JudgesClubSouth/posts/4192664790830013>; Southern Judges Club, "Directly, the judges are working in the general courts and prosecutors of the southern governorates in implementing the club's decision to partially lift the work suspension, today, Sunday [AR]," Facebook, <https://www.facebook.com/JudgesClubSouth/posts/4212683728828119>; Southern Judges Club, "The Administrative Court is yet to issue a decision to suspend the decision of the appointment of "Ahmed Al-Musai" as Deputy General and oblige the Central Bank and other stakeholders to not approve his signature and decisions [AR]," Facebook, <https://www.facebook.com/JudgesClubSouth/>;

[29] "President Al-Zubaidi returns to the capital, Aden [AR]," STC Official Website, May 1, 2021, <https://stcaden.com/news/14656>; "The return of the head of the Southern Transitional Council to Aden... an expected escalation... or a passing visit! [AR]," Debriefer, May 5, 2021, <https://debriefer.net/news-24906.html>

On May 2, local authorities under the control of Lamlas issued a circular demanding all private media, broadcasting and production companies obtain licenses from the Aden Media Office, and warned that those failing to comply within two weeks would be subject to “administrative and legal measures” and fined.^[30] Hadi’s information minister, Muammar al-Iryani, ordered local ministry offices not to comply with the circular, maintaining that media licensing was under his remit. STC-aligned authorities responded on May 20 with a requirement that journalists also register with the Aden Media Office.^[31]

The dispute escalated in mid-June, coinciding with the start of renewed negotiations in Saudi Arabia over outstanding provisions of the Riyadh Agreement.^[32] STC-aligned forces, reportedly acting on orders of Al-Zubaidi, took control of the headquarters of the Saba state news agency in Aden, expelling its employees.^[33] In the following days, additional raids on Saba and the headquarters of the government-owned Thawra newspaper were reported,^[34] and over objections from information minister Al-Iryani and the Yemeni Journalists Syndicate, the locations were seized and not returned.^[35] On June 13, the STC announced the Saba headquarters as the new home of the Aden News Agency, framed as a resurrection of South Yemen’s pre-1990 state news organization; two days later, the STC-aligned National Southern Media Authority announced its intention to consolidate control over state media outlets in southern Yemen.^[36]

Raids on State Institutions and Contested Appointees

STC attempts to take control of state institutions in Aden continued in late June and early July, prompting Saudi Arabia to publicly intervene. On June 30, Lamlas appointed Brigadier General Anwar Ali Yahya al-Omari director of the Aden branch of the Yemen Economic

[30] Casey Coombs, “STC orders news media in Aden to register with authorities,” The Yemen Review, May 2021, Sana’a Center For Strategic Studies, June 10, 2021, https://sanaacenter.org/publications/the-yemen-review/14336#Politics_government;

[31] Casey Coombs, “STC orders news media in Aden to register with authorities,” The Yemen Review, May 2021, Sana’a Center For Strategic Studies, June 10, 2021, https://sanaacenter.org/publications/the-yemen-review/14336#Politics_government; “Despite the cancellation of the decision, the Aden Media Office again calls on the media to obtain work licenses [AR],” Al-Mahrah Post, May 21, 2021, https://almahrahpost.com/news/24644#.Yg_9Ougzat9;

[32] “The National Southern Media Authority looks into the situation of Aden TV and Radio and the 14th of October Foundation for Press, Printing and Publishing [AR],” STC Official Website, June 15, 2021, <https://stcaden.com/news/14983>;

[33] Casey Coombs, “STC seizes control of state-run Saba News Agency,” The Yemen Review, June 2021, Sana’a Center For Strategic Studies, July 14, 2021, https://sanaacenter.org/publications/the-yemen-review/14598#GoY_developments;

[34] “Southern Transitional Council forces raid Yemeni government-affiliated media outlets,” Committee to Protect Journalists, June 9, 2021, <https://cpj.org/2021/06/southern-transitional-council-forces-raid-yemeni-government-affiliated-media-outlets/>; Casey Coombs, “STC seizes control of state-run Saba News Agency,” The Yemen Review, June 2021, Sana’a Center For Strategic Studies, July 14, 2021, https://sanaacenter.org/publications/the-yemen-review/14598#GoY_developments

[35] “Southern Transitional Council forces raid Yemeni government-affiliated media outlets,” CPJ, June 9, 2021, <https://cpj.org/2021/06/southern-transitional-council-forces-raid-yemeni-government-affiliated-media-outlets/>; “An official source at the Ministry of Information, Culture and Tourism deplores the storming of the headquarters of (Saba) Agency in Aden [AR],” Saba News (government-aligned), June 5, 2021, <https://www.sabanew.net/story/ar/76117>; “The Yemeni Journalists Syndicate condemns the seizure of the headquarters of Saba Agency in Aden [AR],” Saba News (government-aligned), June 2, 2021, <https://www.sabanew.net/story/ar/76027>; “Yemen: STC military takes over control of Saba News Agency,” The International Federation of Journalists, June 7, 2021, <https://www.ifj.org/media-centre/news/detail/category/press-releases/article/yemen-stc-military-takes-over-control-of-saba-news-agency.html>

[36] Riam Mohammed, “The Southern Transitional Council in Yemen changes the name of the government news agency in Aden [AR],” Reuters, June 13, 2021, <https://www.reuters.com/article/yemen-newsagency-ea2-idARAKCN2DPoE2>; “The National Southern Media Authority looks into the situation of Aden TV and Radio and the 14th of October Foundation for Press, Printing and Publishing [AR],” STC Official Website, June 15, 2021, <https://stcaden.com/news/14983>

Corporation (YEC).^[37] The YEC refused to work under Al-Omari, prompting forces from the STC-aligned 4th Military Region to storm the YEC's main offices in Aden on July 4.^[38] Similar disputes regarding security sector appointments resulted in protests and deadly clashes in Lawdar, Abyan governorate (see: *'The Fight for Administrative Control'*).

On July 2, Saudi Arabia issued a rare public statement criticizing the STC's "political and media escalation," calling the group's appointments inconsistent with the Riyadh Agreement.^[39] The government welcomed the intervention, and the STC responded with a statement reiterating its commitment to implementing the Riyadh Agreement "despite obstacles fabricated by the other party."^[40]

Despite the Saudi reprobation, the STC's move on state institutions in Aden continued, with Lamalas appointing Saleh al-Jariri, an associate professor and head of the business administration department at the University of Aden, general manager of the Yemen Petroleum Company (YPC) branch on July 8. The move prompted protests from the YPC union and a July 10 prime minister's order canceling the appointment.^[41]

The issue reemerged in early November, with Al-Jariri once again appointed by Lamalas to the post while President Hadi appointed former Water and Environment undersecretary Ammar al-Awlaqi as YPC executive director and Yaslam Saleh as head of the Aden Refinery Company.^[42] The STC rejected the appointments as a unilateral decision in violation of the Riyadh Agreement, prompting Saudi Arabia to summon STC President Al-Zubaidi for consultations in Riyadh.^[43]

[37] "The director of the economic institution prevents dealing with the decision of the governor of Aden, 'which violates the law', assigning a director to the institution's branch," Al-Masdar Online, July 1, 2021, <https://almasdaronline.com/articles/228459>

[38] Aziz Al-Ahmadi, "Yemen.. 'The Economic Establishment' suspends its work in Aden after its headquarters in the city was stormed by forces affiliated with the UAE-backed Transitional Council [AR]," Anadolu Agency, July 5, 2021, <https://www.aa.com.tr/ar/اقتصاد/اليمن-المؤسسة-الاقتصادية-2295223>

[39] Ministry of Foreign Affairs of the Kingdom of Saudi Arabia Twitter post, "Statement: In continuation of the Kingdom's efforts since the signing of the Riyadh Agreement to achieve security and stability in Yemen [AR]," July 1, 2021, <https://twitter.com/KSAMOFA/status/1410734792379813895>

[40] "The Yemeni government: We are committed to implementing the provisions of the Riyadh Agreement in all its details, and we welcome all the contents contained in the Saudi statement calling for stopping all forms of military and political escalation [AR]," Kuwait News Agency, July 3, 2021, <https://www.kuna.net.kw/ArticleDetails.aspx?id=2986147#>; "Press release issued by the Southern Transitional Council [AR]," Southern Transitional Council, July 2, 2021, <https://stcaden.com/news/15171>

[41] "Biography of Dr. Saleh Al-Jariri, Director of the New Aden Oil Company [AR]," Aden al-Ghad, July 8, 2021, <https://adengad.net/posts/555013>; "Aden... Oil company employees carry out a protest sit-in to reject the decision to appoint a new director [AR]," Socotra Post, July 11, 2021, <https://socotrapost.com/localnews/10777>; "Document: Yemeni Prime Minister Maen Abdelmalek instructs Aden Governor Ahmed Lamalas to cancel his unilateral decision regarding assigning a new director to the oil company in the governorates of Aden, Lahj, Abyan and Al-Dhalea [AR]," Yemen Future, July 11, 2021, <https://yemenfuture.net/news/3054>; Casey Coombs, "Riyadh Rebukes STC, Fallout with Yemeni Government Continues in South," The Yemen Review, Summer Edition, July 2021, Sana'a Center For Strategic Studies, August 5, 2021, https://sanaacenter.org/publications/the-yemen-review/14820#Riyadh_rebukes

[42] Ali Al-Kathery Twitter post, "The STC deplores the unilateral decisions issued yesterday regarding the Aden Refineries Company and the Oil Company contrary to the texts and contents of the Riyadh Agreement, and further impeding efforts to complete the implementation of the agreement, we affirm our rejection of such decisions and all their consequences [AR]," November 7, 2021, <https://twitter.com/aaalkathery/status/1457303368674779139>; "Appointment of Eng. Mohammed Yeslam as Executive Director of the Aden Refinery Company and Eng. Ammar Nasser Al-Awlaki as Director of the Oil Company [AR]," Saba News (government-aligned), November 6, 2021, <https://www.sabanew.net/story/ar/80822>; "Who is the new CEO of the Yemeni Oil Company? [AR]," Aden al-Ghad, November 7, 2021, <https://adengad.net/posts/578021>

[43] "An important statement issued by the extraordinary meeting of the Presidency of the Southern Transitional Council," Southern Transitional Council, November 9, 2021, <https://stcaden.com/news/16073>; Ali Al-Kathery Twitter post, "The STC deplores the unilateral decisions issued yesterday regarding the Aden Refineries Company and the Oil Company contrary to the texts and contents of the Riyadh Agreement, and further impeding efforts to complete the implementation of the agreement, we affirm our rejection of such decisions and all their consequences [AR]," November 7, 2021, <https://twitter.com/aaalkathery/status/1457303368674779139>; "The Presidency of the Transitional Council welcomes the invitation of the Kingdom of Saudi Arabia to the President of the Council to visit Riyadh [AR]," STC Official Website, November 13, 2021, <https://stcaden.com/news/16102#YY-NajzaLM8.twitter>; "President Al-Zubaidi meets with the Ambassador of the Custodian of the Two Holy Mosques to Yemen [AR]," STC Official Website, November 16, 2021, <https://stcaden.com/news/16125#YZQAetpH64I.twtter>; "Al-Zubaidi Leaves Aden for Saudi Arabia [AR]," Al-Ayyam, November 15, 2021, <https://www.alayyam.info/news/8T4EMZTI-DPZIR6-EoA7>

Yemeni Parliament Fails to Reconvene

Following the return of the unity cabinet to Aden, there were growing calls for the return of the government-aligned parliament to resume its work. Theoretically composed of 301 seats, the House of Representatives last held elections in 2003; MP deaths and by-elections in the interim have left it with just 273 members. Like most state institutions, Yemen's parliament fragmented following the events of 2014-2015, with the Houthi movement and government each claiming its support. While Houthi-aligned parliamentarians meet regularly in Sana'a, the government-aligned parliament last convened in Sayoun in April 2019. 118 MPs attended, 20 short of the quorum required by Yemen's constitution.^[44]

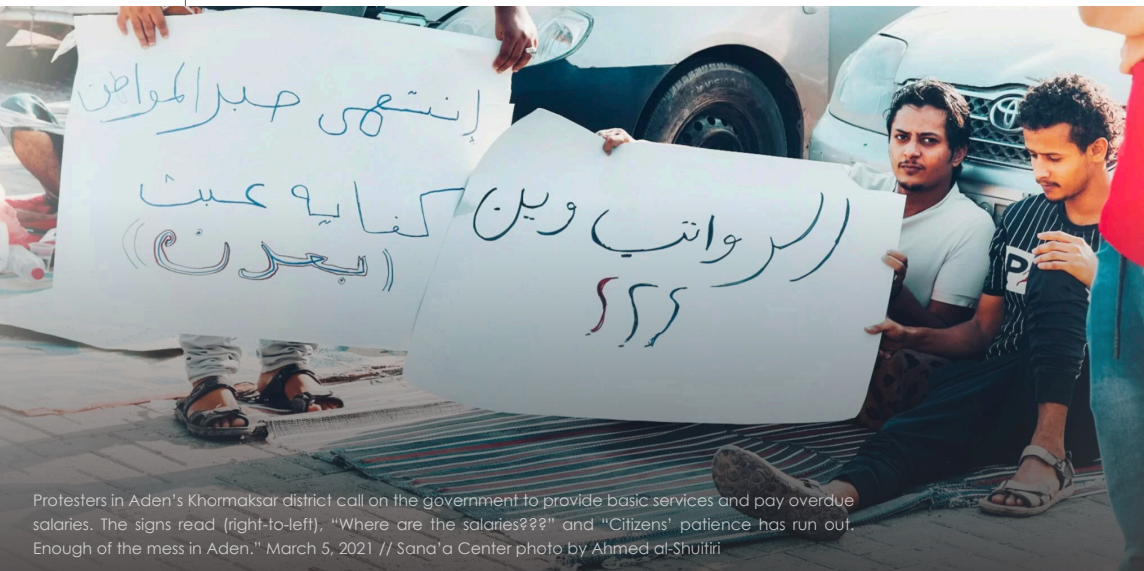
Attempts to reconvene the parliament to approve of the new unity cabinet's agenda failed in early 2021. The issue resurfaced in May, when the leadership of the House of Representatives announced plans to reconvene parliament following the Eid al-Adha holiday in July.^[45] On July 27, House Speaker Sultan al-Barakani arrived in Sayoun to prepare for a new session.^[46] However, the STC refused to allow a parliamentary gathering to be held in Hadramawt governorate and demanded the government return to Aden.^[47] Although the parliamentary leadership convened on July 28, no larger sessions had been held by year's end.

[44] "Game of Parliaments – The Yemen Review, April 2019," Sana'a Center for Strategic Studies, May 7, 2019, <https://sanaacenter.org/publications/the-yemen-review/7357#Hadi-Government>

[45] "The Presidency of the House of Representatives holds a meeting and issues a statement on the situation in Yemen [AR]," Saba News (government-aligned), May 31, 2021, <https://www.sabanew.net/story/ar/75952>;

[46] "The House of Representatives' President arrives in Seyoun [AR]," Saba News (government-aligned), July 27, 2021, <https://www.sabanew.net/story/ar/77740>

[47] Ahmed Saeed Bin Break, Twitter post, "Go to hell, you and your legitimacy..no to holding any meetings of the parliament or the government.. victory for the south and the transitional council [AR]," July 22, 2021, https://twitter.com/ahmed_binbreak/status/1418239407400833028; "The Presidency of the Transitional Council holds its periodic meeting headed by President Commander Aiderous al-Zubaidi [AR]," STC Official Website, July 29, 2021, <https://stcaden.com/news/15339>; "In response to the STC's call, tens of thousands are gathering in Mukalla to condemn the policy of impoverishment and starvation and to reject attempts to legitimize the Yemeni parliament on the lands of the south [AR]," Southern Transitional Council, July 31, 2021, <https://stcaden.com/news/15350>



Protesters in Aden's Khormaksar district call on the government to provide basic services and pay overdue salaries. The signs read (right-to-left), "Where are the salaries???" and "Citizens' patience has run out. Enough of the mess in Aden." March 5, 2021 // Sana'a Center photo by Ahmed al-Shutifi

Declining Currency, Living Standards Spur Unrest

Driven by electricity outages, rising food and fuel prices and a continued depreciation of the Yemeni rial, protesters took to the streets in waves throughout 2021 to demand action from the Hadi government, the STC and the Saudi-led coalition (see: '[Dramatic Exchange Rate Depreciation in Govt-Held Areas](#)'). Demonstrations began on March 2 near the Central Bank in Aden, where protesters demanded the payment of salaries for the military and security services. They were soon joined by others demanding the government address fuel shortages and electricity outages. Similar protests quickly spread to Abyan, Lahj and Hadramawt governorates.^[48] The protests reached a crescendo in mid-March. Government-aligned security forces in Sayoun fired on demonstrators on March 15. The next day protesters backed by the STC stormed the seat of government in Aden's Ma'ashiq Palace, forcing local officials to flee.^[49] On March 30, security forces in Mayfa'a, west of Mukalla city in Hadramawt governorate, again fired on demonstrators, killing one and injuring several others. Hadramawt Governor Faraj al-Bahsani promptly declared a state of emergency, justifying it as a COVID-19 protection measure (see: '[Hadramawt Unrest](#)').^[50]

[48] "Aden. Protesters block main streets to denounce the deterioration of services [AR]," Al-Mawqea Post, March 2, 2021, <https://almawqea.post.net/news/58359>; Casey Coombs, "Protests Simmer Across Southern Yemen," The Yemen Review, March-April 2021, Sana'a Center For Strategic Studies, May 7, 2021, https://sanaacenter.org/publications/the-yemen-review/14007#Political_arena_govt_territory; "Angry protests continue in Aden and expand in Lahj, denouncing the deteriorating conditions and services [AR]," Al-Sharaea News, March 7, 2021, <https://alsharaeaneews.com/2021/03/07/54439/>;

[49] Casey Coombs, "Protests Simmer Across Southern Yemen," The Yemen Review, March-April 2021, Sana'a Center For Strategic Studies, May 7, 2021, https://sanaacenter.org/publications/the-yemen-review/14007#Political_arena_govt_territory;

[50] "Describing the protests as childish and unpatriotic acts.. Al-Bahsani decides to impose a state of emergency and prevent gatherings in Hadramout," Al-Masdar Online, March 31, 2021, <https://almasdaronline.com/articles/220263>

The same day, Saudi Arabia announced it would grant US\$422 million worth of petroleum products to the Yemeni government for use in power stations and to support public services.^[51] The STC came out in support of the protests in Aden in March.^[52] But political support was not always so forthcoming, and the STC and other parties cracked down on demonstrations throughout the year. Protestors' demands ranged from resolving economic concerns to removing senior political officials.^[53] Local media often emphasized the spontaneous, grassroots nature of the protests, and many demonstrators said they held all of the major parties responsible for not addressing the needs of the population.^[54]

Another wave of protests broke out with the approach of summer. In late May, hundreds of people gathered outside the headquarters of the Saudi-led coalition in the Buraiqa district of Aden for days of protests calling for better services and economic conditions. In Taiz city, hundreds more called for the replacement of Taiz Governor Nabil Shamsan and other local officials accused of corruption, amid rising electricity prices and service outages.^[55] Protests broke out again in Taiz in August and September, part of the strongest, most widespread and sustained demonstrations of 2021, which came during a precipitous drop in the Yemeni rial's value in government-held territories. Thousands gathered to protest deteriorating economic and security conditions in the city, which is controlled by rival militias, and to demand the dismissal of corrupt officials, this time including the prime minister.^[56]

[51] "Saudi Arabia to give Yemeni government \$422 million worth of fuel," Reuters, March 30, 2021, <https://www.reuters.com/article/yemen-security-saudi-int/saudi-arabia-to-give-yemeni-government-422-million-worth-of-fuel-idUSKBN2BM36W>

[52] Casey Coombs, "Protests Simmer Across Southern Yemen," The Yemen Review, March-April 2021, Sana'a Center For Strategic Studies, May 7, 2021, https://sanaacenter.org/publications/the-yemen-review/14007#Political_arena_govt_territory; "STC militias carry out a campaign of arrests and prosecutions against protesters over poor services in Aden [AR]," Socotra Post, March 7, 2021, <https://socotrapost.com/localnews/8719>;

[53] "STC militias carry out a campaign of arrests and prosecutions against protesters over poor services in Aden [AR]," Socotra Post, March 7, 2021, <https://socotrapost.com/localnews/8719>; "Taiz, in the second day of escalation, a demonstration in Freedom Square denouncing corruption and calling for the dismissal of the governor [AR]," Al-Mawqea Post, May 28, 2021, <https://almawqea.com/news/60704>; Casey Coombs, "STC Chief Declares State of Emergency as Protests Sweep Aden, Southern Cities," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#Govt_territory

[54] Casey Coombs, "STC Chief Declares State of Emergency as Protests Sweep Aden, Southern Cities," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#Govt_territory; Hussam Radman, "The South's Hot Summer," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#South_Summer; Hashem Khaled, "STC, Yemeni Government Face Public Outrage," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#Public_outrage

[55] "Taiz, in the second day of escalation, a demonstration in Freedom Square denouncing corruption and calling for the dismissal of the governor [AR]," Al-Mawqea Post, May 28, 2021, <https://almawqea.com/news/60704>; Ashraf Al-Flahy, "A folk movement in Taiz, Yemen, against corruption and holding those involved in it accountable [AR]," Arabi 21, June 9, 2021, <https://arabi21.com/story/1364238/-حراك-شعبي-بتعز-اليمنية>; Shukri Hussien, "Yemen.. Hundreds demonstrate in front of the headquarters of the Arab coalition in Aden, protesting against the deterioration of services and the poor living conditions in the governorate [AR]," Anadolu Agency, May 21, 2021, <https://www.aa.com.tr/ar/2250480/-في-عدن-مقر-التحالف-العربي-في-عدن>; "The Aden protests put the three actors in a dilemma... What will they result in?" Al-Masdar Online, May 29, 2021, <https://almasdaronline.com/articles/225981>; Aziz El Yaakoubi, "Temperature rising in south Yemen as rivalries fuel power shortage," Reuters, June 7, 2021, <https://www.reuters.com/world/middle-east/temperature-rising-south-yemen-rivalries-fuel-power-shortage-2021-06-07/>

[56] Hashem Khaled, "STC, Yemeni Government Face Public Outrage," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#Public_outrage; "Taiz.. A massive demonstration rejecting corruption and denouncing the government's betrayal [AR]," Al-Mahrah Post, August 28, 2021, <https://almahrahpost.com/news/26471#YhPaBugzatg>; "Massive demonstrations in Taiz chant 'No alliance after today' [AR]," 26 September Net, September 27, 2021, <https://www.26sep.net/index.php/local/24416-2021-09-27-13-50-11>; "Denouncing the collapse of the living situation, angry demonstrations continue, an almost complete strike, and an intense security deployment in Taiz [AR]," Al-Sharaa News, September 28, 2021, <https://alsharaaews.com/2021/09/28/73086/>; "Protests in Yemen's third-largest city against crumbling currency," Reuters, September 27, 2021, <https://www.reuters.com/world/middle-east/protests-yemens-third-largest-city-against-crumbling-currency-2021-09-27/>; "Taiz .. A new demonstration condemning the collapse of the value of the rial and calling for the 'dismissal of the corrupt'," Al-Masdar Online, September 28, 2021, <https://almasdaronline.com/articles/237348>

Demonstrations erupted again across southern Yemen in mid-September, in Aden, Lahj, Abyan, Shabwa and Hadramawt. Authorities cracked down, and three protesters were killed in Aden and Mukalla on September 15.^[57] Later that day, STC President Al-Zubaidi declared a state of emergency in Aden.^[58] Despite the state of emergency, intermittent protests were reported in Aden and other government-held areas through the rest of the year.^[59]

[57] Hashem Khaled, "STC, Yemeni Government Face Public Outrage," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#Public_outrage; The Sana'a Center Economic Unit, "Collapsing Currency, Living Conditions Spur Widespread Protests in South Yemen," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#collapsing_currency; Casey Coombs, "STC Chief Declares State of Emergency as Protests Sweep Aden, Southern Cities," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#Govt_territory; "Al-Zubaidi directs to protect and secure the protests and warns against using them to settle political scores and create chaos [AR]," Al-Sharaa News, September 15, 2021, <https://alsharaaenews.com/2021/09/15/71612/Reyam> Mukhashaf, "Three protesters killed in south Yemen as conflict cripples economy," Reuters, September 15, 2021, <https://www.reuters.com/world/middle-east/protests-erupt-south-yemen-conflict-cripples-economy-2021-09-15/>

[58] “President Commander Aidarous al-Zubaidi makes an important speech and declares a state of emergency and general mobilization throughout the southern governorates [AR],” STC Official Website, September 15, 2021, <https://stcaden.com/news/15641>; Tawfiq Ali, “The Transitional declares emergency hours after the protests in Aden [AR],” Independent Arabia, September 15, 2021, <https://www.independentarabia.com/node/259351>; الأخبار العالم العربي: الانتقال يعلن الطوارئ بعد ساعات من احتجاجات عدن

[59] "Yemen: Additional protests likely in Al-Dhalea over the coming days after demonstrations Nov. 11," Crisis24, November 11, 2021, <https://crisis24.garda.com/alerts/2021/11/yemen-additional-protests-likely-in-ad-dali-over-the-coming-days-after-demonstrations-nov-11>; "Yemen: Activists plan to protest in Aden Dec. 4," Crisis24, December 3, 2021, <https://crisis24.garda.com/alerts/2021/12/yemen-activists-plan-to-protest-in-aden-dec-4>; "Large demonstrations in Yemeni cities protesting the deteriorating living conditions [AR]," TRT Arabic, December 5, 2021, <https://www.trtarabi.com/now/7322772المعيشية-الوضاع-تتردى-بمحنة-احتجاج-عل-مدن-يمنية-تظاهرات-واسعة-في>.

The Government-STC Conflict in Shabwa

Shabwa governorate, located in central-southern Yemen, lies at the nexus of the government-STC conflict over primacy in the south and the coalition-Houthi conflict for control of the country. Its strategic position and oil wealth mean that developments in Shabwa have the potential to disproportionately affect the broader war and any final settlement. Its central importance has intensified the political contestation between the Islah-aligned local authorities and an STC-supported protest movement, and made Islah's loss of the governorship at the end of 2021 an especially strong blow to the party.

Shabwa emerged as a fulcrum of the conflict in 2019. In August, STC forces took control of Aden and began advancing east, seeking to bring all of southern Yemen under their control. After advancing quickly through Abyan, the STC was stopped in Shabwa by government-aligned forces and pushed all the way back to the gates of Aden. Following the government victory in Shabwa, the UAE-backed, STC-aligned Shabwani Elite forces largely demobilized, with many fighters returning to their homes. For Governor Mohammad Saleh bin Adio, a Shabwa native of the Laqmoush tribe and a leader in the Islah party, it was a significant success against not just the STC but also Islah's regional nemesis, the UAE.^[60]

Shabwa under Bin Adio, like Marib under Governor Sultan al-Aradah, had been touted as a bastion of relative peace and development in Yemen. The local authorities' revenue sharing agreement with the government on oil production helped fund services and development projects, providing a degree of financial support most other governorates lacked.^[61] However, this narrative of effective administration was fiercely disputed by the STC and its supporters, who characterized the rule of local authorities under Bin Adio as corrupt, oppressive and ineffective at stopping Houthi incursions.^[62]

Qana Port Controversy

These competing narratives diverged prominently over the Qana port project on the governorate's southern coast, which reportedly received its first shipment of diesel on January 10.^[63] Qana was a centerpiece of Islah's development rhetoric, with the project presented as giving government-aligned authorities an independent port, something they lacked given the STC's control of the port of Aden, the substantial influence of the UAE and STC over the commercial port city of Mukalla^[64] and Houthi control of the ports at

[60] Farea al-Muslimi, "Shabwa's Journey to the Center of a Regional Proxy Conflict," Sana'a Center for Strategic Studies, July 5, 2021, <https://sanaacenter.org/publications/analysis/14548>

[61] "Amidst the mines and remnants of war, Shabwa, Yemen, is witnessing rapid development [AR]," Al-Masdar Online, April 4, 2021, <https://almasdaronline.com/articles/220640>; Casey Coombs, Majd Ibrahim, and Nasser al-Khalifi, "Shabwa: Progress Despite Turmoil in a Governorate of Competing Identities," Sana'a Center for Strategic Studies, November 19, 2020, <https://sanaacenter.org/publications/analysis/11930>

[62] Fernando Carvajal, "Shabwa: At the centre of Yemen's storm," The New Arab, November 2, 2021, <https://english.alaraby.co.uk/analysis/shabwa-centre-yemens-storm>

[63] "The arrival of the first fuel vessel to the commercial oil port of Qana in Shabwa [AR]," Saba News (government-aligned), January 10, 2021, <https://www.sabanew.net/story/ar/70662>;

[64] While Hadramawt Governor Faraj Salman Al-Bahsani has maintained friendly relations with Saudi Arabia, his military leadership role has seen closer collaboration with the Emiratis, especially overseeing the UAE-backed, pro-STC Hadrami Elite forces. See: Adam Baron and Monder Basalma, "The Case of Hadhramaut: Can Local Efforts Transcend Wartime Divides in Yemen?" The Century Foundation, April 20, 2021, <https://tcf.org/content/report/case-hadhramaut-can-local-efforts-transcend-wartime-divides-yemen/?session=1>

Hudaydah, Ras Issa and Salif.^[65] In a well-publicized ceremony, Bin Adio inaugurated the first phase of the Qana port's construction on January 13, stating it would first be used to import fuel and later expanded to other types of commercial goods.^[66]

The project quickly became a source of tension. STC-aligned ministers in the unity cabinet reportedly attempted to prevent ships from arriving at the port, alleging it was not properly supervised by the government, but only by the Islah-aligned local authorities.^[67] Pro-STC media outlets accused local authorities of attempting to use the port to illegally smuggle in oil and weapons.^[68] With the port only semi-operative, in April local authorities canceled the construction contract with the QZY company, owned by Yemeni billionaire and Hadi ally Ahmad al-Essi. Officials interviewed by the pro-Islah outlet Al-Masdar Online cited QZY's apparent lack of seriousness in completing construction, as well as "numerous violations" as reasons for terminating the contract.^[69] However, Marib Press, quoting what it said was an official source at QZY, reported that the company had been doing extensive preparation and infrastructure work for upcoming stages of construction. The official said QZY had objected to a "special percentage" demanded by local authorities outside the terms of the agreement, suggesting this had been the reason for its termination.^[70] The QZY official said only one fuel shipment had been received since work began at the port, though the extent of other traffic wasn't clear. The dispute, and the lack of transparency surrounding operations at the port, fed into the popular protests against Bin Adio and other Islah-aligned officials.^[71]

[65] "The coalition seizes the shipment of funds that arrived at the port of Mukalla and deposits it in the safes of the Central Bank of Yemen branch [AR]," Al-Sharaea News, June 30, 2020, <https://alsharaeanews.com/2020/06/30/21412/>; Casey Coombs, Majd Ibrahim, and Nasser al-Khalifi, "Shabwa: Progress Despite Turmoil in a Governorate of Competing Identities," Sana'a Center for Strategic Studies, November 19, 2020, <https://sanaacenter.org/publications/analysis/11930>

[66] "Shabwa Governor inaugurates the first phase of the Qena port project and the unloading of the first fuel shipment [AR]," Saba News (Government-aligned), January 13, 2021, <https://www.sabanew.net/story/ar/70833>

[67] "A split in the Cabinet over the operation of the Qena port in Shabwa, and the presidency is interfering," Al-Masdar Online, January 18, 2021, <https://almasdaronline.com/articles/213577>

[68] Omar Hassan, "For 'smuggling of weapons and oil,' the Yemeni brothers are planning to establish a port in Shabwa," Al-Roeiya, January 19, 2021, <https://www.alroeya.com/60-63/2191718-لتهريب-الأسلحة-والنفط-إخوان-اليمن-يخططون-لإنشاء-ميناء-في-شبو-2191718>

[69] "A local official in Shabwa reveals to Al-Masdar Online the main reasons behind the decision to cancel the contract of the operating company of Qena Port," Al-Masdar Online, April 12, 2021, <https://almasdaronline.com/articles/221568>; Information Office of Shabwa Governorate, Facebook Post, "Shabwa Executive discusses a number of reports and service and development issues [AR]," April 11, 2021, <https://www.facebook.com/shabwagio/posts/278133537314378>; The Sana'a Center Economic Unit, "Shabwa Local Authority Cancels Agreement for Qana Port Development," The Yemen Review, March-April 2021, Sana'a Center For Strategic Studies, May 7, 2021, <https://sanaacenter.org/publications/the-yemen-review/14007#Shabwa>

[70] "New decisions by the governor of Shabwa regarding the port of Qena, and (QZY) company announces its adherence to its legal rights," Marib Press, April 12, 2021, https://marebpress.net/news_details.php?lng=arabic&sid=173392

[71] Fernando Carvajal, "Shabwa: At the centre of Yemen's storm," The New Arab, November 2, 2021, <https://english.alaraby.co.uk/analysis/shabwa-centre-yemens-storm>



A soldier looks out toward Ataq from Al Sawt on the Hawframmat Plateau, Shabwa governorate, November 12, 2020 // Sana'a Center photo by Sam Tarling

The Shabwa Protest Movement and Bin Adio's Fall

Throughout 2021, Shabwa was the site of an increasingly active STC-supported protest movement against the Islah-aligned authorities. The controversy over the Qana port and deteriorating economic conditions contributed to the unrest, as did military factors, including tension between Islah-aligned and UAE-backed forces at Balhaf and Al-Alam camp and the Houthis incursion into Shabwa (see: [‘The Conflict in Shabwa’](#)).

Multiple clashes erupted between security forces and protesters. Local authorities claimed they were preventing STC-supported militants from fomenting instability in the governorate, while protestors alleged the government was suppressing peaceful demonstrations.^[72]

The protests intensified from September, when Houthis forces took control of the Bayhan, Ain and Usaylan districts in northwest Shabwa as part of their offensive in Marib (see: [‘The Road to Marib City’](#)). Pro-STC media framed the losses as the result of Islah sidelining qualified military commanders in favor of party loyalists, or even as part of a secret pact with the Houthis.^[73] Although protests were reported across southern and western Shabwa, the Nissab district emerged as a focal point following the October return of Sheikh Awadh bin al-Wazir al-Awlaqi, a GPC member of parliament and adviser to President Hadi who had been living in the UAE.^[74]

[72] Shabwa Governorate Security Committee, Facebook Photo Post, “A statement issued by the Security Committee of Shabwa Governorate on the events of the Abdan area in the Nisab district [AR],” June 26, 2021, <https://www.facebook.com/photo/?fbid=331272725221195&set=pcb.331272815221186>; “An important statement by the official spokesman of the Transitional Council about the practices of terrorism and intimidation carried out by the Brotherhood militias against the sons of Shabwa [AR],” STC Official Website, June 26, 2021, <https://stcaden.com/news/15082>

[73] Fernando Carvajal, “Shabwa: At the centre of Yemen’s storm,” The New Arab, November 2, 2021, <https://english.alaraby.co.uk/analysis/shabwa-centre-yemens-storm>; “Shabwa transitional chief reveals the main reason for the fall of Baihan districts [AR],” Aden24, November 8, 2021, <https://aden24.net/news/124876>

[74] Abubakr Al-Shamahi, “Anti-Houthi Forces Fail to Unite in Shabwa,” The Yemen Review, October 2021, Sana’a Center For Strategic Studies, November 4, 2021, <https://sanaacenter.org/publications/the-yemen-review/15660#Shabwa>

Al-Awlaqi held multiple protests calling for the removal of the Islah-aligned authorities, including a large gathering that drew people from across Shabwa on November 16.^[75] Although the STC supported these protests and stood to benefit from Bin Adio's ouster, it is worth noting that Al-Awlaqi did not explicitly express support for the STC. Rather, he condemned the local authorities and emphasized the need to unite all Shabwanis against the external threat of Houthi invasion.

The protests continued through December, as did the redeployment of UAE-backed forces from south of Hudaydah city, with the latter's shift to engage Houthi forces in Shabwa coming after Riyadh agreed to an Emirati condition that Bin Adio be replaced. In late December, President Hadi obliged his Saudi patrons and dismissed Bin Adio as governor and appointed Al-Awlaqi. Although Hadi publicly offered Bin Adio a position as a presidential adviser — a recurring gesture to ousted allies — Bin Adio turned it down.^[76] Within a week, Al-Awlaqi began releasing protestors and detainees, including pro-STC figures and members of the UAE-backed Shabwani Elite forces. This group was reconstituted in January 2022 as the Shabwa Defense Forces and assumed control of positions throughout the governorate, while the Giants Brigades launched an offensive into Bayhan and Marib (see: *'The Conflict in Shabwa'*).^[77] Analysts considered this development as a major blow to the increasingly marginalized Islah party and a win for the newly assertive UAE. The STC, meanwhile, welcomed the appointment of Al-Awlaqi as governor.^[78]

[75] Casey Coombs, "Pressure Grows on Islah-Affiliated Shabwa Governor to Resign," *The Yemen Review*, November 2021, Sana'a Center For Strategic Studies, December 9, 2021, <https://sanaacenter.org/publications/the-yemen-review/15894#Shabwa>

[76] Mohammed Hatem, "Yemeni President Fires Governor of Oil-rich Shabwa Province," *Bloomberg*, December 25, 2021, <https://www.bloomberg.com/news/articles/2021-12-25/yemen-president-fires-governor-of-oil-rich-shabwa-province>

[77] "The launch of the battle to liberate Shabwa: a new strategy for the coalition and southern forces [AR]," *South24*, January 1, 2022, <https://south24.net/news/news.php?nid=2359>

[78] "The Southern Transitional Council Welcomes the Consensual Decision to Appoint Awadh Mohammed al-Awlaki as Governor of Shabwa Governorate," STC website, December 25, 2021, <https://stcaden.com/news/16412>

Islah: In Search of Allies

While ostensibly a political party, Islah's difficult year stemmed largely from events on the battlefield. Government military units aligned with the Islamist movement performed poorly against the Houthis, most importantly in Marib but also in Taiz and Shabwa governorates (see: ['Failed Government Offensives'](#) and ['The Bayhan Offensive and Its Aftermath'](#)). Islah's supporters blamed its military difficulties on weak support from the Saudi-led coalition and the outright demonization of the party by the UAE, STC and government-allied National Resistance Forces (NRF) led by Tareq Saleh, nephew of late President Ali Abdullah Saleh. This was especially the case in Shabwa, where Islah's rapid retreat from three northwestern districts prompted accusations it was in league with the Houthis (see: ['The Conflict in Shabwa'](#)).^[79] Military failures, combined with corruption allegations and economic protests, eased the way for the eventual sacking and replacement of Islah Governor Bin Adio. Divisions within the party were kept in check through the year, but early signs that members may be hedging their bets emerged as Islah's political and military influence declined.

Marib city and government-controlled rural areas in the governorate remain a bastion of power for Islah, whose members dominate the local administration and security forces. However, the Houthi advance on Marib in late 2021 (see: ['The Road to Marib City'](#)) cost Islah both territory and tribal support. In Taiz, a March offensive by Islah-aligned forces ultimately failed to gain much territory, and throughout the year coalition efforts were complicated by self-interest and a lack of trust between the parties (see: ['The Taiz Front'](#)).

The divisions within the party itself are not overt. The old guard, such as party chairman Mohammed al-Yadoumi and its secretary-general Abdulwahab al-Ansi, consider the relationship with Saudi Arabia—where they both reside—important, and a form of protection for Islah.^[80] The Saudis themselves, while unwilling to fully trust Islah, understand that continued support for the group prevents it from becoming an out-and-out Qatari proxy. However, the younger generation of leaders, such as MP Hameed al-Ahmar, or Hamoud al-Mikhlaifi, former head of the anti-Houthi resistance in Taiz, are closer to Qatar, and Qatari funding for media organizations and unofficial militia training camps is funneled through them. Doha's interest in these training camps, and in Islah more generally, stems from a desire to have a local proxy that can be mobilized, if necessary, to influence events in line with its objectives.^[81]

For now, it seems the Islah party is tied to President Hadi. Hadi represents the continued legitimacy of the Yemeni government of which Islah is part. Islah is important to Hadi too, as the party can be relied upon to provide a large number of fighters and political support.

[79] Fernando Carvajal, "Shabwa: At the centre of Yemen's storm," *The New Arab*, November 2, 2021, <https://english.alaraby.co.uk/analysis/shabwa-centre-yemens-storm>; "What is the truth of the understandings between the Islah Party and Ansar Allah on Marib and Shabwa? [AR]," Sputnik, September 29, 2021, <http://arabic.sputniknews.com/20210929/1050291307-ما-حقيقة-التفاهات-بين-حزب-الإصلاح-وأنصار-الله-حول-مارب-وشبوة-9>

[80] Mohammed Al-Yadoumi, "Bila Hudoud: Mohammed al-Yadoumi reveals the relationship between Ali Abdullah Saleh and the Houthis and its role in creating turmoil in Yemen [AR]," interview by Ahmed Mansour, *Bila Hudoud*, Al-Jazeera, September 12, 2021, 41:58, <https://www.youtube.com/watch?v=eyPcFpzENQ>; Mutahar al-Sofari, "An Exceptional Case: Saudi Relations with Yemen's Islah Party," *Washington Institute for Near East Policy*, July 26, 2021, <https://www.washingtoninstitute.org/policy-analysis/exceptional-case-saudi-relations-yemens-islah-party>

[81] Khaled Farouq, "Taiz: A Hotbed of Irregular Militias," *Sana'a Center for Strategic Studies*, September 14, 2021, <https://sanaacenter.org/publications/analysis/15055>

Islah, however, appears to be considering its options. In December, rumors of meetings between Islahi figures and the Houthis were confirmed when a Houthi leader shared pictures of a meeting with Fathi al-Azab, a leading member of Islah who had previously been imprisoned by the Houthis.^[82] While a deal between the Houthis and Islah may seem far-fetched, the party appears to be considering its next steps in light of the increased strength of UAE-backed forces, such as the Giants Brigades and Tareq Saleh's NRF. Both Saleh and the STC have an interest in weakening Islah. The importance of Marib to this dynamic cannot be overstated; if Islah finds itself losing control of the governorate to UAE-backed forces, it may grow fearful of being targeted itself, paving the way for a potential deal with the Houthis.

[82] Ali Al-Qhoom, Twitter Post, "In a meeting we gathered today with Dr. Fathi Al-Azab and Professor Ali Jabari, who are among the Islah leaders present in Sana'a [AR]," December 29, 2021, <https://twitter.com/alialqhoom/status/1476288256161497103>



The old city and port of Mokha as seen January 17, 2021, from the city's historical Al-Shadhili Mosque.// Sana'a Center Photo by Anwar al-Shareef

Saleh's Forces Enter the Political Fray

To the south of Hudaydah city, Yemen's west coast was technically under government control throughout the first 11 months of the year. In reality, this area along the Red Sea was held by the UAE-backed Joint Forces, an umbrella group consisting of several distinct militias originally formed for the 2018 coalition offensive against Hudaydah city. At least publicly, the Joint Forces has claimed since its inception that it is an apolitical organization dedicated to defeating the Houthi movement. That began to change in 2021.

On March 25, the National Resistance Forces, one of the Joint Forces groups backed by Abu Dhabi, announced the formation of a political bureau in Mokha. The move appeared to signal the NRF's growing political ambitions, specifically those of its leader, Tareq Saleh.^[83] Explaining the rationale for the political bureau, Saleh stressed that it was formed to provide a political entity to represent the West Coast in negotiations. He said it was not meant to replace the General People's Congress (GPC), Yemen's former ruling party, of which he remains a member. But in recent years the GPC has fragmented into several different factions.^[84]

Following the founding of the political bureau, the NRF engaged in diplomatic and political activities. Saleh led an NRF delegation to Russia in June, with news outlets claiming he had unsuccessfully petitioned Moscow to help lift UN sanctions against his cousin, Ali Ahmad Saleh.^[85] The late president's eldest son has been in exile in the UAE, living under semi-house arrest since 2015. The NRF also publicly welcomed the appointment of new UN Special Envoy Hans Grundberg in August.^[86]

[83] "The National Resistance announces the declaration of its political office - text of the statement [AR]," Al-Sahil Al-Gharbi, March 25, 2021, <https://alsahil.net/news8448.html>

[84] Tareq Saleh, "The Battle of All Yemenis Against the Houthi Coup' – A Q&A with Tareq Saleh," Sana'a Center for Strategic Studies, May 19, 2021, <https://sanaacenter.org/publications/main-publications/14185>

[85] Mohammed Abdullah, "Tareq Saleh in Russia.. What is the purpose of the visit? [AR]," Al-Mushahid, June 12, 2021, <https://almushahid.net/80426/>; Tareq Mohammed Saleh, Twitter Post, "It was a fruitful and creative meeting with our friend Sergei Vershinin, Deputy Minister of Foreign Affairs of the Russian Federation [AR]," June 11, 2021, <https://twitter.com/tarikeyemen/status/1403445525668581381>; "Tareq Saleh, head of the Political Bureau of the National Resistance, arrives in Moscow [AR]," Al-Baud 4, June 11, 2021, <https://www.albaud4.net/news/11873>

[86] "The Political Bureau of the National Resistance welcomes the appointment of the new UN envoy to Yemen [AR]," Al-Sahil Al-Gharbi, August 8, 2021, <https://alsahil.net/news11914.html>

Tareq Saleh met with Grundberg in Mokha on November 11 during the latter's tour of Taiz governorate, just days before the Joint Forces unexpectedly withdrew from Hudaydah city (see: '[The Hudaydah Front](#)').^[87] The UN said later that it had been given no prior notice of the withdrawal. The NRF has publicly expressed solidarity with both the Yemeni government and the STC, and has called for a united front against Houthi forces.^[88]

While Saleh and the NRF have cast themselves as representing the West Coast, this claim has not gone undisputed. In recent years, Saleh has attempted to marginalize the local Tihama Resistance movement to consolidate his position, resulting in ongoing demonstrations.^[89] In January 2021, tensions boiled over into armed conflict, with the NRF and Tihama Resistance fighting in Mokha, killing two.^[90] Although no further clashes were reported in 2021, tensions resurfaced following the Joint Forces' withdrawal from Hudaydah in November, which effectively ceded most of southern Hudaydah governorate to Houthi forces. The Tihama Resistance denounced the withdrawal as "vague and unjustified" given its detrimental effect on the local civilian population.^[91] Forces aligned with Saleh have also clashed with Zayd al-Kharj, a notable tribal sheikh and merchant in Mokha with a significant share of the smuggling operations on the west coast.^[92] In April, they reportedly stormed Kharj's house and abducted his brother after Kharj prevented Saleh from holding an event to announce the establishment of a local NRF political bureau.^[93]

[87] "The STC demanded that Resolution 2216 be amended, and the Houthis demanded that it stop the 'aggression' and reform. It demanded that it start from where its predecessors ended.. A local welcome and advice for the new envoy [AR]," Al-Masdar Online, August 8, 2021, <https://almasdaronline.com/articles/231678>; Tareq Mohammed Saleh, Twitter Post, "Today, at the Political Bureau of the National Resistance in Mocha, I received His Excellency Hans Grundberg, Envoy of the Secretary-General of the United Nations to Yemen [AR]," November 10, 2021, <https://twitter.com/tarikyemen/status/1458438723939483653>

[88] "Tareq Saleh calls on the active forces to unite efforts to restore the state.. We are with legitimacy and we will not be outside its framework and we want to be active in it [AR]," Al-Masdar Online, October 28, 2021, <https://almasdaronline.com/articles/239576>; Farida Ahmed, "A reading of the partnership between Tareq Saleh and the Southern Transitional Council [AR]," South 24, <https://south24.net/news/news.php?nid=2208>

[89] "Century-old grievances continue to fester in Yemen's Tihama region," Middle East Institute, October 14, 2021, <https://www.mei.edu/publications/century-old-grievances-continue-fester-yemens-tihama-region>

[90] "Military mediation ends armed dispute between Yemeni troops," Debrief, January 9, 2021, <https://debrief.net/en/news-22344.html>

[91] "The Tihami Resistance Denounces the Withdrawal of Forces from Hodeidah at the Expense of the People of the Region," Al-Ayyam, November 15, 2021, <https://www.alayyam.info/news/8T49EP9G-BD93R8-AC64>

[92] Maged al-Madhaji, "Yemen's West Coast: A look into politics, society and war along the Red Sea," Sana'a Center for Strategic Studies, May 24, 2021, <https://sanaacenter.org/publications/analysis/14282>

[93] "After disagreements between the two parties, Tariq's forces attack the house of his most prominent supporter in Mokha [AR]," Taiz Today, April 5, 2021, <https://taiztoday.net/2021/04/05/بعد-خلافات-بين-الطرفين-قوات-طارق-تهاجم>; "Exclusive and alone.. This is how Zaid Al-Kharj's house turned after being stormed by Tariq Saleh's forces in Mocha [AR]," Crater Sky, April 7, 2021, <https://cratersky.net/posts/61694>

Eastern Power Struggles: Al-Mahra, Socotra and Hadramawt

Power struggles among the internationally recognized government, the STC and local groups were apparent in Yemen's easternmost governorates throughout 2021. Early in the year, the Hadrami Tribal Alliance called on President Hadi to create a "Hadramawt region", which would include the governorates of Hadramawt, Shabwa, Al-Mahra and the Socotra archipelago.^[94] The request echoed the federal system envisioned by the National Dialogue Conference, which concluded in 2014 under Hadi's leadership. However, the STC has rejected calls for a federal, unified state structure, seeking instead to establish an independent southern state similar to the former People's Democratic Republic of Yemen (PDRY) that would include these governorates.^[95]

Socotra became a particular flashpoint following the STC's seizure of the archipelago in the summer of 2020. On March 28, STC forces arrested protesters affiliated with the Peaceful Sit-In Committee of the Archipelago of Socotra, which opposes the Saudi-led coalition and the UAE-backed STC in particular.^[96] On May 15, STC forces arrested prominent Socotri tribal sheikh Ali Suleiman Mohammed bin Malek after he called for protests against Emirati and Saudi interference on the archipelago.^[97] The following month, STC forces in Socotra detained Yemeni activist Abdullah Bidahen for four days after he criticized Emirati influence over the group on Facebook.^[98]

On June 8, prominent Mahri businessman and politician Abdullah Issa bin al-Afrar announced plans to launch a ferry service between Al-Mahra, Hadramawt and Socotra. Al-Afrar, son of the last leader of the former Sultanate of Al-Mahra and Socotra, which was annexed by the PDRY in 1967, purchased a 40-meter ferry ship with the help of late Omani leader Sultan Qaboos bin Said. Over the past decade, Al-Afrar has carefully navigated competing political interests in Al-Mahra and Socotra, with the aim of boosting his stature and perhaps establishing an autonomous region within the borders of the sultanate his family had ruled since the 16th century (see: '[Dueling Mahri Scions Reveal Gulf Competition in Eastern Yemen](#)').

On November 2, Omani Economic Minister Said Mohammed al-Saqri called for the revival of plans to build an oil and gas pipeline linking Saudi oil fields to an export terminal on Oman's southern coast on the Arabian Sea.^[99] Anti-Saudi protest groups in Al-Mahra, formed following the deployment of Saudi forces to the governorate and aligned with Muscat, have strongly opposed rumored plans to construct a similar pipeline through their governorate. (see: '[Has Riyadh Woken Up From Its Al-Mahra Pipe Dream?](#)').

[94] Elisabeth Kendall, "Eyes should be on tension in east #Yemen," Twitter post, February 8, 2021, https://twitter.com/Dr_E_Kendall/status/1358752357199343617

[95] See, for example, Maysaa Shuja Al-Deen, "Federalism in Yemen: A Catalyst for War, the Present Reality, and the Inevitable Future," Sana'a Center for Strategic Studies, February 28, 2019, <https://sanaacenter.org/publications/analysis/7124>; "Statement by official spokesman of the Transitional Council regarding statements of Minister of Information, Culture and Tourism," STC Official Website, September 2021, <https://en.stcaden.com/news/9817>

[96] "A decade after the uprisings – The Yemen Review, March-April 2021," Sana'a Center for Strategic Studies, May 7, 2021, <https://sanaacenter.org/publications/the-yemen-review/14007>

[97] Quentin Müller, "Selon plusieurs sources à #Socotra [FR]," Twitter post, May 15, 2021, <https://twitter.com/MillerQuentin/status/1393579070533869571>

[98] "Yemen: Separatists release anti-UAE activist in Socotra [AR]," The New Arab, June 11, 2021, <https://www.thenewarab.com/story/yemen-separatists-release-anti-uae-activist-in-socotra>

[99] Merza al-Khuwaldi, "Omani Minister to Asharq al-Awsat: Time to Revive Transportation of Saudi Oil to Arabian Sea," Asharq al-Awsat, November 2, 2021, <https://english.aawsat.com/home/article/3280971/omani-minister-asharq-al-awsat-time-revive-transportation-saudi-oil-arabian-sea>



Mukalla, the capital of Hadramawt governorate, on the night of August 2, 2021 // Sana'a Center Photo by Ahmed Waqqas

Unrest in Hadramawt

The largest governorate in Yemen, and home to much of the country's remaining oil reserves, Hadramawt has often been characterized as an area of relative stability.^[100] This characterization began to break down in 2021, as the governorate witnessed increasing protests amid declining economic conditions.^[101] Initially perceived as part of the wider wave of protests across government-held areas, in December the demonstrations took on a distinctly Hadrami flavor, with an ostensibly grassroots protest movement emerging under the banner of the "Second Hadrami Uprising".^[102]

Supported by a range of tribal leaders with diverse political connections and goals, the uprising's unifying grievance was that Hadramawt has not received benefits proportionate to the wealth obtained by the export of its oil. Although the Yemeni government granted Hadramawt 20 percent of associated oil revenues in 2017, the interior of the governorate has experienced some of the worst declines in purchasing power in government-held areas.^[103] The Hadrami uprising saw protestors establish checkpoints around oil infrastructure to prevent its export, including multiple checkpoints in the Masila basin and a camp at Ayoun near Hadramawt's main maritime export terminal.^[104]

The government response was led by Hadramawt Governor Major General Faraj al-Bahsani, head of the Yemeni government's Second Military Region and commander of the UAE-backed Hadrami Elite forces, which largely control coastal Hadramawt.

[100] Farea al-Muslimi, "The Case for Mukalla as Yemen's Capital," Sana'a Center for Strategic Studies, December 9, 2021, <https://sanaacenter.org/publications/analysis/15943>

[101] "Shaima Bin Othman, "Corruption and Instability in Hadhramaut are Fueling Protest and Fragmentation," November 2021, <https://www.yemenpolicy.org/corruption-and-instability-in-hadhramaut-are-fueling-vulnerability-and-fragmentation/>

[102] Abdullah al-Shadli, "What is behind the declaration of a state of emergency in Hadramawt? [AR]," South24, January 6, 2022, <https://south24.net/news/news.php?nid=2370>

[103] "Al-Bahsani: For the first time, the government has transferred the Hadramawt percentage of oil revenues [AR]," Al-Mawqea Post, December 3, 2017, <https://almawqea.net/news/25567>; Food prices decline in IRG-controlled areas alongside recovery of the local currency, Famine Early Warning Systems Network, December 2021, <https://fews.net/east-africa/yemen/food-security-outlook-update/december-2021>

[104] Abdullah al-Shadli, "What is behind the declaration of a state of emergency in Hadramawt? [AR]," South24, January 6, 2022, <https://south24.net/news/news.php?nid=2370>

Local authorities attempted to remain neutral during clashes between the government and separatist Southern Transitional Council, but cracked down on the protests in Hadramawt, with Al-Bahsani repeatedly declaring a state of emergency when protests threatened to undermine political stability.^[105] At the same time, Al-Bahsani presented himself as representing Hadramawt's economic grievances to the Yemeni government.^[106] Al-Bahsani met with the protest leadership in late December and agreed to address economic concerns. But he declared a state of emergency again in early January 2022, after STC-linked protest leaders called for the formation of a "Hadramawt Defense Force" outside the control of local authorities.^[107] Al-Bahsani has used the growing protest movement – which by mid-January 2022 had reportedly shut down over 10 percent of the government's oil production – to make demands, including increasing Hadramawt's share of oil export revenues from 20 to 30 percent.^[108]

[105] Shaima Bin Othman, "Protests Simmer as Hadramawt Enters a Long, Hot Summer," Yemen Peace Forum, July 14, 2021, <https://sanaacenter.org/ypf/protests-simmer-as-hadramawt-enter-a-long/>

[106] "Hadramawt..an expanded meeting warns the government against 'persevering in depriving citizens of their rights' [AR]," Al-Mahriah Net, April 6, 2021, <https://almahriah.net/local/9746>

[107] "Al-Hiba, Al-Bahsani, and the Transitional.. This is the reality of the movement in Hadramaut [AR]," Al-Masdar Online, 9 January 2022, <https://almasdaronline.com/articles/244151>; Abdullah al-Shadli, "What is behind the declaration of a state of emergency in Hadramawt? [AR]," South24, January 6, 2022, <https://south24.net/news/news.php?nid=2370>

[108] "Canada's Calvalley says it suspended oil operations in Yemen's Hadramout," Reuters, January 30, 2022, <https://www.reuters.com/business/energy/canadas-calvalley-says-it-suspended-oil-operations-yemens-hadramout-2022-01-30/>; "Yemen .. Governor of Hadramout sets conditions to allow the export of crude oil [AR]," Debriefier, January 30, 2022, <https://debriefier.net/news-28556.html>

Politics and Governance in Houthi-Held Areas

While 2021 was defined by weakness and infighting for the government, Houthi authorities exuded a confidence that only grew with their battlefield success (see: [‘The Road to Marib City’](#)). Houthi rule in Sana’a is secure after almost seven years controlling most of northern Yemen, and a victory in Ma’rib seemed close at hand. As a result, the emboldened Houthi leadership stridently implemented its political project — the transformation of Yemen’s post-1962 republic into something more akin to the Zaidi imamate it overthrew.

Under the imamate, political authority was vested in the imam and the Hashemite elite, descendants of the Prophet Mohammed. In 2021, the Houthi movement’s attempt to recast Yemen’s state and society in Zaidi sectarian terms, around Hashemites in general, and the Houthi family in particular, manifested itself in the increased persecution of political rivals, the consolidation of state revenues and bureaucracy in the hands of Houthi loyalists, and the further inculcation of Houthi ideology.

Houthis Shore Up Mechanisms of State

Houthi-aligned authorities do not tolerate criticism and have shut down essentially all independent media outlets, making reliable information on leadership dynamics and political activities hard to come by. However, Abdelmalek al-Houthi appears firmly in charge of the senior Houthi leadership and exercises direct control over Sana’a city. Some tension has existed lower down: Ahmed Hamed, a close associate of the Houthi leader, has amassed substantial power over day-to-day affairs in Sana’a, which has been said to rile other senior Houthis at times.^[109] However, an equilibrium of sorts appears to have kept any open discord in check.

Further down the Houthi hierarchy, disputes over power and resources have become public. In June, Electricity and Energy Minister Atiq Abbar was replaced days after his deputy minister, Abdulghani al-Madani, stormed Abbar’s office with armed men.^[110] Later in November, Madani feuded with Abbar’s replacement, Ahmad al-Alyii, apparently as part of an attempt to consolidate control of the lucrative electricity sector. Madani is a Houthi loyalist from the group’s heartland in Sa’ada governorate.^[111] While the movement has appointed non-Houthis as titular ministers in its cabinet since 2016, it has generally appointed Houthi loyalists as deputy ministers to retain control of government institutions. More recently, however, it has begun doing away with such parallel roles and filled positions with trusted workers from the Houthi heartland. As of 2021, the Houthi-aligned interior ministry, run by Abdelmalek al-Houthi’s uncle, Abdelkarim al-Houthi, appears to have merged all official and supervisory positions, although some other ministries maintain the double system.

[109] Gregory D. Johnsen, “The Kingpin of Sana’a – A Profile of Ahmed Hamed,” Sana’a Center for Strategic Studies, May 18, 2021, <https://sanaacenter.org/publications/main-publications/14180>

[110] “‘Electricity royalties’ in Sanaa ignite the conflict between the leaders of the putschists [AR],” Asharq al-Awsat, November 9, 2021, <https://aawsat.com/home/article/3293161/«إتاوات الكهرباء»-في-صنعاء-تشعل-الصراع-بين-قادة-الانقلابيين>

[111] “‘Electricity royalties’ in Sanaa ignite the conflict between the leaders of the putschists [AR],” Asharq al-Awsat, November 9, 2021, <https://aawsat.com/home/article/3293161/«إتاوات الكهرباء»-في-صنعاء-تشعل-الصراع-بين-قادة-الانقلابيين>

This consolidation permits tighter surveillance with fewer restrictions. Houthi authorities were able to reduce security checkpoints around Sana'a while retaining significant control, using the national IDs required to receive gas allocations to track individuals by means of networked electronic databases. Bureaucratic efficiency may also have improved, with anecdotal reports of noticeably fewer "ghost employees"

Houthi authorities have downplayed the COVID-19 pandemic, but appear to have been hit hard by a spring surge of the virus (see: '[Yemen & COVID-19: A Strategy of Looking Away](#)'), with Prime Minister Abdelaziz Hattour and much of the leadership reported to have been infected.^[112] Between March and May, at least three prominent Houthi leaders died in Sana'a, reportedly from COVID-19: the sanctioned head of the Sana'a Criminal Investigation Department, Sultan Zabin; Transportation Minister Zakaria al-Shami; and Zakaria's father, Major General Yahya al-Shami.^[113] In December 2021, the Iranian envoy to Sana'a, Hasan Irloo, was flown to Iran, where days later the Iranian government announced he had died of COVID-19.^[114] Irloo, alleged to be a commander in the Islamic Revolutionary Guard Corps' Quds Force,^[115] was the only foreign ambassador to the Houthi government and was believed to exert considerable influence in Sana'a, including intervening in internal disputes and advising on military affairs. While other nations' embassies have been shut through most of the war, the Iranian embassy was undergoing renovation and expansion in 2021. Tehran is expected to name a new envoy in early 2022.^[116]

[112] "Novel Coronavirus (COVID-19) Cases," Johns Hopkins University CSSE COVID-19 Data, Accessed January 18, 2022, <https://github.com/CSSEGISandData/COVID-19>; Reuters Yemen Team, "Minister in Sanaa administration in Yemen dies of COVID-19, officials say," Reuters, March 21, 2021, <https://www.reuters.com/world/middle-east/minister-sanaa-administration-yemen-dies-covid-19-officials-say-2021-03-21/>

[113] "Death of Houthi security chief accused of rape, torture, reportedly due to COVID-19," Arab News, April 6, 2021, <https://www.arabnews.com/node/1838106/middle-east>; Casey Coombs, "Houthi Transportation Minister and Former Army Chief of Staff Reported Dead," The Yemen Review, March-April 2021, Sana'a Center For Strategic Studies, May 7, 2021, https://sanaacenter.org/publications/the-yemen-review/14007#Houthi_territory; "The death of Houthi leader Hussein Zaid bin Yahya in mysterious circumstances in Sana'a," a parliamentarian said he was poisoned [AR], Al-Masdar Online, April 17, 2021, <https://almasdaronline.com/articles/222020>; "President Al-Mashat offers condolences on the death of the governor of Abyan, Hussein Zaid bin Yahya [AR]," Saba News, April 16, 2021, <https://www.saba.ye/ar/news3136864.htm>; "The death of the prominent leader of the Houthi group, Major General Yahya Al-Shami, from Corona [AR]," Debrief, April 26, 2021, <https://debrief.net/news-24716.html>

[114] "Iran's ambassador to Yemen passes away," IRNA, December 21, 2021, <https://en.irna.ir/news/84584591/Iran-s-ambassador-to-Yemen-passes-away>

[115] "Treasury Sanctions Iran's Envoy in Yemen and University Facilitating Recruitment for Qods Forces," U.S. Department of the Treasury, December 8, 2020, <https://home.treasury.gov/news/press-releases/sm1205>

[116] "Iran to announce new ambassador in Yemen after predecessor's death," Reuters, December 27, 2021, <https://www.reuters.com/world/middle-east/iran-announce-new-ambassador-yemen-after-predecessors-death-2021-12-27/>



Houthi supporters mark the Prophet Mohammed's Birthday October 18, 2021, in Al-Sabaeen Square in Sana'a. Houthi-organized mass gatherings were held throughout the year despite COVID-19. //Sana'a Center photo by Asem Alposi

Yemen & COVID-19: A Strategy of Looking Away

COVID-19 spiked twice in Yemen in 2021, but even when restrictions such as masking, school closings and limited shop hours were imposed, they were rarely enforced or heeded. Vaccines became available in the spring, yet by the end of the year, Yemen remained among the world's least-vaccinated nations, with only 1.2 percent of the population fully vaccinated.^[117]

Houthi authorities' COVID-19 policy was to deny or ignore the pandemic, despite it touching senior circles of power, and accurate information on cases, deaths and hospitals was not made public. With the internationally backed Yemeni government weak or absent, reporting and mitigation efforts across the south largely depended on local authorities. Combined with a lack of testing, it remains unclear how badly COVID-19 has affected Yemen nearly two years after the first case was reported in April 2020.

The World Health Organization recorded 8,025 confirmed COVID-19 cases in Yemen in 2021, with 1,373 deaths, bringing the total official figure to 10,126 cases and 1,984 deaths. In the early weeks of 2022, the total surpassed 11,000 cases and 2,000 deaths.^[118] These numbers are underreported given the Houthis' denial of the pandemic's spread, the war-wrecked health care system, minimal testing and, at times, people's reluctance or inability to seek medical treatment for COVID-19 symptoms. Anecdotally, localized surges were evidenced by increased numbers of graves being dug,^[119] with international medical aid organizations also sounding the alarm during the spring spike in cases.^[120]

Even through the March-April and September waves, people across Yemen continued their daily routines, preoccupied with the crushing burdens of poverty and war and more likely to fear cholera and other infectious diseases, which have wreaked havoc in Yemen far longer than COVID-19. A government public health official in Hudaydah said viral

[117] "WHO Coronavirus (COVID-19) Dashboard," World Health Organization, <https://covid19.who.int/table>

[118] "Global — Yemen," WHO, <https://covid19.who.int/region/emro/country/ye>

[119] "Grave diggers in Taiz are busy with work as Corona deaths rise [AR]," Agence France-Presse, April 7, 2021, <https://bit.ly/3g1mDlj>

[120] See, for example: "Yemen Humanitarian Update—Issue 3/March 2021," UNOCHA, April 3, 2021, pp. 4-5, <https://reliefweb.int/report/yemen/yemen-humanitarian-update-issue-3-march-2021-enar>; COVID-19 support desperately needed as second wave overwhelms Yemen, MSF, 25 March 2021, <https://www.msf.org/covid-19-support-desperately-needed-second-wave-overwhelms-yemen>

fevers, not COVID-19, were considered the number one burden exhausting the health system, especially in IDP camps.^[121] In April 2021, during the spring wave of COVID-19, WHO reported 5,120 suspected cholera cases, including three related deaths, across 19 governorates.^[122]

No precautionary measures were mandated in Houthi-controlled areas in 2021, and authorities continued to organize mass gatherings in and outside Sana'a. Thousands gathered on March 26 despite the pandemic, chanting and waving Ansar Allah banners at a Sana'a rally; similar rallies were held in the cities of Hudaydah, Hajjah, Dhamar and Taiz.^[123] In August, the Houthis organized 10 mass gatherings for the Shia holy day of Ashoura.^[124]

In the south, the Yemeni government mandated school closures and other restrictions in March – wedding halls were told to close, mosques were shuttered outside of prayer times and gatherings were officially suspended.^[125] The local authorities in Aden followed suit with partial closures in March and April. There, the governor's Emergency and Disaster Response Committee announced a list of measures, including fever screening and hand sanitizers at every official meeting, and requiring attendees to wear face masks,^[126] but in practice these measures were rarely followed or enforced. In Lahj governorate's north-central district of Radfan, local activists kept track of suspected COVID-19-related deaths, logging more than 300 between mid-March and the end of April. Local authorities in Lahj ordered shops and markets to close during Ramadan, which began in mid-April. But the closures were only enforced from 6 a.m. to 5 p.m., rendering them largely ineffective – during the fasting month of Ramadan markets do most of their business at night.

Schools and universities in Hudaydah were closed temporarily in early 2021 in areas controlled by the government-allied Joint Forces. Stores and qat markets, however, remained open in both government- and Houthi-administered parts of the governorate. The Yemen Supreme National Emergency Committee for COVID-19 announced only five new cases and three deaths in Hudaydah in areas controlled by the Joint Forces from January through June. However, the Sana'a Center confirmed that one quarantine facility in the area admitted more than 100 cases in the first three months of 2021 alone.^[127]

Yemen received its first batch of 360,000 COVID-19 vaccine doses on March 31;^[128] a second shipment of 151,000 doses arrived in August.^[129] By December 2021, the WHO reported that only 786,000 doses had been administered and 366,000 people (1.2 percent of the population) were fully vaccinated, putting Yemen well behind other countries in

[121] Sana'a Center telephone interview with public health official in Hudaydah, January 2022.

[122] "Cholera situation in Yemen," WHO, April 2021, <https://reliefweb.int/sites/reliefweb.int/files/resources/whoemcsr434e-eng.pdf>

[123] "Yemen: Massive rally in Sana'a marks sixth anniversary of war onset," RT, March 26, 2021, <https://www.youtube.com/watch?v=dfjcmoWCQoA>

[124] "Religious Repression During Ashura Season: Cases from Bahrain, Iraq, and Yemen," ACLED, December 16, 2021, <https://acleddata.com/2021/12/16/religious-repression-during-ashura-season-cases-from-bahrain-iraq-and-yemen/>

[125] "Yemen coronavirus committee calls for 'state of emergency,'" Arab News, March 23, 2021, <https://www.arabnews.com/node/1830841/middle-east>

[126] "Governor Lamlas issues decisions to confront the second wave of COVID-19 in the capital, Aden [AR]," Al-Ameen Press, March 2021, <https://alameenpress.info/news/27988>

[127] Sana'a Center telephone interview with a medical source, January 2022.

[128] "Yemen receives 360,000 COVID-19 vaccine doses through the COVAX Facility," UNICEF, March 31, 2021, <https://www.unicef.org/press-releases/yemen-receives-360000-covid-19-vaccine-doses-through-covax-facility>

[129] "Yemen gets first batch of J&J COVID-19 vaccines," Reuters, August 29, 2021, <https://www.reuters.com/world/middle-east/yemen-gets-first-batch-jj-covid-19-vaccines-2021-08-29/>

the region.^[130] The vaccine rollout was limited to government-controlled territory,^[131] with Human Rights Watch reporting that the WHO and the Houthis were unable to agree on distribution protocols for the more heavily populated north.^[132]

COVID-19 testing and tracing were effectively non-existent in Yemen in 2021; self-test kits were not available and only a small number of laboratories and health centers provided PCR testing. PCR testing was largely limited to Yemenis traveling abroad, as it remained prohibitively expensive: YR28,000–32,000 (US\$50–\$60) per test. In Sana'a, test centers generally required an official letter from Houthi authorities to process tests for suspected cases.^[133] Further complicating COVID-19 care and tracking, patients feared the consequences of seeking medical attention for COVID-like symptoms, with a rumor of patients receiving lethal injections in hospitals dominating public discourse during the wave in March and April.^[134]

International NGO staff wore masks and observed social distancing throughout 2021, but governmental and medical staff appeared far more lax. Aggravated by selective measures and closures, many Yemenis began rejecting all precautionary measures. By June, all official measures ended, though people continued to report COVID-like symptoms on social media. Schools remained open through the September wave. As of early 2022, there was no confirmation of the Omicron variant spreading in Yemen, though there were concerns it would spark a fourth wave.^[135]

[130] Full vaccination percentages cited in the WHO data tended to be relatively high among Yemen's wealthier Gulf Arab neighbors (from 57 percent in Oman to 67 percent in Saudi Arabia and 76 percent in Kuwait), while other Arab countries tended to fall below the 50 percent global average: Iraq (15 percent) Egypt (23 percent), Lebanon (29 percent), Jordan (40 percent) and Syria (5 percent): "WHO Coronavirus (COVID-19) Dashboard," World Health Organization, accessed January 14, 2022, <https://covid19.who.int/table>

[131] "Yemen. COVID-19: Current situation and reasons for vaccine hesitancy," ACAPS, January 10, 2022, https://reliefweb.int/sites/reliefweb.int/files/resources/20220110_acaps_yemen_analysis_hub_thematic_report_covid-19_and_vaccine_hesitancy.pdf

[132] "Yemen: Houthis Risk Civilians' Health in Covid-19," Human Rights Watch, June 1, 2021, <https://www.hrw.org/news/2021/06/01/yemen-houthis-risk-civilians-health-covid-19#>

[133] Sana'a Center researcher's telephone interview with a recovered COVID patient in Yemen, July 2021.

[134] "Treating COVID-19 in Yemen amongst fear, stigma and misinformation," MSF, August 11, 2021, <https://www.msf.org/addressing-covid-19-yemen-amongst-fear-stigma-and-misinformation>

[135] "Yemen. COVID-19: Current situation and reasons for vaccine hesitancy," ACAPS, January 10, 2022, https://reliefweb.int/sites/reliefweb.int/files/resources/20220110_acaps_yemen_analysis_hub_thematic_report_covid-19_and_vaccine_hesitancy.pdf

Consolidating Power, Spreading Fear

In 2021 Houthi forces increasingly targeted traditional northern elites through intimidation, imprisonment and assassination. Although crackdowns on dissent are not new – dissident politicians, activists and journalists have been targeted, detained and put on trial since the Houthis arrived in Sana'a in 2014 – the intensity became such that even tribal sheikhs who had been supportive of the movement expressed concern. Feeding into these fears was the February assassination of Sheikh Muslih al-Waruri in Amran, who was killed in an ambush suspected of being orchestrated by Houthi Preventive Security, an intelligence service reporting directly to Abdelmalek al-Houthi.^[136] Originally a supporter of the Houthi movement, tension between Al-Waruri and the Houthis reportedly emerged in 2019 after he pulled his followers from Houthi battlefronts.

In September, as their fighters dominated the ground war, a Houthi firing squad executed eight men and a teenager on September 18 amid a celebratory atmosphere in Sana'a's Tahrir Square.^[137] Music blared, big screens broadcast the executions and cameras photographed the scene, capturing pictures for distribution in the city.^[138] The nine people executed, all from the western Tihama region, were convicted of providing coordinates for an Emirati drone strike on Hudaydah in April 2018 that killed the president of the Houthis' Supreme Political Council, Saleh al-Sammad. They were tried and sentenced in secret and reports said their confessions had been extracted through torture; Abdelaziz Ali al-Aswad, believed to be a minor when detained, was seen carried out to the execution spot due to apparent paralysis.^[139] With lengthy detentions the norm, local and international attention had largely faded since their 2018 arrests, making their sudden execution particularly jolting.^[140]

The executions came amid a broader crackdown on artists and musicians^[141] and the detention and trial of a Yemeni model, Intisar al-Hammadi, sentenced in November to five years in prison for indecency. Three other women were detained alongside her and sentenced to one to five years in prison.^[142] The public killings also intensified concern for others condemned to death in Houthi prisons, including four journalists jailed since 2015,^[143] and put a fresh chill on discussion within the traditional and intellectual elite.

[136] "The killing of a tribal sheikh in an ambush in Amran and sources accusing the "Preventive Security" of the Houthis of liquidating him," Al-Masdar Online, February 4, 2021, <https://almasdaronline.com/articles/214949>

[137] See, for example: "Secretary-General Strongly Condemns Executions in Yemen, Questioning Houthi Movement's Adherence to Due Process Standards under International Law," UN press office, September 19, 2021, <https://www.un.org/press/en/2021/sgsm20914.doc.htm>; "UN, US, UK condemn Houthis' execution of 9 Yemenis," The Associated Press, September 20, 2021, <https://apnews.com/article/europe-middle-east-united-kingdom-united-nations-yemen-83a89966643d771527672dc74d96bbb7>

[138] Ahmed al-Haj and Samy Magdy, "Yemen Houthi rebels execute 9 over senior official's killing," Associated Press, September 18, 2021, <https://apnews.com/article/donald-trump-middle-east-yemen-sanaa-houthis>; "The Sana'a Center Editorial: Public Executions in Sana'a Herald Houthi Reign of Terror," Sana'a Center for Strategic Studies, October 4, 2021, <https://sanaacenter.org/publications/the-yemen-review/15190>

[139] Ibid.; also, "Ansar Allah (Houthi) armed Group carries out a brutal execution after unfair trials by the Specialized Criminal Court," Mwatana for Human Rights, September 23, 2021, <https://mwatana.org/en/unfair-trials/>

[140] For a deeper look at the functioning and practices of Specialized Criminal Courts in Yemen, see: "Courts for Abuse," Mwatana, September 2021, <https://mwatana.org/wp-content/uploads/2021/09/Courts-for-Abuse-Study-En-pdf>

[141] "With threats and kidnappings. Al-Houthi pursues Sanaa singers," Sawah, September 8, 2021, <https://sawahpress.com/en/news/with-threats-and-kidnappings-al-houthi-pursues-sanaa-singers-saudi-news/>

[142] "Yemeni model jailed for indecency by rebel authorities," BBC, November 8, 2021, <https://www.bbc.com/news/world-middle-east-59205765>

[143] Saeed al-Batati, "Houthis torturing four abducted journalists, say families," Arab News, September 10, 2021, <https://www.arabnews.com/node/1926011/media>

Educational Indoctrination and Child Recruitment

Indoctrination, especially of youths, has gone hand-in-hand with Houthi state-building and crackdowns on dissent. In schools, summer camps and mosques, Houthi propaganda is used to glorify the group's battle for independence and defense of the homeland, as well as to recruit fighters and to consolidate power, so that newly seized towns and districts can be quickly incorporated into the Houthi administrative structure. In the Bayhan district of Shabwa and in Harib district of Marib, which Houthi forces took in September, Houthi loyalists replaced preachers at local mosques, "to recruit soldiers and to spread war propaganda in support of their ongoing campaign in Marib."^[144] Pro-Houthi forces stormed a radio station in Bayhan that normally aired Quranic programming, forcing it to switch over to zamils, traditional poems, that the Houthi movement has incorporated into its propaganda efforts, and recordings of speeches by the late Houthi leader Hussein Badreddine al-Houthi.^[145] In Amran governorate, where the Houthis are well-entrenched and Friday sermons are standardized, the pro-Houthi endowments office issued regulations in 2021 bringing mosques throughout the governorate under its control and requiring recently built, unauthorized mosques to shut down.^[146]

The Houthi movement's continued manipulation of education systems in areas under its control drew particular alarm in 2021, along with broader concerns about the profound issues in access to education nationwide. According to UNICEF, more than 2 million school-age children in Yemen were believed to be out of school in 2021, mainly because of conflict and poverty, twice as many as prior to the war.^[147] Among Yemeni intellectuals, concern ran deep that the continued deterioration of Yemen's education system – devastated by damaged infrastructure, non-payment of teacher salaries and the recruitment of children by armed groups – was planting the seeds for conflict and underdevelopment in future generations.

In northern Yemen, the Houthi-aligned Ministry of Education run by Yahya al-Houthi, brother to the movement's leader Abdelmalek al-Houthi, administers education. Historically, Houthi spending on education has been minimal, and the majority of teachers have not been paid regular salaries in four years, prompting many to stop showing up to work.^[148] In August, Houthi authorities announced teachers would receive monthly incentives of either YR30,000 (US\$50) or half of their regular salary beginning in September.^[149] However, after an initial disbursement these payments ceased.^[150]

Despite a general lack of resources, Houthi authorities have made substantive changes

[144] "ACLEd-Religion Overview, 4-10 December 2021," ACLED, December 16, 2021, <https://acleddata.com/2021/12/16/aclel-religion-overview4-10-december-2021/>

[145] "ACLEd-Religion Overview, 30 October-5 November, 2021," ACLED, November 11, 2021, <https://acleddata.com/2021/11/11/aclel-religion-overview30-october-5-november-2021/>

[146] Ibid.

[147] "Education Disrupted: Impact of the conflict on children's education in Yemen," UNICEF, July 5, 2021, pp. 5-6, <https://weshare.unicef.org/Package/2AMZIFHNJ1iM#>

[148] "Education Disrupted: Impact of the conflict on children's education in Yemen," UNICEF, July 5, 2021, p. 7, <https://weshare.unicef.org/Package/2AMZIFHNJ1iM#>

[149] "The Ministry of Education approves a monthly incentive of 30 thousand rials for teachers, starting next September," Saba news agency (Sana'a), August 14, 2021, <https://www.saba.ye/ar/news3151509.htm>

[150] Ministry of Education-Yemen, "The Ministry of Education announces the start of disbursing...[AR]," Facebook, September 19, 2021, https://m.facebook.com/story.php?story_; Ministry of Education-Yemen, "Director of the Teacher Support Fund confirms the disbursement...[AR]," December 29, 2021, https://m.facebook.com/story.php?story_fbid=4658677437551332&id=

in recent years to the language, Islamic education, civics and history materials used in Yemeni schools in order to align them with the group's ideology. Lessons on civic life, civil society and women's participation were removed from the 2021-2022 curriculum in favor of lessons on national identity, defending the homeland and the fight for independence. Houthi loyalists, appointed as principals and teachers, acted as monitors to ensure compliance.^[151] Previous changes included incorporating lessons depicting the Houthis' 2014 seizure of Sana'a and the subsequent war as a revolution against what it calls the "American-Zionist alliance." Lessons concerning Yemen's 1962 revolution and the establishment of the Yemeni republic have been omitted or replaced with lessons about Yemen's Zaidi imams.^[152]

Indoctrination has continued at Houthi-run summer camps, allegedly used to recruit children to battlefronts. Reliable figures are difficult to come by, but the number of such centers — and of children attending them — appears to have grown significantly in the past two years. The internationally backed government, which maintains that boys are brainwashed and receive weapons training in the camps, estimated that 250,000 children were attending 3,672 such centers in 2019.^[153] In mid-2021, the Yemeni human rights group Seyaj Childhood Protection estimated 6,000 camps were receiving twice that many children.^[154] The Houthis' deputy foreign minister, Hussein al-Ezzi, said in May that he expected 400,000-500,000 student attendees at Houthi-run camps that summer.^[155] In addition to the camps, authorities regularly require students to attend Houthi-led celebrations and activities. The Houthi-aligned Imam Al-Hadi Cultural Foundation created a children's monthly magazine, Jihad, which portrays children fighting the Saudi-led coalition.^[156]

[151] Manal Ghanem, "Curriculum Changes to Mold the Jihadis of Tomorrow," Sana'a Center for Strategic Studies, November 5, 2021, <https://sanaacenter.org/ypf/curriculum-changes-to-mold-the-jihadis-of-tomorrow/>

[152] Ghanem, "Curriculum Changes."

[153] Nabil Abdullah al-Tamimi, "Houthi summer camps darken children's future: officials," Al-Mashareq, July 29, 2019, https://almashareq.com/en_GB/articles/cnmi_am/features/2019/07/29/feature-02

[154] "Yemen: half a million children were recruited," Seyaj Childhood Protection, June 29, 2021, <https://seyaj.org/news/p1846.html>; Seyaj said its figures were based on a Houthi-estimate number of camps (6,000), and that each typically would enroll about 100 children: "Recruitment of children... a violation of childhood and a 'booby-trap' for Yemen's present and future[AR]," DW, July 2, 2021, <https://www.dw.com/ar/تجنيد-الأطفال-انتهاك-للطفولة-وتفخيخ-الحاضر-ومستقبل-اليمن/a-58120089>

[155] Hussein al-Ezzi Twitter post, "I expect to accommodate at least 400,000 to 500,000 students this summer.[AR]," May 30, 2021, <https://twitter.com/hussinalezziz/status/1399080698502430723>

[156] Ghanem, "Curriculum Changes," and "Jihad Magazine for Children [AR]," Telegram page, <https://www.google.com/url?sa=t&>

Child Soldiers in Yemen

Driven by extreme poverty, many child soldiers are the only wage-earners in their families. Recruitment in recent years has been both voluntary, with parental consent, and forced, through intimidation or abduction and indoctrination, according to a pair of reports on child recruitment released in 2021. A UN task force verified 861 cases of child recruitment into armed forces through 2019 and 2020 (789 boys and 72 girls), with 70 percent of the children recruited by the Houthi movement. Six hundred and six of these child recruits, 115 of whom were between the ages of 10 and 15, and the rest 16 and 17, were sent into active combat, according to the UN secretary-general's Children and Armed Conflict in Yemen report, issued in August 2021.^[157]

A February 2021 report issued by two Geneva-based organizations, the Euro-Mediterranean Human Rights Monitor and SAM for Rights and Liberties, examined child recruitment by the Houthis in 19 governorates over the course of the war. Their report, "Militarizing Childhood," recorded 10,333 children, ages 8 to 17, as having been recruited into the Houthi war effort since 2014, saying recruitment techniques varied, but that targeted children tended to be from especially impoverished and hungry families which had often lost a parent-breadwinner.^[158] Some children were abducted and others enlisted, with monthly salaries of US\$150 or a cash payment to their families.^[159] The report, based in part on an undisclosed number of child testimonies, noted impacts on the children, including suicidal thoughts, bedwetting and nightmares, and reported that punishments for failing to carry out orders included physical and sexual abuse, death threats, food deprivation and incarceration.^[160]

The UN task force noted a decline in verified cases of child recruitment from the previous two-year period (1,266 in 2017-2018). However, it was not clear whether this indicated an actual drop or the data reflected access restrictions and an increasing fear of retaliation. Beyond frontline fighting, children filled the roles of guards, often at military checkpoints, as well as mine handlers, porters and cooks; the 72 girls were all used as spies, to supply information on their communities and urge male relatives to join Houthi forces.^[161]

While children's own political and religious beliefs played only a marginal role in enlistment, other social factors, such as friends' and relatives' affiliations with various armed groups, influenced many children.^[162] Altogether, 605 of the 2019-2020 child recruitment violations verified by the UN were attributed to the Houthis;^[163] both reports indicated the Houthis often identified potential recruits during weeks-long ideological

[157] "Children and armed conflict in Yemen – Report of the Secretary-General (S/2021/761)," UN Security Council, August 27, 2021, p. 4, <https://reliefweb.int/report/yemen/children-and-armed-conflict-yemen-report-secretary-general-s2021761-enar>

[158] "Militarizing Childhood," Euro-Mediterranean Human Rights Monitor and SAM for Rights and Liberties, February 2021, pp. 5, 8, 10, <https://reliefweb.int/sites/reliefweb.int/files/resources/childrenyemenrepen.pdf>

[159] "Militarizing Childhood," p. 13, <https://reliefweb.int/sites/reliefweb.int/files/resources/childrenyemenrepen.pdf>

[160] "Militarizing Childhood," pp. 17-18, <https://reliefweb.int/sites/reliefweb.int/files/resources/childrenyemenrepen.pdf>

[161] "Children and armed conflict," p. 4, <https://reliefweb.int/report/yemen/children-and-armed-conflict-yemen-report-secretary-general-s2021761-enar>

[162] "Children and armed conflict," p. 5, <https://reliefweb.int/report/yemen/children-and-armed-conflict-yemen-report-secretary-general-s2021761-enar>

[163] "Children and armed conflict," p. 4, <https://reliefweb.int/report/yemen/children-and-armed-conflict-yemen-report-secretary-general-s2021761-enar>

programs and then sent those children for weapons training and on to the frontlines.^[164] The UN task force attributed another 171 violations to the Yemeni military, 52 to Security Belt forces, 14 to the Shabwani Elite forces, four to the Popular Resistance, two to the Salafis and one to the Southern Movement (Hirak); responsible parties were not identified for 12 violations.^[165] In 2020, the Yemeni government's defense and interior ministries disseminated orders explicitly prohibiting child recruitment, an advance welcomed within the UN report though the impact is not yet clear.^[166]

Child recruitment often was at the core of other violations verified by the UN task force. Boys involved in active combat, operating checkpoints or running supplies to fighters, often were killed or maimed by mines, shrapnel, gunfire or air strikes. The UN report cited a case of three boys recruited by a supervisor of a Houthi-run summer camp in Sa'ada and taken without their families' knowledge to Marib for weapons training and to act as camp guards. An airstrike on the camp killed the boys three days later. In another case, a boy who had spent two years on the frontlines with government forces in Al-Jawf, recruited at age 14 in 2018, was killed in battle by a Houthi missile in October 2020.^[167]

The Euro-Med – SAM report published a list of 111 children it said died in combat in July and August of 2020 while fighting for the Houthis. The list the researchers had obtained was based on official Houthi statistics, according to the report, and identified children aged 11-17, including 12 field commanders aged 13 to 17.^[168]

Beyond recruiting children, the UN task force verified the conflict-related killing or maiming of 2,612 children in 2019-2020 and assigned responsibility in slightly more than half the cases, with the bulk of those attributable to Houthi forces (548), the coalition (436) and Yemeni government forces (217). While most verified child casualties were caused by mortar and artillery shelling in residential areas, ground fighting and mines also contributed significantly. The report also noted an increasing trend of military vehicles running over children and crashing into civilians' cars in Abyan, Taiz, Aden and Lahj governorates. The UN task force reported 111 boys aged 12-17 had been detained, mostly by the Houthis (70) but also by government forces (37), and said it had facilitated reunifying many of the children with their families. In addition, it noted 14 verified incidents of sexual violence against boys and girls by fighting forces, though it was not clear whether or how many of those involved child recruits. Such sexual violence toward children is believed to be far more extensive, with significant underreporting due to stigmatization and fear of reprisals.^[169]

[164] "Militarizing Childhood," p. 13, <https://reliefweb.int/sites/reliefweb.int/files/resources/childrenyemenrepen.pdf>; "Children and armed conflict," p. 5, <https://reliefweb.int/report/yemen/children-and-armed-conflict-yemen-report-secretary-general-s2021761-enar>

[165] "Children and armed conflict," pp. 4-5, <https://reliefweb.int/report/yemen/children-and-armed-conflict-yemen-report-secretary-general-s2021761-enar>

[166] "Militarizing Childhood," p. 11, <https://reliefweb.int/sites/reliefweb.int/files/resources/childrenyemenrepen.pdf>

[167] "Children and armed conflict," p. 5, <https://reliefweb.int/report/yemen/children-and-armed-conflict-yemen-report-secretary-general-s2021761-enar>

[168] "Militarizing Childhood," pp. 28-33, <https://reliefweb.int/sites/reliefweb.int/files/resources/childrenyemenrepen.pdf>

[169] "Children and armed conflict," pp. 6-7, <https://reliefweb.int/report/yemen/children-and-armed-conflict-yemen-report-secretary-general-s2021761-enar>

Houthi State-Building and the War Effort

Houthi authorities have solidified mechanisms to collect, channel and manage public revenues as part of their state-building effort. Having institutionalized a 20 percent khums tax imposed in 2020, Houthi authorities are collecting a host of taxes and fees, including the now-mandatory zakat, a traditional form of Islamic charitable giving. The head of the Houthi-aligned Zakat Authority said it collected over YR65 billion in 2020 (approximately US\$108 million).^[170] Houthi authorities have also levied various fees on an ad-hoc basis throughout the year, with business owners and salaried employees reportedly forced to pay special taxes for the anniversary of the Houthi takeover of Sana'a (September 21) and the Prophet Mohammed's birthday (October 18).^[171]

By 2021, the Houthis had mechanisms in place to channel public revenues into institutions they control and to manage local authorities' budgets at the district and governorate level.^[172] Lise Grande, a former UN humanitarian coordinator for Yemen and president of the US Institute of Peace, called Houthi-imposed taxes "draconian", and described the new mechanisms to a US congressional subcommittee as "instruments to divert revenue from public goods and services to their fighters, sabotage private sector companies that do not cooperate with them and manipulate currency and liquidity for their interests, not those of the general public."^[173]

Further taxes were introduced in January relating to real estate transactions, with the Houthi-aligned Justice Ministry imposing a land value tax to be paid prior to the transfer of property.^[174] Expropriating land and property belonging to figures opposed to the Houthis, whether through judicial expropriation or extortion, has been an important source of revenue.^[175] In November, Saleh Mesfer Alshaer, commander of the Houthi military logistics support organization, was sanctioned by the US Treasury Department for serving as a “judicial custodian” for more than US\$100 million in assets seized by the group.^[176]

[170] "Abu Nastan calls for solidarity with the Zakat Authority and to contribute to the implementation of charitable projects [AR]," Ansar Allah website, April 21, 2021, <https://www.ansarollah.com/archives/428o43>

[171] "The looting process continues..Houthi militia imposes new taxes in Ibb to celebrate the anniversary of the coup," Al-Masdar Online, September 21, 2021, <https://almasdaronline.com/articles/236652>; "The Houthis decide to deduct a portion of the employees' salaries that they refuse to pay on the occasion of the so-called "Prophet's Birthday," Al-Masdar Online, October 3, 2021, <https://almasdaronline.com/articles/237789>; "A meeting chaired by a member of the Supreme Political Mohammed Al-Houthi approves the plan for the celebrations of the Prophet's birthday," Saba news agency (Houthi aligned), October 02, 2021, <https://www.saba.ye/ar/news3158110.htm>

[172] Lise Grande, "The Crisis in Yemen," full text of testimony before the US Senate Foreign Relations subcommittee on Near East, South Asia, Central Asia and Counterterrorism, Washington, April 21, 2021, https://www.foreign.senate.gov/imo/media/doc/042121_Grande_Testimony.pdf

[173] Ibid.

[174] Essam Sabri, "Why did the Houthis prevent the sale and purchase of land and real estate? [AR]," Al-Mushahid, January 17, 2021, <https://almushahid.net/71141/>; "The Houthi militia is suffocating Sana'a scheme to control the real estate market [AR]," Al-Arabiya, November 23, 2020, <http://www.alarabiya.net/arab-and-world/yemen/2020/11/23/العقارات-سوق-في-سوق-مخطط-للتحكم-في-مليشيا-الحوثي>

[175] "Press report: This is how Al-Houthi and his "dynasty" pounced on the positions and joints of the revenue institutions," Al-Masdar Online, January 23, 2021, <https://almasdaronline.com/articles/214034>; "The latest farce of the dynasts...A Houthi decision to confiscate the house and property of a businessman in Sana'a on charges of "compromising the independence of the Republic of Yemen [AR]," Al-Masdar Online, June 26, 2021, <https://almasdaronline.com/articles/228159>

[176] "Treasury Sanctions Senior Houthi Military Officer Overseeing Group's Seizure of Opposition Property," US Department of the Treasury, November 18, 2021, <https://home.treasury.gov/news/press-releases/yo495>

The Houthis also drew on their increased control of land held as awqaf, or Islamic endowments. In a rare instance of large-scale protests in Houthi-held territory, demonstrations by tenants on awqaf land broke out in August in Ibb governorate, after the local office dramatically raised rents; the protests were quickly suppressed by local security forces.^[177] According to anti-Houthi media, the rent increase was an attempt to force tenants off the land so it could be redistributed to Houthi loyalists, and netted Houthi authorities billions of rials in additional revenue.^[178]

[177] "Protesters in Ibb condemn the practices of a Houthi leader and demand his departure," Federal Yemen, August 26, 2021, www.yemenetihadi.net/72598/عاجل/

[178] "Protesters in Ibb demand the dismissal of an endowment director appointed by the Houthi militia [AR]," Al-Yaman Al-Araby, August 26, 2021, <https://www.elyamnelaraby.com/561612/محتجون-في-إب-يطالبون-بإقالة-مدير-أوقاف-عينته-مليشيا-الحوثي>; "Billions of levies imposed by the Houthis on the tenants of Ibb endowments [AR]," Al-Masdar Online, August 30, 2021, <https://almasdaronline.com/articles/233712>

Regional and International Developments in 2021

In addition to the plethora of local factions, multiple regional and international actors remained engaged in the Yemen conflict in 2021. Foremost among them was Saudi Arabia, which – along with the UAE – has led foreign military efforts against the armed Houthi movement since 2015 and is the major external backer of the Yemeni government. Saudi Arabia's attempts to extricate itself from the conflict in recent years continued to founder; Saudi-Houthi peace talks largely continued their 2020 pattern, with the parties ostensibly agreeing on steps toward de-escalation but disagreeing on the order in which to implement them.

Iran, the Saudis' regional antagonist, appears comfortably entrenched within the Houthi leadership, with its ambassador, Hasan Irloo, becoming a regular fixture of the Sana'a political scene until his death in December 2021, reportedly from COVID-19. Iran provides material support to the Houthis, is the only state to recognize Houthi authorities in Sana'a as the official government of Yemen, and likely is capable of influencing the Houthi leadership regarding any potential peace talks. To this end, attempts were made to include Iran in efforts to advance negotiations. Two UN special envoys visited Tehran, and consultations were held in Muscat that included the Iranian foreign minister.

The United Arab Emirates, the only other regional country to play a significant role in the Saudi-led coalition, attempted to redefine its role in terms of its own broader geopolitical goals. Abu Dhabi made a dramatic re-entry to the conflict at the end of 2021. With hydrocarbon-rich government strongholds threatening to fall to the Houthis, and Saudi Arabia unable to mount an effective counter offensive, UAE-backed forces counterattacked in Shabwa, winning a series of battles and cutting Houthi supply lines (see: [‘The Bahyan Offensive and Its Aftermath’](#)). The UAE's renewed engagement forced a Houthi retreat from parts of Marib and altered the political balance among Yemeni factions. This contributed to the rapidly declining influence of the Islah party, which the UAE considers a Muslim Brotherhood-affiliated terrorist group, and created openings for the UAE-aligned Southern Transitional Council and the General People's Congress (GPC) party to improve their respective positions.

While both the Saudis and the broader regional and international community have been keen to move forward with peace negotiations, the armed Houthi movement appeared satisfied to continue expanding its territory, given its string of successes on the battlefield. As a result, contact continued but actual progress was elusive. After more than three years with little to show for his efforts and a failed last push for a nationwide cease-fire plan, Martin Griffiths stepped down as UN special envoy to Yemen and moved to the UN's top humanitarian position in July. Swedish diplomat and former EU ambassador to Yemen Hans Grundberg replaced Griffiths, spending the rest of 2021 holding preliminary meetings in Yemen and around the region. The United States, under new White House administration, pointedly stepped up its engagement only to be frustrated by Houthi equivocation regarding the de-escalation proposals of the UN, Saudi Arabia and Oman.

Saudi-Houthi Peace Talks: The Long Road to Nowhere

Saudi-Houthi backchannel talks – separate from, but oftentimes overlapping with UN-backed efforts to engage the Yemeni government and the Houthi movement – have taken place for several years, often facilitated by Muscat. Perhaps their most significant accomplishment was a temporary truce in the air war in late 2019 and early 2020, resulting in a significant reduction in both Saudi-led coalition airstrikes in Yemen and Houthi cross-border attacks into Saudi Arabia. However, despite hopes that this could form the basis of a wider de-escalation, airstrikes and cross-border attacks re-escalated in early 2020,^[179] when the Houthis seized Al-Jawf governorate and began their military campaign toward Marib city. From that point on, there was little discernible progress from the talks.

On March 22, 2021, Saudi Foreign Minister Faysal bin Farhan al-Saud presented, with much fanfare, a proposal to end the Yemen war, with measures to be implemented in roughly the following order:^[180]

1. A UN-supervised, comprehensive, nationwide cease-fire in Yemen.
2. Lifting of the Saudi-led coalition's partial blockade of Hudaydah port, with revenues from Hudaydah fuel imports deposited in a joint Yemeni government-Houthi account.
3. The reopening of Sana'a International Airport to regional and international flights to cities agreeable to Saudi Arabia, such as Cairo and Amman.
4. Peace talks among Yemeni parties to resolve the conflict.

Saudi Arabia wanted this particular sequence, especially the provisions concerning the reopening of the Hudaydah port and Sana'a airport, because it views unrestricted air and sea connections between Houthi-controlled areas and Iran as an existential threat to its national security.^[181]

The Houthis quickly rejected the Saudi proposal, stating it included “nothing new.”^[182] This was more-or-less correct. Fundamentally, the March peace proposal included the same basic components Saudi Arabia had previously presented to the Houthis, who had rejected the proposed sequencing. The Houthis maintain that lifting the Hudaydah blockade and reopening Sana'a airport are humanitarian measures that must be unconditionally implemented before the parties discuss a truce.^[183] Houthi officials have agreed that ships entering Hudaydah would continue to receive inspections under the UN Verification and Inspection Mechanism for Yemen, in place since 2016.^[184] The leadership's position regarding future relations with Iran is less clear, and given the Houthi framing of peace

[179] “Air Raids,” Methodology, Yemen Data Project, accessed December 13, 2021, <https://yemendataport.org/methodology-1.html>

[180] “Full text of Saudi Arabia's new peace initiative to end Yemen war,” Al-Arabiya, March 22, 2021, <https://english.alarabiya.net/News/gulf/2021/03/23/Full-text-of-Saudi-Arabia-s-new-peace-initiative-to-end-Yemen-war>

[181] Aziz El Yaakoubi, “How to end a war you didn't win: Yemen's Houthis seek Saudi concessions,” Reuters, March 19, 2021, <https://www.reuters.com/article/yemen-security-usa-int/how-to-end-a-war-you-didnt-win-yemens-houthis-seek-saudi-concessions-idUSKBN2BB1NL>

[182] Aziz El Yaakoubi, “Saudi Arabia proposes ceasefire in Yemen, Houthis sceptical,” Reuters, March 22, 2021, <https://www.reuters.com/article/yemen-security-saudi-int/saudi-arabia-proposes-ceasefire-in-yemen-houthis-sceptical-idUSKBN2BE1ZT>

[183] El Yaakoubi, “Saudi Arabia proposes ceasefire.”

[184] El Yaakoubi, “How to end a war,” and “About UNVIM,” United Nations Verification & Inspection Mechanism for Yemen, accessed December 13, 2021, <https://www.unvym.org/about>

negotiations as being between themselves and Saudi Arabia, it is also not clear whether the truce the Houthis envision would bring an end to the war in Yemen, rather than just secure the end of Saudi involvement.

Despite the Houthis' rejection of the Saudi initiative, the group's chief negotiator, Mohammed Abdel Salam, emphasized the parties would continue talking,^[185] and discussions continued for much of the rest of the year. Saudi Crown Prince Mohammed bin Salman said in an April interview that "no country in the world accepts the presence of a militia on its borders," and Saudi Foreign Minister Bin Farhan accused the Houthis of obstructing a deal in May.^[186]

Omani Mediation Briefly Raises Hopes for a Deal

After months of diplomatic stalemate, Oman sent a delegation to meet with senior Houthi officials in Sana'a on June 5.^[187] The only Gulf Cooperation Council member that did not join the Saudi-led coalition in 2015, Oman has long presented itself as a mediator in the Yemen conflict by hosting Houthi officials and offering itself as a neutral site for UN-backed talks and Saudi-Houthi negotiations, as well as talks involving various world powers.^[188] Although Saudi Arabia has accused Iran of smuggling weapons to the Houthis through Omani territory, Oman has vehemently denied these allegations, and the Sultanate remains a key mediator in the conflict.^[189]

Although the Omani delegation left Sana'a on June 11 without any conclusive results, optimism lingered throughout the month.^[190] Reuters reported that Houthi leader Abdelmalek al-Houthi had made a commitment to the Omanis that cease-fire negotiations would start immediately after the Saudi-led coalition lifted the blockade of Hudaydah port and Sana'a airport, and Mohammed Abdel Salam, the Houthi negotiator, stated that a comprehensive cease-fire would include "the exit of foreign powers from Yemen to facilitate political negotiations." The timing of this exit, however, would be subject to negotiation.

As time passed and no breakthrough came, optimism around the Omani delegation's visit faded. In July, Omani Foreign Minister Badr al-Busaidi denied reports that an Omani initiative had been proposed to end the Yemen conflict, saying the country supported Saudi, UN and US efforts.^[191] Despite the apparent lack of progress, Busaidi remained

[185] "Houthis say nothing new in Saudi peace offer, will keep talking," Reuters, March 22, 2021, <https://www.reuters.com/article/yemen-security-saudi-houthis/houthis-say-nothing-new-in-saudi-peace-offer-will-keep-talking-idUSD5N2EC054>

[186] "His Highness the Crown Prince discusses what the programs and projects of Vision 2030 have achieved during the past five years [AR]," Saudi Press Agency, April 28, 2021, <https://www.spa.gov.sa/2222226>; "Special interview: Saudi Minister of the Interior Prince Faisal bin Farhan [AR]," Al-Hadath Youtube channel, May 19, 2021, https://www.youtube.com/watch?v=81lJS2_AvdM

[187] Casey Coombs, "Omani delegation travels to Sana'a to facilitate peace talks," The Yemen Review, June 2021, Sana'a Center For Strategic Studies, July 14, 2021, https://sanaacenter.org/publications/the-yemen-review/14598#International_Developments; "Yemen Houthis gear up for Sanaa airport reopening, sources say," Reuters, June 10, 2021, <https://www.reuters.com/world/middle-east/yemen-houthis-gear-up-sanaa-airport-reopening-sources-2021-06-10/>

[188] Gregory D. Johnsen, "Foreign Actors in Yemen: The History, the Politics and the Future," Sana'a Center for Strategic Studies, January 31, 2021, <https://sanaacenter.org/publications/main-publications/13042#Oman>; Giorgio Cafiero, "Oman's Diplomatic Agenda in Yemen," Arab Center Washington DC, June 30, 2021, <https://arabcenterdc.org/resource/omans-diplomatic-agenda-in-yemen/>

[189] Johnsen, "Foreign Actors in Yemen."

[190] Casey Coombs, "Omani delegation travels to Sana'a to facilitate peace talks," The Yemen Review, June 2021, Sana'a Center For Strategic Studies, July 14, 2021, https://sanaacenter.org/publications/the-yemen-review/14598#International_Developments

[191] "Interview with Foreign Minister Badr Albusaidi with the Asharq Al-Awsat newspaper," text via Foreign Ministry of Oman, July 10, 2021, <https://fm.gov.om/interview-with-his-excellency-foreign-minister-badr-albusaidi-with-asharq-al-awsat-newspaper/>

publicly optimistic, stating as late as September that the Houthis had not rejected Omani efforts, and that “there are strong convictions now to stop this war and go to the political process, so I think we are close to this goal.”^[192] Busaidi’s appraisal was quickly called into question by Houthi Supreme Political Council President Mahdi al-Mashat, who said the Omani delegation had conveyed “empty talk” from Saudi Arabia in their meetings with senior Houthi officials.^[193]

Attempts at Saudi-Iranian Deescalation

Iraq mediated multiple rounds of talks between Saudi Arabia and Iran beginning in May 2021, attempting to defuse tensions between the two Gulf powers. These have run particularly high since 2016, when the two cut diplomatic relations following Saudi Arabia’s execution of Shia cleric Nimr al-Nimr and Iranian protesters’ attack on the Saudi embassy in Tehran.^[194] Although not exclusively concerned with Yemen, Reuters reported the talks covered Iran’s potential to stop Houthi attacks on Saudi Arabia in exchange for support in nuclear negotiations with the United States.^[195] Though they continued for four rounds, the talks did not yield any public results related to Yemen. However in December, when Iran’s ambassador to the Houthi government, Hasan Irloo, required evacuation from Sana’a, there appeared to be a temporary diplomatic thaw.^[196]

Irloo, allegedly a high-level Iranian military officer closely affiliated with Hezbollah,^[197] was widely thought to be advising the Houthi leadership militarily and politically (see: ‘[Houthis Shore Up Mechanisms of State](#)’). He was the only foreign ambassador to the Houthi government, which rankled Yemeni opponents, as did his frequent appearances at events in Sana’a alongside Houthi leaders.^[198] In December 2021, the Houthis appealed to Saudi Arabia, which controls Sana’a’s airspace, to allow Irloo’s repatriation on medical grounds.^[199] Following Omani and Iraqi intervention, Irloo was flown out of Sana’a on an Iraqi military plane;^[200] he died in Tehran a few days later, reportedly of COVID-19.^[201]

[192] “A television interview with Foreign Minister Badr Albusaidi, with Al-Arabiya and Al-Hadath channels,” text via Foreign Ministry of Oman, September 14, 2021, <https://fm.gov.om/a-television-interview-with-foreign-minister-badr-albusaidi-with-al-arabiya-and-al-hadath-channels/>

[193] “An exclusive interview with President Mehdi al-Mashat with Al-Masirah TV on the occasion of the September 21 Revolution [AR],” Al-Mashad Al-Yemeni Ouwal, September 20, 2021, <https://www.youtube.com/watch?v=be4qOHcoFms>

[194] Qassim Abdul-Zahra, “Iran, Saudi sides continue tension-easing talks in Baghdad,” AP News, <https://apnews.com/article/middle-east-iran-saudi-arabia-iraq-tehran-9f6064e5e917df8cd8182839c23b8f27>

[195] “Iran confirms talks with Saudi Arabia, promises best efforts,” Reuters, May 10, 2021, <https://www.reuters.com/world/middle-east/iran-confirms-talks-with-saudi-arabia-promises-best-efforts-2021-05-10/>

[196] For further details on the talks, see: Qassim Abdul-Zahra, “Iran, Saudi sides continue tension-easing talks in Baghdad,” AP News, September 27, 2021, <https://apnews.com/article/middle-east-iran-saudi-arabia-iraq-tehran-9f6064e5e917df8cd8182839c23b8f27>; “Saudi foreign minister: ‘We will continue talks with Iran,’ France 24, November 13, 2021, <https://www.france24.com/en/tv-shows/the-interview/20211113-saudi-foreign-minister-we-will-continue-talks-with-iran>; and “Saudi UN envoy: Iran playing ‘games’ in talks with kingdom,” Reuters, December 13, 2021, <https://www.reuters.com/world/middle-east/saudi-un-envoy-iran-playing-games-talks-with-kingdom-2021-12-13/>

[197] Ned Price, “The Iranian regime smuggled Hassan Irloo, an IRGC member tied to Lebanese Hizballah...” Twitter post, October 21, 2020, <https://twitter.com/StateDeptSpox/status/1318889792906690562?s=20>

[198] “Yemen government angered by acts of Iran’s envoy to Sanaa,” Debriefier, May 7, 2021, <https://debriefier.net/en/news-24937.html>, and “Iranian Guards shed secrecy, flaunt control of Sana’a through envoy,” Arab Weekly, January 4, 2021, <https://the arabweekly.com/iranian-guards-shed-secrecy-flaunt-control-sanaa-through-envoy>

[199] “Iranian envoy to Yemen dies of COVID-19,” Tehran Times, December 22, 2021, <https://www.tehrantimes.com/news/468287/Iranian-envoy-to-Yemen-dies-from-COVID-19>; “Iran to appoint a new envoy to Yemen,” Tasnim news agency, December 28, 2021, <https://www.tasnimnews.com/en/news/2021/12/28/2634123/iran-to-appoint-new-envoy-to-yemen>

[200] “Iran to sue Riyadh for deliberate delay that led to ambassador’s death,” Tehran Times, December 21, 2021, <https://www.tehrantimes.com/news/468359/Iran-to-sue-Riyadh-for-deliberate-delay-that-led-to-ambassador-s>

[201] “Iranian envoy to Yemen dies of COVID-19,” Tehran Times, December 22, 2021, <https://www.tehrantimes.com/news/468287/Iranian-envoy-to->

Although Iran maintains Saudi Arabia acted too slowly in permitting Irloo to travel,^[202] that they allowed his evacuation at all was a notable sign of de-escalation. While the Iran-Saudi talks in Baghdad were described as “exploratory” and low-level,^[203] the Saudi and Iranian foreign ministers did meet briefly on December 19, two days before Irloo’s death was announced, on the sidelines of a meeting of the Organisation of Islamic Cooperation in Islamabad, Pakistan.^[204] A new Iranian ambassador had not been appointed by year’s end.^[205]

Attempts to thaw Saudi-Iranian relations may have contributed to regional and international willingness to engage Iran more directly in efforts to end the war in Yemen. Iran is often viewed as possessing the requisite leverage to get the recalcitrant Houthi leadership to commit to peace talks, though the Houthis have disregarded Iranian orders in the past.^[206] To this end, the current and previous UN special envoys to Yemen made visits to Tehran, and then-Iranian Foreign Minister Javad Zarif traveled to Muscat to meet the Houthi chief negotiator, Abdel Salam, in late April.^[207]

Yemen-dies-from-COVID-19

[202] “Iran to sue Riyadh for deliberate delay that led to ambassador’s death,” Tehran Times, December 21, 2021, <https://www.tehrantimes.com/news/468359/Iran-to-sue-Riyadh-for-deliberate-delay-that-led-to-ambassador-s>

[203] “Saudi confirms first round of talks with new Iranian government,” Reuters, October 3, 2021, <https://www.reuters.com/world/middle-east/saudi-confirms-first-round-talks-with-new-iranian-government-2021-10-03/>; Qassim Abdul-Zahra, “Iran, Saudi sides continue tension-easing talks.”

[204] “Iran, Saudi FMs hold brief meeting in Pakistan,” Tehran Times, December 20, 2021, <https://www.tehrantimes.com/news/468269/Iran-Saudi-Arabia-FMs-hold-brief-meeting-in-Pakistan>

[205] “Iran to appoint a new envoy to Yemen,” Tasnim news agency, December 28, 2021, <https://www.tasnimnews.com/en/news/2021/12/28/2634123/iran-to-appoint-new-envoy-to-yemen>

[206] Gregory Johnsen, “Foreign Actors in Yemen: The History, the Politics and the Future,” Sana’a Center for Strategic Studies, January 31, 2021, <https://sanaacenter.org/publications/main-publications/13042#Iran>

[207] “U.N. envoy Griffiths in Iran for first time to discuss Yemen crisis: TV,” Reuters, February 7, 2021, <https://www.reuters.com/article/us-iran-yemen-un/u-n-envoy-griffiths-in-iran-for-first-time-to-discuss-yemen-crisis-tv-idUSKBN2A707I>; “Zarif meets with UN envoys for Yemen and Afghanistan,” Tehran Times, June 8, 2021, <https://www.tehrantimes.com/news/461779/Zarif-meets-with-UN-envoys-for-Yemen-and-Afghanistan>; “Iran diplomat, UN envoy discuss developments in Yemen,” Tehran Times, November 2, 2021, <https://www.tehrantimes.com/news/466616/Iran-diplomat-UN-envoy-discuss-developments-in-Yemen>; “Iran’s Zarif backs Yemen ceasefire in talks with Houthi leader,” France 24, April 29, 2021, <https://www.france24.com/en/middle-east/20210429-iran-s-zarif-backs-yemen-ceasefire-in-talks-with-houthi-leader>

Iranian Military Support for the Houthis

The extent of Iranian military support to the Houthis has long been a matter of debate. The UN-appointed Panel of Experts on Yemen concluded in its January 2021 report that “an increasing body of evidence suggests that individuals or entities in [Iran] supply significant volumes of weapons and components to the Houthis.”^[208] In August, the Yemeni government announced that an Iranian military expert was killed along with nine Houthi fighters in an airstrike in Marib governorate.^[209] The US envoy to Yemen, Timothy Lenderking, told US lawmakers that Tehran’s support to the Houthis is “quite significant and it’s lethal.”^[210] US Navy ships have periodically seized weapons said to be en route from Iran to Yemen, including a December shipment of 1,400 assault rifles and 226,600 rounds of ammunition.^[211]

Iran has routinely denied that it provides direct military assistance to the Houthis. In April, however, IRGC-Quds Force officer General Rostam Ghasemi spoke publicly about Tehran providing a small number of military advisers and weapons technology to the Houthis.^[212] Ghasemi stood by his remarks, spurring speculation they were an attempt to disrupt Saudi-Iranian talks. Ghasemi tweeted that his critics were “so involved in the game of fruitless negotiations that they have forgotten the policies of the Islamic Revolution of Iran.”^[213] Houthi Supreme Political Council member Mohammed al-Houthi dismissed Ghasemi’s remarks as an attempt to provoke other Gulf countries.^[214]

The Saudi-Iran de-escalation talks were expected to continue in 2022, with Iranian Foreign Minister Hossein Amir Abdollahian saying Iran was ready for the respective embassies to be reopened.^[215] Western diplomats appear keen to keep Iran engaged,^[216] and Abdollahian visited Muscat in January for further consultations with Abdel Salam, the Houthi negotiator, as well as Omani and Qatari officials.^[217]

[208] “Letter dated 22 January 2021 from the Panel of Experts on Yemen addressed to the President of the Security Council,” UN Panel of Experts on Yemen, January 25, 2021, p. 2, https://reliefweb.int/sites/reliefweb.int/files/resources/S_2021_79_E.pdf

[209] Moammar El-Eryani, Twitter Post, “1- The killing of the so-called Haider Sirjan, one of the Iranian experts, along with nine others, including Musa Al-Qahazi and Ahmed Al-Sahari, ‘imposing the rank of colonel’ yesterday, following an air strike by the Coalition that Supports the Legitimate Government on Houthi militia sites in the Sarwah front in Marib Governorate, which confirms the size and level of Iranian involvement and its destabilizing role in the security and stability of Yemen [AR],” August 21, 2021, <https://twitter.com/ERYANIM/status/1428888622388940802>; “Al-Eryani: The killing of an Iranian expert in Marib reflects Tehran’s destabilizing role for Yemen [AR],” Saba News (Government-aligned), August 21, 2021, <https://www.sabanews.net/story/ar/78350>

[210] “U.S. says Iran support to Yemen’s Houthis ‘significant, lethal,’” Reuters, April 21, 2021, <https://www.reuters.com/world/middle-east/us-says-iran-support-yemens-houthis-significant-lethal-2021-04-21/>

[211] “U.S. Navy says large weapons shipment from Iran to Yemen’s Houthi rebels seized from ‘stateless’ ship,” CBS News, December 23, 2021, <https://www.cbsnews.com/news/us-navy-seizes-weapons-iran-yemen-war-houthi-rebels-arabian-sea/>

[212] “Assistant Commander of the Quds Force, and a talk about the role of the Iranian Revolutionary Guard in the region [AR],” RT, April 21, 2021, <https://arabic.rt.com/prg/مساعد-قائد-فيلق-القدس-وحديث-عن-دور-الحرس-الثوري-الإيراني-بالمنطقة-1224125-نيوزميكرو>

[213] Rostam Ghasemi, “Gentlemen of the Ministry of Foreign Affairs...[FAR]” Twitter post, April 23, 2021, <https://twitter.com/RostamGhasemi/status/1385567439665123331?s=20>

[214] “Ansar Allah: Rostam Ghasemi’s statements are nothing but a provocation of the Gulf states,” Sputnik, April 23, 2021, <https://arabic.sputniknews.com/20210423/-1048783944-الخليج-إلا-استفزازا-لدول-الخوئي-تصريحات-رستم-قاسمي-ليست-إلا-استفزازا-لدول-الخليج-1224125-نيوزميكرو>

[215] “Iran FM: Saudi Arabia must decide on reopening embassies,” Tehran Times, January 24, 2022, <https://www.tehrantimes.com/news/469435/Iran-FM-Saudi-Arabia-must-decide-on-reopening-embassies>

[216] “Iran senior diplomat discusses Yemen with UN envoy,” Tehran Times, January 31, 2022, <https://www.tehrantimes.com/news/469673/Iran-senior-diplomat-discusses-Yemen-with-UN-envoy>; “Iran diplomat meets UN, Norwegian officials,” Tehran Times, January 16, 2022, <https://www.tehrantimes.com/news/469136/Iran-diplomat-meets-UN-Norwegian-officials>

[217] “Iranian FM holds talks with senior Qatari officials,” Tehran Times, January 11, 2022, <https://www.tehrantimes.com/news/468991/Iranian-FM-holds-talks-with-senior-Qatari-officials>

UAE Proxies Allow for Continued Influence

Despite attempts to present itself as no longer actively involved in the conflict, the UAE has continued to wield significant influence in Yemen by backing local forces, such as the Southern Transitional Council, Tareq Saleh's National Resistance Forces and the Giants Brigades. The abundance of local proxies in coastal regions fits with the UAE's regional priorities, specifically its focus on maritime security. The waterways around Yemen, and in particular the Bab al-Mandab Strait, are of vital importance to the UAE, providing a shipping route to Europe and the Americas and maintaining the UAE as a regional trade hub.^[218] Reports in May of the UAE's apparent efforts to establish a base on Mayun, an island in the Bab al-Mandab,^[219] were seen by many through this lens. Work on the base appeared to have halted, but the island continues to be controlled by the UAE-backed National Resistance Forces,^[220] who also control nearby Mokha on the mainland. The UAE is reportedly working on an airfield there as well (see: 'Mayun and Al-Rayyan: Early Signs of Change?').

The UAE increased its military involvement toward the end of 2021 through its local proxies. Shabwa governorate had been a stronghold for the Yemeni government and Islah in southern Yemen, and a place where the STC could not claim supremacy, with the local administration run by the Islah-aligned governor, Mohammad Saleh bin Adio. However, the UAE had maintained a foothold through the Shabwani Elite forces, basing the remnants of the group, which was disbanded in 2019, at two locations under coalition control – the Balhaf LNG terminal in southern Shabwa and the Al-Alam base, north of Ataq. Unrest in the governorate, the loss of territory to the Houthis culminated in President Hadi – pushed by Saudi Arabia on behalf of the UAE – replacing Bin Adio with a tribal leader who had been based in the UAE, and the arrival of the UAE-backed Giants Brigades. This placed Shabwa once again within the UAE's sphere of influence.

That influence has grown stronger thanks to the Giants Brigades' defeat of the Houthis in Shabwa at the start of January 2022, and the effective military performances displayed by UAE-backed forces compared to those of the Yemeni government.

The UAE's actions in the coming months will help shed light on its regional policies, and whether the country will continue its move to a "no problems with neighbors" foreign policy, particularly in light of an attempted rapprochement with Iran, highlighted by meetings between senior Emirati and Iranian officials, including a visit by the UAE's National Security Advisor to Tehran in December.^[221] Houthi drone and missile attacks against Emirati targets in January 2022 have shown that the UAE is not beyond reach, and may bolster the view in Abu Dhabi that their focus should be on Yemen's south, rather than the Houthi-controlled interior.

[218] Eleonora Ardemagni, "UAE's Foreign Policy: From Militias in the Rimland to Straits Diplomacy," Carnegie Endowment for International Peace, October 28, 2021, <https://carnegieendowment.org/sada/85676>

[219] Jon Gambrell, "Mysterious air base being built on volcanic island off Yemen," Associated Press, May 25, 2021, <https://apnews.com/article/mysterious-air-base-volcanic-island-yemen-c8cb2018c07bb5b63e1a43ff706b007b>

[220] Jon Gambrell, "UAE-backed leader says his troops at island air base," Associated Press, June 15, 2021, <https://apnews.com/article/yemen-middle-east-business-628ae4a2d20e074e7e5f43fda2df46b6>

[221] Mohammad Barhouma, "The Reshaping of UAE Foreign Policy and Geopolitical Strategy," Carnegie Endowment for International Peace, January 4, 2022, <https://carnegieendowment.org/sada/86130>

Yemen and the UN: Dead Ends and Fresh Starts

Martin Griffiths, the UN's special envoy to Yemen since February 2018, made a final, unsuccessful push for a cease-fire before leaving the post in 2021, downplaying any prospect for a breakthrough as his successor stepped into an intensifying air and ground war. Griffiths' plan, initiated in 2020 as the Joint Declaration, entailed a UN-supervised nationwide cease-fire, economic measures and comprehensive peace negotiations. Discussions between the Yemeni government and the armed Houthi movement around the Joint Declaration continued for much of 2020 without result; its economic and humanitarian measures were reportedly major points of contention.^[222]

Hoping to build on the momentum from a pair of late 2020 successes – a prisoner exchange and the return of the Yemeni government to Aden (see: 'A 'Unity Cabinet' with Myriad Problems, Minimal Presence') – Griffiths made a renewed push for the cease-fire in January 2021, meeting with President Hadi in Riyadh and visiting with the newly arrived unity cabinet in Aden.^[223] However, multiple obstacles hindered progress, including the envoy's inability to meet with Houthi interlocutors. Griffiths visited Sana'a in March 2020, and would only return to the city in late May 2021 – after it was announced he was stepping down as envoy.^[224]

[222] "Briefing to United Nations Security Council by the Special Envoy for Yemen - Martin Griffiths," Office of the Special Envoy of the Secretary-General for Yemen (OSESGY), November 11, 2020, <https://osesgy.unmissions.org/briefing-united-nations-security-council-special-envoy-yemen-%E2%80%93-martin-griffiths>

[223] "The UN envoy to Yemen will meet the Yemeni president and the new government within days [AR]," UN News, January 5, 2021, <https://news.un.org/ar/story/2021/01/1068562>; Aziz Al-Ahmady, "Griffiths arrives in Riyadh for talks with Yemeni President [AR]," Anadolu Agency, January 5, 2021, <https://www.aa.com.tr/ar/2099493/الإجراء-مباحثات-مع-الرئيس-اليمني>; OSE Yemen, Twitter Post, "Special Envoy Griffiths concluded a visit to Aden today where he met PM Dr. Maeen Saeed, FM Ahmed Bin Mubarak, cabinet members and Aden Governor Ahmed Lamalas," January 7, 2021, https://twitter.com/OSE_Yemen/status/1347193159944708098

[224] "Transcript of special envoy's press conference at Sana'a airport," OSESGY Website, May 31, 2021, <https://osesgy.unmissions.org/transcript-special-envoys-press-conference-sanaa-airport>

Infobox: The Joint Declaration

The Joint Declaration, intended to freeze hostilities in Yemen, improve the country's economic and humanitarian situation and provide a framework for peace talks, included three major components in its original draft form:[225]

- An immediate nationwide cease-fire supervised by the United Nations
- Economic and humanitarian measures, which included:
 - Reopening the Sana'a International Airport to commercial flights
 - Lifting restrictions on fuel tankers seeking to enter Hudaydah port
 - Establishing a joint account into which to deposit oil revenues and from which to pay civil servant salaries
 - Permitting the maintenance of the FSO Safer oil tanker off Yemen's west coast
 - Rehabilitating the Marib-Ras Isa pipeline
- Resumption of the political process aimed at a comprehensive resolution of the Yemen conflict

Prisoner Exchange Talks

UN-backed prisoner exchange talks between the government and the Houthis were held in January in Amman. The intent was to build on an October 2020 deal that released 1,081 Yemeni government and Houthi prisoners, with confidence-building measures precipitating broader peace talks. The fresh negotiations aimed to release 300 prisoners, including multiple high-ranking government officials held by the Houthis. Among the most notable possibilities for release were Hadi's brother, Nasr Mansour Hadi, former Defense Minister Mahmoud al-Subaihi, Islah leader Mohammed Qahtan and military commander Faysal Rajab.[226]

Direct talks resumed January 24, but quickly devolved into recriminations.[227] The government accused the Houthis of demanding the release of fictitious or dead prisoners to stall talks, while the Houthi delegation accused the government of intransigence and attempting to secure the release of "spies" – in reality, four journalists who had been sentenced to death.[228]

[225] "Briefing to United Nations Security Council by the Special Envoy for Yemen – Mr. Martin Griffiths," OSESGY, July 28, 2020, <https://osesgy.unmissions.org/briefing-united-nations-security-council-special-envoy-yemen-%E2%80%93-mr-martin-griffiths-o>; "Awam Online publishes a draft of the UN envoy's proposals that he handed over to legitimacy (get to know them) [AR]," Awam Online, July 6, 2020, <http://awamonline.net/p-7955>

[226] "Press release on the start of the fifth meeting of the Supervisory Committee on prisoners and detainees," OSESGY Website, January 24, 2021, <https://osesgy.unmissions.org/press-release-start-fifth-meeting-supervisory-committee-prisoners-and-detainees>; "Yemen's warring sides resume prisoner swap talks in Jordan," Reuters, January 24, 2021, <https://www.reuters.com/article/yemen-security-prisoners-int/yemens-warring-sides-resume-prisoner-swap-talks-in-jordan-idUSKBN29ToAS>; "Ansar Allah group announces its readiness to release Al-Subaihi, Qahtan and Rajab in exchange for these conditions [AR]," Hayrout, November 4, 2020, <https://hayrout.com/27490/>

[227] "Yemen's warring sides resume prisoner swap talks in Jordan," Reuters, January 24, 2021, <https://www.reuters.com/article/yemen-security-prisoners-int/yemens-warring-sides-resume-prisoner-swap-talks-in-jordan-idUSKBN29ToAS>

[228] "Government official: The Houthis are seeking to thwart the Amman negotiations, after the American talk about a review of the decision to classify them as terrorists [AR]," Al-Masdar Online, February 6, 2021, <https://almasdaronline.com/articles/215190>; "With the event 02-11-2021: the aggression deliberately obstructs the prisoners' file... and fails the test of its seriousness for peace - with Abdul-Qader Al-Murtada and Abdul-Majid Hanash [AR]," Al-Masirah News, February 11, 2021, <https://www.almasirah.news/post/179751/-...ويغفل-في-اختبار-جديته-للسلام>; Abdulqader Mortada, Twitter Post, "Whenever we take a step forward, the representatives of the Islah Party push us two steps back by placing new requirements outside the agreement that would impede and hinder all efforts to resolve this humanitarian file, and the United Nations must put an end to this in order to avoid the failure of this round [AR]," February 10, 2021, <https://twitter.com/abdulqadermortda/status/1359590419978465280>; "The Supervisory Committee on the implementation of the prisoner exchange agreement concludes its meeting," OSESGY Website, February 21, 2021, <https://osesgy.unmissions.org/supervisory-committee-implementation-prisoner-exchange-agreement-concludes-its-meeting>

The government's failure to present a united front at the negotiations, and the preference of field commanders to conduct local prisoner swaps, also complicated negotiations (see: 'UN-Backed Prisoner Swap Negotiations in Yemen Locked in Stalemate').^[229] Talks between the two sides concluded February 20 with no agreement.^[230] According to the government, the talks failed in part due to the United States lifting its designation of the Houthi movement as a terrorist organization, which reduced pressure on it to compromise (see: 'Yemen and the US Under the Biden Administration').^[231]

Griffiths' Shuttle Diplomacy Makes a Stir, but Falls Short

Despite setbacks, including the failed prisoner exchange talks, Griffiths continued his push with visits to regional capitals,^[232] notably making his first visit to Tehran in February, where he met with then-Iranian Foreign Minister Javad Zarif.^[233] In late March, Griffiths traveled to Muscat to meet the Houthi chief negotiator, Mohammed Abdel Salam, although the Houthis did not publicly acknowledge the meeting.^[234]

Meetings on the Joint Declaration peaked in late April and early May. Zarif, Griffiths, Lenderking and Saudi Foreign Minister Faysal bin Farhan each visited Muscat in what was seen as a potentially significant development.^[235] Hope faded after Houthi negotiators reportedly refused to meet with Griffiths, who announced on May 5 that the parties were "not where we would like to be in reaching a deal."^[236] Much like the Saudi-Houthi talks

[229] Salah Ali Salah, "UN-Backed Prisoner Swap Negotiations in Yemen Locked in Stalemate," Sana'a Center for Strategic Studies, June 7, 2021, <https://sanaacenter.org/publications/analysis/14314>

[230] "Yemen prisoner swap talks ends without a deal," Reuters, February 21, 2021, <https://www.reuters.com/article/uk-yemen-security-prisoners/yemen-prisoner-swap-talks-ends-without-a-deal-idUSKBN2ALoG2>

[231] "Source: Prisoner negotiations ended in Amman without progress and no indications of a new round," Al-Masdar Online, February 21, 2021, <https://almasdaronline.com/articles/216608>;

[232] OSE Yemen, Twitter Post, "UN Envoy Griffiths is on a visit to Oman. During his visit, he will continue pursuing his mediation efforts with the goal of securing a nationwide ceasefire, opening Sana'a airport, allowing fuel and other commodities into Yemen through Hudaydah port and resuming the political process," March 26, 2021, https://twitter.com/OSE_Yemen/status/1375390239955554305; "Griffiths arrives in Saudi Arabia as part of efforts to cease fire and resume the political process [AR]," UN Website, February 22, 2021, <https://news.un.org/ar/story/2021/02/1071342>; "Yemen: The United Nations renews its call for an end to violence in Ma'rib as thousands have been displaced over the past weeks [AR]," UN News, February 24, 2021, <https://news.un.org/ar/story/2021/02/1071492>; OSE Yemen, Twitter Post, "Special Envoy Griffiths met Egypt's FM Sameh Shoukry, today in Cairo and discussed ongoing efforts to reach a ceasefire in Yemen and revive the political process to resolve the conflict, and the importance of regional and international support to achieve these goals," April 25, 2021, https://twitter.com/OSE_Yemen/status/1386359700011331589

[233] "U.N. envoy Griffiths in Iran for first time to discuss Yemen crisis: TV," Reuters, February 7, 2021, <https://www.reuters.com/article/uk-iran-yemen-un/u-n-envoy-griffiths-in-iran-for-first-time-to-discuss-yemen-crisis-tv-idUSKBN2A707G>; Michelle Nichols, "U.N. envoy, Iran's Zarif discuss how to end war in Yemen," Reuters, February 8, 2021, <https://www.reuters.com/article/yemen-security-un-int/u-n-envoy-irans-zarif-discuss-how-to-end-war-in-yemen-idUSKBN2A828S>

[234] OSE Yemen, Twitter Post, "Griffiths met today in Muscat with Abdusalam Salah. They discussed the urgency to agree on opening Sana'a airport & easing restrictions on Hudaydah ports, entering a nationwide ceasefire and resuming the political dialogue under a UN framework to pave the way for sustainable peace," March 26, 2021, https://twitter.com/OSE_Yemen/status/137542803127075266; OSE Yemen, Twitter Post, "UN Envoy Griffiths is on a visit to Oman. During his visit, he will continue pursuing his mediation efforts with the goal of securing a nationwide ceasefire, opening Sana'a airport, allowing fuel and other commodities into Yemen through Hudaydah port and resuming the political process," March 26, 2021, https://twitter.com/OSE_Yemen/status/1375390239955554305; OSE Yemen, Twitter Post, "Griffiths: 'I had a constructive discussion in Muscat today with Foreign Minister Badr Al-Busaidi on the prospects for peace in Yemen. I thanked him for the essential support of Oman for the UN's efforts to bring sustainable peace to Yemen through an inclusive political process' [AR]," March 27, 2021, https://twitter.com/OSE_Yemen/status/1375743912925655044

[235] "In conjunction with discussions held by the US and UN envoys, the Saudi foreign minister arrives in the Omani capital," Al-Masdar Online, May 2, 2021, <https://almasdaronline.com/articles/223630>; "Omani Deputy Prime Minister for Cabinet Affairs receives His Highness the Minister of Foreign Affairs, who handed him the invitation of the Custodian of the Two Holy Mosques to the Sultan of Oman to visit the Kingdom [AR]," Saudi Press Agency, May 2, 2021, <https://www.spa.gov.sa/viewfullstory.php?lang=ar&newsid=2224533>

[236] "Press Release on the UN Special Envoy's Recent Meetings," OSESGY, May 5, 2021, <https://osesgyunmissions.org/press-release-un-special-envoys-recent-meetings>; Tim Ahmann, David Brunnstrom and Michelle Nicholls, "US: Houthis spurned opportunity by shunning UN Yemen envoy," Reuters, May 7, 2021, <https://www.reuters.com/world/middle-east/houthis-passed-up-major-opportunity-by-refusing-meet-un-envoy-us-2021-05-07/>

(see: ‘[Saudi-Houthi Peace Talks](#)’), the principal divide between the two parties reportedly concerned sequencing: The Houthis insisted on a stand-alone agreement reopening the Hudaydah port and Sana’a airport before any discussion of a cease-fire, while the government insisted that all provisions of the Joint Declaration be implemented as a package.^[237]

For Griffiths, time had run out. A week after his May 5 remarks, he traded his political role for a humanitarian one, accepting an appointment to replace Mark Lowcock as under-secretary-general for humanitarian affairs.^[238] Griffiths carried on in the interim, meeting with Houthi officials in Muscat, traveling to Sana’a to meet with senior officials and meeting again with Zarif in Tehran.^[239] After a final address to the UN Security Council on June 15,^[240] Griffiths’ deputy, Muin Shreim, stepped in as acting head of the special envoy’s office until Hans Grundberg, the European Union envoy to Yemen, was appointed to the post in August.^[241]

[237] Martin Griffiths, “Briefing to United Nations Security Council by the Special Envoy for Yemen – Martin Griffiths,” full text, OSESGY, June 15, 2021, <https://osesgyunmissions.org/briefing-united-nations-security-council-special-envoy-yemen-%E2%80%93-martin-griffiths-4>

[238] “The Secretary-General of the United Nations appoints Griffiths undersecretary for humanitarian affairs and relief coordinator, but he will remain as an envoy in Yemen until an alternative is found,” Al-Masdar Online, May 12, 2021, <https://almasdaronline.com/articles/224651>

[239] “Top Houthi negotiator meets UN envoy after previous snub,” Reuters, May 27, 2021, <https://www.reuters.com/world/middle-east/top-houthi-negotiator-meets-un-envoy-after-previous-snob-2021-05-27/>; “Zarif meets with UN envoys for Yemen and Afghanistan,” Tehran Times, June 8, 2021, <https://www.tehrantimes.com/news/461779/Zarif-meets-with-UN-envoys-for-Yemen-and-Afghanistan>

[240] Griffiths, “Briefing to the United Nations Security Council...,” full text, OSESGY, June 15, 2021, <https://osesgyunmissions.org/briefing-united-nations-security-council-special-envoy-yemen-%E2%80%93-martin-griffiths-4>

[241] “Acting Head of the UN Special Envoy’s Office for Yemen (OSESGY) Concludes Visit to Riyadh,” OSESGY, July 30, 2021, <https://osesgy.unmissions.org/acting-head-un-special-envoys-office-yemen-osesgy-concludes-visit-riyadh>



UN Special Envoy for Yemen, Hans Grundberg, at a meeting with representatives of the local authorities in Al Mokha district, November 10, 2021 // Sana'a Center photo by Anwar al-Shareef

Grundberg Takes Over

Multiple European, Arab and Asian officials were reportedly considered for the position ultimately offered to Grundberg, a Swedish career diplomat.^[242] Grundberg had previously headed the Swedish Foreign Ministry's Gulf Division, and served as EU ambassador to Yemen in the two years immediately prior to his nomination as special envoy.^[243] In September, he began visiting key stakeholders and by the end of 2021, he had stopped in most of the Gulf states, Iran, Egypt and Russia, laying the groundwork for a resumed political process.^[244] Grundberg also visited Yemen twice. In early October, he traveled to Aden to meet with Yemeni government and STC officials, with the latter seeking to ensure their inclusion in any peace talks as a major party.^[245] In early November, he became the first special envoy to travel to Taiz during the conflict, where he met with local authorities and civil society groups before heading to Mokha to meet with Tareq Saleh and the NRF leadership. This visit, which concluded on November 10, came just two days before the NRF and other components of the Joint Forces withdrew from their positions in Hudaydah,

[242] Mohammed Basha, Twitter post, "Unofficial list of candidates...", May 12, 2021, <https://twitter.com/BashaReport/status/1392499885207924739>

[243] "Mr. Hans Grundberg of Sweden - Special Envoy for Yemen," United Nations, August 6, 2021, <https://www.un.org/sg/en/content/mr-hans-grundberg-of-sweden-special-envoy-for-yemen>

[244] "UN Special Envoy for Yemen Hans Grundberg Visits Riyadh," OSESGY, September 15, 2021, <https://osesgy.unmissions.org/un-special-envoy-yemen-hans-grundberg-visits-riyadh>; "The UN Special Envoy for Yemen Concludes a Visit to Muscat," OSESGY, September 21, 2021, <https://osesgy.unmissions.org/un-special-envoy-yemen-concludes-visit-muscat>; "UN Special Envoy for Yemen Concludes Visit to the United Arab Emirates," OSESGY, October 28, 2021, <https://osesgy.unmissions.org/un-special-envoy-yemen-concludes-visit-united-arab-emirates>; "UN Special Grundberg Concludes Visit to Iran," OSESGY, November 4, 2021, <https://osesgy.unmissions.org/un-special-envoy-grundberg-concludes-visit-iran>; "UN Special Envoy Hans Grundberg Visits Kuwait," OSESGY, November 15, 2021, <https://osesgy.unmissions.org/un-special-envoy-hans-grundberg-visits-kuwait>; "The UN Special Envoy for Yemen Hans Grundberg Concludes Visit to Cairo," OSESGY, November 24, 2021, <https://osesgy.unmissions.org/un-special-envoy-yemen-hans-grundberg-concludes-visit-cairo>; "The UN Special Envoy for Yemen Hans Grundberg Concludes Visit to Moscow," OSESGY, November 26, 2021, <https://osesgy.unmissions.org/un-special-envoy-yemen-hans-grundberg-concludes-visit-moscow>; "Briefing to United Nations Security Council by the Special Envoy for Yemen, Hans Grundberg," OSESGY, December 14, 2021, <https://osesgy.unmissions.org/briefing-united-nations-security-council-special-envoy-yemen-hans-grundberg>

[245] OSE Yemen, Twitter Post, "Special Envoy Grundberg concludes a visit to Riyadh and heads to Aden today, Tuesday. In Riyadh, Grundberg met with Faisal bin Farhan, Mohamed Al-Jabir, Ali Mohsn Al-Ahmar and Yemeni officials. Mr. Grundberg also met with diplomats from the Security Council P5 and Josep Borrell Fontelles from the EU," October 5, 2021, https://twitter.com/OSE_Yemen/status/1445304641244303362; OSE Yemen, Twitter Post, "Special Envoy Grundberg met with Yemeni Prime Minister Dr. Maeen Saeed in Aden. He welcomed the return of the PM to Aden, discussed political developments and reiterated the importance of the Riyadh Agreement for stability, basic service delivery and economy," October 5, 2021, https://twitter.com/OSE_Yemen/status/1445359201446989833; OSE Yemen, Twitter Post, "UN Envoy Grundberg ends his first visit to Yemen after meetings in Aden. He welcomed the return of Yemeni PM, discussed the deteriorating economy, the challenges of basic services delivery and stressed the importance of implementing the Riyadh Agreement," October 6, 2021, https://twitter.com/OSE_Yemen/status/1445831016237748227

without warning to the [UN Mission to Support the Hedaydah Agreement](#), which monitors compliance by overseeing force redeployments and the related cease-fire.^[246] Grundberg briefed the UN Security Council in December and sketched out his intended approach. He said he would avoid “piecemeal solutions” because they would not result in a sustainable peace, though he would try to facilitate near-term deescalation and economic relief. He noted that escalation on the ground had complicated work toward a comprehensive peace, but said that “warring parties can, and indeed must, talk, even if they are not ready to put down their arms.”^[247] Notably, Grundberg had not visited the Houthi leadership in Sana’a by the end of the year.

[246] “The UN envoy arrives in Aden and meets the Prime Minister,” Al-Masdar Online, November 7, 2021, <https://almasdaronline.com/articles/240244>; “UN Special Envoy Concludes Visit to Taiz Governorate,” OSESGY, November 11, 2021, <https://osesgyunmissions.org/un-special-envoy-concludes-visit-taiz-governorate>; Reyam Mokhashef and Mohammed Ghobari, “Coalition forces say they have withdrawn from around Yemen’s Hodeidah port,” Reuters, November 12, 2021, <https://www.reuters.com/world/middle-east/coalition-forces-say-they-have-withdrawn-around-yemens-hodeidah-port-2021-11-12/>; “UN calls for new talks on Yemen’s Hodeidah as front lines shift,” Al-Jazeera, November 15, 2021, <https://www.aljazeera.com/news/2021/11/15/un-calls-for-new-talks-on-yemens-hodeidah-as-frontlines-shift>

[247] Hans Grundberg, “Briefing to United Nations Security Council...,” OSESGY, December 14, 2021, <https://osesgyunmissions.org/briefing-united-nations-security-council-special-envoy-yemen-hans-grundberg>

UN Human Rights and Humanitarian Issues

Calling its report, “A Nation Abandoned,” the UN-mandated Group of Eminent Experts (GEE) warned in September 2021 of possible war crimes committed in Yemen combined with “relatively minor developments in the accountability sphere.” In presenting its [report](#), the panel noted its frustration that its recommendations over the past three years had largely gone unheeded. All warring parties have been implicated in violations of international human rights and humanitarian law: “Impunity continues largely unabated for those who perpetrate serious violations, which only adds to the insecurity.”^[248] A month later, the UN Human Rights Council abandoned the entire process, putting a stop to the only UN-authorized independent investigation on human rights violations in Yemen. After intensive Saudi-led lobbying against renewal, the vote split 18-21 between pro-mandate western countries led by the Netherlands and anti-mandate non-western countries, led by Bahrain and Russia.^[249]

Saudi Arabia and the United Arab Emirates, the leading members of the military coalition, disputed the panels’ findings regarding airstrikes on prisons, hospitals and other targets, and lobbied intensely against its renewal.^[250] The Guardian reported that lobbying efforts by Saudi Arabia and the UAE had included financial and diplomatic enticements to Togo and Senegal as well as a threat to create obstacles for Indonesian pilgrims traveling to Mecca for the annual hajj pilgrimage.^[251] Experts on the panel released a statement describing the end of the mandate as a “major setback” for victims and criticizing the “lack of political will to address the Yemeni situation.”^[252]

[248] “UN Group of Eminent International and Regional Experts on Yemen presents its fourth report to the Human Rights Council: A nation abandoned: A call to humanity to end Yemen’s suffering,” UN Human Rights Council, Geneva, September 14, 2021, <https://www.ohchr.org/EN/HRBodies/HRC/Pages/NewsDetail.aspx?NewsID=27458&LangID=E>

[249] UN Human Rights Council, Twitter post, “#HRC48 | Resolution A/HRC/48/L.11 on the situation of human rights in #Yemen was REJECTED after a vote,” October, 7, 2021, https://twitter.com/un_hrc/status/1446117238172372995

[250] Stephanie Nebehay, “Saudi lobbying jeopardises UN Yemen war crimes probe, activists say,” Reuters, October 6, 2021, <https://www.reuters.com/world/middle-east/saudi-lobbying-jeopardises-un-yemen-war-crimes-probe-activists-say-2021-10-06/>

[251] Stephanie Kirchgaessner, “Saudis used ‘incentives and threats’ to shut down UN investigation in Yemen,” The Guardian, December 1, 2021, <https://www.theguardian.com/world/2021/dec/01/saudi-arabia-yemen-un-human-rights-investigation-incentives-and-therats>

[252] “Statement by Group of Experts on Yemen on HRC rejection of resolution to renew their mandate,” UN Human Rights Council, Geneva, October 8, 2021, <https://www.ohchr.org/EN/HRBodies/HRC/Pages/NewsDetail.aspx?NewsID=27636&LangID=E>



A UN official inspects mortar damage at the Red Sea Mills grain storage facility in Hudaydah in 2019 // Saudi Center photo

Experts Document Violations, Cite a Lack of Support

The last expert report, published in September, documented specific human rights-related incidents between mid-2020 and mid-2021, including air strikes on civilian homes, attacks on farms and food-related facilities, and the shelling of IDP camps (see: Military Developments, [‘The Other War: Missile Strikes, Assassinations and Displacement’](#)). However, the panel noted it had frequently failed to complete investigations, citing a lack of resources, cooperation and access. Still, the experts concluded that all parties had committed “a substantial number of violations of international humanitarian law.”^[253]

Houthi authorities, the internationally backed Yemeni government, Saudi Arabia, the United Arab Emirates and the STC appeared to be responsible for a variety of rights violations, the report said, including arbitrary detention and killing, enforced disappearance, gender-based violence, sexual violence and torture, recruitment of child soldiers and denial of fair trials may amount to war crimes. In addition, the report said some Saudi airstrikes, as well as indiscriminate attacks by all parties, may also constitute war crimes.^[254]

[253] Kamel Jendoubi, Melissa Parke and Ardi Imseis, “Situation of human rights in Yemen, including violations and abuses since September 2014,” Report of the Group of Eminent International and Regional Experts on Yemen, UN Human Rights Council, Geneva, September 13, 2021, A/HRC/48/20, p. 17, <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G21/249/77/pdf/G2124977.pdf?OpenElement>

[254] Jendoubi et al, “Situation of human rights,” pp. 16-17.

Specifically, the panel's report:

- Criticized the Saudi-led coalition's internal investigations of airstrikes resulting in civilian casualties, noting "technical error" was often cited as the cause, without any apparent changes being made to procedures.^[255]
- Investigated indiscriminate attacks, ascribed primarily to the Houthis, of missiles, rockets and shelling directed toward markets, prisons and camps for internally displaced people.^[256] The experts said Houthi authorities informed them in July that they planned to establish their own investigative committee and had referred the experts' allegations to relevant authorities, but said there has been little apparent action.^[257] Specifically, the panel noted three instances it said lacked specific military objectives and may constitute war crimes:^[258]
 - The December 30, 2020 missile strike as Yemen's new unity cabinet arrived at Aden airport killed at least 25 people. The report noted the rocket allegedly was launched from an area under Houthi control and said further investigation was needed.
 - A January 1, 2021, attack at a Hudaydah wedding hall near the frontline between Houthi fighters and the government-affiliated Joint Forces. At least five women were killed, according to AFP sources. Limited resources prevented a determination of responsibility.
 - A rocket strike on April 3, 2021, apparently from Houthi military positions, killed a boy and wounded others who were playing soccer in Marib city, with no military presence reported near the site at the time.
- Noted that the parties' violations of international law, including Houthi interference with aid relief and government restrictions at Sana'a airport and Hudaydah seaport, played a role in creating or exacerbating hunger and poverty. Investigators looking into the impact of military operations on food production in particularly food-insecure areas, noting
 - Two March 21, 2021 coalition airstrikes hit Salif Grains Port in Hudaydah, injuring five employees and damaging a warehouse.
 - Missiles believed to be from coalition airstrikes hit two commercial poultry farms in Amran governorate on June 14, 2021, destroying one. Neither appeared to have any nearby military presence.^[259]
 - In June, the Houthis twice shelled a complex in Hudaydah that included food and dairy production companies, causing casualties, damaging food production and water supplies and requiring operations to be suspended. A Joint Forces presence at the complex made it a military target, the panel said, but whether the attack was in accordance with international law was not clear.^[260]
- Indicated "credible allegations" of government-affiliated forces arbitrarily arresting and detaining two doctors, three nurses and a hospital guard who were accused of helping injured patients elude authorities in Shabwa governorate. Four STC members and supporters were detained based on their political affiliation in Shabwa.
- Addressed forced disappearances, including:
 - The detention in Aden of two men accused of cooperating with foreign organizations to criticize the STC.

^[255] Jendoubi et al, "Situation of human rights," p. 5; According to the report, only 10 of the coalition's Joint Incident Assessment Team's 200-plus completed investigations were referred to military prosecutors and results were not made public about the only case believed to have been completed (p. 15).

^[256] Jendoubi et al, "Situation of human rights," pp. 6-7.

^[257] Jendoubi et al, "Situation of human rights," p. 16.

^[258] Jendoubi et al, "Situation of human rights," p. 6.

^[259] Jendoubi et al, "Situation of human rights," p. 7.

^[260] Jendoubi et al, "Situation of human rights," pp. 7-8.

- In the Houthi-controlled north, the arbitrary detention of a man whose family only learned his whereabouts eight months later when told he had been sentenced to more than two years in prison; the panel reported he had not been charged, tried or sentenced.^[261]
- Noted the imprisonment and killings of journalists in Houthi and government-administered areas. It reported torture and sexual violence against detainees in Sana'a, including the case of a human rights activist who was raped every other day during four months of solitary confinement then, on being released, was shunned in her community because Houthi authorities spread rumors she was a prostitute.^[262]
- Described a heightened risk for migrants in Houthi areas, noting specifically the holding facility in Sana'a, where more than 350 migrants, most of them Ethiopians and Somalis, went on a hunger strike over conditions. On March 7, 2021, Houthi guards fired projectiles, possibly tear gas grenades, and a fire broke out. At least 46 men died and another 202 were injured. The experts quoted a survivor as saying, "When people rushed to the door, those who were strong enough were able to make it. Those who were sick and weak were stepped over. It was a fight for survival ... I didn't know that the life of human beings would be so cheap and worthless."^[263]

Noting an "ongoing significant accountability gap in Yemen," the experts repeated previous calls for the UN Security Council to refer the situation in Yemen to the International Criminal Court in The Hague, and to create an international body that could handle criminal investigations and lay the ground for any future prosecutions. However, the panel noted that this recommendation has yet to be acted upon.^[264]

UN Donor Conferences and Humanitarian Funding Levels

Rising domestic **financial pressures** related to the COVID-19 pandemic contributed to depressed humanitarian aid funding for a second straight year.^[265] The United Nations received **US\$2.24 billion** toward 2021 programs and activities laid out in the Yemen Humanitarian Response Plan (HRP), representing about 58 percent of the US\$3.85 billion it had requested.^[266] Though substantial in absolute terms, the proportion of requested funds, which dropped dramatically in 2020, failed to recover significantly in 2021, indicating appeals have outstripped donor willingness to pay more. From the start of the emergency response in 2015, requests and donor contributions to the UN's HRP rose through 2019, to a high of US\$3.6 billion (87 percent of the appeal).^[267] However, donor skepticism combined with economic concerns related to the COVID-19 pandemic hit funding levels hard in 2020, when the UN received US\$2 billion (59 percent of its appeal).^[268]

It is typical in annual UN fundraising cycles for donations to fall short of a plan's requirements. The substantial two-year fall, however, prompted services to be further reduced in 2021 in food, health, clean water and other programs; some agencies warned of more cuts to come as the year went on.^[269] On March 1, the governments of Sweden

^[261] Jendoubi et al, "Situation of human rights," p. 9.

^[262] Jendoubi et al, "Situation of human rights," p. 12.

^[263] Jendoubi et al, "Situation of human rights," pp. 10-11.

^[264] Jendoubi et al, "Situation of human rights," pp. 16-17.

^[265] See for example, "Yemen conflict: UK cuts aid citing financial pressure from Covid," BBC News, March 2, 2021, <https://www.bbc.com/news/world-middle-east-56242610>

^[266] "2021 Humanitarian response plan," UNOCHA, March 2021, https://reliefweb.int/sites/reliefweb.int/files/resources/Final_Yemen_HRP_2021.pdf; "Yemen Humanitarian Response Plan 2021," UNOCHA Financial Tracking Service, <https://fts.unocha.org/appeals/1024/summary>

^[267] UNOCHA Financial Tracking Service, <https://fts.unocha.org/appeals/1024/summary>

^[268] Overall funding figures recorded by UNOCHA also include donors' self-reported contributions to aid efforts undertaken outside the UN financial and management structure. Similar trends were seen in these figures, made available through OCHA's Financial Tracking Service. It indicated overall aid for Yemen at US\$2.95 billion in 2021, US\$2.24 billion in 2020, US\$4.06 billion in 2019 and US\$5.23 billion in 2018.

^[269] See for example: Helen Lock, "From Women's Health to Yemen Crisis: 7 Key Issues Hit by UK Aid Cuts," Global Citizen, May 7, 2021, <https://www.globalcitizen.org/en/content/uk-aid-cuts-issues-losing-funding-health-yemen/>

and Switzerland, along with the UN, held a virtual pledging event at which international donors earmarked US\$1.67 billion for humanitarian assistance in Yemen.^[270] UN Secretary-General Antonio Guterres expressed disappointment at the fundraising effort, stating that the amount pledged was “less than we received for the humanitarian response plan in 2020 and a billion dollars less than was pledged at the conference we held in 2019.”^[271] The drop in aid pledges has been attributed to the global economic downturn during the pandemic^[272] and lingering donor skepticism that the aid would reach intended beneficiaries in Houthi-controlled areas.^[273]

A second wave of humanitarian funding was pledged later in 2021, on the sidelines of the annual General Assembly at UN headquarters in New York. Donors at a September 22 event organized by the European Union, Sweden and Switzerland committed about US\$600 million in additional aid pledges.^[274] The top four donors were the US (US\$291 million), the EU (US\$140 million), Saudi Arabia (US\$90 million) and Germany (US\$58 million).

In October, the Sana'a Center published a series of **reports** examining UN-led humanitarian operations and recommending sweeping changes to ensure Yemenis' needs are met. “When Aid Goes Awry: How the International Humanitarian Response is Failing Yemen,” shed light on a flawed system in which entrenched internal policies, attitudes and structures – including an inflexible security framework and a willingness to ignore humanitarian principles – suffocate the possibility of an effective humanitarian response. The report indicates the UN has ceded responsibility for collecting the data on which needs are determined, distributing significant amounts of aid to warring parties. Having lost control of the operational arena and failing to establish and enforce redlines with the warring parties, especially the armed Houthi movement, the report concluded that the humanitarian response had little way of knowing whether aid was reaching the people most in need of assistance.^[275]

An inter-agency evaluation in 2021 examined how to improve the Yemen aid response. A senior UN humanitarian affairs official, Ramesh Rajasingham, told the UN Security Council in January 2022 that the initial findings of the evaluation would be integrated into the 2022 Humanitarian Response Plan.^[276]

David Beasley 3” ,million people in Yemen could face ration cuts in October unless new funding arrives ,WFP Chief says “,WFP via Reliefweb, excerpts from a speech to the High-Level Ministerial Event on the Humanitarian Situation in Yemen ,New York ,September ,2021 ,22 <https://reliefweb.int/report/yemen-3/million-people-yemen-could-face-ration-cuts-october-unless-new-funding-arrives-wfp> ;and Lisa Barrington, “Donors pledge additional 600\$ mln to avoid Yemen aid cuts “,Reuters,September ,2021 ,22 <https://www.reuters.com/world/middle-east/donors-pledge-additional-600-mln-avoid-yemen-aid-cuts2021-09-22->

[270] “Virtual High-level Pledging Event for the Humanitarian Situation in Yemen,” UNOCHA, March 1, 2021, <https://www.unocha.org/yemen2021>

[271] “Yemen: UN donor conference raises a ‘disappointing’ \$1.7 billion,” Deutsche Welle, March 1, 2021, <https://www.dw.com/en/yemen-un-donor-conference-raises-a-disappointing-17-billion/a-56738853>

[272] “Yemen conflict: UK cuts aid citing financial pressure from Covid,” BBC News, March 2, 2021, <https://www.bbc.com/news/world-middle-east-56242610>

[273] Conor Finnegan, “US to resume aid to Houthi-controlled areas in Yemen amid desperate need, intensified fighting,” ABC News, March 11, 2021, <https://abcnews.go.com/Politics/us-resume-aid-houthi-controlled-areas-yemen-amid/story?id=76395980>

[274] “The U.N. Warns That Without New Funding, 16 Million People In Yemen Face Starvation,” Associated Press, September 23, 2021, <https://www.npr.org/2021/09/23/1039973920/the-u-n-is-warning-that-16-million-people-in-yemen-are-marching-towards-starvation>

[275] Sarah Vuylsteke, “When Aid Goes Awry: How the International Humanitarian Response is Failing Yemen,” Sana’a Center For Strategic Studies, October 2021, <https://sanaacenter.org/reports/humanitarian-aid>

[276] Ramesh Rajasingham, “Yemen,” full text of remarks to the UN Security Council, New York, January 12, 2022, <https://reliefweb.int/report/yemen/acting-assistant-secretary-general-humanitarian-affairs-and-deputy-emergency-relief-o>



Food aid awaits distribution at a warehouse in Taiz city on February 25, 2021 // Sana'a Center photo by Ahmed Al-Basha

Yemen and the US Under the Biden Administration

Signaling a change in policy from his predecessor, the new US President, Joseph Biden, sought to make Yemen one of his main foreign policy priorities. In his first foreign policy speech, on February 4, 2021, Biden said that he would “course-correct” US foreign policy, announcing a host of decisions relating to Yemen.^[277]

Biden said he would stop all US military support for offensive operations in the war by restricting materials and intelligence sharing to those deemed to be for defensive and training purposes, excluding US counterterrorism operations in Yemen.^[278] “Relevant arms sales” would also be suspended. Instead, the Biden administration would focus on seeking to end Yemen’s conflict by elevating US diplomacy, supporting the UN-led process to call for a national cease-fire and working to improve the humanitarian situation.^[279] Yemen provided an opportunity to showcase the return of US diplomacy to the world stage, and signaled that the Biden administration would engage with multilateral organizations to support diplomatic and humanitarian intervention. To lead these efforts, Biden appointed a Special Envoy for Yemen, Tim Lenderking, a career diplomat with previous embassy postings in Saudi Arabia and Iraq.^[280]

Additionally, the Biden administration reversed one of the last decisions made by the outgoing Trump administration, removing the designation of the Houthis as a Foreign Terrorist Organization.^[281] In announcing the move, Biden’s Secretary of State, Antony Blinken, emphasized that the main driver for delisting the Houthis was the fear the designation would affect humanitarian aid distribution.^[282]

^[277] Joseph Biden, “Remarks by President Biden on America’s Place in the World,” full text released by The White House, February 4, 2021, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/02/04/remarks-by-president-biden-on-americas-place-in-the-world/>

^[278] Joseph Biden, “Letter to the Speaker of the House and President Pro Tempore of the Senate Regarding the War Powers Report,” full text released by The White House, June 8, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/08/letter-to-the-speaker-of-the-house-and-president-pro-tempore-of-the-senate-regarding-the-war-powers-report/>

^[279] Joseph Biden, “Remarks by President Biden on America’s Place in the World,” full text released by The White House, February 4, 2021, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/02/04/remarks-by-president-biden-on-americas-place-in-the-world/>

^[280] Ibid.

^[281] Bill Chappell, Colin Dwyer, “Trump Administration Moves To Brand Houthis In Yemen A Terrorist Group,” NPR, January 11, 2021, <https://www.npr.org/2021/01/11/936627548/trump-administration-moves-to-brand-houthis-in-yemen-a-terrorist-group>

^[282] Antony Blinken, “Secretary Antony J. Blinken at a Press Availability,” full text of remarks released by US Department of State, January 27, 2021, <https://www.state.gov/secretary-antony-j-blinken-at-a-press-availability/>

However, as the year went on, it became clear that the Biden administration would continue to offer support to the Saudi-led coalition, despite attempts by Congress to impose restrictions on arms sales, particularly to Saudi Arabia. In February, the administration claimed to have paused two arms sales to Saudi Arabia via an interagency mechanism enacted to review all sales.^[283] However, it would later allow other sales and services to Saudi Arabia, including US\$500 million worth of aircraft maintenance support in September and medium range air-to-air missiles costing US\$650 million in November.^[284] A bipartisan group of senators attempted unsuccessfully to block the latter sale in December,^[285] highlighting growing anti-Saudi sentiment in the US Congress, where over half of the Senate Democrats, as well as two Senate Republicans, voted to block the sale of defensive weapons. Given that Yemen policy is highly influenced by US-Saudi relations, the rifts in Congress and policy changes from one administration to another have further complicated how the United States and Saudi Arabia engage in Yemen.

Biden's policies toward Yemen may be intended to de-escalate the war, but they appear to have sent the wrong signal to the Houthis. The prized cease-fire never materialized; instead there was an increase in hostilities by the Houthis throughout Yemen and an increase in missiles and drones fired toward Saudi Arabia. In November, the Houthis breached the US embassy compound in Sana'a, where they mistreated and abducted local staff and their family members. An undisclosed number of staff remain detained.^[286]

The administration's patience with the Houthis ran out as the year went on. It issued 11 statements condemning the group, imposed targeted sanctions on Houthi commanders, and perhaps more crucially, their financial facilitators and enablers. These included March 2021 sanctions on two Houthi leaders, Naval Forces Chief of Staff Mansur al-Sa'adi and Air Force and Air Defense Force commander Ahmad Ali Ahsan al-Hamzi,^[287] and May 2021 sanctions against Mohammed Abdelkarim al-Ghamari and Yusuf al-Madani, Houthi commanders leading the fighting in Marib.^[288] Eleven entities, including Yemeni nationals, were also sanctioned for the procurement and transfer of fuel between the Houthis and Iran's Quds Force in June 2021 (see '[US Sanctions Against the Houthis and Affiliated Parties](#)').^[289] In November the US also sanctioned the head of Houthi military logistics, Saleh Mesfer Alshaer, highlighting his role in extorting and controlling the funding of several hospitals.^[290]

[283] Ned Price, "Department Press Briefing," full remarks released by US Department of State, February 5, 2021, <https://www.state.gov/briefings/departement-press-briefing-february-5-2021/#post-216894-YEMEN1>

[284] "Saudi Arabia – Continuation of Maintenance Support Services (MSS)," September 16, 2021, Defense Security Cooperation Agency, <https://www.dsca.mil/press-media/major-arms-sales/saudi-arabia-continuation-maintenance-support-services-mss-0>; "Saudi Arabia – AIM-120C Advanced Medium Range Air-to-Air Missiles (AMRAAM)," Defense Security Cooperation Agency, November 4, 2021, <https://www.dsca.mil/press-media/major-arms-sales/saudi-arabia-aim-120c-advanced-medium-range-air-air-missiles-amraam>

[285] Brain Slodysko, "Senate rejects bipartisan bid to stop \$650M Saudi arms sale," Associated Press, December 7, 2021 <https://apnews.com/article/joe-biden-saudi-arabia-middle-east-rand-paul-yemen-1440cc97a0304f20ca080062a24ca001>

[286] Antony Blinken, "The United States Condemns the Houthi Detention of Yemeni Staff of the U.S. Embassy in Sana'a and Breach of Embassy Compound," full text released by US Department of State, November 19, 2021, <https://www.state.gov/the-united-states-condemns-the-houthi-detention-of-yemeni-staff-of-the-u-s-embassy-in-sanaa-and-breach-of-embassy-compound/>; Ned Price, "Department Press Briefing," full text released by US Department of State, November 9, 2021, <https://www.state.gov/briefings/departement-press-briefing-november-9-2021/#post-290610-SYRIA>

[287] "Treasury Sanctions Key Military Leaders of the Ansarallah Militia in Yemen," statement released by US Department of the Treasury, March 2, 2021, <https://home.treasury.gov/news/press-releases/jy0043>

[288] Antony Blinken, "The United States Designates Houthi Militants," statement released by US Department of State, May 20, 2021, <https://www.state.gov/the-united-states-designates-houthi-militants/>

[289] Antony Blinken, "U.S. Sanctions International Network Enriching Houthis in Yemen," statement released by US Department of State, June 10, 2021, <https://www.state.gov/u-s-sanctions-international-network-enriching-houthis-in-yemen/>

[290] Antony Blinken, "Designation of Houthi Official in Yemen," statement released by US Department of State, November 19, 2021, <https://www.state.gov/designation-of-houthi-official-in-yemen/>

Other Yemen-related developments included:

- On January 20, Biden issued a series of executive orders repealing a host of Trump's most controversial decisions, such as the visa ban on a number of countries, including Yemen. Thus far the Biden administration has not offered any form of remedy to those affected by the previous policy.
- Steven Fagin was nominated in November as Biden's ambassador to Yemen.^[291]
- The Biden administration confirmed that the US army maintains a "small number" of soldiers in Yemen for operations against Al-Qaeda in the Arabian Peninsula and the Islamic State group. In June, 2,742 US soldiers were reported to be in Saudi Arabia to provide air and missile defensive capabilities and maintenance of US fighter aircraft that are part of the Saudi fleet.^[292] By December 7 this number had slightly decreased to 2,120.^[293]
- The US Navy's 5th Fleet seized AK-47 assault rifles and ammunition onboard a vessel believed to be bound for Yemen on December 20, 2021. The US government said the vessel had originally sailed from Iran.^[294]

[291] "President Biden Announces Additional Nominees," statement released by The White House, November 17, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/11/17/president-biden-announces-additional-nominees-3/>

[292] Joseph Biden, "Letter to the Speaker of the House and President Pro Tempore of the Senate Regarding the War Powers Report," full text released by The White House, June 8, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/06/08/letter-to-the-speaker-of-the-house-and-president-pro-tempore-of-the-senate-regarding-the-war-powers-report/>

[293] Joseph Biden, "Letter to the Speaker of the House and President Pro Tempore of the Senate Regarding the War Powers Report," full text released by The White House, December 7, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/12/07/letter-to-the-speaker-of-the-house-and-president-pro-tempore-of-the-senate-regarding-the-war-powers-report-2/>

[294] Ned Price, "Illegal Iranian Flow of Weapons to Yemen," statement released by US Department of State, November 23, 2021, <https://www.state.gov/illegal-iranian-flow-of-weapons-to-yemen/>

2

84. The Road to Marib City

91. Failed Government Offensives

96. Intra-Coalition Flashpoints

106. Coalition Shifts

Part II: Military Developments in Yemen

Advancing to the outskirts of Marib city in 2021, Houthi forces threatened the Yemeni government's last and most important northern foothold in the second year of their campaign to seize control of the hydrocarbon-rich governorate. In Marib and neighboring governorates, government troops and allied tribal fighters retreated as Houthi forces steadily gained territory through much of the year. Islah, whose affiliated forces rose in stature within the anti-Houthi alliance after the UAE stepped back from the Yemen war in 2019, struggled on the battlefield in 2021, losing grip on its stronghold in Shabwa. The anti-Houthi alliance redeployed the UAE-backed Giants Brigade from the Red Sea coast to Shabwa late in the year and intensified its air campaign to retake key districts in the governorate, easing the pressure on Marib city.

Alongside Houthi gains on the ground and Islah's diminishing military and political influence, the seventh year of wide-scale warfare in Yemen was marked by lower-intensity battles within the anti-Houthi alliance. Government forces clashed with fighters aligned with their nominal allies, the STC, in western Abyan governorate and along the Taiz-Lahj border, though similar tension elsewhere was contained by active fighting with the Houthis. Aden, where infighting in 2019 nearly broke the coalition and prompted a significant Yemeni government shakeup, remained insecure, though it was spared open clashes between government and STC-allied forces. Assassination attempts, armed raids on government institutions, kidnappings and bombings were regular occurrences.^[295] The STC used its dominance of the security sector in Aden to detain government officials aligned with other factions and raid their homes.^[296]

Frontline fighting elsewhere continued throughout the year, with the government launching offensives in the Taiz, Hajjah and Al-Bayda governorates to draw Houthi forces away from the Marib campaign. None were effective in relieving pressure on Marib city.

The Houthi push toward Marib began in early 2020, with offensives in the neighboring Nihm district in the Sana'a and Al-Jawf governorates. In 2021, the advance on Marib came first from the west, then from the south. By the year's end, Houthi forces had cut key

[295] Saed Nader, "Assassination of a local official in Aden," Al-Mushahid, November 7, 2021, <https://almushahid.net/87408/>; "The Vice President of Aden University survived an assassination attempt," Aden Al-Ghad, November 4, 2021, <https://adengad.net/posts/577542>; "Aden.. Transitional Council Forces raid a judge's house and kidnap his son," Socotra Post, June 6, 2021, <https://socotrapost.com/localnews/10213>; Mohammed Ghobari, "Roadside bomb attack on Yemen separatist forces kills three," Reuters, March 4, 2021, <https://www.reuters.com/article/us-yemen-security-aden/roadside-bomb-attack-on-yemen-separatist-forces-kills-three-idUSKBN2AW1oR>; "The assassination of the Director of Political Security of Hodeidah Governorate while he was in Aden," Al-Mawqea Post, January 27, 2021, <https://almawqea.net/news/57446>; "Clashes between the Security Belt Forces and local gunmen north of Aden during a campaign of raids," Al-Masdar Online, February 12, 2021, https://almasdaronline.com/articles/215779?_cf_chl_rt_tk=FFzKpLoOswfGbAghgf3oFvjLoROyGZAurA.yIWTKrY-1642707653-o-gaNycGzNB1E

[296] "Aden: STC forces stormed the house of Major General Faisal Rajab, who is held captive by the Houthi militia," Al-Khabar Post, June 8, 2021, <https://alkhabarpost.com/news/23204>; "STC members kidnapped the Governor's Office Director of Marib Governorate alongside other officials," Al-Maharah Post, March 20, 2021, <https://almaharahpost.com/news/23634#YenAj2gzatz>; "After several raid and kidnapping campaigns, The STC Forces continue to detain eight leaders and members of the Resistance and Army in one of their camps north of Aden," Al-Masdar Online, July 31, 2021, <https://almasdaronline.com/articles/230940>; Mohammed Yahya, "Aden..A high-ranking security official was kidnapped after storming the house of the governor of Taiz [AR]," Anadolu Agency, February 21, 2021, <https://www.aa.com.tr/ar/دول-العربية/عن-اختطاف-مسؤول-امني-رفيع-عقب-> [2152122](https://www.aa.com.tr/ar/دول-العربية/عن-اختطاف-مسؤول-امني-رفيع-عقب-2152122) [محافظة تعز/ اقحام منزل محافظ تعز/](https://www.aa.com.tr/ar/دول-العربية/عن-اختطاف-مسؤول-امني-رفيع-عقب-2152122)

supply routes and were positioned within 15 kilometers of Marib city, where an estimated 2-3 million people live, including an estimated 1 million internally displaced persons (IDPs).^[297] As the Houthis approached, a fresh wave of displacement put thousands of civilians on the move, seeking shelter.^[298] Intense clashes in December centered on Jabal al-Balaq, a string of rugged mountains abutting the Marib metro area from the west and south that had provided solid defensive positions for Yemeni government forces earlier in the year. But Houthi advances into the southeastern part of the Balaq range called their impregnability into question, and heightened fears that Marib would fall.

However, outside the gates of Marib city the anti-Houthi alliance held firm, and as the year came to a close, pro-government tribal sources said ground forces backed by Saudi-led coalition airstrikes had forced the Houthis to abandon positions. Fighting quieted along other fronts in Marib as the Houthis shifted forces south to address a new threat: the arrival of the UAE-backed Giants Brigades to Shabwa, accompanied by significant air support, on a mission to retake the Bayhan area.^[299] The success of Giants Brigade forces in early 2022 set the Houthis back not only in Shabwa, but in Marib; the Houthi grip on Marib city was loosened and, although fighting remained intense through the end of the year, some of the most significant gains of 2021 were reversed

[297] "Humanitarian situation worsening in Yemen's Marib conflict zone," Reuters, November 24, 2021, <https://www.reuters.com/world/middle-east/humanitarian-situation-worsening-yemens-marib-conflict-zone-iom-2021-11-24/>

[298] Manal Ghanem, "In Endless Pursuit of Refuge," Sana'a Center for Strategic Studies, December 24, 2021, <https://sanaacenter.org/publications/analysis/16121>

[299] Ali Al-Sakani Twitter post, "Giant Brigades announce the liberation of three districts of #Shabwah governorate from the Houthis. #Yemen," January 10, 2022, <https://twitter.com/Alsakaniali/status/1480597767831625730>



An aerial view of Marib city, November 13, 2021 // Sana'a Center photo by Abdulmajeed Al Khadhmi

The Road to Marib City

The Western Marib Offensive

On February 6, Houthi forces launched extended attacks along multiple fronts in the northwest, west and south of Marib governorate.^[300] The most intense fighting was along fronts to the west of Marib city, namely Haylan, Mashjah, Makhdarah, Serwah and Kassarah, with Houthi forces scoring a major success by taking control of the Kofal Camp in Serwah district.^[301] Despite reinforcements from Hadramawt and Shabwa, and intense Saudi-led coalition air support, the government's position in western Marib had collapsed by late February, bringing Houthi forces into the western Balaq mountains.^[302] It was here, in mountainous terrain that provided pro-government forces a strong defensive advantage, that the Houthis' February offensive would stall. Although Houthi forces briefly captured territory in the western Balaq mountains in late February, government forces were able to push them back. The intense fighting came at a great cost to the anti-Houthi alliance, with several senior government military commanders – including Marib Special Security Forces commander Brigadier General Abdelghani Sha'alan – killed in the fighting.^[303] Following a flurry of Houthi advances in February, the frontlines to the west of Marib stabilized, though fighting remained intense. Saudi-led coalition airstrikes spiked in March as they supported government forces battling on the ground.^[304] Despite sustaining

[300] "The Houthis intensify their attacks to besiege the last government strongholds in northern Yemen [AR]," AFP via France 24, February 14, 2021, www.france24.com/ar/اليمن-شمال-الحكومية-في-شمال-اليمن

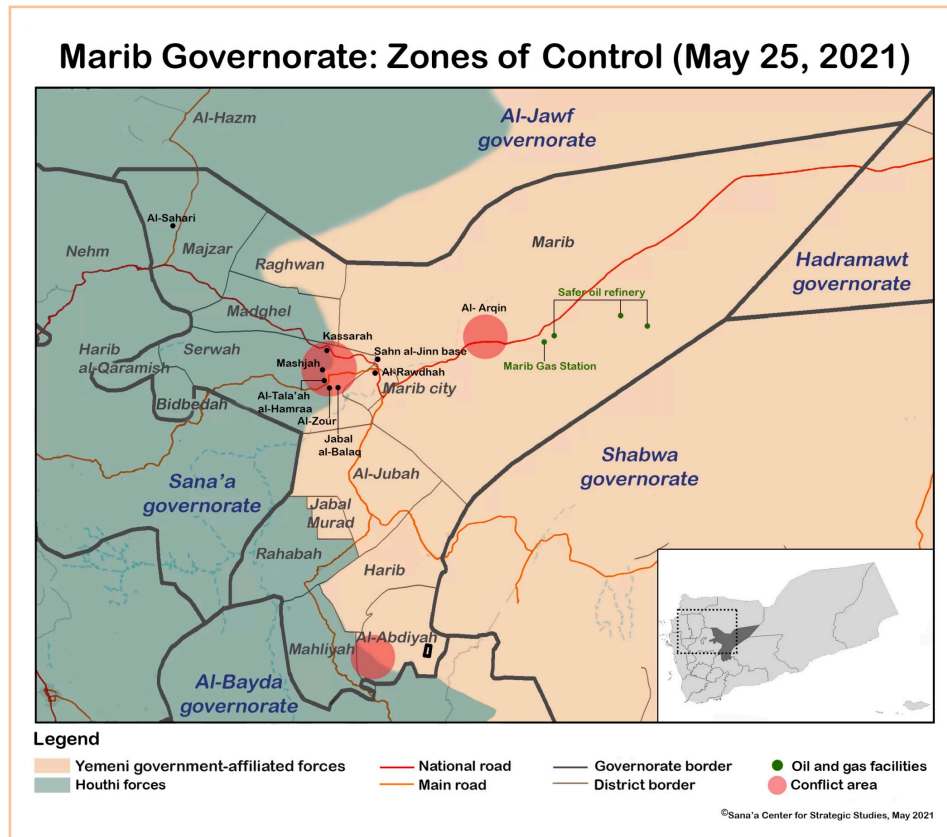
[301] "Marib battles enter the third day. Houthis declare their readiness for peace and UN condemnation of their resumption of fighting," Al-Jazeera, February 9, 2021, www.aljazeera.net/news/2021/2/9/معارك-مارب-تدخل-يومها-الثالث-استعداد

[302] "Saudi-led coalition in Yemen moves troops to Marib to repel Houthi assault - sources," Reuters, February 18, 2021, <https://www.reuters.com/article/us-yemen-security-marib/saudi-led-coalition-in-yemen-moves-troops-to-marib-to-repel-houthi-assault-sources-idUSKBN2A129U>; Mohammed Ghobari and Aziz El Yaakoubi, "Yemen's Houthis raise stakes in Marib 'blood bath', sources say," Reuters, February 22, 2021, <https://www.reuters.com/article/yemen-security-int/yemens-houthis-raise-stakes-in-marib-blood-bath-sources-idUSKBN2AM1DO>

[303] "50 killed in battles between Houthis and Yemeni government forces in Marib, including a military commander," Monte Carlo International, February 27, 2021, www.mc-doualiya.com/2021/02/27/50-قتيلا-في-معارك-بين-الحوثيين-والقوات-اليمنية-الحكومية-في-مارب-بينهم-قائد-عسكري; "Marib. an official and popular funeral for the commander of the Special Security Forces and his companions," Al-Khabar Post, February 28, 2021, <https://alkhabarpost.com/news/19794>

[304] "Yemen Data Project Air Raids Summary April 2021," Yemen Data Project, <https://mailchi.mp/412a80e0ec557/april2021-yemen-data-project-update-6506240>

significant casualties throughout the spring, the Houthis were able to draw on a deep pool of fresh fighters, an advantage not enjoyed by the Marib tribal forces leading the ground war on the government side. Multiple high-level Yemeni government commanders were killed in March and April, including: 6th Military Region commander Major General Amin al-Waeli; 7th Military Region Chief of Staff Major General Mohammed al-Harmli; head of the Military Judiciary Brigadier General Abdullah al-Hadiri; and Director of Officers' Affairs Brigadier General Abdelghani Mohammed Salman.^[305] While fighting continued along the western fronts for the rest of the year, during the summer the battle for Marib shifted south.^[306]

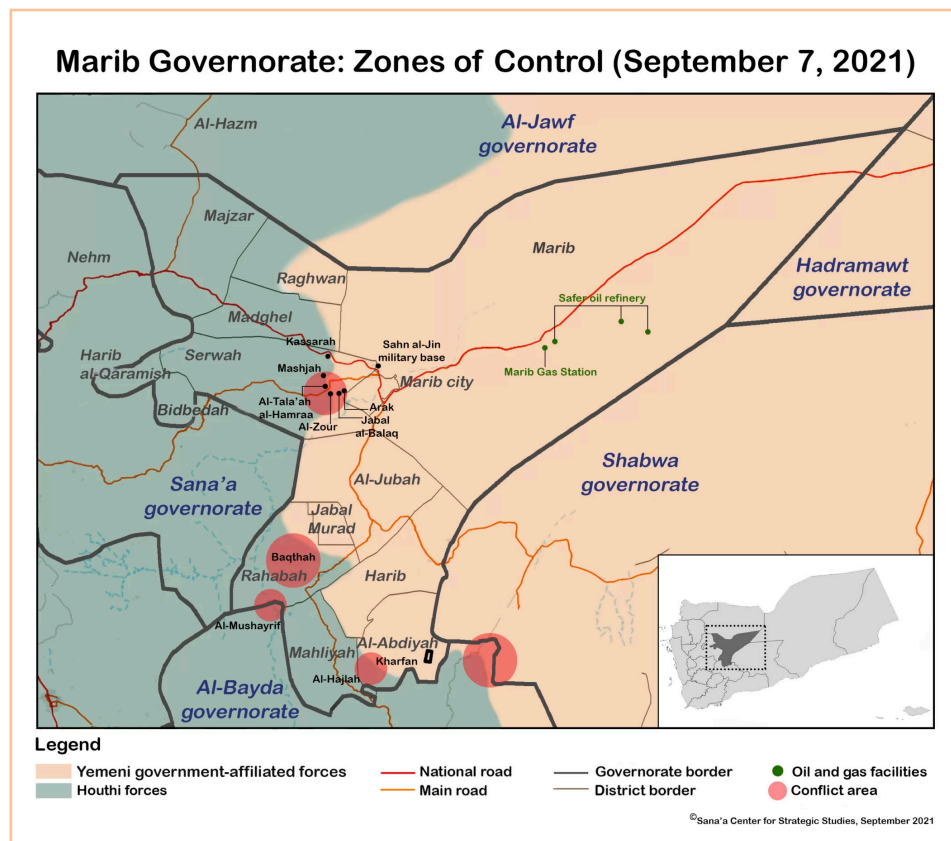


[305] "An official and popular funeral for the martyr Major General Abdullah al-Hadiri in Marib [AR]," Saba News (Government-aligned), April 26, 2021, <https://www.sabanew.net/story/ar/74952>; "The Ministry of Defense and the Chiefs of Staff mourn Major General Mohammed Mashli al-Harmali [AR]," Saba News (government-aligned), April 7, 2021, <https://www.sabanew.net/story/ar/74405>; "The Ministry of Defense and the Chiefs of Staff mourned Brigadier General Abdulghani Mohammed Salman [AR]," Saba News (government-aligned), April 28, 2021, <https://www.sabanew.net/story/ar/75004>; "The funeral of the commander of the Sixth Military Region, the martyr Amin al-Waeli, in Marib [AR]," Saba News (Government-aligned), March 29, 2021, <https://www.sabanew.net/story/ar/74098>; "The death of the Special Security Forces' Commander of operations in Marib and one of his companions by an explosive device [AR]," Al-Shararea News, March 31, 2021, <https://alsharaeenews.com/2021/03/31/57663/>

[306] "Army and resistance forces break two Houthi attacks north and west of Marib [AR]," Al-Masdar Online, May 3, 2021, <https://almasdaronline.com/articles/223775>; "Army forces repel a Houthi attack in Serwah, west of Marib [AR]," Al-Masdar Online, May 8, 2021, <https://almasdaronline.com/articles/224230>; "Government forces repel a Houthi attack on the 'Al-Kasara' and 'Al-Mashjah' fronts, west of Marib [AR]," Al-Masdar Online, May 13, 2021, <https://almasdaronline.com/articles/224661>; "Renewed battles west of Marib, and the army and resistance forces are confronting a major Houthi attack on several fronts [AR]," Al-Masdar Online, June 19, 2021, <https://almasdaronline.com/articles/227628>; "Continuous battles west of Marib, the army repels Houthi attacks and fails an attempt to advance by the militia [AR]," Al-Masdar Online, June 27, 2021, <https://almasdaronline.com/articles/228217>

The Southern Offensive

For much of 2021, the southern Marib fronts, centered on Rahabab, Al-Abdiyah and Harib districts, were relatively bright spots for government troops and allied tribal forces. Fighting was reported throughout the year, with Houthi forces launching attacks in coordination with their western offensive. However, making headway proved difficult in the rugged region against fighters from the local Murad and Bani Abd tribes as well as the government's Bayhan Military Axis, based in neighboring Shabwa. Rahabab was the site of a rare government advance in mid-July, when its forces retook control of Kawlah, the district center.^[307] But such good fortune would not last: fighting soon rivaled the intensity of the last major Houthi offensive in the area, in late 2020. Houthi forces took Nate' and Na'man districts in neighboring Al-Bayda governorate in late July, positioning themselves for a pivotal offensive into Shabwa and through southern Marib. By early September, they fully controlled Rahabab district.^[308]



[307] "Government forces begin a military operation and regain large areas from the Houthis' grip in the oil-rich Marib [AR]," Arabic News, July 15, 2021, http://arabic.news.cn/2021-07/15/c_1310061714.htm

[308] "Marib.. The Complete Fall of Rahabab District in the Hands of the Houthis [AR]," Al-Ayyam, September 5, 2021, <https://www.alayyam.info/news/8Q9j3V3R-CDGWFB-F746>; "Continuous battles in Rahabab, south of Marib, and the army and resistance forces control Jabal Al-Bayadh on the Al-Mushairif front [AR]," Al-Masdar Online, August 3, 2021, <https://almasdaronline.com/articles/231202>

STC military reinforcements set out on July 10, 2021, to confront Houthi forces drawing near the southern city of Al-Hadd, in Lahj governorate, after the Houthis' seized control of nearby Al-Zahir district in Al-Bayda. // Sana'a Center Photo by Ahmed al-Shutairi

How the Govt Offensive in Al-Bayda Backfired, Jeopardizing Marib

Government forces, reeling from the Houthis' relentless push into Marib in the first half of 2021 and the loss of several top generals along the way, launched Operation Piercing Star in Al-Bayda governorate on July 2. An attempt to ease the pressure in neighboring Marib and regain the military initiative, the operation backfired, with severe repercussions. Territorial losses incurred allowed Houthi forces to execute one of their most significant offensives of the year, a march into Shabwa that ultimately led to the collapse of government defensive positions across southern Marib.

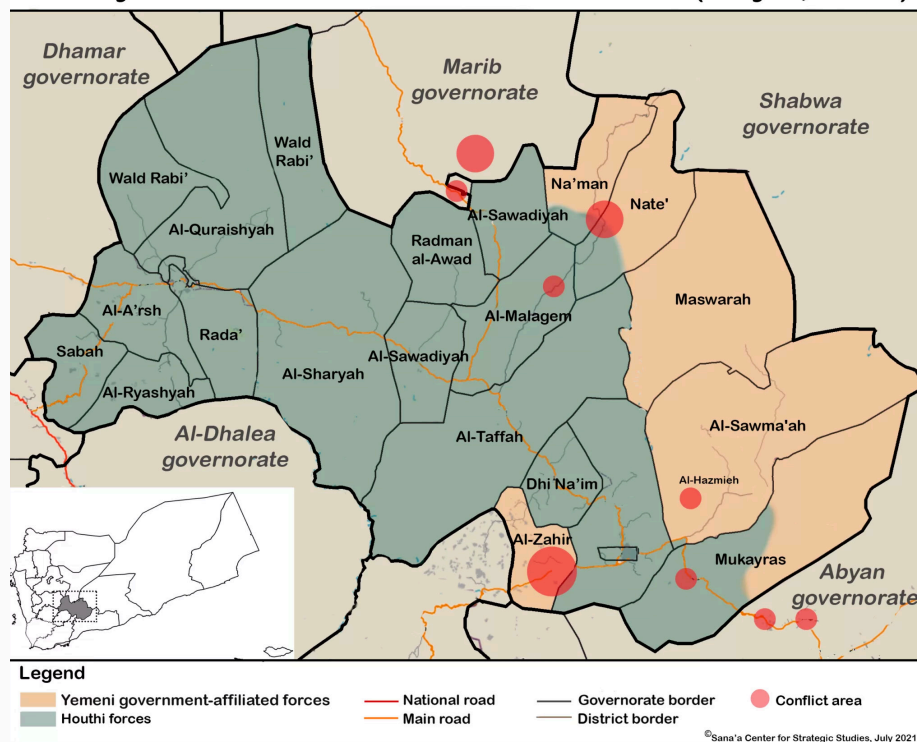
Government-aligned Popular Resistance groups made gains during the initial large-scale attack on Houthi positions along the Hazmiyah front in eastern Al-Bayda governorate's Al-Sawma'ah district, taking control of several key locations.^[309] In the following days, government forces escalated fighting elsewhere in the governorate – re-engaging the Houthis to the southeast, along the Tharah front on the Abyan-Bayda border; to the west, along the Humayqan front; to the north, in the area bordering Marib's Al-Abdiyah district; and to the northeast, in the Nate' district.^[310] By July 7, government forces had claimed near-complete control of Al-Zahir district in the west and were advancing into neighboring Dhi Na'im district, according to government military sources who spoke with the Sana'a Center at the time, and, for a brief moment, they looked poised to take Al-Bayda city, the governorate capital.

However, the Al-Bayda offensive soon ran out of steam, with disastrous results. On July 8, the Houthis counterattacked, pushing government forces back along multiple fronts. Not only did they reverse the government's recent gains, Houthi forces also captured territory the government controlled prior to its military operation. By July 10, Houthi forces fully controlled Al-Zahir district in the west, and were threatening STC positions in northeastern Lahj governorate, according to local sources who spoke with the Sana'a Center at the time. By July 13, Houthi forces had retaken most of the territory seized by government forces

[309] "The Yemeni resistance liberates 3 sites in Al-Bayda, and the Joint Front controls the seam areas in Hodeidah [AR]," Emarat Al-Youm, July 2, 2021, <https://www.emaratalyoum.com/politics/news/2021-07-02-1.1509470>

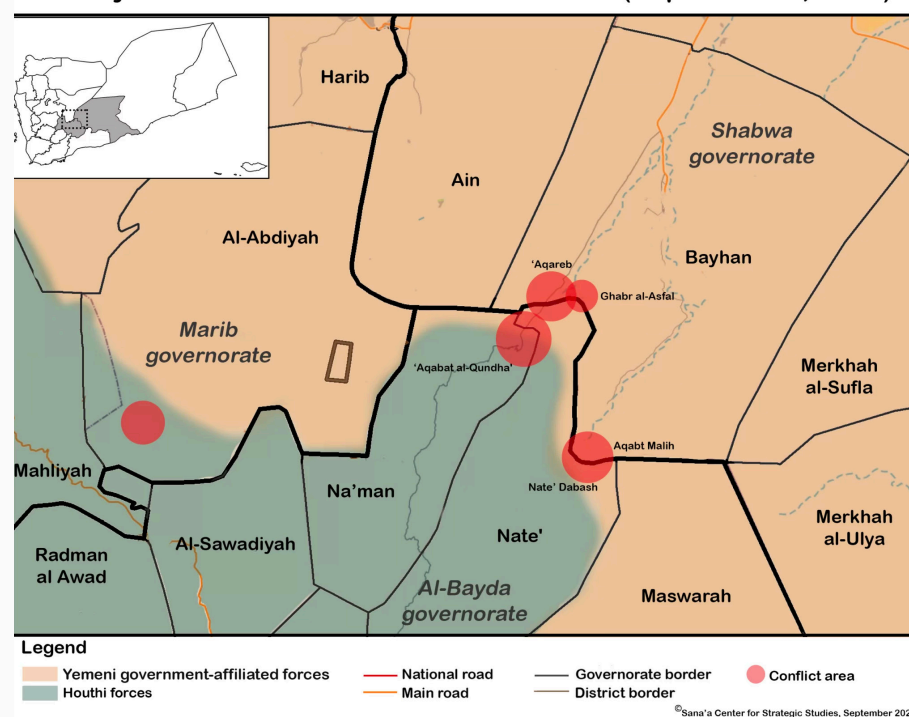
[310] "The Yemeni Minister of Information reveals the details of the battles in Al-Bayda and announces the restoration of strategic sites [AR]," Al-Yemen Al-Youm, July 5, 2021, <https://www.alyementoday.com/314/072237-عن-استعادة-ويعلن-في-البيضاء-المعارك-تفاصيل-يكتشف-تفاصيل-البيضاء-ويعلن-عن-استعادة>
مواقع

Al-Bayda Governorate: Zones of Control (July 6, 2021)



along the Hazmiah front to the east. Most consequential, though, were Houthi counterattacks in the northeast; by July 20, the Houthis controlled Nate' and Na'man district along Al-Bayda's border with Shabwa governorate, local sources confirmed.

Al-Bayda-Shabwa Border: Zones of Control (September 7, 2021)



The danger the Houthis now posed was well-understood, and government forces, backed by Saudi-led coalition air support, launched multiple counterattacks, attempting to reclaim the area throughout late July and August. In mid-September, Houthi forces took full control of Maswarah district, claiming the final piece of Al-Bayda governorate. Within a week, they would march into Shabwa, cutting off the road linking Marib city and Ataq, the capital, leaving government forces dependent on a single, circuitous route, the Marib-Abr road, to move supplies and forces from theaters farther south. Government positions fell across southern Marib, pushing frontlines deeper into the governorate, just short of Marib city. Al-Bayda itself would not be an area of contention for the rest of the year.

Houthi forces did not wait long to press their advantage into Shabwa, a stronghold of the government and its most important power center in southern Yemen. The attack began on September 20, a day before the anniversary of the Houthi movement's 2014 coup against the Hadi government and takeover of Sana'a.^[311] While Houthi supporters prepared to gather in the country's capital, Houthi forces in Nate' and Na'man attacked government positions in northwestern Shabwa. Islah-aligned military units in the area quickly retreated, leaving Houthi forces in control of Bayhan, Usaylan and Ain districts in northwestern Shabwa.^[312]

In coordination with their attack on Bayhan, Houthi forces pushed into Harib district of southern Marib. Pressing forward with support from units in Rahabah and Mahliyah districts, they cut off Al-Abdiyah district, home of the government-aligned Bani Abd tribe.^[313] The siege of Al-Abdiyah, home to about 35,000 people, continued for several weeks, with the Houthi offensive facing resistance from local tribal fighters with intense coalition air support.^[314]

Houthi forces reportedly hindered the entry of food and medicine, and a missile struck Al-Abdiyah hospital during the siege, exacerbating humanitarian concerns.^[315] By October 17, Houthi forces were in full control of the district.^[316]

[311] "Ministry: Tuesday is official holiday for Sep. 21 Revolution anniversary," Saba News (Houthi-aligned), September 19, 2021, <https://www.saba.ye/en/news3156389.htm>

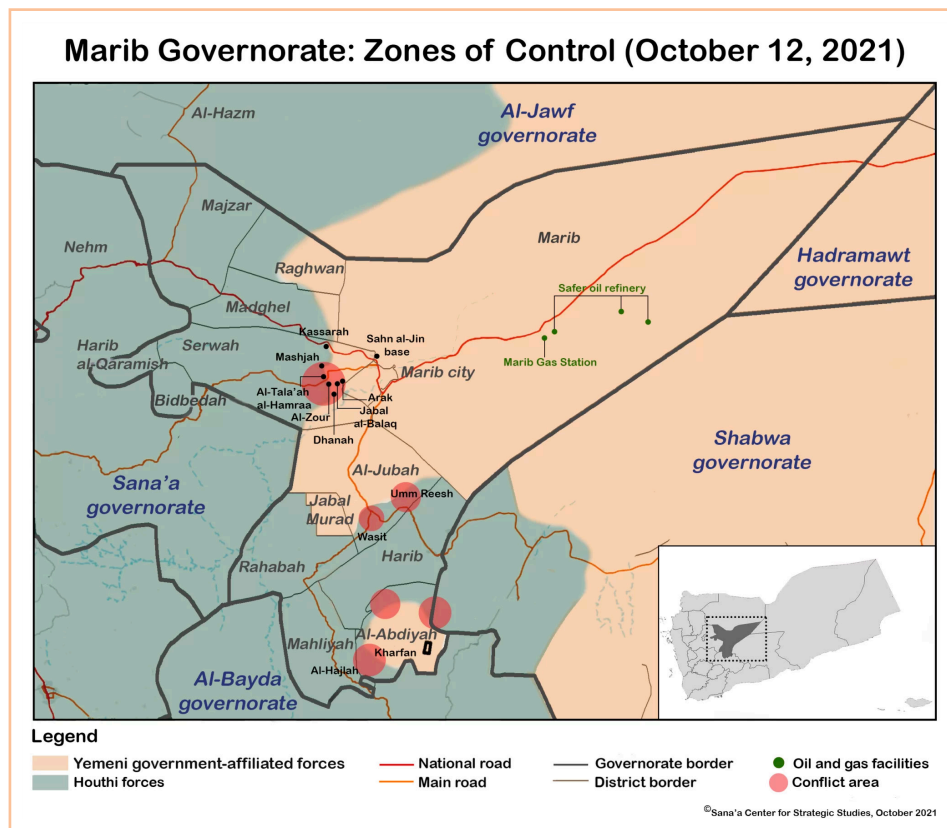
[312] Fernando Carvajal, "Shabwa: At the centre of Yemen's storm," The New Arab, November 2, 2021, <https://english.alaraby.co.uk/analysis/shabwa-centre-yemens-storm>; "Houthis rally in north Yemen as their fighters push south," Reuters, September 21, 2021, <https://www.reuters.com/world/middle-east/houthis-rally-north-yemen-their-fighters-push-south-2021-09-21/>; "Shabwa: the army regains the headquarters of the 163rd brigade and the Al-Salim area in Usaylan hours after the Houthis entered it [AR]," Al-Masdar Online, September 22, 2021, <https://almasdaronline.com/articles/236810>

[313] "Yemenis trapped, displaced by fierce fighting in Marib region," Reuters, October 14, 2021, <https://www.reuters.com/world/middle-east/yemenis-trapped-displaced-by-fierce-fighting-marib-region-2021-10-14/>

[314] "The death of three citizens and the prevention of food and medicine.. A report documenting the devastating effects of the Houthi siege on the Al-Abdiya district in Marib [AR]," Al-Masdar Online, October 5, 2021, <https://almasdaronline.com/articles/237914>; "Yemen's Houthis advance in Shabwa and Marib," Reuters, October 17, 2021, <https://www.reuters.com/world/middle-east/yemens-houthis-advance-shabwa-marib-2021-10-17/>; "Al-Maliki: The coalition's air operations have stopped the Houthis' incursion into Abdiya [AR]," Al-Masdar Online, October 10, 2021, <https://almasdaronline.com/articles/238340>

[315] "November 2021 Monthly Forecast: Middle East, Yemen," Security Council Report, October 29, 2021, <https://www.securitycouncilreport.org/monthly-forecast/2021-11/yemen-36.php>

[316] "Yemen's Houthis advance in Shabwa and Marib," Reuters, October 17, 2021, <https://www.reuters.com/world/middle-east/yemens-houthis-advance-shabwa-marib-2021-10-17/>



Houthi advances elsewhere in southern Marib continued. Fighting intensified in the Jabal Murad district southwest of Marib city – the mountainous heartland of the Murad tribe, which had provided many of the fighters to defend southern Marib.^[317]

On October 27, after Houthi forces had cut all roads between Marib city and Jabal Murad, the district surrendered on condition that Houthi forces not harass local residents.^[318]

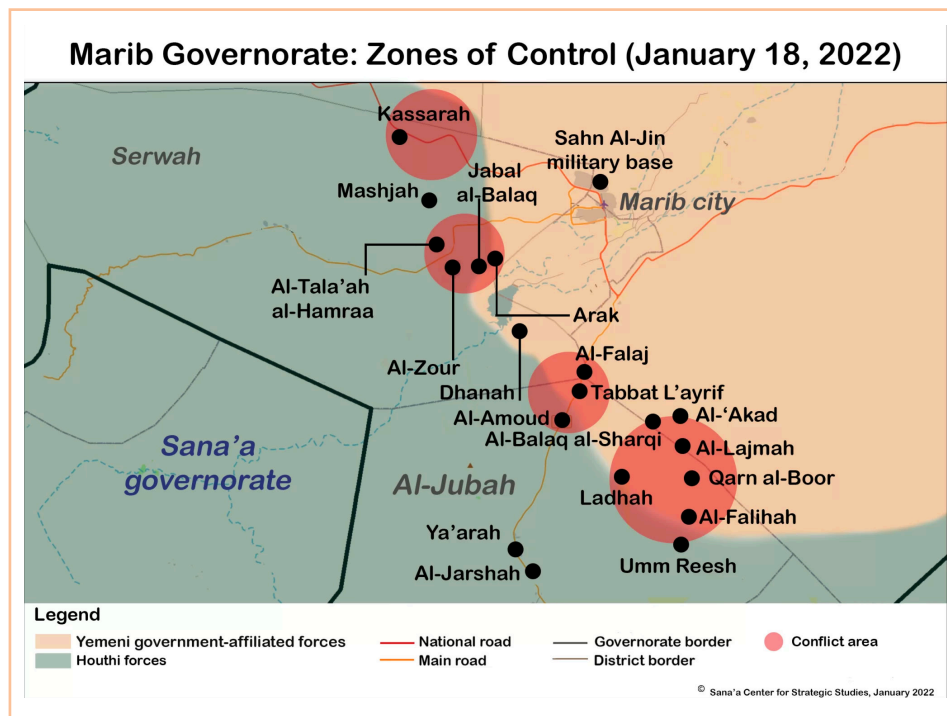
The collapse of the southern Marib front was a significant blow to government forces and heralded a shift in the likely outcome of the battle for the governorate. The dominant narrative became when, not if, Marib would fall, should Saudi Arabia not provide substantive support.^[319] Predictably, this resulted in finger-pointing among the Saudi-led coalition. On November 1, Marib's six major political parties issued a statement expressing their dissatisfaction with the Yemeni government's conduct and "deep surprise" at the Saudi-led coalition's "mismanagement of the task entrusted to it."^[320]

^[317] "Houthi Forces Close in on Marib City – The Yemen Review, October 2021," Sana'a Center for Strategic Studies, November 4, 2021, <https://sanaacenter.org/publications/the-yemen-review/15660>

^[318] "Houthi Forces Close in on Marib City – The Yemen Review, October 2021," Sana'a Center for Strategic Studies, November 4, 2021, <https://sanaacenter.org/publications/the-yemen-review/15660>

^[319] See, for example: Jeremy Bowen, "Yemen's Marib: The city at the heart of a dirty war," BBC News, December 1, 2021, <https://www.bbc.com/news/world-middle-east-59459750>; Mohammed Ghobari and Ghaida Ghanous, "Yemen's Marib city battens down as Houthis advance through energy-rich province," Reuters, November 2, 2021, <https://www.reuters.com/world/middle-east/yemens-marib-city-battens-down-houthis-advance-through-energy-rich-province-2021-11-02/>

^[320] "Marib parties break their silence: harsh criticism of the legitimate government and the coalition [AR]," Al-Araby al-Jadid, November 1, 2021, www.alaraby.co.uk/politics/انتقادات-لإدارة-الحكومة-الشرعية-والتحالف



After the fall of Jabal Murad, Houthi forces quickly advanced north beneath heavy coalition airstrikes through most of Al-Jubah, another district dominated by the Murad tribe. Al-Amoud, a village on the road between Jadidah (the district capital) and Marib city, was the site of multiple high-casualty Houthi missile strikes. An attack on a meeting of pro-government sheikhs at the house of tribal leader Abd al-Latif al-Qibli Nimran killed at least 12 people on October 28. Three days later, missile strikes on Dar al-Hadith, a Salafi educational institute, killed at least 29 civilians; most of the center's students had left the compound prior to the Houthi offensive.^[321]

With government defenses in shambles, Houthi forces reached the southeastern Balaq mountains on the southern limits of Marib city. The only pass through the mountains suitable for vehicles was at Al-Falaj, where pro-government defenders held firm. Reports of dozens or hundreds of casualties at a time, and constant Saudi-led coalition airstrikes, underscored the intensity of the fighting along both the southern and western fronts.^[322]

After multiple counter offensives, government forces pushed Houthi fighters out of most of the eastern Balaq mountains by the end of 2021, making Marib's fate less clear. In late December, coalition positions reconfigured in an effort to prevent the fall of the city. The UAE-backed Giants Brigade redeployed from the Red Sea coast and began a campaign to retake districts in Shabwa, forcing Houthi troops to dilute their presence outside Marib city to face the new threat from the south. In its early weeks, the campaign successfully reversed some recent Houthi gains.

[321] "Al-Eryani condemns the targeting of Abd al-Latif al-Qibli Nimran's house by the Houthi militia with a ballistic missile [AR]," Saba News (Government-aligned), October 28, 2021, <https://www.sabanew.net/story/ar/80581>; "The Awqaf Office in Marib condemns the crime of targeting a mosque and Dar Al-Hadith Center in Al-Juba [AR]," Saba News (government-aligned), November 1, 2021, <https://www.sabanew.net/story/ar/80679>

[322] "The National Army announces the restoration of new military sites south of Marib [AR]," Al-Mahriah, November 20, 2021, <https://almahriah.net/local/15103>; "Arab Coalition: 186 Houthis killed in 42 attacks in Serwah and Al-Bayda," Al-Arabiya, November 13, 2021, <https://english.alarabiya.net/News/gulf/2021/11/13/Arab-Coalition-186-Houthis-killed-in-42-attacks-in-Sirwah-and-al-Bayda>; "At least 200 Houthis killed in fighting, airstrikes in Marib, Jouf," Arab News, November 28, 2021, <https://www.arabnews.com/node/1976986/middle-east>



A tent serves four displaced families from the Al-Juba area sheltering in Al-Naqee camp on November 3, 2021, one of several new IDP camps for people fleeing fighting between pro-government forces and the Houthis in Marib. //Sana'a Center Photo by Abdulmajeed Al-Khadhmi

The Other War: Missile Strikes, Assassinations and Displacement

In addition to the active fronts, Houthi missile attacks on Marib city and its environs were a prominent aspect of the violence. In the first half of 2021, the Yemeni government accused Houthi forces of launching dozens of strikes on Marib with ballistic missiles, Katyusha rockets, weaponized drones and other projectiles, killing more than 100 civilians and injuring 180.^[323] The Rawdah residential neighborhood north of Marib city, near the government's 3rd Military Region headquarters, was hit particularly hard by missile strikes.^[324] Houthi missile strikes hit hospitals, schools, religious centers and IDP camps.^[325] Shelling of IDP camps on the northern outskirts of Marib city intensified throughout March 2021, with a UN-mandated investigative panel saying Houthi positions in the Haylan mountains were firing rockets, mortars and heavy machine guns in the direction of Meel, Tawasol and Khair IDP camps, all of which were located within 1 to 3 kilometers from government military positions. Six women and three children were injured in the camps, and tents and water tanks were damaged; about 460 families fled the area. The experts panel said senior Houthi officials claimed government troops were using camps in Marib governorate for military purposes, but the panel said it lacked resources to complete its investigation.^[326]

[323] "Houthis fired 55 Iranian-made ballistic missiles at Marib since start of 2021: Yemen information minister," Arab News, June 12, 2021, <https://www.arabnews.com/node/1875336/middle-east>

[324] Fernando Carvajal, Twitter post, June 5, 2021, <https://twitter.com/CarvajalF/status/1401245870440341504>; Tawfeek Ali, "Dozens killed and wounded in Houthi missile strikes on Marib [AR]," Independent Arabic, October 4, 2021, <https://www.independentarabia.com/node/264806/>; الأخبار/العالم-العربي/مقتل-وجرح-العشرات-في-قصف-صاروخي-حوثي-على-مارب; "Six children were killed and injured as a result of a Houthi ballistic missile targeting the city of Marib [AR]," Yemen Shabab Net, April 3, 2021, <https://yemenshabab.net/news/65182>; "Seven civilians were killed and injured in a Houthi missile attack on the residential neighborhood of Al-Rawdah in the city of Ma'rib [AR]," Al-Sharaea News, March 1, 2021, <https://alsharaeaneews.com/2021/03/01/53589/>

"Two children killed in missile strikes on Yemen's Marib - state news agency," Reuters, October 2021, 4, <https://www.reuters.com/world/middle-east/three-civilians-killed-missile-strikes-yemens-marib-sources/2021-10-03/>

[325] "Yemen: Houthi Forces Attack, Displace Villagers," Human Right Watch, November 24, 2021, <https://www.hrw.org/news/2021/11/24/yemen-houthi-forces-attack-displace-villagers>; "Yemen: Students Among 29 People Killed or Injured as Casualties Surge in Marib," Save The Children, November 1, 2021, <https://www.savethechildren.net/news/yemen-students-among-29-people-killed-or-injured-casualties-surge-marib>; "Yemen: Civilians injured and killed by missile attacks in Ma'rib," Doctors Without Borders, October 4, 2021, <https://www.doctorswithoutborders.org/what-we-do/news-stories/news/yemen-civilians-injured-and-killed-missile-attacks-marib>

[326] Kamel Jendoubi, Melissa Parke and Ardi Imseis, "Situation of human rights in Yemen, including violations and abuses since September 2014," Report of the Group of Eminent International and Regional Experts on Yemen, UN Human Rights Council, Geneva, September 13, 2021, A/HRC/48/20, p. 10, <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G21/249/77/pdf/G2124977.pdf?OpenElement>

Houthi forces also used missiles in a more targeted manner in attempts to assassinate key pro-government individuals, specifically tribal leaders. Pro-government tribal Sheikh Ali bin Hasan bin Gharib was reportedly the target of at least two failed Houthi assassination attempts in 2021, which involved precision missile strikes on his house. A separate missile strike on a tribal meeting in Al-Amoud killed several pro-government leaders during Houthi forces' late October push into Al-Jubah.^[327] Marib governor Sultan al-Aradah's house in Marib city was hit by a missile in late September, coinciding with Houthi advances in Shabwa and southern Marib.^[328] Houthi forces also employed missile attacks against infrastructure, with strikes on mobile telecommunications towers taking out significant portions of Marib's cellular phone service during Houthi advances in Al-Jubah in November.^[329] As Houthi forces closed in on Marib city, government-affiliated media also periodically reported arrests, including televised confessions, of "sabotage elements" – described as Houthi-aligned cells plotting attacks on troops and planting explosives.^[330]

The Houthi offensive caused considerable suffering for Marib's civilian population throughout the year, in the form of mass displacement and the targeting of civilian areas with missile strikes. More than 64,000 people were displaced in or to Marib governorate between January and November 2021,^[331] many of whom had been displaced multiple times by previous rounds of fighting. Two spikes in displacement accompanied major offensives in the governorate – the first in February when Houthi forces advanced from the west, and a second, larger evacuation from September through November when fighters advanced from the south.^[332]

^[327] "A human rights team reviews the damages of the Houthi militia bombing of Bin Gharib's house in Marib [AR]," Saba Net (government-aligned), May 27, 2021, <https://www.sabanew.net/story/ar/75850>; "Out of 300 targetings.. this is what 15 photos show of (7) Houthi bombing crimes targeting the city of Marib during the last six months [AR]," Marib Governorate Online, October 8, 2021, http://marib-gov.com/news_details.php?sid=3505

^[328] "Yemen.. Targeting the house of the governor of Ma'rib with two ballistic missiles [AR]," RT Arabic, September 26, 2021, https://arabic.rt.com/middle_east/1277192-اليمن-استهداف-منازل-محافظ-مارب-بصاروخين-باليستين

^[329] "SabaFon telecom service has stopped in Marib," Debriefier, November 17, 2021, <https://debriefier.net/en/news-27795.html>; "Houthis targeted telecom towers on the strategic mountain of al-Balaq in Ma'rib," Debriefier, November 17, 2021, <https://debriefier.net/en/news-27795.html>

^[330] Yemen TV (2021), "Confessions of the leader of the Houthi cell gang who planted explosive devices on the international road to Ma'rib [Video], May 19, 2021, from <https://www.youtube.com/watch?v=4aZl2T834es>; "A Houthi cell was caught trying to plant explosive devices on the international line in Marib [AR]," Al-Sharaa News, May 19, 2021, <https://alsharaeaneews.com/2021/05/19/61475/>

^[331] "YEMEN: Situation Update # 2: Humanitarian impact of hostilities in Marib Governorate," UNOCHA, December 1, 2021, <https://reliefweb.int/sites/reliefweb.int/files/resources/Ma%27rib%20Situation%20update%202%20-%201%20December%202021.pdf>

^[332] "YEMEN: Situation Update # 2: Humanitarian impact of hostilities in Marib Governorate," UNOCHA, December 1, 2021, <https://reliefweb.int/sites/reliefweb.int/files/resources/Ma%27rib%20Situation%20update%202%20-%201%20December%202021.pdf>; for a more indepth look at the situation of IDPs in Marib in 2021, see: Manal Ghanem, "In Endless Pursuit of Refuge," Sana'a Center for Strategic Studies, December 24, 2021, <https://sanaacenter.org/publications/analysis/16121>

Failed Government Offensives

The Battle of Marib influenced fighting in other areas of Yemen. Seeking to draw Houthi forces away from Marib and relieve pressure on the city, the Yemeni government supported offensives in Taiz, Hajjah and Al-Bayda governorates. Each failed in this objective and, in the case of Al-Bayda, invited further Houthi expansion (see: '[How the Govt Offensive in Al-Bayda Backfired, Jeopardizing Marib](#)'). Each front, however, possessed its own respective local dynamics and fighting units with their own parochial interests. Their relation to the battle in Marib was, at times, tangential.

The Taiz Front

Houthi forces maintained their siege on Taiz city through 2021, as they have since 2015, with only one government-controlled road open to goods. Fighting between Houthi and government forces was generally limited to intermittent shelling and sniping, and civilians bore the brunt of casualties.^[333] The most intensive violence occurred in early January during the Houthi security campaign in Al-Haymah, an area just behind Houthi lines to the north of Taiz city, where Houthi forces stormed and blew up multiple houses in the area.^[334]

[333] "Al-Haima Holocaust of Yemen," Violations Monitoring Report for January 2021, Human Rights Information and Training Center, February 17, 2021, <https://hritc.co/21992?lang=en>; "Yemen: Tens Of Thousands Of Children Denied Access to Education After a Single Month Of Attacks On Schools," Save The Children, May 17, 2021, <https://www.savethechildren.net/news/yemen-tens-thousands-children-denied-access-education-after-single-month-attacks-schools>; "Houthi missile attack kills three children in Yemen's Taiz, residents say," Reuters, March 14, 2021, <https://www.reuters.com/article/us-yemen-security-taiz-idUSKBN2B6oEW>

[334] Abdullah AlHaj, "Social Fragmentation and Restoration in Taiz," Sana'a Center for Strategic Studies, January 24, 2022, <https://sanaacenter.org/publications/analysis/16317>



A pro-government fighter mans a mounted heavy machine gun on March 8, 2021, at the Maqbanah district frontline in western Taiz governorate. //Sana'a Center Photo by Ahmed al-Basha

The March Offensive

The Taiz frontline remained relatively calm until early March, when government forces launched their first major offensive in the governorate since 2015.^[335] Originally planned to divert Houthi resources away from Marib, after initial gains the aims of the offensive were expanded to include lifting the siege of Taiz city.^[336] In the early weeks of the offensive, government forces reported significant advances in several areas, including Maqbanah district, where they took control of a road that linked to areas under the control of the coalition-backed Joint Forces on the Red Sea.^[337] Government forces opened fronts at Al-Ahkoum, in Hayfan district, which created the possibility of opening up another route from Taiz to Aden, which would ease the effects of the Houthi partial siege of Taiz city.^[338]

However, cracks in the coalition began to show as the month wore on, with tension resurfacing between the Islah-dominated Taiz Military Axis and its local rivals. The offensive's momentum started to break down. Local authorities in Taiz invited Tareq Saleh's National Resistance Forces (NRF) to assist in the offensive on March 21, but Saleh and his supporters, cognizant of the divide between themselves and Islah, feared that the offensive was a prelude to a move against them and offered little support.^[339] Distrustful of the Muslim Brotherhood-aligned Islah, the Saudi-led coalition refused to provide weaponry to affiliated units, fearing it could later be used against Saleh's forces.^[340] Progress along the Al-Ahkoum front, which augured a dramatic shift in the strategic situation, ground to a halt on March 22 when prominent government military commander, Abdo Noman al-Zuraiqi, head of the 4th Mountain Infantry Brigade, was killed.^[341] Houthi forces soon

[335] Khaled Farouq, "Short on Trust, Weapons and Planning, Government Surge in Taiz Fails," Sana'a Center for Strategic Studies, May 5, 2021, <https://sanaacenter.org/publications/analysis/13952>

[336] Khaled Farouq, "Short on Trust, Weapons and Planning, Government Surge in Taiz Fails," Sana'a Center for Strategic Studies, May 5, 2021, <https://sanaacenter.org/publications/analysis/13952>

[337] "Government forces regain control of several areas from the Houthis in Taiz countryside [AR]," Arabic News CN, March 8, 2021, http://arabic.news.cn/2021-03/08/c_139794729.htm; "Government forces regain areas in Taiz and are able to break the Houthi siege in the western countryside of the governorate [AR]," Arabic News CN, March 11, 2021, http://arabic.news.cn/2021-03/11/c_139800806.htm

[338] Khaled Farouq, "Short on Trust, Weapons and Planning, Government Surge in Taiz Fails," Sana'a Center for Strategic Studies, May 5, 2021, <https://sanaacenter.org/publications/analysis/13952>

[339] Khaled Farouq, "Taiz: A Hotbed of Irregular Militias," Sana'a Center for Strategic Studies, September 14, 2021, <https://sanaacenter.org/publications/analysis/15055>

[340] Khaled Farouq, "Short on Trust, Weapons and Planning, Government Surge in Taiz Fails," Sana'a Center for Strategic Studies, May 5, 2021, <https://sanaacenter.org/publications/analysis/13952>

[341] "The commander of the Fourth Brigade, mountain infantry, was killed in the Hayfan confrontations [AR]," Al-Ayyam News, March 23, 2021, <https://www.alayyam.info/news/8JOFj07B-RMKoIO-577E>; Khaled Farouq, "Short on Trust, Weapons and Planning, Government Surge in Taiz Fails," Sana'a Center for Strategic Studies, May 5, 2021, <https://sanaacenter.org/publications/analysis/13952>

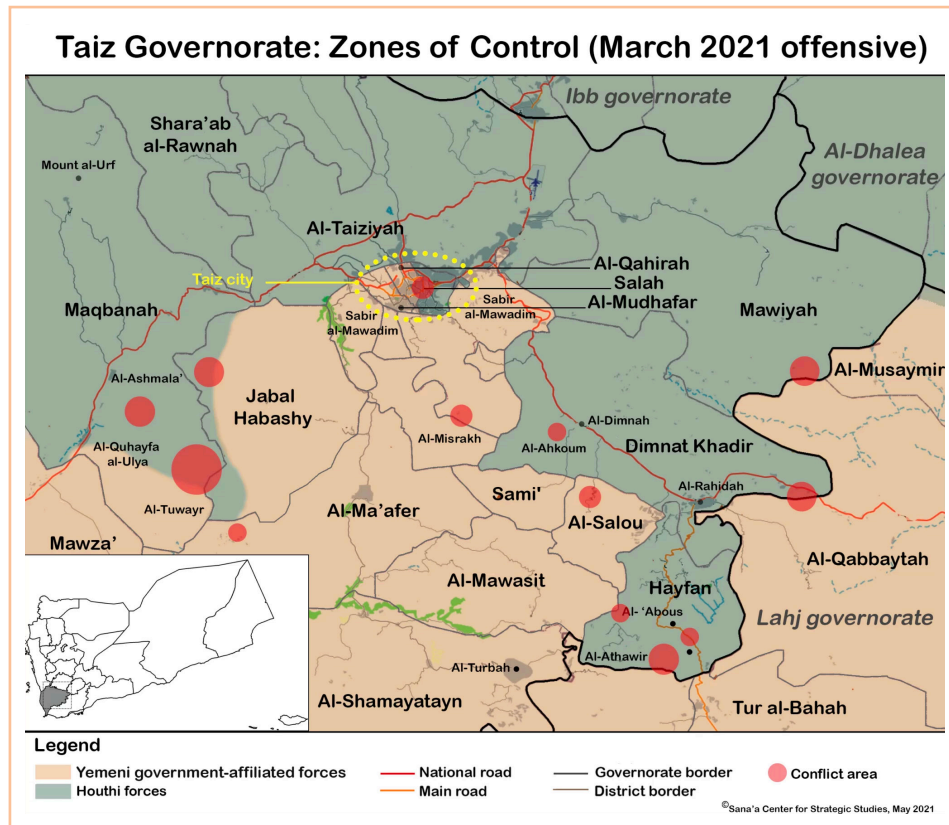
reasserted control over most of the strategic areas they had lost, including their key supply route,^[342] and by late March fighting had died down to the usual skirmishes and shelling.^[343] This dynamic continued for much of the rest of the year in Taiz – with the rare bright spot of a major prisoner exchange in late September – until the Joint Forces' offensive against Houthi positions in Maqbanah in November (see: 'Hudaydah Front').^[344] However, mirroring Saleh's reluctance to assist during the March offensive, Islah-aligned forces reportedly offered little assistance to the Joint Forces' campaign.^[345]

[342] Abubakr al-Shamahi, "Government Offensive Pressures Houthis in Taiz," The Yemen Review, March-April 2021, Sana'a Center for Strategic Studies, May 7, 2021, https://sanaacenter.org/publications/the-yemen-review/14007#Government_offensive_state_of_the_war

[343] Khaled Farouq, "Short on Trust, Weapons and Planning, Government Surge in Taiz Fails," Sana'a Center for Strategic Studies, May 5, 2021, <https://sanaacenter.org/publications/analysis/13952>; "Two girls were killed by Houthi shelling targeting a residential village in Maqbna, west of Taiz [AR]," Al-Sharaea News, April 28, 2021, <https://alsharaeanews.com/2021/04/28/60477/>

[344] Abdulkader Mortada, Twitter Post, "The liberation of (68) prisoners from the prisoners of the army in an exchange process through local understandings on the Taiz front [AR]," September 29, 2021, https://twitter.com/abdulqadermortd/status/1443233419299803138?ref_src=twsrc%5Etfw; Saeed Al-Batati, "Yemeni troops make more gains in Taiz, Hodeidah," Arab News, November 21, 2021, <https://www.arabnews.com/node/1972491/middle-east>; "No end to Yemen civil war on the horizon, senior UN official briefs Security Council," UN News, August 23, 2021, <https://news.un.org/en/story/2021/08/1098272>

[345] "Fearing exclusion, Islah refuses to support Tariq's forces in Taiz [AR]," Taiz Today, November 24, 2021, www.taiztoday.net/2021/11/24/-متخوفا-من-اقصائه-الإصلاح-يمنتنع-عن-مسان



Intra-Coalition Disputes in Taiz

Following the Taiz Military Axis' takeover of the 35th Armored Brigade and its expansion of influence into southern Taiz in 2020, Islah remained militarily and politically ascendant in government-held areas of Taiz in 2021, although not without challengers. To the southeast, the creation of the Islah-dominated Tur al-Bahah Military Axis in November 2020 (which, despite its name, is not an official government military entity) created tensions with nearby STC forces in Lahj governorate, with the UAE-backed Giants Brigades keeping peace between the two sides. To the west, tensions with Tareq Saleh's National Resistance Forces, based in Mokha, continued, with distrust contributing to the failure of the March offensive.^[346]

Islah also faced challenges within territories ostensibly under its control or under control of the government. In addition to persistent protests against deteriorating economic conditions (see: Political Developments, '[Declining Currency, Living Standards Spur Unrest](#)'), Taiz city and its environs witnessed multiple assassination attempts and infighting, with the most prominent being the killing of senior Islah party official Dia al-Haq al-Ahdal by unknown gunmen in October.^[347]

[346] Khaled Farouq, "Taiz: A Hotbed of Irregular Militias," Sana'a Center for Strategic Studies, September 14, 2021, <https://sanaacenter.org/publications/analysis/15055>

[347] "Major party leader shot dead in southwestern Yemen," TRT World, October 23, 2021, <https://www.trtworld.com/middle-east/major-party-leader-shot-dead-in-southwestern-yemen-51004>; "Taiz: the former military police chief survived an assassination attempt [AR]," Al-Mahrah Post, September 4, 2021, <https://almahrahpost.com/news/26613#.Yf67Meozat9>; "7 militants were killed in clashes as a result of a dispute over a plot of land in the city of Taiz [AR]," Al-Mahrah Post, August 11, 2021, <https://almahrahpost.com/news/26168#.Yf67p-ozat9>; "A child and a soldier were killed when a bomb exploded in a group of a leader of the popular resistance, south of Taiz [AR]," Al-Masdar Online, October 26, 2021, <https://almasdaronline.com/articles/239379>

Accusations of criminal activity and instability blamed on government forces in Taiz escalated in August, when a field commander from the 170th Air Defense Brigade, part of the pro-Islah Taiz Military Axis, tried to seize private land. Seven people were killed that day, including a child, the brigade's field commander and a deputy police chief, with related violence continuing for several days between pro-Islah gunmen and the family that owned the land.^[348] An armed group led by a soldier in the same brigade kidnapped a Taiz city judge later that month.^[349]

[348] "New Fronts in the Economic War – The Yemen Review, August 2021," Sana'a Center For Strategic Studies, September 10, 2021, <https://sanaacenter.org/publications/the-yemen-review/14977#Taiz>

[349] "New Fronts in the Economic War – The Yemen Review, August 2021," Sana'a Center For Strategic Studies, September 10, 2021, <https://sanaacenter.org/publications/the-yemen-review/14977#Taiz>

The frontier between Sa'ada and Jizan province in Saudi Arabia was active, with clashes reported throughout the year around Malahit in Sa'ada.^[356] At one point in May, Houthi forces claimed to have killed more than 80 coalition soldiers during an incursion into Jizan near Khouba, but this was denied by the coalition and could not be verified.^[357]

In addition to fighting between coalition and Houthi forces, Saudi border guards periodically claimed to have killed or injured individuals attempting to smuggle qat into Saudi Arabia.^[358] Given its position along the border, rugged terrain and otherwise marginal economy, Sa'ada has a long history of smuggling between Yemen and Saudi Arabia.^[359]

[356] "A citizen was killed by Saudi border guards' fire in the Shada border district [AR]," Ibb News, January 25, 2021, <http://www.ibb-news.com/?p=129075>; Shuhada Al-Wajib, Twitter Post, "Governor Al-Aydabi performs a prayer for Staff Sergeant Hussein Al-Ghazwani, one of the land forces personnel, who was martyred while performing his duty at the southern border [AR]," January 25, 2021, <https://twitter.com/ShohdaNet/status/1353726487795523593>

[357] "Yemen" Houthis 'fabricated' attack on Saudi border, says coalition spox," Reuters, May 29, 2021, <https://www.reuters.com/world/middle-east/yemens-houthis-say-they-have-attacked-saudi-border-frontline-2021-05-29/>; "The Houthis announce the implementation of a large operation in Jizan, and the coalition describes it as a media fabrication to cover the reality of the situation on the ground [AR]," Al-Jazeera News, May 29, 2021, <https://www.aljazeera.net/news/politics/2021/5/30/الجوثيون-يعلنون-تنفيذ-عملية-واسعة-في>

[358] "12 Qat smugglers were killed and wounded by Saudi border guards [AR]," Al-Zaeem News, February 1, 2021, <http://alzaemnews.net/NewsDetail/SRDdJyZsimVI6M7Ms5uPOg==>; "Three people were killed and others wounded by artillery shelling targeting smugglers on the Yemeni-Saudi border [AR]," Al-Masdar Online, October 8, 2021, <https://almasdaronline.com/articles/238106>

[359] Ahmed Nagi, "Yemeni Border Markets: From Economic Incubator to Military Frontline," Carnegie Endowment for International Peace, July 14, 2021, <https://carnegie-mec.org/2021/06/14/yemeni-border-markets-from-economic-incubator-to-military-frontline-pub-84752>

Intra-Coalition Flashpoints

Several areas in Yemen featured conflict among members of the Saudi-led coalition in 2021. Government- and STC-aligned forces clashed on multiple fronts, most notably in western Abyan and the Taiz-Lahj border area. However, intra-coalition conflict was more complicated at times, either because conflict was less overt or less geographically demarcated – as in Aden and Shabwa – or because tension was mitigated by the presence of Houthi forces, as occurred along Al-Dhalea and Abyan-Bayda fronts.

The Abyan Front: De-escalation, Re-escalation and Houthi Intrusion

Abyan hosted the most overt conventional conflict between members of the Saudi-led coalition. There, STC and government forces faced one another along frontlines in the western portion of the governorate, while a less discernible war of assassinations, mobilization and administrative appointments brewed behind the lines. Occasionally, this equilibrium was upset by a Houthi incursion from the north in the Al-Bayda governorate, but the group did not make significant gains there.

The Abyan Shadow War

A troubled process to de-escalate fighting between government and STC forces on the Abyan front continued in early 2021. A mediation committee acting under the auspices of the Riyadh Agreement and backed by the Giants Brigades persuaded the two sides to begin withdrawing their forces.^[360] Although open battles over the STC's declaration of self-administration and seizure of local assets ceased in April, maintaining the peace in Abyan was not without difficulties.

In early January, two improvised explosive devices (IEDs) exploded near a school where Saudi-led coalition forces were stationed in Shuqra, causing them to temporarily depart.^[361] While no casualties were reported and coalition forces returned with reinforcements, the attacks presaged a year of irregular conflict in Abyan, characterized by assassination attempts, ambushes and IED attacks.^[362] Verifiable information on these often anonymous attacks remains scant. Historically, Al-Qaeda in the Arabian Peninsula (AQAP) has been active in the mountainous areas of Abyan and in nearby Al-Bayda and Shabwa governorates, although the extent to which it has retained a coherent organizational identity is questionable.^[363] However, the group did claim multiple attacks against STC

[360] "Giant Brigades deploy monitoring posts south Yemen," Debriefier, December 18, 2020, <https://debriefier.net/en/news-21883.html>

[361] "At least two explosions reported in Shuqra, Abyan Governorate, early Jan. 4," Crisis 24, January 4, 2021, <https://crisis24.garda.com/alerts/2021/01/yemen-at-least-two-explosions-reported-in-shuqra-abyan-governorate-early-jan-4>; "Explosion targets Saudi troops in southern Yemen," Xinhua Net, January 4, 2021, http://www.xinhuanet.com/english/2021-01/04/c_139638892.htm

[362] "Unidentified gunmen bombed an army headquarters in which Saudi soldiers were stationed [AR]," Sputnik News, January 17, 2021, <https://arabic.sputniknews.com/20210117/-1047827168-سعوديون-عسكريون-تمركز-في-عسكريون-سعوديون>; "Two soldiers were killed in an armed ambush in Abyan [AR]," Al-Mahrah Post, December 15, 2021, <https://almahrahpost.com/news/28375#YgFRluozat9>; "A soldier was killed and 2 others wounded in an attack on a military vehicle in Abyan [AR]," Al-Zaeem News, August 31, 2021, [http://alzaeemnews.net/NewsDetail/W116RifhOcVkumZJl1PjJA=-](http://alzaeemnews.net/NewsDetail/W116RifhOcVkumZJl1PjJA=-;); "A shooting killed the commander of a Belt checkpoint in Lawdar [AR]," Al-Ayyam News, May 30, 2021, <https://www.alayyam.info/news/8MF453ET-35JN5F-F542>; "Abyan.. The assassination of a military commander by unidentified gunmen [AR]," Al-Mahrah Post, December 22, 2021, <https://almahrahpost.com/news/28490#YgFTq-ozat9>; "Two STC soldiers were killed by unidentified gunmen in Abyan [AR]," Al-Mahrah Post, September 13, 2021, <https://almahrahpost.com/news/26777#YgFVaOozat9>

[363] Elisabeth Kendall, "Where is AQAP Now?," Sana'a Center for Strategic Studies, October 21, 2021, <https://sanaacenter.org/publications/analysis/15357>; Nadwa al-Dawsari, Twitter post, "I keep telling westerners..." March 16, 2021, <https://twitter.com/Ndawsari/status/1371864548446244872>; Elisabeth Kendall, "Twenty Years After 9/11: The Jihadi Threat in the Arabian Peninsula," Combating Terrorism Center at West Point, September 2021, <https://ctc.usma.edu/twenty-years-after-9-11-the-jihadi-threat-in-the-arabian-peninsula/>

targets in Abyan in 2021, the most deadly a raid on a security checkpoint in Ahwar district that killed eight STC-aligned fighters and four civilians.^[364] According to pro-STC outlets, AQAP had been allowed to return to Abyan and neighboring Shabwa by the locally dominant Islah party, with the implication that AQAP was working with Islah-aligned units to target the STC.^[365]

The Fight for Administrative Control

Despite the coalition-backed cease-fire generally holding in Abyan, there were instances of escalation. Tension increased in April after government and STC forces clashed over control of the Khabar al-Maraqsha area in the governorate's eastern Khanfar district, but the fighting produced no significant changes to the status quo.^[366] Similarly, both sides mobilized at multiple points along the old 2020 frontlines, most notably in June, July and November, after an STC convoy was bombed by unknown assailants in Zinjibar, killing several fighters. Major clashes, however, did not resume.^[367]

There were also repeated government-STC disputes over official control of the Abyan security apparatus. In late April, the STC rejected a leaked decision by President Hadi to allegedly replace pro-STC Major General Fadhl Ba'ash with Colonel Sulayman al-Zamaki as commander of the Special Security forces in Aden, Abyan, Lahj and Al-Dhalea.^[368] Although Al-Zamaki took over the position without incident, in September he was detained by STC forces in Aden. He was released three days later after government-aligned Special Security forces prevented Saudi-led coalition vehicles from transiting Abyan until they pressured the STC into releasing him.^[369]

[364] "A member of the Security Belt was killed by unknown gunmen in Abyan [AR]," Al-Masdar Online, March 12, 2021, <https://almasdaronline.com/articles/218179>; Ali Mahmood, "Al Qaeda shows signs of resurgence in Yemen," The National, April 10, 2021, <https://www.thenationalnews.com/mena/al-qaeda-shows-signs-of-resurgence-in-yemen-11200037>; Tareq al-Shal, Shoukry Hussein, "Yemen: Al-Qaeda attacks military post, kills 12," March 18, 2021, <https://www.aa.com.tr/en/africa/yemen-al-qaeda-attacks-military-post-kills-12/2180419>; "Abyan security forces: Our battle against terrorism is still open, and we call on tribes and citizens to cooperate with us [AR]," Al-Masdar Online, April 30, 2021, <https://almasdaronline.com/articles/223455>

[365] Ali Mahmood, "Al-Qaeda shows signs of resurgence in Yemen," The National, April 10, 2021, <https://www.thenationalnews.com/mena/al-qaeda-shows-signs-of-resurgence-in-yemen-1.1200037>

[366] "Abyan Security: No toleration for any one tempted to carry out any sabotage act on the coastal road [AR]," Al-Mawqea Post, April 16, 2021, <https://almawqeaapost.net/news/59669>; "The return of tension between government forces and the STC in Abyan, southern Yemen [AR]," Arabic News CN, April 18, 2021, http://arabic.news.cn/2021-04/18/c_139887732.htm; "Abyan Security: We will not tolerate any acts of sabotage against pedestrians on the coastal road [AR]," Al-Masdar Online, April 16, 2021, <https://almasdaronline.com/articles/221935>; "The truce committee between government and transitional forces in Khabar Al-Maraqsha in Abyan discusses efforts with the Minister of Interior [AR]," Al-Masdar Online, April 14, 2021, <https://almasdaronline.com/articles/221840>

[367] "The head of the Transitional Council promise that the Yemeni government will 'pay the price' after the events of Abyan [AR]," Sputnik News, July 3, 2021, <https://arabic.sputniknews.com/20210703/-1049456426-أبين-بعد-أحداث-الثمن-بعد-دفع-المجلس-التنقيلي-يتوعد-الحكومة-اليمنية-ب-دفع-الثلثين-بعد-أحداث-أبين>; "رئيس المجلس الانتقالي- يتوعد الحكومة اليمنية ب-دفع الثمن بعد أحداث أبين [AR]," Al-Mawqea Post, November 1, 2021, <https://almawqea.com/news/64995>; "Abyan.. Islah forces mobilize military reinforcements from Shabwa and the camps of the central region to Shaqra [AR]," Al-Sharaea News, July 9, 2021, <https://alsharaea.com/2021/07/09/66220/>; "The Yemeni army denies allegations of sending military reinforcements to Shaqra, in the south of the country [AR]," Yemen Monitor, November 5, 2021, <https://www.yemenmonitor.com/Details/ArtMID/908/ArticleID/63007>; "The national army and the transitional government are pushing large reinforcements to the areas of confrontation between them in Abyan [AR]," Al-Harf 28, July 10, 2021, <https://alharf28.com/p-63748>; "7 Separatist Fighters Killed In Yemen Blast: Security," Barron's News, June 11, 2021, <https://www.barrons.com/news/7-separatist-fighters-killed-in-yemen-blast-security-01623422713>;

[368] "Baish was dismissed following the siege of the Minister of Interior's home in Aden, and the STC refuses [AR]," Socotra Post, April 27, 2021, <https://socotrapost.com/localnews/9608>

[369] "In protest against the transitional detention of Brigadier General Al-Zamaki.. Officers and soldiers in the government security forces in Abyan implement a sector in Shaqra and prevent the passage of coalition vehicles [AR]," Al-Masdar Online, September 4, 2021, <https://almasdaronline.com/articles/234231>

In July, conflict over control of the Lawdar security department, between the local STC-backed security director and the government-aligned director named to replace him, resulted in large-scale protests and clashes that killed several people.^[370]

Houthi Incursions into Abyan

Although most conflict in Abyan governorate could be linked to government-STC tensions, this equilibrium was disrupted by incursions from Houthi forces positioned in the mountains to the north in Al-Bayda. This vantage point overlooks government and STC positions near Lawdar, fewer than 10 kilometers into Abyan along the Mukayras-Tharah front. Attacks sometimes took the form of missile strikes; Houthi forces were suspected of two such attacks on government positions in early July. One struck a mosque at the 5th Infantry Brigade camp in Mudiya, 25 kilometers northeast of Lawdar, killing at least four soldiers.^[371] Other times, Houthi fighters carried out ground incursions. A mid-September attack along the Abyan-Bayda border was launched in concert with the Houthi offensive in Shabwa. With positions in Lawdar at risk of being outflanked, government, STC and coalition forces mobilized to push the Houthi forces back.^[372] Abyan security forces also claimed to have arrested the leader of a Houthi cell operating covertly in central Al-Wadheha area in late September, and clashed with other members in mid-October.^[373]

[370] "Tension in Abyan, southern Yemen, between government forces and the STC [AR]," Arabic News CN, July 2, 2021, http://arabic.news.cn/2021-07/02/c_1310038756.htm; "We took control of state institutions. Abyan Security Department issues a clarification statement regarding the Lawdar incidents [AR]," Al-Mahrah Post, July 3, 2021, <https://almahrahpost.com/news/25426#YgFFXOozatg>; Abyan Security, Facebook post, "Abyan Security Department mourns the death of one of the security director's special protection [AR]," July 7, 2021, <https://www.facebook.com/344105732881691/>

[371] "Houthis launch rare attack on Yemen's tense southern region," Reuters, July 4, 2021, <https://www.reuters.com/world/middle-east/houthis-launch-rare-attack-yemens-tense-southern-region-2021-07-04/>; "A Houthi missile attack targeting the headquarters of the 115th Infantry Brigade in Abyan [AR]," The Daily News, July 7, 2021, https://akhbaralyom-ye.net/news_details.php?sid=136707

[372] Tawfiq Ali, "STC declares emergency state hours after the protests in Aden [AR]," Independent Arabic, September 15, 2021, <https://www.independentarabia.com/node/259351>; "الأخبار/العالم-العربي/الانتقال-يعلن-الطوارئ-بعد-ساعات-من-احتجاجات-عدن/"; Hussam Radman, "The South's Hot Summer," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#South_Summer; "The control of Al-Bayda pushes the Houthis to advance towards Abyan [AR]," Al-Arab News, September 18, 2021, <https://www.alarab.co.uk/السيطرة-على-البيضاء-تدفع-الحوثيين-إلى-التقدم-نحو-أبين/>

[373] Abyan Security Department, Facebook Post, "Our security forces raid a cell in the Al-Wadheha area working for the Houthi group [AR]," October 17, 2021, <https://www.facebook.com/344105732881691/posts/857075824918010/>; Abyan Security Department, Facebook Post, "Abyan security arrests an informant in Al-Wadheha district who works for the Houthi group [AR]," September 27, 2021, <https://www.facebook.com/344105732881691/photos/a.344656892826575/844780826147510/>



Yemeni government Special Security Forces and armed tribesmen look out from their position on Al-Saleem mountain in the Usayan district of Shabwa governorate on September 22, 2021 // Sana'a Center Photo courtesy AYAR for Media and Marketing Services

The Conflict in Shabwa

With Islah-aligned local authorities and an active opposition composed of groups affiliated with the STC or supported by the UAE, Shabwa witnessed significant security developments throughout 2021, though it did not see active frontline fighting until September.

The insecurity in Shabwa could be grouped into three general categories:

- Explicit standoffs between government-aligned, often Islah-affiliated forces and STC-aligned, UAE-backed forces.
- The Houthis' September offensive, which captured three districts in northwest Shabwa governorate as part of a broader push against southern Marib.
- A low-intensity but persistent conflict between Islah-affiliated and STC-affiliated parties involving sabotage, assassination attempts, shows of force, political mobilization and suppression of protests, which intensified late in the year.

Standoffs at Al-Alam and Balhaf

The most prominent security issue facing Shabwa for most of 2021 was the unrelenting standoff between government forces under the control of Shabwa's Islah-aligned Governor Mohammed bin Adio and the STC-aligned, UAE-backed, Shabwani Elite forces. The latter were based at the Balhaf Liquefied Natural Gas (LNG) terminal on Shabwa's southeastern coast and at Al-Alam camp to the north of Ataq.

Balhaf in particular assumed symbolic importance. The largest foreign investment project in Yemen, the Balhaf LNG terminal was intended to serve as a processing and export facility for natural gas piped in from Marib and Al-Jawf, making its operation a lucrative prospect for the cash-strapped Yemeni government and local authorities. Production stopped at Balhaf when its foreign stakeholders, most prominently French oil and gas giant Total Energies, ceased commercial operations in the early months of the war and withdrew their international staff from Yemen. They have been slow to return – the Balhaf facility is in “preservation mode” and Total has not disclosed its plans.^[374] However, at least according

^[374] Claudia Carpenter, “Devastated by war, Yemen's still surviving oil and gas sector needs peace to recover,” S&P Global, August 12, 2021, <https://www.spglobal.com/platts/en/market-insights/latest-news/oil/o81221-devastated-by-war-yemens-still-surviving-oil-and-gas-sector-needs-peace-to-recover>

to the openly anti-UAE local authorities, the terminal had been kept out of operation due to its continued use as a base by coalition and UAE-backed forces since 2017.^[375]

Balhaf was struck by at least three mortar shells on April 4, with AQAP later claiming responsibility for the attack.^[376] Tensions increased again in August, when government-aligned forces set up military checkpoints near Balhaf after local authorities accused the UAE of using the base to recruit STC-aligned fighters and to conduct sabotage operations.^[377] Saudi mediation partially defused this standoff, and reports emerged of an understanding that Emirati forces would withdraw from Balhaf.^[378] The withdrawal was reported to have occurred in early November as part of a series of coalition redeployments, though this was denied by local authorities under Governor Bin Adio.^[379] UAE-backed forces remained in control of the facility for the rest of 2021.

The Al-Alam camp north of Ataq primarily housed UAE-backed Shabwani Elite forces, along with a smaller Emirati presence. On September 6, protesters from the Mihdar tribe blocked an Emirati convoy on its way to the camp, due to the UAE's failure to pay an agreed-upon settlement after UAE-backed forces killed a number of Mihdar tribesmen in January 2019. The incident was resolved within the day through the intervention of Shabwa Governor Bin Adio and Saudi Arabia.^[380] Al-Alam became a larger flashpoint when Emirati forces suddenly withdrew from the camp on October 26 (see: '[Was the Coalition Withdrawing?](#)').^[381] Despite the withdrawal of Emirati forces, the UAE-backed, STC-aligned Shabwani Elite forces that comprised most of the camp's garrison refused to hand the camp over, resulting in a standoff. Tribal mediation failed, and government-aligned troops took the camp by force on October 30.^[382]

[375] Ahmed Abdulkareem, "Balhaf: The Oil Port Where UAE Loots Yemen and Imprisons and Tortures Yemenis," MintPress News, December 21, 2021, <https://www.mintpressnews.com/balhaf-oil-port-uae-loots-yemen-imprisons-tortures-yemenis/279288/>

[376] "Yemen... Shelling targets a gas facility housing Emirati forces in Shabwa Governorate [AR]," Sputnik, April 4, 2021, <https://arabic.sputniknews.com/20210404/-1048575562شبوّة-بمحافظه-إماراتية-بمحافظة-شبوّة-يمنية.html>; Ali Mahmood, "Al Qaeda shows signs of resurgence in Yemen," The National, April 10, 2021, <https://www.thenationalnews.com/mena/al-qaeda-shows-signs-of-resurgence-in-yemen-1.1200037>

[377] Casey Coombs, "Riyadh Mediates Yemeni Government-UAE Standoff at Balhaf LNG Terminal," The Yemen Review, August 2021, Sana'a Center For Strategic Studies, September 10, 2021,

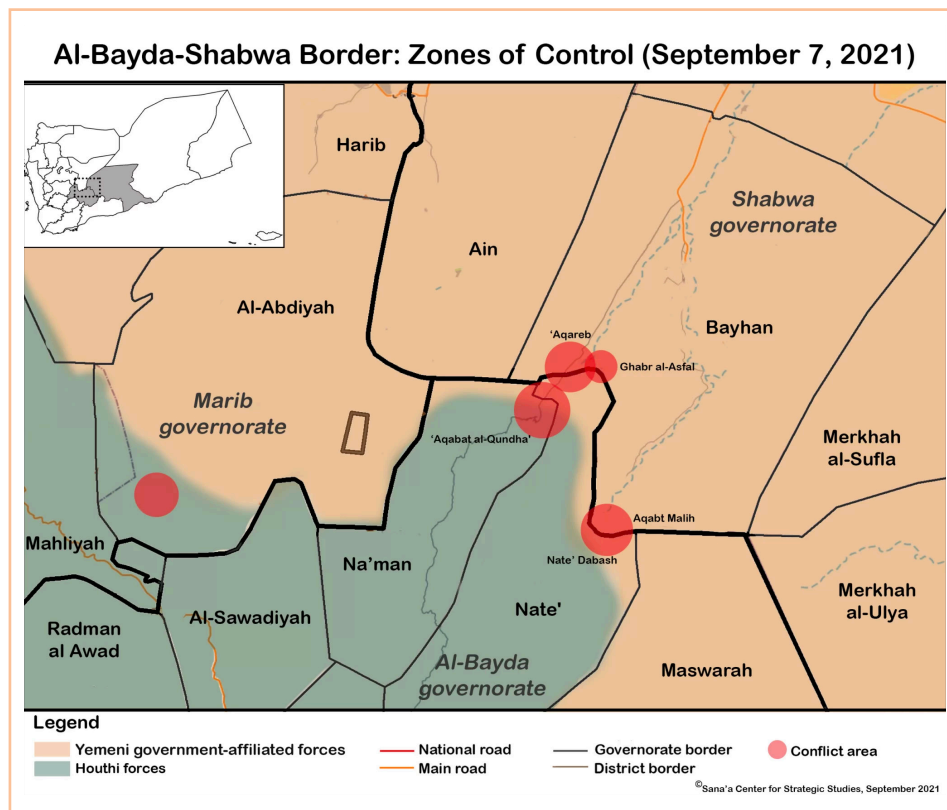
[378] Casey Coombs, "Riyadh Mediates Yemeni Government-UAE Standoff at Balhaf LNG Terminal," The Yemen Review, August 2021, Sana'a Center For Strategic Studies, September 10, 2021,

[379] "Shabwa Governor: The Emiratis refuse to hand over Balhaf port, and trust is lost with them [AR]," Sputnik, November 14, 2021, <https://arabic.sputniknews.com/20211114/-1050704456معهم-مفقودة-الثقة-وبالحاف-مينا-تسليم-مينا-يرفضون-الإماراتيون.html>

[380] "Shabwa .. Al-Mihdar tribes allow the passage of Emirati mechanisms after mediation intervention to solve their problem [AR]," Al-Mahrah Post, September 7, 2021, <https://almahrahpost.com/news/26674#YgKnYOpBytg>; Casey Coombs, "Tribes, UAE-backed forces in Standoff in Shabwa," The Yemen Review, September 2021, Sana'a Center For Strategic Studies, October 13, 2021, https://sanaacenter.org/publications/the-yemen-review/15218#Govt_territory

[381] Abubakr al-Shamahi, "Anti-Houthi Forces Fail to Unite in Shabwa," The Yemen Review, October 2021, Sana'a Center For Strategic Studies, November 4, 2021, <https://sanaacenter.org/publications/the-yemen-review/15660#Shabwa>

[382] "Army forces take control of the Al-Alam camp in Shabwa, after clashes with the Transitional Council forces [AR]," Al-Masdar Online, October 30, 2021, <https://almasdaronline.com/articles/239663>



The Bayhan Offensive and Its Aftermath

Amid the infighting, Houthi forces attacked northwestern Shabwa in mid-September, part of their broader offensive against southern Marib governorate. Houthi fighters entered from Al-Bayda governorate to the west and seized control of Bayhan, Ain and Usaylan districts. In addition to cutting the supply route from Ataq to Marib city and facilitating the collapse of government positions in southern Marib, this placed Shabwa firmly on the frontline between Houthi and anti-Houthi forces, reshaping the political and military landscape.

Recapturing Bayhan^[383] emerged as a top priority in Shabwani politics, with the STC and other government critics accusing local authorities of either purposefully ceding captured districts to Houthi forces as part of a Houthi-Islah conspiracy, or failing in their responsibility to retake them.^[384] This contributed to a growing protest movement against Islah-aligned local authorities later in the year, culminating in Governor Bin Adio's replacement by tribal leader and GPC parliament member Awadh bin al-Wazir al-Awlaqi on December 25. After several years' absence, Al-Awlaqi had returned to Shabwa from his residence in the UAE to lead the protest movement. Shortly after, the UAE-backed Giants Brigades, redeployed from the Red Sea coast to Shabwa, with the goal of recapturing Bayhan.^[385]

[383] Bayhan is used to refer to the wider region that includes Ain, Bayhan and Usaylan districts.

[illegible]

[385] "The first military move to liberate the districts of Bayhan..Giants forces move to the coasts of Shabwa [AR]," Shabwaah Press, December 27, 2021, <https://shabwaah-press.info/news/76716>

Their December 27 arrival quickly turned the tide, with Giants Brigade and government forces, backed by intensive coalition airstrikes, forcing the Houthis out of Shabwa in early January 2022.

Shabwani Elite Forces, Sabotage and Suppression

The low-level conflict in Shabwa intensified late in the year with the Houthi capture of Bayhan. But the governorate also saw a major political dispute between the Islah-dominated Shabwa authorities and the STC concerning the activities of the STC-affiliated Shabwani Elite forces. Formed in 2016 by the UAE to support counterterrorism operations, the Shabwani Elite forces were mostly demobilized in 2019, although some soldiers were retained to garrison the bases at Al-Alam and Balhaf, and the UAE has continued to pay salaries to the group's more than 7,000 members.^[386] Local authorities accused the Shabwani Elite of carrying out sabotage operations on the governorate's oil infrastructure and conducting attacks on government positions and patrols.^[387]

For its part, the STC denied any involvement and accused government forces of violently suppressing peaceful protests they intentionally mislabeled as STC armed gatherings.^[388]

On December 31, within a week of his appointment to the governor's post, Al-Awlaqi ordered the release or transfer to the regular judiciary of all those held in secret prisons by Bin Adio's local authorities.^[389] Members of the Shabwani Elite returned to Ataq from outside the governorate and set up base at Ataq airport on January 1, 2022, according to locals and government military sources that spoke to the Sana'a Center at the time. The reconstitution of the Shabwani Elite, rebranded as the Shabwa Defense forces in January 2022, clearly illustrated the relative decline of Islah, the rise of the STC and the return of Emirati influence, politically and militarily.^[390]

[386] Farea al-Muslimi, "Shabwa's Journey to the Center of a Regional Proxy Conflict," Sana'a Center for Strategic Studies, July 5, 2021, https://sanaacenter.org/files/Shabwas_Journey_to_the_Center_of_a_Regional_Conflict_En.pdf

[387] "Yemeni security accuses an Emirati officer of directing assassinations in Shabwa, east of the country [AR]," UAE 71, March 2, 2021, <https://uae71.com/posts/91223>; "Shabwa.The army thwarts a sabotage attempt to target crude oil pipelines [AR]," Al-Mahrah Post, November 9, 2021, <https://almahrahpost.com/news/27767#YgKqeuozat9>; Special Security Forces - Shabwa , A video showing the seized mines and the confessions of the people who tried to smuggle them, Facebook Post, "Shabwa special security forces seize naval mines [AR]," August 29, 2021, <https://www.facebook.com/watch/?v=393251345537025>

[388] Security Committee in Shabwa Governorate ,Picture of the statement issued in Shabwa, Facebook Post, "A statement issued by the Security Committee of Shabwa Governorate about the events in the Abadan region," June 26, 2021, <https://www.facebook.com/photo/?fbid=331272725221195&set=ecnf.100063530598204>; Casey Coombs, "STC seizes control of state-run Saba News Agency," The Yemen Review, June 2021, Sana'a Center For Strategic Studies, July 14, 2021, https://sanaacenter.org/publications/the-yemen-review/14598#GoY_developments;

[389] Awadh bin al-Wazir al-Awlaqi, Twitter Post, December 31, 2021, "We directed the security services represented by the director of security and the commander of the axis and their units and brigades to take immediate legal measures regarding secret prisons, release prisoners who have not been proven guilty, and transfer the rest of the prisoners to the judiciary to decide their cases [AR]," https://twitter.com/Awad_alwazir/status/1477003531697762311; Aden Independent Channel, Video, Youtube upload, "Shabwa Transitional Leadership confirms its keenness to release detainees in Brotherhood prisons [AR]," January 26, 2021, <https://www.youtube.com/watch?v=rZZHjtljZqQ>; "Shabwa Governor receives Sheikh Khaled Dayan and Commander Hassan Al-Tafi [AR]," Menbar Aden, January 10, 2022, <https://manbaraden.com/posts/672>

[390] "The return of the Shabwani Elite Forces to Ataq [AR]," Aden Al-Ghad, January 1, 2021, <https://adengad.net/posts/589774>; "Shabwani Elite Forces arrive at Ataq Airport amid a crowded popular reception [AR]," Hadramout 21, January 1, 2021, <https://www.hadramout21.com/2022/01/01/323701/>

Aden: Bombings, Assassinations and Insecurity

The Yemeni government's interim capital of Aden suffered its fair share of insecurity, with the government and STC struggling for power and the latter maintaining de facto control over most of the city. In the aftermath of Houthi missile attack on Aden airport in late December 2020, the security situation worsened throughout the year, with regular reports of assassination attempts, bombings, armed clashes and security raids. As the presumptive capital of the new southern Yemeni state envisioned by the STC, Aden also witnessed multiple institutional changes in the city's security forces.

The STC Consolidates Control

The STC consolidated its control over security institutions in Aden, even as it formally complied with a Riyadh Agreement requirement to turn the top security position over to a Hadi appointee. The post was guaranteed in the 2019 Riyadh Agreement, brokered by Saudi Arabia, that gave the STC seats in the cabinet — essentially ensuring a say in any future peace talks — in an attempt to shore up the anti-Houthi alliance after open warfare among its factions. On January 3, pro-STC Aden security director Shallal Shayea formally handed over control of the city's security department to Mutahar al-Shuaibi, who had been appointed in December 2020. Shayea had refused to hand over control to Major General Ahmad al-Hamidi, Hadi's first pick for the position. Hailing from the STC stronghold of Al-Dhalea governorate, Al-Shuaibi was viewed as having more favorable relations with the STC.^[391]

But the STC was not prepared to surrender its influence in security matters. Later in January, the pro-Islah Al-Masdar Online reported that STC-aligned Security Belt forces and Support and Reinforcement Brigades (SRB) were working to place loyalists in the city's Facilities Protection forces, which had hitherto remained neutral.^[392] On January 21, the STC announced the formation of the "Aden Ring" forces as part of its affiliated Security Belt units, contravening provisions of the Riyadh Agreement stipulating that the STC begin incorporating its military and security forces into the defense and interior ministries.^[393] Despite this, Aden security director Mutahar al-Shuaibi publicly maintained positive relations with STC-aligned forces, conducting a visit to inspect the Security Belt forces on January 19.^[394]

The year also saw significant changes within STC-aligned security forces, attributed to internal power struggles. In late April, prominent commanders Brigadier General Mohsen al-Wali and Colonel Nabil al-Mashushi were removed from the leadership of the SRB.^[395] The SRB leadership changed again in late June, with Lahj security director and STC

[391] Casey Coombs, "New Security Chief Appointed in Aden," *The Yemen Review*, January-February 2021, Sana'a Center For Strategic Studies, March 14, 2021, https://sanaacenter.org/publications/the-yemen-review/13365#Aden_security_chief

[392] "Narrowing the circle in Aden and Abyan. What are the motives of the recent moves of the Southern Transitional Council? [AR]" Al-Masdar Online, January 31, 2021, <https://almasdaronline.com/articles/214667>

[393] "Yemen's STC forms new forces in Aden," *Debriefier*, January 21, 2021, <https://debriefier.net/en/news-22616.html>

[394] "Aden Security Director reviews the readiness of the Security Belt forces [AR]," Al-Ayyam, January 19, 2021, <https://www.alayyam.info/news/8H7W4XoV-W8L6K7-6E27>

[395] "Agency: Changes in the leadership of the Security Belt Forces in Aden, following disputes.. Al-Yafei and Al-Rubaie instead of the Wali and Al-Mushoushi [AR]," Al-Masdar Online, April 24, 2021, <https://almasdaronline.com/articles/222594>; "Overthrowing the Wali and Al-Mushashi from the leadership of the 'support and support' forces... Why now? [AR]," Al-Masdar Online, April 25, 2021, <https://almasdaronline.com/articles/222725>; "The situation is still tense. 10 people were killed and injured, including civilians, as a result of clashes between the STC factions north of Aden [AR]," Al-Masdar Online, June 24, 2021, <https://almasdaronline.com/articles/227995>

As a result of their near-total control in Aden, STC forces were well-positioned to harass members of other anti-Houthi factions. Throughout the year, STC-aligned forces abducted members of the government-aligned Transportation Brigade; they also detained or stormed the houses of multiple government officials.^[397]

[397] Casey Coombs, "STC seizes control of state-run Saba News Agency," The Yemen Review, June 2021, Sana'a Center For Strategic Studies, July 14, 2021, https://sanaacenter.org/publications/the-yemen-review/14598#GoY_developments; Casey Coombs, "Local Authorities Call for Canceling Stockholm Agreement," The Yemen Review, March-April 2021, Sana'a Center For Strategic Studies, May 7, 2021, https://sanaacenter.org/publications/the-yemen-review/14007#Political_arena_govt_territory; "An officer in Hadi forces was kidnapped in Aden [AR]," Aden News Agency, May 23, 2021, <https://www.adennewsagency.com/91605/>; "A human rights association accuses the STC of arresting 400 people within a week [AR]," Anadolu Agency, October 12, 2021, <https://www.aa.com.tr/ar/دول-العربية-اليمن-رابطة-حقوقية-تتهم-الانتقال-باعتقال-400-شخص-خلال-اسبوع/2389473>; "The STC presents tribal arbitration to the 'Al Rajab' family after storming the house of the captive Major-General Faisal Rajab [AR]," Al-Wattan Al-Adneah News, July 17, 2021, <https://www.alwattan.net/news/161936>; "Lamlas confirms that decisive measures have been taken against the assailants of the governor of Taiz [AR]," Al-Ayyam News, February 26, 2021, <https://www.alayyam.info/news/8IQ8TOHO-6WMCAl-D443>; "STC forces storm the house of Major General Faisal Rajab in Aden [AR]," Al-Zaeem News, June 9, 2021, <http://alzaeemnews.net/NewsDetail/KktnCK-whbZ@ZGvObKgVgE==>

Clashes, Kidnappings and Assassinations

Though the STC consolidated its control of Aden's security organs vis-a-vis other anti-Houthi factions, the city witnessed marked violence. Assassination attempts, armed raids on government institutions, clashes between armed groups, kidnappings and bombings were reported on a semi-regular basis.^[399]

Assassins targeted political and military leaders, particularly those affiliated with the STC. A convoy carrying Al-Wali and Al-Mashushi, still SRB commanders at the time, was hit by a roadside bomb on March 4, killing at least two people traveling with them.^[400] STC-aligned civil service minister Abdel Nasser al-Wali survived a roadside bombing on March 18.^[401] Another spate of high-profile attacks occurred in October and November: STC-aligned Aden Governor Ahmad Lamlas and Minister of Agriculture Abdullah al-Socotri survived a roadside bombing that killed six on October 10; a car bomb near Aden airport killed at least nine on October 30, and a November 9 car bomb killed pregnant journalist Rasha Abdullah al-Harazi and severely injured her husband, who reportedly had been threatened by the Houthis.^[402] ^[403]

The Yemeni government later claimed that Houthi cells had been behind the bombings.^[404] Aden also saw multiple clashes between and raids by armed groups not directly affiliated with the STC or Yemeni government. In February, forces aligned with the Southern Resistance stormed the ministries of Education, Justice and Foreign Affairs, in an expression of dissatisfaction with the "northerners in the ministries" and opposition to the

[399] Mohammed Ghobari, "Roadside bomb attack on Yemen separatist forces kills three," Reuters, March 4, 2021, <https://www.reuters.com/article/us-yemen-security-aden/roadside-bomb-attack-on-yemen-separatist-forces-kills-three-idUSKBN2AW1oR>; "The director of operations in the Ministry of Local Administration was killed [AR]," Al-Mahriah, November 7, 2021, <https://almahriah.net/local/14768>; "Dr. Aqlan's survival from an assassination attempt and the Islah of Aden holds the STC responsible [AR]," Akhbar Al-Yom, November 6, 2021, https://akhbaralyom-yen.net/news_details.php?sid=141107; "Unidentified gunmen assassinate an activist in the Islah party in Aden [AR]," Hayrout, June 30, 2021, <https://hayrout.com/65639/>; "A soldier was killed by a bomb explosion in Aden [AR]," Al-Ayyam News, July 27, 2021, <https://www.alayyam.info/news/80PZDWWH-OAFRUO-6B3C>; "An explosive device exploded in front of the Palace Hotel, targeting the car of the former Director General of Brega [AR]," Aden Al-Gad, April 26, 2021, <https://adengad.net/public/posts/542338>; Mohamed Al-Qadri, "An explosive device exploded next to the house of the Director General of Al-Burayqah District [AR]," Al-Sharaa News, February 13, 2021, <https://alsharaeaneews.com/2021/02/13/51562/>; "The body of the director of political security in Hodeidah Governorate was found [AR]," Ruptly, January 27, 2021, <https://arabic.rt.com/middle-east/1196700-البحرية-الحديدة-السياسي-لمحافظة-الجديدة>; "Aden: Al-Dereen Police Chief targeted with an explosive device [AR]," Al-Ameen Press, February 9, 2021, <https://alameenpress.info/news/26496>; "Security forces raid the house of a court judge in Aden and arrest his son [AR]," Aden Al-Gad, June 6, 2021, <https://adengad.net/public/posts/548642>; "Clashes erupt between security forces in Mansoura [AR]," Hayrout, June 5, 2021, <https://hayrout.com/60598/>; "The Yemeni Oil Workers Syndicate in Aden comments on the kidnapping of one of the company's employees [AR]," Crater, January 29, 2021, <https://www.cratar.net/archives/128193>

[400] "Soldiers killed, two officers survived of UAE-backed forces [AR]," Anadolu Agency, March 4, 2021, <https://www.aa.com.tr/ar/-الدول-العربية/اليمن-2164579-مقتل-جنود-ونجاة-ضابطين-بقوات-مدعومة-إماراتيا>

[401] Ali Mahmood, "Twelve Killed in Suspected Al Qaeda Attack in Southern Yemen," The National, March 19, 2021, <https://www.thenationalnews.com/mena/twelve-killed-in-suspected-al-qaeda-attack-in-southern-yemen-1.1187083>

[402] "CPJ condemns killing of Yemeni journalist Rasha Abdullah al-Harazi in car bomb attack," Committee to Protect Journalists, November 10, 2021, <https://cpj.org/2021/11/cpj-condemns-killing-of-yemeni-journalist-rasha-abdullah-al-harazi-in-car-bomb-attack/>

[403] Reyam Mokhashef, "Six killed in Aden car bombing targeting officials, minister says," Reuters, October 10, 2021, <https://www.reuters.com/world/middle-east/least-two-killed-blast-yemens-aden-reuters-witness-2021-10-10/>; "Explosion near Yemen's Aden airport kills at least six - sources," Reuters, October 30, 2021, <https://www.reuters.com/world/middle-east/blast-near-yemens-aden-airport-witnesses-2021-10-30/>; "Yemeni journalist killed in car explosion in Aden," Reuters, November 9, 2021, <https://www.reuters.com/world/middle-east/yemeni-journalist-killed-car-explosion-aden-2021-11-09/>; Casey Coombs, "STC-Islah Forces Clash in Aden," The Yemen Review, October 2021, Sana'a Center For Strategic Studies, November 4, 2021, https://sanaacenter.org/publications/the-yemen-review/15660#govt_devs; Casey Coombs, "STC-Islah Forces Clash in Aden," The Yemen Review, October 2021, Sana'a Center For Strategic Studies, November 4, 2021, https://sanaacenter.org/publications/the-yemen-review/15660#govt_devs; Casey Coombs, "Marib Political Parties Condemn Handling of Houthi Attacks," The Yemen Review, November 2021, Sana'a Center For Strategic Studies, December 9, 2021, https://sanaacenter.org/publications/the-yemen-review/15894#govt_territory

[404] "The Cabinet discusses the latest developments in the military and security situations and the suffering of citizens [AR]," Presidency of the Council of Ministers, November 24, 2021, <https://pmo-ye.net/post/1968>

[407] "Injured individuals as a result of armed clashes between STC groups and citizens in north of Aden [AR]," Al-Mahrah Post, October 14, 2021, <https://almahrahpost.com/news/27323#.YgQvFupBtyr>; "An armed gang affiliated with the STC seizes lands west of Aden [AR]," Al-Mahrah Post, September 7, 2021, <https://almahrahpost.com/news/26668#.YgQvreoatzr>; "There were wounded in other clashes around the lands of Bir Ahmed [AR]," Aden News Agency, April 1, 2021, <http://www.adennewsagency.com/8s843j>; "The governor of Aden directs to renew the moratorium on construction in the lands of 7 regions [AR]," Al-Ayyam News, September 6, 2021, <https://www.alayyam.info/news/8QCKL3CE-2STj2H-C866>; "The governor of Aden orders a halt to construction in lands witnessing armed conflicts [AR]," Al-Ayyam News, February 25, 2021, <https://www.alayyam.info/news/8INBFIQ1-Z16GEV-6F1B>; "Clashes and explosions in Bir Ahmed, Aden [AR]," Aden News, February 23, 2021, <https://adennews.net/13009j>; "Injuries in clashes between STC factions due to land disputes [AR]," Socotra Post, May 17, 2021, <https://socratrapost.com/localnews/9886>

Coalition Shifts

Was the Coalition Withdrawing?

After years of relative inactivity, 2021 was a year of change for Saudi-led coalition forces on the ground in Yemen. Beginning with a controversy over coalition redeployments to the Yemeni island of Mayun early in the year, by November the withdrawal of Saudi and Emirati forces from positions across the country raised the question of whether the coalition was pulling out of Yemen entirely. However, at the same time coalition forces disengaged, coalition-backed Yemeni forces repositioned themselves to engage Houthi forces on a scale not seen since the 2018 Hudaydah offensive, culminating in the Shabwa and Hudaydah-Taiz offensives in late 2021 and early 2022. Whether this is only a temporary response to the threat to Marib city remained to be seen as 2022 began.

Mayun and Al-Rayyan: Early Signs of Change?

Signs that the Saudi-led coalition might adjust its posture in Yemen came in February, with reports that the UAE was dismantling part of its base in Assab, Eritrea, an important logistics hub, and redeploying to the Yemeni island of Mayun in the Bab al-Mandab.^[408] Concern about Mayun reignited in May, when satellite images showed a new air base under construction.^[409] Given the tension between the UAE and Yemeni government, the Mayun revelation sparked a minor political crisis among government officials over Emirati intentions and their implications for Yemeni sovereignty. Ultimately, the coalition issued a statement stating it was in control of the positions on Mayun, which were being used to support anti-Houthi forces on the Red Sea coast.^[410] In a June 2021 interview with Russian news outlet Sputnik, Tareq Saleh claimed elements of his UAE-backed National Resistance Forces (NRF) were present on the island, in addition to a small coalition force,^[411] but the status of Mayun remained unclear. The air base was reportedly unfinished at year's end, with at least one open source analyst suggesting the UAE had instead shifted work to an airfield near the NRF-controlled city of Mokha on the Red Sea.^[412]

[408] See for example: "Military source: UAE-trained forces reach Mayon Island in Bab al-Mandab," Al-Masdar Online, February 4, 2021, <https://almasdaronline.com/articles/215118>; Jon Gambrell, "UAE dismantles Eritrea base as it pulls back after Yemen war," AP News, February 18, 2021, <https://apnews.com/article/eritrea-dubai-only-on-ap-united-arab-emirates-east-africa-088f41c7d54d6a397398b2a825f5e45a>

[409] Jon Gambrell, "Mysterious air base being built on volcanic island off Yemen," AP News, May 25, 2021, <https://apnews.com/article/mysterious-air-base-volcanic-island-yemen-c8cb2018c07bb5b63e1a43ff706b007b>

[410] “The Yemeni Foreign Minister denies signing any agreement to establish a military base on Yemeni soil [AR],” Sputnik, May 27, 2021, <https://arabic.sputniknews.com/20210527-1049086593يمنية-على-أراض-عسكرية-قاعدة-اتفاقية-أنشأ-وزير-الخارجية-اليمني-ينفي-توقيع-أي-اتفاقية-لإنشاء-قاعدة-عسكرية-على-أراض-يمنية>; “There is no truth to the reports that talk about the presence of Emirati forces on the islands of Socotra and Mayun, and their current efforts are focused with the coalition forces to confront the Houthi militias in the defense of Marib from the air [AR],” Saudi Press Agency, May 27, 2021, <https://www.spa.gov.sa/2231724>; “Saudi-led coalition says it’s behind military buildup on Red Sea island,” Reuters, May 27, 2021, <https://www.reuters.com/world/middle-east/saudi-led-coalition-says-its-behind-military-buildup-red-sea-island-2021-05-27/>

[414] Jon Gambrell, "UAE-backed Yemen leader says his troops at island air base," AP News, June 15, 2021, <https://apnews.com/article/yemen-middle-east-business-628ae4a2d20e074e7e5f43fda2df46b6>

[412] Vleckie Hond, Twitter post, December 3, 2021, "A few days ago I found some freely accessible imagery of Mayun / Perim island from this year, where the UAE was building an airbase early this year. It has now layed uncompleted for several months with no real visible work done," <https://twitter.com/VleckieHond/status/1466888698579009537>; Vleckie Hond, Twitter post, September 11, 2021, "It's likely work to extend the runway is already taking place with the land being created to the south. The airstrip is yet more evidence of the continuing UAE-involvement in Yemen; the joint forces certainly aren't building this for their own aircraft," <https://twitter.com/VleckieHond/status/1436651260271370248>

Controversy also arose over Al-Rayyan International Airport located in Mukalla. Closed following AQAP's takeover of Mukalla in 2015, the airport was subsequently commandeered by Emirati forces after they took the city in 2016 and used as a command center and prison. Since then, the airport has been mostly closed to civilian traffic, opening for a few days in November 2019 before being shut down again for not obtaining licenses from the Saudi-led coalition.^[413] This appeared to change in March 2021, when the Civil Aviation Authority of Yemen announced it would fully resume operations at Al-Rayyan airport — reportedly rehabilitated with Emirati assistance — with the first domestic flight arriving from Aden on April 9.^[414] However, the airport reportedly closed again without explanation, and remained shuttered for the rest of 2021 amid reports Emirati forces were continuing to use it as a military base and hosting Western counterterrorism forces.^[415]

Late Year Withdrawals

In October and November, coalition forces in various areas across Yemen relocated several times in quick succession. On October 26, Emirati forces withdrew from Al-Alam, reportedly overland to Saudi Arabia (see: *'Standoff at Al-Alam and Balhaf'*).^[416] On November 1, Saudi forces that had been stationed in Al-Mahra governorate since 2017 withdrew to the airport in Al-Ghaydah,^[417] and on November 10, coalition forces withdrew from their main base in Aden's Buraiqah district, which coalition spokesperson Turki al-Maliki was quick to characterize as a "redeployment of troops based on operational and tactical assessment", and not as part of a wider withdrawal from southern Yemen.^[418] Shortly thereafter, Saudi forces reportedly withdrew from positions in Sayoun^[419] and from the Khalidiya camp in Hadramawt's Ramah district.^[420]

The Saudi-led coalition was quick to emphasize that these movements were part of a redeployment rather than a withdrawal.^[421] However, the wide-reaching nature of these redeployments, the withdrawal of at least some troops from Yemen, and the relinquishing of long-held positions provoked speculation over the coalition's intentions and whether the redeployments signaled a new phase in the war.

[413] "A Decade After the Uprising – The Yemen Review, March-April 2021," Sana'a Center for Strategic Studies, May 7, 2021, <https://sanaacenter.org/publications/the-yemen-review/14007>

[414] "Yemen reopens main airport after 6-year suspension due to al-Qaida," Xinhua Net, April 9, 2021, http://www.xinhuanet.com/english/2021-04/09/c_139869568.htm?bsh_bid=5601114522; "Yemen to resume flights through Riyan Airport in Mukalla," Debrief, April 29, 2021, <https://debrief.net/en/news-24770.html>

[415] "A new military base for the Emirates at Al-Rayyan Airport in Mukalla [AR]," Aden News Agency, June 14, 2021, <https://www.adennewsagency.com/94529/>

[416] Abubakr al-Shamahi, "Anti-Houthi Forces Fail to Unite in Shabwa," The Yemen Review, October 2021, Sana'a Center For Strategic Studies, November 4, 2021, <https://sanaacenter.org/publications/the-yemen-review/15660#Shabwa>

[417] Elisabeth Kendall, Twitter post, "Locals report that #Saudi forces stationed in #Mahra...," November 1, 2021, https://twitter.com/Dr_E_Kendall/status/1455167945383071747

[418] Aziz El Yaakoubi and Reyam Mukhshaf, "Saudi-led coalition says troops redeploying in Yemen, not withdrawing," Reuters, November 10, 2021, <https://www.reuters.com/world/middle-east/saudi-led-coalition-says-troops-redeploying-yemen-not-withdrawing-2021-11-10/>

[419] Sana'a Center confidential interview with a military source in Sayoun, November 16, 2021.

[420] "Saudi forces withdraw from a military base north of Hadramawt [AR]," Yemen Future, November 16, 2021, <https://yemenfuture.net/news/5480>

[421] Aziz El Yaakoubi and Reyam Mukhshaf, "Saudi-led coalition says troops redeploying in Yemen, not withdrawing," Reuters, November 10, 2021, <https://www.reuters.com/world/middle-east/saudi-led-coalition-says-troops-redeploying-yemen-not-withdrawing-2021-11-10/>

The Hudaydah Front

For much of 2021, Hudaydah was an active theater of conflict with static frontlines. The Stockholm Agreement nominally froze hostilities in December 2018, but fighting has continued sporadically. The first 10 months of the year largely consisted of inconsequential clashes and artillery exchanges along a frontline from Hudaydah city in the north to Al-Tuhayta in the south. This state of play changed radically in mid-November 2021, when coalition forces withdrew from the southern outskirts of Hudaydah city to Al-Khawkhah, 90 kilometers to the south, ceding most of government-controlled Hudaydah to Houthi forces.^[422]

In the following weeks, coalition forces launched new offensives in southeastern Hudaydah governorate and northwestern areas of neighboring Taiz governorate.^[423] Although these registered some advances, the redeployment of coalition forces to Shabwa appeared to dampen hostilities in both Hudaydah and Taiz.

The Stockholm Agreement and 'Cease-Fire'

The Hudaydah Front has technically been under a cease-fire since December 2018, with the Yemeni government and armed Houthi movement ostensibly confined to defensive positions under the supervision of the UN Mission to Support the Hudaydah Agreement (UNMHA). While there were few territorial gains through late 2021, the front was far from quiet: Armed clashes, shellings and airstrikes along its length often resulted in civilian casualties. UNMHA released several statements of concern condemning particularly egregious cease-fire violations.^[424]

Politically, the UNMHA's mission to implement the Stockholm Agreement stalled in 2021. In addition to a cease-fire agreement in Hudaydah governorate, the Stockholm Agreement included:^[425]

- A redeployment of forces away from Hudaydah City to neutralize the city's port, overseen by the UN-led Redeployment Coordination Committee.
- The deposit of fuel import revenues into a joint Government-Houthi account at the Central Bank of Yemen branch in Hudaydah (CBY-Hudaydah) to pay civil servant salaries.
- Prisoner exchange negotiations.
- A statement of understanding on Taiz.

[422] Reyam Mokhashef, Mohammed Ghobari, "Coalition forces say they have withdrawn from around Yemen's Hodeidah port," Reuters, November 12, 2021, <https://www.reuters.com/world/middle-east/coalition-forces-say-they-have-withdrawn-around-yemens-hodeidah-port-2021-11-12/>

[423] "West Coast: Joint Forces Advance in Houthi Areas," South 24, November 20, 2021, <https://south24.net/news/newse.php?id=2233>

[424] See, for example: "UNMHA Statement on Civilian Deaths at Wedding Hall," UN Mission to Support the Hudaydah Agreement, January 2, 2021, <https://unmha.unmissions.org/unmha-statement-civilian-deaths-wedding-hall>; "Mission Concerned by Increase in Clashes in Parts of Hudaydah," UNMHA, January 18, 2021, <https://unmha.unmissions.org/mission-concerned-increase-clashes-parts-hudaydah>; "UNMHA Condemns Multiple Civilian Casualties in Al Hawak," UNMHA, February 28, 2021, <https://unmha.unmissions.org/unmha-condemns-multiple-civilian-casualties-al-hawak>; "Bouts of Hostilities in Residential Areas Cause Concern for Mission," UNMHA, March 16, 2021, <https://unmha.unmissions.org/bouts-hostilities-residential-areas-cause-concern-mission>; "Civilian Casualties During Eid al-Fitr Prompt Mission Condemnation," UNMHA, May 17, 2021, <https://unmha.unmissions.org/civilian-casualties-during-eid-al-fitr-prompt-mission-condemnation>

[425] "A Year After the Stockholm Agreement: Where Are We Now?" Office of the Special Envoy of the Secretary-General for Yemen, December 2019, https://osesgy.unmissions.org/sites/default/files/qa_stockholm_one_year_en.pdf

No progress was recorded on any of these items in 2021, with several having experienced regression in 2020. Unable to implement large-scale redeployments away from Hudaydah City in 2019, the Redeployment Coordination Committee (RCC) was dealt another blow in March 2020, when the Yemeni government suspended its participation after one of its cease-fire monitors was shot and killed by a Houthi sniper.^[426] The same month, Houthi authorities violated the fuel import revenues provision, diverting YR50 million from CBY-Hudaydah, prompting the Yemeni government to deny fuel ships entry into the port.^[427] UN prisoner exchange talks experienced a breakthrough in October 2020, but follow-up sessions in early 2021 failed to yield results.^[428] No progress was recorded on a statement of understanding for Taiz and both the parties and observers seem to forget the city was ever part of the Stockholm Agreement.

Debate over the Hudaydah Agreement was made moot on November 11, when, with no prior notification to the Yemeni government or the UNMHA, the coalition-backed Joint Forces manning the front unilaterally withdrew from their positions, ceding the coastal salient the coalition had occupied since 2018 to Houthi forces.^[429] In a statement, the Joint Forces stated it was redeploying forces away from Hudaydah due to their inability to fight under the Stockholm Agreement cease-fire.^[430] This decision was not necessarily supported by coalition forces on the ground – the locally-raised Tihama Resistance condemned the withdrawal and decried its potential humanitarian impact.^[431] The withdrawal was further marred by Houthi accusations that the coalition had summarily executed ten prisoners of war, an action the UN later confirmed and condemned.^[432]

The withdrawal and redeployment precipitated new fighting elsewhere in the governorate. On November 18, the coalition-backed Joint Forces launched new offensives in southeast Hudaydah governorate's Hays district and northwest Taiz governorate's Maqbanah district.^[433] Although the offensive made significant advances, including taking control of the Mafraq al-Udayn junction – which links Ibb and Hudaydah and is a main Houthi supply route – and gaining ground in western Taiz, Houthi forces quickly redeployed into

[426] "Yemeni Government Suspends Participation in Hodeidah's Redeployment Committee," Asharq al-Awsat, March 13, 2020, <https://english.aawsat.com/home/article/2177956/yemeni-government-suspends-participation-hodeidah%e2%80%99s-redeployment-committee>

[427] "Letter dated 22 January 2021 from the Panel of Experts on Yemen addressed to the President of the Security Council, United Nations Security Council, January 25, 2021, https://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/S_2021_79.pdf; "Hostage on the Red Sea – The Yemen Review Summer Edition, July-August 2020," Sana'a Center for Strategic Studies, September 5, 2020, <https://sanaacenter.org/publications/the-yemen-review/11477>

[428] "Letter dated 22 January 2021 from the Panel of Experts on Yemen addressed to the President of the Security Council, United Nations Security Council, January 25, 2021, https://www.securitycouncilreport.org/atf/cf/%7B65BFCF9B-6D27-4E9C-8CD3-CF6E4FF96FF9%7D/S_2021_79.pdf; "Yemen prisoner swap talks ends without a deal," Reuters, February 21, 2021, <https://www.reuters.com/article/uk-yemen-security-prisoners/yemen-prisoner-swap-talks-ends-without-a-deal-idUSKBN2ALoG2>

[429] Reyam Mokhashef and Mohammed Ghobari, "Coalition forces say they have withdrawn from around Yemen's Hodeidah port," Reuters, November 12, 2021, <https://www.reuters.com/world/middle-east/coalition-forces-say-they-have-withdrawn-around-yemens-hodeidah-port-2021-11-12/>; "The government team in the Redeployment Coordination Committee: What is currently happening on the West Coast is taking place without the knowledge of the government team and without any coordination [AR]," Saba News (government-aligned), November 12, 2021, <https://www.sabanew.net/story/ar/80992>; Patrick Wintour, "UN calls for talks on Houthi takeover of Hodeidah port," The Guardian, November 15, 2021, <https://www.theguardian.com/world/2021/nov/15/yemen-un-calls-for-talks-on-houthi-takeover-of-hodeidah-port>

[430] "Statement issued by the joint forces in the West Coast [AR]," 2 December Agency, November 12, 2021, <https://2dec.net/news47371.html>

[431] "Al-Tihami peaceful movement condemns the withdrawal of the joint forces from Hudaydah [AR]," Al-Mahriah Net, November 14, 2021, <https://almahriah.net/local/14947>

[432] "Joint Forces denies Houthi militia's allegations of executing 10 prisoners on the western coast," Al-Masdar Online, November 14, 2021, <https://almasdaronline.com/articles/240720>; "Briefing to United Nations Security Council by the Special Envoy for Yemen – Hans Grundberg, 14 December 2021," Office of the Special Envoy of the Secretary-General for Yemen, December 14, 2021, <https://reliefweb.int/report/yemen/briefing-united-nations-security-council-special-envoy-yemen-hans-grundberg-14-december>

[433] Abubakr Al-Shamahi, "Coalition Falls Back in Hudaydah, Fighting Shifts South," The Yemen Review, November 2021, Sana'a Center For Strategic Studies, December 9, 2021, https://sanaacenter.org/publications/the-yemen-review/15894#Coalition_falls_back

defensive positions.^[434] By mid-December, AA forces recaptured Al-Fawahah area in the desert extending between northeastern Al-Khawkhah and southern Al-Garrahi districts, securing their supply road to Al-Khawkhah after being threatened by the Joint Forces' advances. As of early 2022, activity along the front appeared to have lessened, as coalition-aligned Giants Brigade forces redeployed east to take part in the January Bayhan-Marib offensive.^[435]

The Air War

Principally conducted by the Saudi-led coalition through airstrikes in Yemen, and the Houthi movement via drone and missile attacks on targets both in Yemen and Saudi Arabia, the air war saw significant developments in 2021.

According to data from the Armed Conflict Location and Events Database (ACLED), there were 251 Houthi drone and missile strikes on Saudi Arabia recorded in 2021, a 176 percent increase over attacks in 2020, targeting an unprecedented 13 regions. These included the southern regions of Asir, Jizan and Najran, as well as less-frequent attacks on Riyadh and other areas, including a March 7 attack on the Ras Tanura offshore oil export facility in Eastern Province. Houthi drone and missile strikes on Saudi Arabia peaked in March, as fighting raged along the Marib, Taiz and Hajjah fronts. In December, the first civilian deaths on Saudi territory since June 2019 were recorded, when a Houthi military projectile fell on a car maintenance shop, killing two.^[436]

Although not tracked as closely as attacks in Saudi Arabia, Houthi drone and missile strikes within Yemen also continued, producing considerable civilian casualties. Many of these attacks were on targets in and around Marib city, the subject of multiple Houthi offensives since 2020.

According to the Yemen Data Project, Saudi-led coalition air raids and airstrike casualties continued a long-term decline for much of 2021, before climbing precipitously later in the year. Airstrikes hit an early year peak of around 175 over the course of March, as the coalition provided air support to Yemeni government forces in Marib and Taiz, before settling into an average of around 125 air raids per month from April to August. Almost half of all coalition airstrikes came in support of anti-Houthi forces in Marib, making it the most bombed governorate in 2021. In September, as Houthi forces took control of Bayhan and most of southern Marib, coalition airstrikes rose dramatically, from just over 150 in September to almost 250 in December. Civilian casualties also rose during this period, with 32 of the 70 recorded civilian deaths from coalition airstrikes occurring in December.^[437] Coalition airstrikes on densely populated civilian areas like Sana'a city began to noticeably pick up in November, the same month coalition-backed forces withdrew from the Hudaydah front and began redeployments.^[438]

[434] "Abubakr Al-Shamahi, "Coalition Falls Back in Hudaydah, Fighting Shifts South," The Yemen Review, November 2021, Sana'a Center For Strategic Studies, December 9, 2021, https://sanaacenter.org/publications/the-yemen-review/15894#Coalition_falls_back;

[435] Abubakr Al-Shamahi, "Coalition Falls Back in Hudaydah, Fighting Shifts South," The Yemen Review, November 2021, Sana'a Center For Strategic Studies, December 9, 2021, https://sanaacenter.org/publications/the-yemen-review/15894#Coalition_falls_back; Twfiq Ali, "The Giants Brigade is heading to Shabwa, days after the dismissal of its governor [AR]," Independent Arabia, December 28, 2021, <https://www.independentarabia.com/node/289411/محافظة-إب-إقالة-محافظها> سياسة/متابعات/العالمية-تتجه-إلى-شيوة-بعد-أيام-من-إقالة-محافظها

[436] "ACLED Data on Houthi Drone/Missile Attacks Targeting KSA in 2021," Armed Conflict Location and Events Database, N.D.

[437] "Yemen Data Project Air Raids Summary January 2022," Yemen Data Project, January 2022, <https://mailchi.mp/7af91bc30aee/january2022-yemen-data-project-update-13429404>

[438] Nicholas Brumfield, Twitter Post, "That makes round 6 or 7 of coalition airstrikes on Sana'a in the last couple weeks. Coalition claims its military targets, Houthi authorities say civilian infrastructure..." November 26, 2021, <https://twitter.com/NickJBrumfield/status/1464400775615025158>

Eye on Yemen

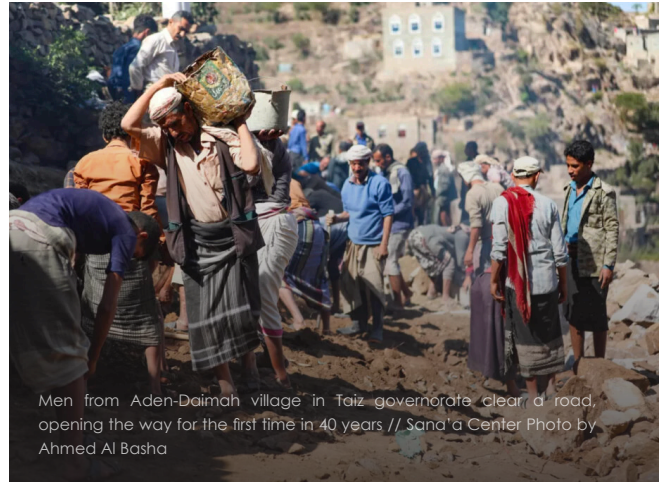
For decades, residents of Aden-Daimah, on foot or on donkeys, have picked their way through rocks and sand that block the only road to other mountain villages overlooking Taiz city. A dispute with the nearby village of Al-Mahres had kept the road from being repaired, until last summer, when public figures stepped in to resolve the dispute. On June 20, 2021, photographer Ahmed Al Basha capture the scene as residents of Aden-Daimah worked together to clear the road and prepare it for pavement.



A man walks between the agricultural terraces toward houses in the hills of Aden-Daimah, overlooking Taiz city // Sana'a Center Photo by Ahmed Al Basha



Residents of Aden-Daimah village in Taiz governorate make their way with donkeys through stones blocking the long-closed road to Al-Mahres // Sana'a Center Photo by Ahmed Al Basha



Men from Aden-Daimah village in Taiz governorate clear a road, opening the way for the first time in 40 years // Sana'a Center Photo by Ahmed Al Basha



A man from Aden-Daimah village in Taiz governorate helps repair the only road into the area // Sana'a Center Photo by Ahmed Al Basha

A man and his son set out on foot along the only road to the mountain village of Aden-Daimah, overlooking Taiz city // Sana'a Center Photo by Ahmed Al Basha

3

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Part III: Economic Developments

From Fragile to Failing: Economic Developments Pre-Conflict to 2021

For decades before the ongoing conflict, Yemen was heavily dependent on imports to meet local demand for basic commodities, importing as much as 90 percent of its food staples and most of its fuel, while also having a weak export base in which crude oil constituted as much as 90 percent of all goods sent abroad.^[439] This means that fluctuations in the exchange rate have outsized implications for food security – particularly given that even prior to the current conflict, Yemen was one of the most food insecure countries in the world where roughly half the population lived below the poverty line.^[440] The Central Bank of Yemen was able to maintain exchange rate stability, and consequently promote price stability, thanks in large part to the country's oil exports. Yemen would sell oil abroad in exchange for foreign currency, usually US dollars, with the government's portion deposited at the CBY, providing the central bank with a regular source of foreign currency to cycle back into the domestic money market and finance the purchase of imports from abroad. Under the CBY's effective supervision and regulation, the supply of Yemeni rials relative to US dollars remained stable, while currency speculation and market manipulation were kept at bay. The Yemeni rial experienced slight, gradual depreciation through the 2000s, declining from YR173 per US\$1 in 2001 to YR213 per US\$1 in 2010, following which it traded in a narrow band between YR213-215 until the eruption of the current conflict. This currency stability was aided post-2011 by more than US\$3 billion in financial aid from Saudi Arabia.^[441]

Following the takeover of Sana'a by the armed Houthi movement and allied forces in September 2014, and the Saudi- and Emirati-led military coalition intervention in March 2015, Yemen entered a precipitous economic decline. Crucially, large-scale oil exports ceased, and the coalition began enforcing strict inspection and approval processes for cargo vessels attempting to offload at the Houthi-held port of Hudaydah, the country's busiest import hub. Without oil revenues, the CBY began rapidly depleting its foreign currency reserves and was forced to start limiting import financing, forcing traders to increasingly turn to the market to purchase dollars to buy imports from abroad.^[442] Restrictions on the port of Hudaydah also prevented many commodities from entering Yemen, while creating extensive delays for those that were permitted, inducing supply-chain disruptions, market shortages and price spikes.

By 2016, downward pressure on the value of the rial saw the emergence of a parallel currency market, where the rial traded at less than the official exchange rate, forcing the

[439] "Republic of Yemen - Poverty Reduction Strategy Paper (PRSP) 2003-2005," International Monetary Fund, May 2002, <https://www.imf.org/External/NP/prsp/2002/yem/01/index.htm>.

[440] "The State of Food Insecurity in the World 2014: Strengthening the enabling environment for food security and nutrition," FAO, IFAD and WFP, 2014, p.37, <https://www.fao.org/3/i4030e/i4030e.pdf>; Wael Zakout, "Where do things stand for Yemen?" World Bank Blogs, June 19, 2013, <https://blogs.worldbank.org/arabvoices/where-do-things-stand-for-yemen>

[441] MD. Rasooldeen, "Yemen major beneficiary of Saudi development aid," Arab News, April 30, 2015, <https://www.arabnews.com/featured/news/728996>

[442] "Yemen Socio-Economic Update 2018," Ministry of Planning and International Cooperation, Issue 32, February 2018, https://fscluster.org/sites/default/files/documents/yseu32_english_final.pdf

CBY to officially devalue the rial to YR250 per US\$1 before mid-year. Waning confidence in the banking sector led to a massive migration of liquidity out of the formal financial sector. Commercial banks consequently faced a shortage of Yemeni rials, meaning they had none themselves to deposit at the central bank, leading to the breakdown in normal financial cycles. This led the CBY to simultaneously face increasing shortages of both foreign and domestic currency. Yemen is an overwhelmingly cash-based economy, and by August 2016 the CBY had run out of physical currency to pay the salaries of the 1.25 million people on the government payroll, and had exhausted most of its foreign currency reserves.

In September 2016, with the rial was trading on the parallel market at more than YR300 per US\$1 and food prices up more than 20 percent relative to pre-conflict, President Hadi ordered that the CBY headquarters be relocated to the government's interim capital, Aden.^[443] This had the effect, however, of creating two rival central banks: the Houthi-controlled CBY-Sana'a, which maintained purview over Yemen's largest financial hubs and population centers but lacked international legitimacy, and the government-controlled CBY-Aden, which had tenuous authority locally, but had international recognition and its associated privileges. The two have been in an escalating struggle for dominance since, issuing decrees that have been progressively more contradictory and incompatible and using their respective leverage in attempts to enforce compliance. The main areas of contention have been monetary policy and the supervision and regulation of the financial sector, imports and state revenues – with fuel imports through the port of Hudaydah being a particular point of contention. With neither side prevailing, the country has suffered from an increasingly fragmented monetary, fiscal and regulatory environment. The CBY-Aden's efforts to assert its authority have also been increasingly undermined by conflicts within the anti-Houthi coalition. The failure to implement the 2019 Riyadh Agreement, intended to quell the government-STC rivalry, has been a main factor preventing the CBY-Aden from enforcing fiscal, monetary, or regulatory policies, even within areas the government nominally controls.

In 2017, facing a massive revenue shortfall, the government began a policy of monetizing the budget deficit, with the CBY-Aden regularly issuing new tranches of banknotes to cover government expenses, largely salaries for military and security forces and civil servants in government controlled areas. By contrast, the vast majority of government workers in Houthi-controlled areas have gone without a regular paycheck since late 2016, with the funds the Houthi authorities have collected through state revenue streams being largely directed toward the group's war efforts and salaries for soldiers and security forces. Most of the civil servant salaries that have been paid in Houthi areas have been facilitated through United Nations agencies and other aid groups.

The government's policy of monetary expansion created an over-supply of rials which, coupled with the scarcity of dollars, has led to the steady depreciation of the rial over the course of the conflict, interspersed with periods of dramatic exchange rate volatility. Instability in the exchange market was magnified by speculation and manipulation, with currency traders exploiting the inability of either branch of CBY to effectively regulate the market. The depreciation of the rial, given Yemen's import dependence, has spurred inflation and eroded purchasing power, exacerbating the already-dire humanitarian

[443] "Yemen Market Watch Report," World Food Programme, Issue 5, September 2016, https://reliefweb.int/sites/reliefweb.int/files/resources/yemen_market_watch_report_-_september_2016.pdf; Mansour Rageh et al., "Yemen Without a Functioning Central Bank: The Loss of Basic Economic Stabilization and Accelerating Famine," Sana'a Center for Strategic Studies, November 2, 2016, <https://sanaacenter.org/publications/main-publications/55>

situation. Between February 2015 and March 2019, the cost of a minimum food basket increased roughly 125 percent.^[444] Between 2015 and 2020, the cumulative inflation rate for consumer prices reached 162.3 percent.^[445]

Saudi Arabia made a US\$2 billion deposit available to the CBY-Aden in March 2018 to allow the bank to finance imports of basic commodities. Large-scale deployment of the funds began in November that year, halting a period of heightened exchange rate volatility. The injection of new foreign currency quickly stabilized the exchange rate, and it remained relatively stable until the end of 2019, at which point most of the Saudi deposit had been exhausted and Riyadh appeared reluctant to renew its financial support.

At the beginning of 2020, Houthi authorities and CBY-Sana'a began strict enforcement of a ban on newly printed rials – meaning those issued by the CBY-Aden since early 2017, which are clearly distinguishable. This led to a flood of new rial banknotes migrating from Houthi- to government-controlled areas, with a smaller migration of old bills moving in the opposite direction. Old and new banknotes have since been treated, and valued, as different currencies in the market. Old bills, the supply of which has been gradually decreasing through wear and tear, are accepted nationwide, while new bills, the supply of which has continued to increase as the government has printed money to cover expenses, are accepted only in government-held areas. The inflationary impact of the surplus of new bills in government-held areas has been exacerbated by several factors. One is that they are circulating in areas where there is relatively less economic activity, with most of the country's commerce taking place in Houthi-held territory. Another is that Yemen's largest sources of foreign currency since the suspension of oil exports have been remittances and foreign humanitarian aid, which have largely flowed into Houthi-controlled northern areas, where the country's largest financial hubs and roughly two-thirds of its population are located.

The result was divergent exchange rates. The rial traded at roughly YR600 per US\$1 in both Sana'a and Aden in January 2020, but by December, while the exchange rate in Sana'a was unchanged, in Aden the rial was trading at almost YR700 per dollar. Food prices in Houthi- and government-held areas diverged as well, with average prices for basic food items 38 percent higher in government-held areas.^[446]

Another area of monetary policy that has been increasingly contested is the implementation of an electronic currency, or e-rial, and an electronic payment ecosystem. This has been of particular concern to the Houthi authorities, given that the supply of old rial banknotes circulating in areas they control is gradually decreasing due to deterioration. Essentially all the bills circulating in Houthi areas are now five years old or more and nearing the end of their usable lifespan. Yemen lacks the printers necessary to produce physical currency and the Houthi authorities lack the international recognition necessary to order more from printers abroad. The Houthi authorities and CBY-Sana'a have thus increasingly adopted policies and legal reforms aimed at reducing their dependence on physical cash by

[444] "Food Insecurity in Yemen," Ministry of Planning and Cooperation Economic Studies & Forecasting Sector, Yemen Socio-Economic Update, Issue 42, April 2019, https://fscluster.org/sites/default/files/documents/yseu42_english_final_o.pdf

[445] "The Impact of Conflict and War on the Transport and Logistics Sector and its Economic, Social and Humanitarian Ramifications," Ministry of Planning and Cooperation Economic Studies & Forecasting Sector, Yemen Socio-Economic Update, Issue 58, March 2021, https://fscluster.org/sites/default/files/documents/yseu-58-english_version.pdf

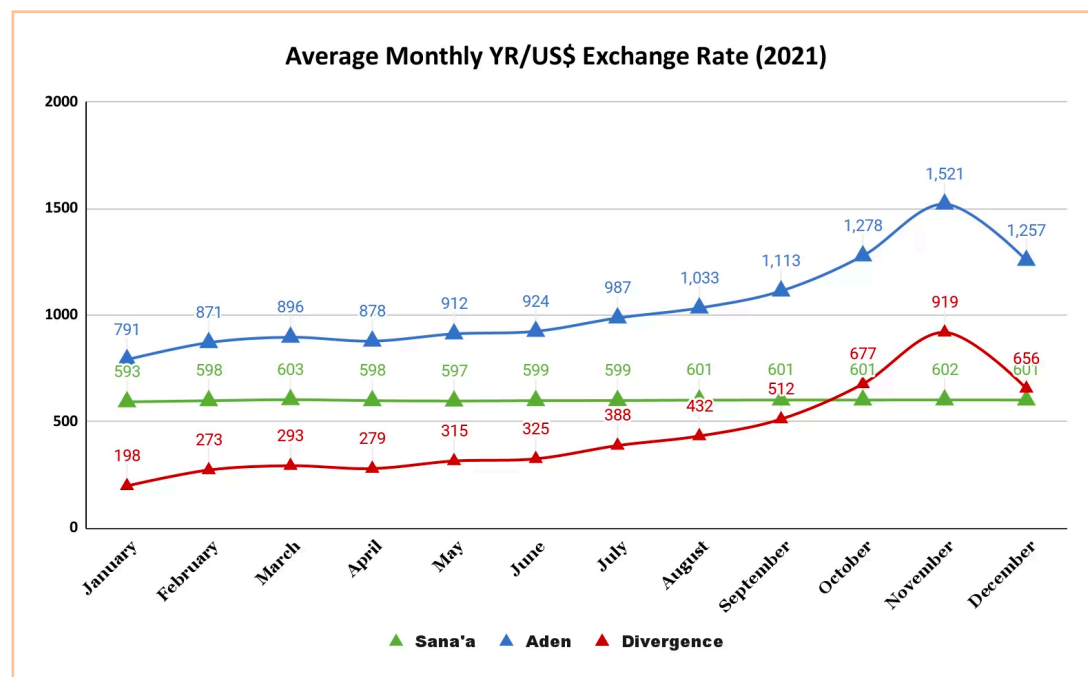
[446] Eliana Favari et al., "The 2020 Food Security Crisis in Yemen," World Bank Group and WFP, September 2021, <https://thedocs.worldbank.org/en/doc/92fc3af844649ba7ccefc7d5c88f4dfb-0280012021/original/mena-yemen-Food-Security-Crisis-sep21-eng.pdf>

increasing the usage of e-money and e-payment services. They have pursued this through a “non-bank-led model”, a minimally regulated environment in which non-bank financial institutions are granted licenses to provide electronic financial services via mobile phones. This approach runs counter to Yemen’s pre-war legal framework, which mandates a heavily regulated, bank-led model, which the CBY-Aden supports. In pursuit of their respective visions for an electronic currency and payment system, the two central banks have increasingly issued conflicting and contradictory decrees which the private sector has struggled to reconcile. As yet, e-rial adoption remains a fractional portion of financial transactions. However, should the Houthi authorities successfully implement an e-rial, the CBY-Aden would lose seigniorage over the national currency, and the bifurcation of the monetary environment would be complete.

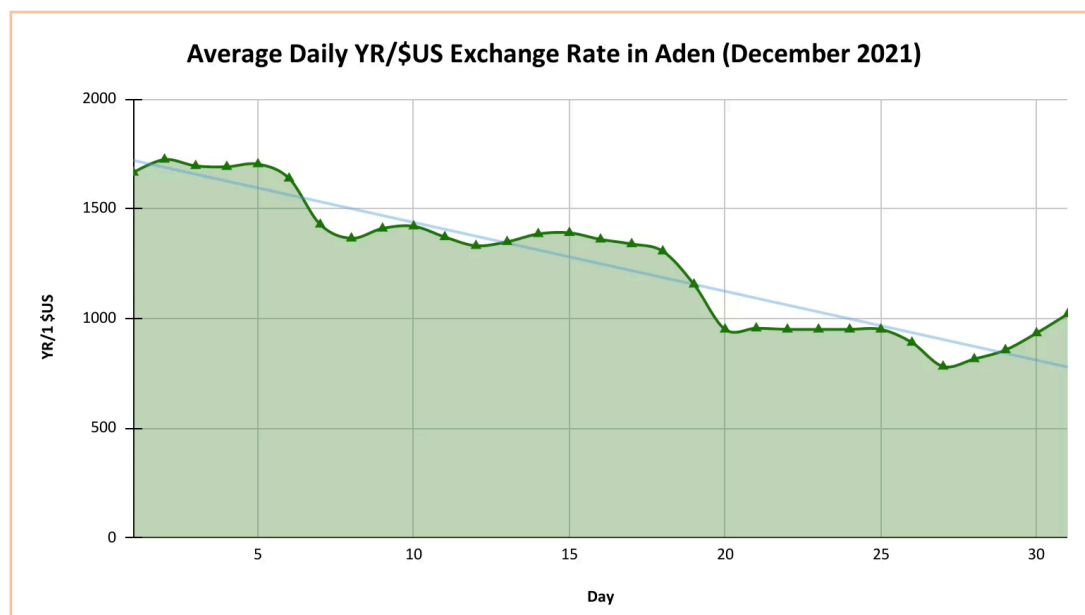
Dramatic Exchange Rate Depreciation in Govt-Held Areas

In areas under the nominal control of the internationally recognized Yemeni government, “new” Yemeni rials began 2021 trading at roughly YR691 per US\$1 and depreciated steadily in value through the first half of the year. In the second half of 2021, the currency began a far more precipitous decline, crossing the YR1,000 per US\$1 threshold for the first time in July. By December 2, new rials reached an all-time low of YR1,726 to the dollar, having lost close to two-thirds of their value over the course of the year. The currency abruptly began recovering in the last month of 2021, rebounding to YR781 per US\$1 by December 27. Instability returned in the first week of 2022, with rials trading at roughly YR1,170 per US\$1 in Aden’s parallel exchange market.

By contrast, the value of the “old” Yemeni rial in Houthi-controlled areas remained relatively stable, trading in a narrow band around YR600 per US\$1. This was the result of the Houthi-aligned CBY branch in Sana’a pursuing an aggressive fixed foreign exchange rate regime in the money market and maintaining a ban preventing new rials from circulating in Houthi-controlled areas, with Houthi security forces enforcing compliance.



Source: Sana'a Center Economic Unit

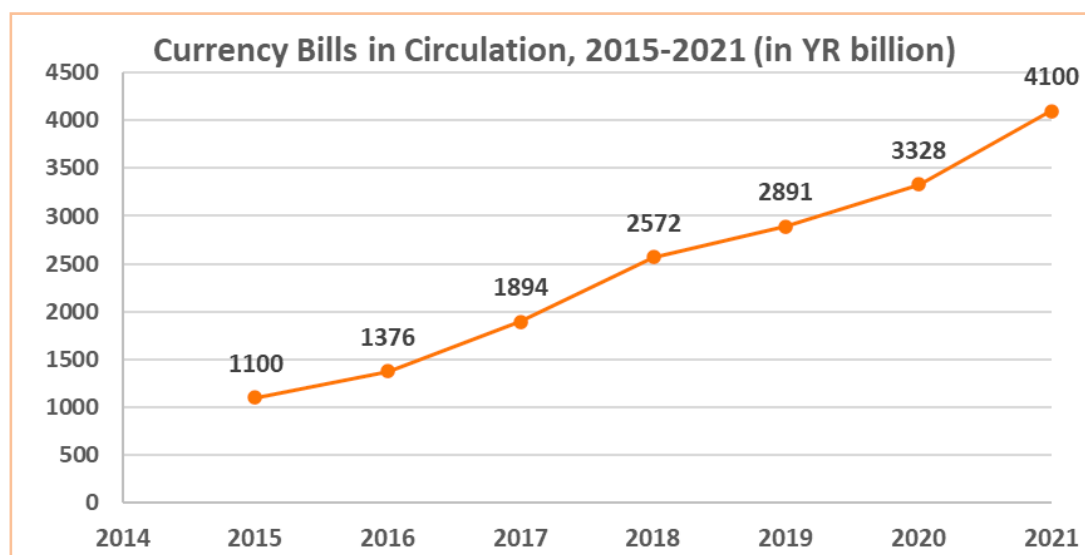


Source: Sana'a Center Economic Unit

The rial's continued depreciation in government-held areas was, primarily, the result of continued growth in the supply of rials and shrinkage in the supply of foreign currency in the market. Additionally, Houthi battlefield advances shook market confidence that the new rial banknotes could maintain their status as a store of value, while stakeholders both in Yemen and abroad increasingly lost faith in the CBY-Aden's senior administration.

Too Many Rials, Too Few Dollars, and the CBY-Aden's Crisis of Confidence

Between early 2017, when it began monetary expansion to cover government expenses, and the end of 2021, the CBY-Aden introduced close to YR3 trillion worth of new banknotes into the market, according to senior Yemeni banking officials. In July 2021 alone, the CBY-Aden circulated YR262 billion in newly printed YR1,000 bills (see '[Escalation on the Monetary Battlefield](#)' below). The Sana'a Center's Economic Unit estimated that total rial banknotes issued to the market reached YR4.1 trillion at the end of 2021 (as shown below). For context, preceding the CBY's relocation to Aden in 2016, there was roughly YR1.3 trillion worth of rial banknotes in circulation.



Sources: USAID, Sana'a Center's Economic Unit

Following the 2020 Houthi ban on new banknotes, essentially all new currency issued since 2017 has circulated government-held areas, where only a third of the country's population resides.

The CBY-Aden began 2021 with only US\$11.3 million left from the original Saudi deposit, with Riyadh, and other potential financial donors, appearing reluctant to put forward further financial aid. A likely factor in this hesitancy was the United Nations Panel of Experts on Yemen annual report to the UN Security Council, which accused the government and the CBY-Aden of embezzling nearly half a billion dollars from the Saudi deposit by way of the preferential exchange rate that had been offered as part of the bank's import financing mechanism. While the Panel of Experts' argument **contained significant flaws** and this section of the report was later withdrawn,^[447] the panel correctly drew attention to longstanding issues regarding transparency and accountability at the CBY-Aden and in the management of the Saudi deposit. Since the CBY administration was transferred from Sana'a to Aden in 2016, the bank has not been subjected to an external audit nor published an annual financial statement. Allegations of corruption at the CBY-Aden had circulated locally prior to the report. In November 2020, local media leaked a report from the Central Organization for Control and Accountability (COCA) that accused the bank's senior leadership of venality and corruption.

While the government and CBY-Aden and Yemen government vehemently denied the accusations in the panel of experts' report, it became clear early in 2021 that the central bank was suffering from a crisis of confidence, both locally and among international stakeholders. This undermined the bank's attempts to secure direct foreign financial support and its efforts to convince international donors and humanitarian organizations to channel their humanitarian funds entering Yemen through its official financial transfer scheme. Since the suspension of oil exports, the country's two largest sources of foreign currency have been remittances and foreign humanitarian aid. Given that northern areas have a higher population density, greater economic activity and are home to the largest financial hubs, the lion's share of hard currency has directly or indirectly benefited the Houthi authorities through their closely linked financial channels.

In March 2021, Saudi Arabia began to offer indirect foreign currency support for Yemen in the form of a **US\$422 million fuel grant for electricity**, delivered via the Saudi Development and Reconstruction Program for Yemen (SDRPY).^[448] A total of five bulk shipments of fuel were delivered in 2021, with a sixth bulk shipment delivered at the beginning of 2022.^[449] These deliveries relieved some of the demand for hard currency to finance fuel imports. However, demand for foreign currency to purchase other imports continued to shrink the number of dollars in circulation and put downward pressure on the value of the rial.

An avenue for further foreign currency support emerged in August, as part of the International Monetary Fund's (IMF) largest ever effort to bolster the global economy and

[447] "The CBY-Aden's Crisis of Confidence – Assessing the UN Panel of Experts' Corruption Allegations," Sana'a Center Economic Unit, March 26, 2021, <https://sanaacenter.org/publications/analysis/13577>; "U.N. monitors backtrack on Yemen money-laundering accusations - document," Reuters, March 29, 2021, <https://www.reuters.com/article/yemen-security-un-int-idUSKBN2BL2O7>

[448] "Saudi Arabia Pledges US\$422 million Fuel Grant for Govt Areas," Sana'a Center for Strategic Studies, 'A Decade After the Uprising – The Yemen Review, March-April 2021', https://sanaacenter.org/publications/the-yemen-review/14007#Fuel_grant

[449] "Sixth Shipment of Saudi Oil Derivatives Grant Arrives at Aden Port," Saudi Press Agency, January 1, 2022, <https://www.spa.gov.sa/viewstory.php?lang=en&newsid=2317479>

help address the ramifications of the COVID-19 pandemic.^[450] The Yemeni government was allocated US\$665 million worth of Special Drawing Rights (SDRs), IMF-maintained units of account that central banks hold as reserve assets which can be converted into hard currency through negotiated exchanges with other IMF member countries.^[451] Throughout the rest of 2021, senior Yemeni government and CBY-Aden officials held numerous meetings with the IMF, World Bank and other stakeholders on how to best use Yemen's SDR allocation.^[452] As noted in a Sana'a Center **Economic Bulletin**, were the CBY-Aden be able to demonstrate efficient, effective and transparent use of the SDR allocation, it could help alleviate concerns preventing other actors – primarily Saudi Arabia – from providing the bank with access to further foreign currency reserve support. But the CBY-Aden had yet to convert the SDR allocation to usable foreign currency as 2022 began.

The CBY-Sana'a released several statements voicing opposition to the CBY-Aden's SDR allocation, citing concerns of corruption and mismanagement related to the Saudi deposit.^[453] Economic observers contacted by the Sana'a Center Economic Unit said a consistent strategy of the Houthi-run central bank has been to question the CBY-Aden's legitimacy and competence, while demonstrating strong institutional capacity itself – for instance, maintaining a stable exchange rate – in an effort to garner greater international engagement and recognition.

The CBY-Sana'a issued a similar denunciation in September, when the Bank of England announced that it would grant CBY-Aden access to £82 million that had been frozen since 2016.^[454] As of this writing, however, the CBY-Aden had yet to deploy the unfrozen assets.

Escalation on the Monetary Battlefield

The currency war between the rival central bank branches escalated in June, with the CBY-Aden taking forceful steps to reunify and reassert its seigniorage rights over the national currency. The bank began issuing large quantities of new YR1,000 notes, that were nearly indistinguishable in size, shape and appearance to the “old” bills, into all Yemen’s regional markets. There was, however, one distinguishing factor between these new banknotes and old ones already in circulation: serial numbers on the new tranche of YR1,000 banknotes began with the letter (ﺩ), while serial numbers on bills printed prior to 2017 begin with the letter (ﻫ).

The Houthi authorities responded with punitive measures to restrict the circulation of the new YR1,000 bills in areas they control. Commercial shops and businesses operating

[450] "IMF Governors Approve a Historic US\$650 Billion SDR Allocation of Special Drawing Rights" IMF, August 2, 2021, <https://www.imf.org/en/News/Articles/2021/07/30/pr21235-imf-governors-approve-a-historic-us-650-billion-sdr-allocation-of-special-drawing-rights>

[451] "Yemen to get \$665 mln of IMF reserves in new SDR allocation," Reuters, August 23, 2021, <https://www.reuters.com/world/middle-east/yemen-get-655-mln-imf-reserves-new-sdr-allocation-2021-08-23/>

[452] رئاسة الوزراء اليمني (@Yemen_PM), "Prime Minister @DrMaeenSaeed chairs a meeting with the World Bank to discuss opportunities for investing the Yemen's share of the Special Drawing Rights from...", Twitter, September 2, 2021, 12:12 pm, https://twitter.com/yemen_pm/status/1433447673705738240; "Bin Briek and Al-Mabaqi discuss with the International Monetary Fund team ways and methods of using the Special Drawing Units (SDR) provided to Yemen [AR]," Central Bank of Yemen (Aden), December 12, 2021, <https://www.cby-ye.com/news/221>

[453] "Ansar Allah' demands the 'International Monetary' not to grant the Yemeni government allocations estimated at 600 million dollars [AR]," Sputnik New Arabic, August 1, 2021, <https://arabic.sputniknews.com/20210801-أنصار-الله-تطالب-النقد-الدولي-بعدم-منح-الحكومة-اليمنية-مخصصات-600-مليون-دولار-104972659.html>; "The Central Bank of Yemen warns the International Monetary Fund against granting a loan to the occupied Aden branch [AR]," Al-Masirah, August 29, 2021, <https://www.almasirah.news/post/194347/>.

[454] "Bank of England Unfreezes 82 Million Pounds," Sana'a Center for Strategic Studies, 'Southerners Protest Economic Collapse as the Houthis Advance – The Yemen Review, September 2021', https://sanaacenter.org/publications/the-yemen-review/15218#Bank_of_England

under Houthi jurisdiction generally complied with the ban, as did the general public. Those caught violating the ban had their new YR1,000 banknotes – which the CBY-Sanaa deemed “forged” – confiscated. The CBY-Sanaa also issued a circular limiting the amount of cash people traveling from non-Houthi areas to Houthi areas could carry to 100 “old” YR1,000 bills or less. Rather than reunify the currency, the CBY-Aden effort instead further inflated the monetary base in government-held areas, accelerating the rial’s depreciation.

Through the summer and into the autumn, the Houthi battlefield advances toward Marib city also began to weigh ever more heavily on the value of new rials. With the government losing ground, citizens in parts of southern Yemen and Marib felt increasingly anxious about falling under Houthi control and having their CBY-Aden-printed banknotes suddenly become worthless. A migration began to the use of hard currencies – primarily Saudi riyals and United States dollars – as stores of value and for use in financial transactions, further accelerating collapse of the rial-based currency system in areas outside Houthi control.

As July began, the price of the rial dropped precipitously. The CBY-Aden responded on July 13 with a campaign aimed at reining in market speculation and manipulation by money exchangers and hawala networks. Backed by the public prosecutor and police, this resulted in the temporary closure of various outlets. This led to a short-term rebound in the exchange rate, but the rial re-entered its slide and began August trading at YR1010 per US\$1, the currency’s first time crossing the YR1,000 threshold. The CBY-Aden moved to regulate trading further, and issued a list of over a dozen money exchange companies that were prohibited from providing transfer and remittance services. The CBY-Sanaa responded with its own separate list, which included 14 money exchange companies that were no longer authorized to operate in Houthi-controlled areas, bringing the regulation of money exchange companies fully into the fray between central bank branches.

Steep Decline to Steeper Recovery

From mid-August until early December, the rial lost more value, more quickly, in government-held areas than at any other time during the conflict. After having rebounded slightly to YR950 per US\$1 on August 11, over the next three and a half months it lost another 45 percent of its value, hitting YR1726 per US\$1 on December 2. In November, the CBY-Aden launched a new foreign currency auction system for private banks in Yemen using the Refinitiv platform.^[455] The objective was to help the central bank create a transparent platform by which to address the depreciation of the Yemeni rial and the accompanying inflation in areas nominally under the control of the internationally recognized Yemeni government.

Dramatic recovery in the rial’s value, however, only began on December 6, after President Hadi, responding to long-standing appeals from both domestic and international stakeholders, announced the replacement of the CBY-Aden’s board of directors and senior leadership.^[456] In Republican decree No. (69), Hadi also appointed the Central Organization for Control and Accountability (COCA) to audit and evaluate the operations of the CBY

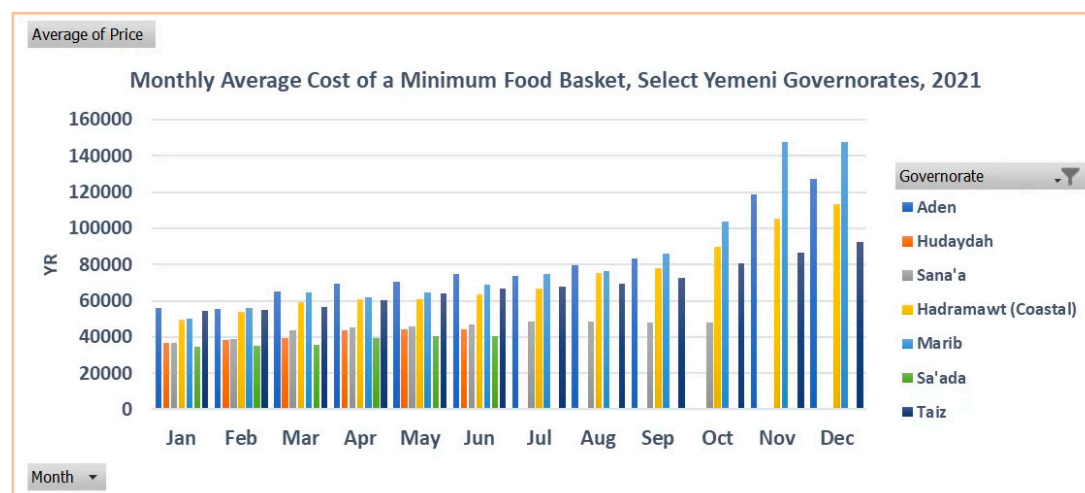
[455] Lisa Barrington and Mohammed Ghobari, “Yemen moves to tackle foreign currency woes, but IMF reserves offer untapped,” Reuters, November 18, 2021, <https://www.reuters.com/world/middle-east/yemen-moves-tackle-foreign-currency-woes-imf-reserves-offer-untapped-2021-11-18/>

[456] “Issuance of a republican decision on restructuring the board of directors of the Central Bank of Yemen [AR],” Saba News, December 6, 2021, <http://www.sabanew.net/story/ar/81751>

from its transfer to Aden in September 2016 to the end of 2021.^[457] The rial's significant recovery was accompanied by media reports that a new Saudi deposit to replenish the CBY-Aden's dwindling foreign exchange was imminent, leading the currency to regain well over half its value in the next few weeks, appreciating to YR781 per US\$1 on December 27.^[458] However, as 2022 began, neither Saudi financial support, nor any other significant source of foreign currency, had materialized, leading to renewed exchange rate instability and the rial depreciating past the YR1,000 threshold once more.

Impacts of Inflation: Higher Prices and Declining Living Standards

According to the WFP, the steady depreciation of the rial in the government controlled areas between January and November 2021 significantly increased food prices, with the cost of the Minimum Food Basket (MFB) increasing 91 percent.^[459] In comparison, the cost of the MFB in Houthi-controlled areas increased only 24 percent over the same period.



Source: FAO

The devaluation of Yemeni rial and subsequent price hikes led to a rapid decline in living conditions and spurred scenes of civil unrest and general strikes in governorates across the south. In early December, the rial's recovery and campaigns by local authorities to compel food traders to reduce prices resulted in basic food commodities falling in price by more than 30 percent.^[460] However, the rial's renewed depreciation as 2022 began was almost immediately reflected in rising food prices. In addition to the rial's depreciation, price spikes in food commodities were attributed in part to fuel shortages (See below 'Warring Parties Wrestle for Control of Fuel Imports').

[457] "Republican decisions to restructure the board of directors of the Central Bank and assign the Central Agency to review its work [AR]," December 6, 2021, <https://yemenshabab.net/news/71869>

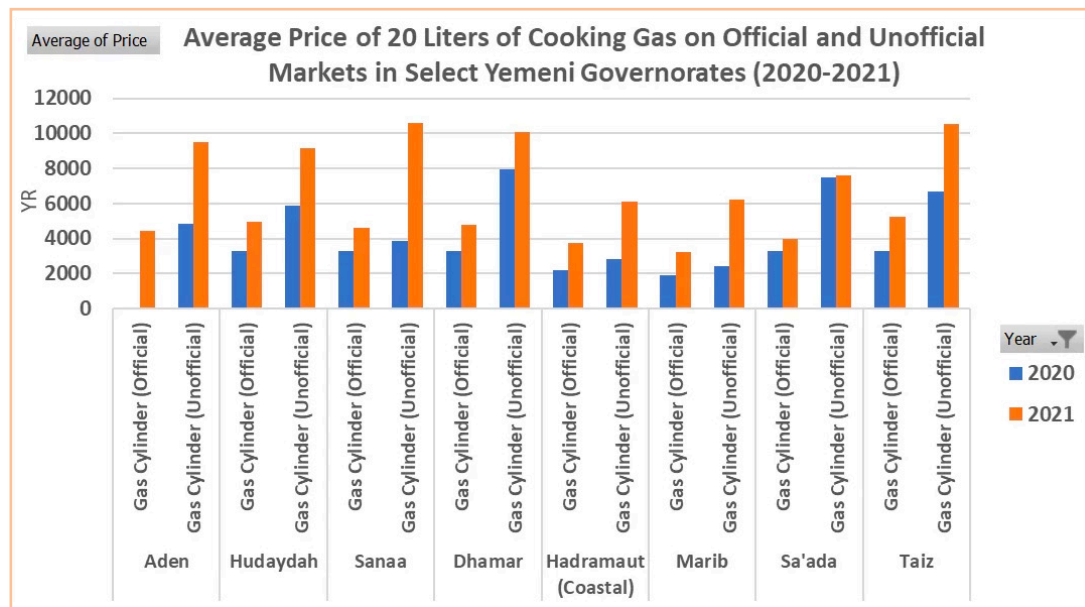
[458] "A new financial deposit from the Gulf countries to Yemen [AR]," RT Arabic, December 28, 2021, <https://arabic.rt.com/business/1309074--وديعة-مالية-جديدة- للبنك-المركزي-اليمني/>

[459] "Yemen Food Security Update November 2021 (updated as of 29.11.2021)," WFP, November 29, 2021, https://reliefweb.int/sites/reliefweb.int/files/resources/2021.11%20Food%20Security%20Update_November.pdf

[460] "Food prices decline in IRG-controlled areas alongside recovery of the local currency," FEWS NET, December 2021, <https://fewsn.net/east-africa/yemen/food-security-outlook-update/december-2021>

The fuel crisis impacted the price of cooking gas, which became more widely used as an alternative fuel for vehicles, particularly mini buses. Over the course of 2021, cooking gas remained widely unavailable at official retail outlets across Houthi-held territories, where the price is regulated, due to Houthi market manipulation, as the group diverted supplies onto the black market where prices were significantly higher. Such tactics deepened the suffering of households, in particular poor and middle-income households, who often turned to firewood as an alternative source of fuel.

The Houthi authorities have appointed officials to manage the distribution of gas cylinders at official prices, but have provided insufficient supplies to meet demand, leading to shortages. Cooking gas on the black market increased to over YR545 per liter in late August 2021, a 60 percent increase from its price in July 2020.^[461] Toward the end of the year, the price of one 20-liter gas cylinder increased by 300 percent on the Sana'a-based black market and was 500 percent more expensive than in nearby government-held Marib governorate.



Source: FAO

^[461] Ibid.

Fuel Market Dynamics and Oil Production

Warring Parties Wrestle for Control of Fuel Imports, Spurring Price Hikes

In June 2020 the government, backed by the Saudi-led coalition, began attempting to regain control over commercial fuel imports entering Yemen. It did this by adopting a strategy of limiting the number of tanker vessels permitted to offload at Houthi-held Hudaydah port, the country's busiest import hub at the time, thereby denying the Houthis customs and associated revenues on the fuel imports, while being able to collect this revenue itself. The government facilitated an increase in fuel imports through government-controlled ports in the south, with commercial traders then quickly adapting their supply chains and trucking the fuel overland to Houthi areas. The Houthi authorities, however, delayed or denied access for many of these trucks to enter areas the group controls, thereby spurring a **fuel shortage** in northern areas that the group blamed on the government and used to ratchet up international pressure to have the government fully reopen Hudaydah to fuel imports, which the government did in September.^[462]

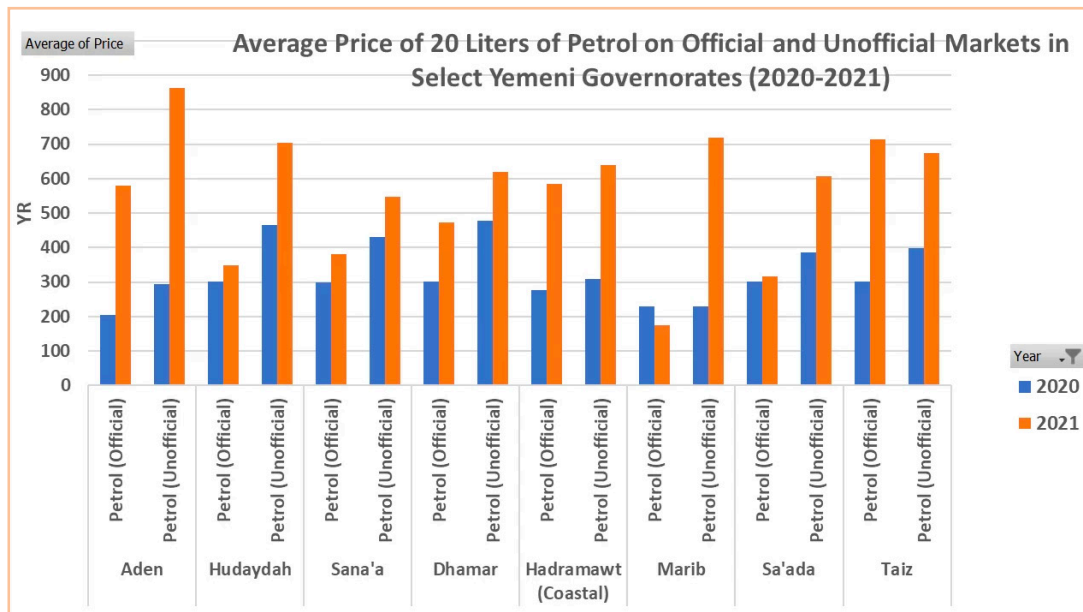
Beginning in January 2021, the government again began limiting the number of clearances given for commercial fuel tankers docking at Hudaydah, while increasing commercial fuel import activity at the ports of Aden and Mukalla. This strategy, which the government pursued throughout the rest of 2021, kept overall fuel imports entering Yemen stable. As per fuel import data obtained and verified by the Sana'a Center in January 2022, in both 2021 and 2019, an estimated 4.5 million metric tons (MT) of fuel was imported to Yemen.

As in 2020, following the government's decision to limit commercial imports through Hudaydah, the Houthis restricted the movement of fuel arriving overland and attempted to draw international attention to **fuel price hikes** and alleged fuel shortages in governorates under Houthi control.^[463] Despite reports to the contrary, fuel remained available for purchase in Houthi areas, but at a higher cost to the consumer. According to WFP data, which aggregates official and commercial fuel prices, the average price of fuel in Houthi areas at the end of December 2020 was YR401 per liter.^[464] By the end of January 2021, after the government started limiting clearances for commercial fuel imports to Hudaydah, the price had reached YR570. Fuel prices in Houthi areas then peaked at an average of YR700 per liter during the first half of April.

[462] Sana'a Center Economic Unit, "Yemen Economic Bulletin: Another Stage-Managed Fuel Crisis," Sana'a Center for Strategic Studies, July 11, 2020, <https://sanaacenter.org/publications/analysis/10323>

[463] "Renewed and Prolonged Hudaydah Fuel Import Standoff," Sana'a Center for Strategic Studies, 'Houthis at the Gates of Marib – The Yemen Review, January-February 2021,' https://sanaacenter.org/publications/the-yemen-review/13365#Fuel_hudaydah

[464] "Economic: Prices - Dataviz," WFP - VAM, n.d., https://dataviz.vam.wfp.org/economic_explorer/prices?admo=269



Source: FAO

Most fuel in Houthi areas is sold at unregulated, privately owned fuel stations, where fuel was readily available throughout most of 2021. The state-owned Yemen Petroleum Company (YPC) also sells fuel at the officially set price – usually significantly less than the market rate – though with far fewer outlets than private retailers, where the availability of fuel is intermittent, and often with per customer limits on purchases. Fuel was significantly more expensive in Houthi areas until the final quarter of 2021, when depreciation of the rial in government-held areas led to rapid inflation in commodity and fuel prices.

The added overland transportation and distribution costs were factors in the increased price of fuel sold in Houthi areas.^[465] Additionally, fuel imported to Houthi areas from Aden or Mukalla faced double taxation, first by Yemeni government port authorities, and subsequently by Houthi-run inland customs checkpoints that regulate and tax goods upon entry to Houthi areas, allowing the Houthis to recoup revenue losses at Hudaydah port. In June, the Houthi-run YPC **announced** an increase to official petrol and diesel prices from YR295 per liter for both petrol and diesel to YR425 per liter of petrol and YR395 per liter of diesel.^[466]

On October 11, the Houthi-run YPC reinforced the **higher fuel prices** in Houthi areas when it started issuing daily YPC distribution lists that specified the different YPC stations that would be selling petrol at the official price.^[467] The daily distribution lists, which continued throughout the remainder of the year, included fuel quotas for customers of 40 liters per vehicle every five days within set hours. Fuel remained more widely available on the black market but at a higher cost.

[465] "YEMEN: Effects of the fuel embargo at Al Hodeidah port on fuel supply dynamics and fuel prices," ACAPS Analysis Hub, Thematic Report, August 17, 2021, https://www.acaps.org/sites/acaps/files/products/files/20210817_acaps_yemen_analysis_hub_fuel_prices_o_o.pdf

[466] "Houthi-run YPC announces introduction of new 'official' fuel prices," Sana'a Center for Strategic Studies, 'Eye on the East - The Yemen Review,' June 2021, https://sanaacenter.org/publications/the-yemen-review#14598/Houthi_YPC

[467] "Houthi-Run YPC Regulates Consumer Petrol Purchases," Sana'a Center for Strategic Studies, 'Houthi Forces Close in on Marib City - The Yemen Review,' October 2021, https://sanaacenter.org/publications/the-yemen-review#15660/Price_hikes

In non-Houthi areas, the government strategy of forcing overland transportation of fuel to Houthi areas caused occasional disruption to local fuel markets. This was in part due to fuel traders wishing to capitalize on the higher profit margins in Houthi areas; as a result there were several periods in which this left the markets of Aden and Mukalla with insufficient fuel to meet local demand. In general, however, the fuel price dynamics in non-Houthi areas continued to be largely determined by the depreciation of the rial. In addition to this, there was significant price divergence between different local markets outside of Houthi areas. This was partly explained by the fragmentation of the state-run YPC, with the branches in Aden, Mukalla and Shabwa operating with a greater degree of autonomy than those in Houthi areas.^[468] The relationships between each YPC branch and the private sector fuel traders that supply both YPC and privately-owned stations also influenced the market price.

The dramatic depreciation of the Yemeni rial across non-Houthi areas from August to December (see '[Dramatic Exchange Rate Depreciation in Govt-Held Areas](#)'), prompted a series of fuel price adjustments over the course of the year. The close correlation was again on display with dramatic price reductions in December 2021 in response to the rial's appreciation in value. The respective YPC branches in Aden, Shabwah, Al-Mahra, Wadi Hadramawt and Coastal Hadramawt all announced price reductions during the second half of December 2021.^[469]

The negative impact of the rial's depreciation on household budgets, and specifically the ability of consumers to afford rising fuel prices, lingered through the end of the year. The reduced affordability of fuel in Hadramawt governorate (and other southern and eastern governorates) resulted in a drop in demand. In addition to lowering fuel prices in response to the appreciation of the rial in December, a new diesel subsidy program was introduced and applied by the YPC branches in Coastal and Wadi Hadramawt, in a bid to aid consumers and stimulate the local fuel market.^[470] The diesel subsidy program was introduced on December 27 and allocates a daily quota of 350,000 liters of diesel from state-owned PetroMasila to the YPC branches in Hadramawt. The diesel is then sold at YPC stations at a subsidized rate of YR205 per liter. However, consumers must be prepared to wait in long queues, or pay a higher "consumer rate" for diesel sold at privately-owned stations.

Toward the end of 2021, it appeared the government was looking to strengthen the role of the government-run Aden Refinery Company (ARC) and YPC in the country's fuel import dynamics, with the [November 2021](#) appointments of Ammar al-Awlaqi as the new Executive Director of the YPC and Mohammed Yaslam Saleh as head of the ARC.^[471] This was followed by appeals from Minister of Oil and Minerals Abdulsalam Abdullah Salem Baaboud to reinstate the ARC and YPC to their pre-conflict roles, when the government held a monopoly on fuel imports.^[472]

[468] "YEMEN: Effects of the fuel embargo at Al Hodeidah port on fuel supply dynamics and fuel prices," ACAPS Analysis Hub, Thematic Report, August 17, 2021, https://www.acaps.org/sites/acaps/files/products/files/20210817_acaps_yemen_analysis_hub_fuel_prices_o_o.pdf

[469] "Aden.. The oil company announces a new reduction in the price of fuel [AR]," News Yemen, December 22, 2021, <https://www.newsyemen.net/new/80343>; "Shabwa Oil Company approves new fuel prices [AR]," Aden Al-Ghad, December 28, 2021, <https://adengad.net/posts/588992>; "Al-Mahra..The Oil Company announces a reduction in the selling price of gasoline and diesel [AR]," Socotra Post, December 24, 2021, <https://socotrapost.com/localnews/13554>; "Urgent: The oil company in the coast of Hadramout reduces the price of fuel to this price [AR]," Al-Youm Al-Rabea News, December 23, 2021, <https://alyoumalrabeaews.net/2021/12/23/عاجل-شركة-النفط-بساحل-حضرموت-تخفض-سعر>

[470] "Reducing the price of diesel in Hadramaut .. Learn about the new pricing [AR]," Al-Wattani, December 27, 2021, <https://www.alwattani.net/news/180528>

[471] "Hadi Appoints New Heads of Yemen Petroleum and Aden Refinery Companies," Sana'a Center for Strategic Studies, 'Fighting Shifts South – The Yemen Review, November 2021', <https://sanaacenter.org/publications/the-yemen-review/15894#YPC>

[472] "The Minister of Oil sends a letter to the Prime Minister asking him to return to institutional work as a 'document' [AR]," Al-Wattani, December 31, 2021, <https://www.alwattani.net/news/180875>

Domestic Hydrocarbon Production and Yemen's Balance of Trade

The exact level of Yemen's recent crude oil production is somewhat contentious, with the weakness in transparency and reporting leading to varying estimates. The US Energy Information Administration, for instance, estimates that total output in 2020 was roughly 23.7 million barrels, with this number falling to just under 20 million barrels in 2021.^[473] However, based on consultations with a senior international official well acquainted with Yemeni oil exports as well as personnel at various production locations in Yemen, the Sana'a Center Economic Unit estimates overall production in 2020 at roughly 18 million barrels, which grew to roughly 20 million in 2021. Of this, some 80 percent was exported through the Ash-Shihr and Rudum/Nushayma export terminals in Hadramawt and Shabwa governorates, respectively. The remaining production was largely comprised of the 10,000 barrels per day that is fed directly from Block 18 in Marib to the Marib refinery, after which the refined oil products are used domestically.

It had been anticipated that crude oil production in Block 5 (Jannah) in Shabwa governorate would come back online in 2021, however this had not materialized by the year's end. There have been discussions regarding the reactivation of crude oil production at Block 5 since at least 2019. Similarly, hope for the resumption of liquified natural gas exports (LNG) from the Balhaf export terminal in Shabwa governorate was not realized. Government officials have been outspoken in their criticism of the small contingent of Emirati and UAE-backed forces currently based at the terminal. The Sana'a Center Economic Unit has been reliably informed that for LNG exports to resume, there would need to be a six-month period of relative security and stability at the point of production (Marib), along the LNG pipeline and at the Balhaf terminal.

Without a recovery in oil export volumes, Yemen's balance of trade deficit grew significantly in 2021, with USAID projecting that it would almost triple from 2020, from -US\$465 million to -US\$1.37 billion. While rising global oil prices in 2021 led the value of overall crude oil exports to increase to US\$1.26 billion from US\$711 million in 2020, this was more than offset by the increased cost of refined fuel imports – by far the largest component of the balance of trade deficit – which increased from US\$2.07 billion to US\$2.79 billion from 2020 to 2021.^[474]

[473] "OPEN DATA," US EIA, n.d., <https://www.eia.gov/odata/qb.php?sdid=INTL-53-1-YEM-TBPD.A>

[474] "ECONOMIC RECOVERY & LIVELIHOODS PROGRAM (ERLP) -YEMEN, QUARTERLY REPORT, FY2021 Quarter 4 July 1 – September 30, 2021," USAID, November 9, 2021, P. 20, https://pdf.usaid.gov/pdf_docs/PAooZ39G.pdf

Competition for Customs Revenue

Yemeni consumers in Houthi-controlled areas continued to face market prices inflated by twin taxation and customs regimes for imported products in 2021.^[475] Customs duties on fuel and other commodities are charged at the first port of import in government-held areas, and then at the land-based customs centers in Houthi-controlled regions. At times, a third party also collected customs, as noted by the United Nations Panel of Experts on Yemen report published in January 2021, with the Southern Transitional Council (STC) collecting fees on imported fuel. Dual taxation, along with other factors, saw fuel prices increase 76 percent and 108 percent between July 2018 and April 2021 in Houthi- and government-controlled areas, respectively.

An important source of revenue generation for the Houthi authorities has been the taxation of commercial imports. In March 2021, Houthi authorities increased customs fees from 30 percent to 50 percent on commercial imports coming from government-held areas. By 2018, the Yemeni government had reduced customs tariffs by 30 percent on goods entering the ports and land borders it controlled, meaning that commercial imports were only subject to 70 percent of the previously applied tariff. The Houthi authorities, however, then moved to collect the 30 percent difference themselves, effectively erasing the reduction.^[476]

The Houthi-controlled Customs Authority, its branch offices and custom centers have been able to collect significant revenue from tariffs, according to a high-ranking official aware of public finance developments in Houthi areas.^[477] The source revealed that close to YR1.4 billion in customs duties has been collected daily in 2021, which would translate to more than YR500 billion collected for the year in Houthi areas alone, close to fivefold higher than the YR112 billion in customs revenues collected nationwide prior to the ongoing conflict.

In late July 2021, the Yemeni government increased its own customs tariffs by doubling the customs exchange rate from YR250 per US\$1 to YR500 per US\$1 for all goods besides basic foods, fuel and medicine. Prior to this, both the Yemeni government and the de-facto authorities in Sana'a had applied a unified exchange rate of YR250 per US\$1 to calculate custom tariffs. The new customs rate remains far below the parallel market exchange rate, which reached historic lows of YR1700 in early November in Yemeni government-controlled areas. The dual tax and customs policies enacted by parties to the conflict have substantially increased the operational costs of doing business and trade, costs that have been passed on to consumers, eroding a substantial portion of their purchasing power and exacerbating the deterioration of living conditions across the country.

^[475] Dakshinie Ruwanthika et al. "Final report of the Panel of Experts on Yemen (S/2021/79)", United Nations Security Council, p. 268/310, January 25, 2021, <https://reliefweb.int/report/yemen/final-report-panel-experts-yemen-s202179-enar>

^[476] Peter Salisbury, "Yemen: National Chaos, Local Order," Chatham House, December 20, 2017, <https://www.chathamhouse.org/2017/12/yemen-national-chaos-local-order-0/3-resources-revenue-and-incentives-spoil>

^[477] Senior official interviewed in December 2021.

Public Sector Salaries

Public sector employees in Houthi-controlled areas faced varying degrees of delayed, backdated salary payments, which came sporadically in the first seven months of 2021. On January 12, April 3, May 5 and July 11, 2021, Houthi authorities paid civil servants a half month's salary, covering the period from mid-February to mid-April 2018. As of the end of 2021, civil servants in Houthi-controlled areas were still owed more than three and a half years of missed salary payments.

The Yemeni government continued regular salary payments to all non-military personnel on the public payroll, though the value of these salaries was severely affected by depreciation of the Yemeni rial over the course of the year (see 'Impacts of Inflation: Higher Prices and Declining Living Standards'). Meanwhile, soldiers under the first, second, third, sixth and seventh military regions continued to go without regular salary payments from the Yemeni government in 2021, as they had for much of 2020. This impacted military units in the governorates of Aden, Lahj, Abyan and Al-Dhalea, most of which are affiliated with the STC. Government officials, and others, have linked the withholding of these salaries with the stalled efforts to implement the Riyadh Agreement – and specifically the clauses calling for STC military and security personnel to be integrated under the ministries of defense and interior, and the withdrawal of other military units and heavy weaponry from Aden.^[478]

Uncertainty Surrounds Remittances and Expat Expulsion from Saudi Arabia

Since the suspension of large scale oil exports in 2015, remittances have become Yemen's largest source of foreign currency and a crucial financial lifeline for millions of its citizens, with **most of this money being sent** home from Yemenis working in Saudi Arabia. Quantifying this phenomena is, however, difficult. The informal nature of both the employment many hold and the financial networks through which most of their money is sent, leave the total number of workers and the amount of remittances unclear. Efforts to "Saudiize" the labor force over the last decade through expulsion of undocumented workers and increasingly **restrictive labor laws**, are likewise difficult to quantify in terms of their impact on Yemeni workers and the domestic economy.

The Gulf Labour Markets and Migration Programme **estimated** that between 2012 and 2016 there were 800,000 Yemenis working in Saudi Arabia, **but less** than 700,000 in 2017-2018. The Saudi Ministry of Labor and Social Development **reported** in March 2016 that there were a total of 722,000 documented Yemenis employed across all Saudi sectors, though it did not release estimates for undocumented workers. Central Bank of Yemen (CBY) estimates spanning 2014 to 2017, and a World Bank estimate for 2017, **suggest** that remittances for these years remained relatively constant, at roughly US\$3.4 billion. More recently, the Yemeni government has **estimated** there were more than two million Yemenis working in Saudi Arabia, who sent home some US\$8 billion annually. The onset of the COVID-19 pandemic, and the accompanying economic shutdowns in Saudi Arabia, are thought to have **dramatically impacted** Yemenis' ability to make money to send home,

[478] "Yemen..Protests are chasing the equal government in Aden, and the Ttransitional [Council] is riding the wave [AR]," , Al Jazeera, March 3, 2021, <https://www.aljazeera.net/news/2021/3/14/اليمن-الاحتجاجات-تلاحق-الحكومة>

with USAID [estimating](#) remittances to Yemen dropped by US\$750 million between 2019 and 2020.

While the precise figures remain murky, the substantial contribution of remittances to the Yemeni economy makes them of national importance. Shock and [outrage](#) gripped many Yemenis when news emerged in [July](#) and [August](#) 2021 that Saudi authorities were moving to end the contracts of Yemeni employees by allowing existing contracts to lapse or terminating them outright. But there was little consensus on the scope and scale of the initiative. Some news outlets reported the terminations applied only to the [southern regions](#) of Asir, Al-Baha, Najran and Jizan, and that those workers could find work elsewhere in Saudi Arabia, while others talked of a wider purge, extending to the termination of residential contracts. Some reports [suggested](#) the Saudi government appeared to be targeting health workers and academics, while others [reported](#) the retail sector was also affected. At the end of August, thirteen Yemeni and international rights organizations [petitioned](#) the United Nations Committee on Migrant Workers to pressure Saudi Arabia to halt the measures, with reports emerging that Riyadh was backtracking on its decision.

Saudi and Yemeni government officials have remained silent on the issue in public. [Anecdotal evidence](#) strongly indicates that Yemeni workers in Saudi Arabia have been forced from their jobs, but precisely how many have been terminated, or how many were able to return to work in the kingdom, remains unclear.

E-Rial Developments

During 2021, the CBY-Sana'a continued to expand its cashless e-rial strategy, authorizing more banks and non-bank financial institutions and establishing digital financial and fintech platforms to manage and provide e-rial and e-payment services. During the first quarter of 2021, the CBY-Sana'a granted licenses to the Shamil Bank of Yemen and Bahrain (SBYB) and International Bank of Yemen (IBY) to provide electronic money services, and authorized WeNet to operate the payment settlement system among banks and e-wallets. CAC bank was permitted to collect public revenue in e-rials on behalf of the customs authority.

Furthermore, the so-called National Salvation Government (NSG) in Houthi-controlled areas implemented a transition project to adopt a state-led e-payment system for disbursement of public salaries. On November 28, the Ministry of Finance in Sana'a issued circular No. 28 of 2021^[482] to implement the project. In early 2022, the ministry issued circular No. 1 of 2022 to pay the first half-month salary of April 2018 to all public servants across Houthi-controlled areas.^[483] The payment was made electronically via CAC bank and the General Authority for Post and Postal Savings (GAPPS). The Houthi government-to-person (G2P) transactions scheme has allowed public servants to cash out salaries received in digital form. However, the success of this move is limited, as the liquidity shortage remains unaddressed, and no convenient access points or reliable agent networks are in place to guarantee customers access to cash-in/cash-out services, and little to no incentive has been created for merchants and businesses to invest in electronic payment services.

^[482] A draft of the circular was shared with the Sana'a Center in January 2022.

^[483] "The Ministry of Finance issues a circular to pay half the salary to all state employees [AR]," SA24, January 2, 2022, <https://sa24.co/show14954669.html>

Telecoms: MTN Yemen Exits Amid Controversy

In November 2021, the South African multinational telecommunications company MTN Group announced its planned withdrawal from Yemen, following the transfer of its majority (82.8 percent) stake in MTNYemen to Emerald International Investment LLC.^[484] The transfer marked the closing of MTN Group's Yemeni venture after establishing itself as one of the largest telecommunications companies operating in Yemen, with a reported 4.7 million subscribers. The decision was made after several years of financial losses during the conflict. As noted in a [policy memo](#) examining the impact of the war on Yemen's telecommunication sector, the conflict has caused an estimated \$4.1 billion in direct financial losses for the telecommunications sector.^[485] Another factor behind MTN Group's exit is that the government and Houthi authorities continue to politicize the telecommunications sector and attempt to extract additional funds from telecommunication companies. Industry appeals for both sides to desist from such practices have been ignored.

In the end, MTNYemen decided it was time to cut its losses. The Group's sale of its Yemeni operations has drawn controversy in the local press, with speculation that Emerald International Investment is a Houthi front facilitated by the Omanis. According to the MTN Group, "Emerald is a subsidiary of Zubair Investment Center LLC, an affiliate of Zubair Corporation LLC, which is the minority shareholder in MTN Yemen." The Zubair Corporation is an Omani business conglomerate that operates in many sectors, including energy, finance, real estate, hospitality, arts and education.^[486] A Sana'a Center Economic Unit investigation noted that Emerald has neither a business registration nor a license history to prove its purported affiliation with Zubair Corporation LLC. Available information suggests Emerald did not exist prior to its involvement in the acquisition of MTNYemen.

[484] "MTN Group progresses with the simplification of its portfolio with exit from Yemen," MTN, November 18, 2021, <https://www.mtn.com/mtn-group-progresses-with-the-simplification-of-its-portfolio-with-exit-from-yemen/>

[485] Mansoor al-Bashiri, "Impacts of the War on the Telecommunications Sector in Yemen," Rethinking Yemen's Economy, January 11, 2021, <https://sanaacenter.org/publications/main-publications/12721>

[486] "The Zubair Story," Zubair Corporation, n.d., <https://zubaircorp.com/en/>

