

### Houthis Target Israel Amid Gaza Conflict

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#### The Sana'a Center for Strategic Studies

is an independent think-tank that seeks to foster change through knowledge production with a focus on Yemen and the surrounding region. The Center's publications and programs, offered in both Arabic and English, cover diplomatic, political, social, economic and security-related developments, aiming to impact policy locally, regionally, and internationally.

Protesters in Taiz city demonstrate on October 27, 2023, in solidarity with Palestinians and against Israel's military campaign in Gaza // Sana'a Center photo by Ahmed Al-Basha

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Commentary: The Poisonous Egos in Yemen's Tragedy

### **Executive Summary**

### Military and Security

The Houthi group (*Ansar Allah*) claimed responsibility for a series of attempted missile and drone strikes on Israel. The Houthis have threatened to keep up the attacks as long as the Israeli military operation in Gaza continues. Four projectiles were intercepted by a US warship in the Red Sea, where the group has expanded its operations, and it could threaten shipping in the area in the future.

Hamas' deadly incursion into Israel and the subsequent conflict has fueled fears of a broader conflagration across the Arab world, potentially drawing in Iran and the US. While this still appears unlikely, the Houthis' involvement could yet provoke retaliatory strikes from Israel or the US. The conflict is also proving a boon for recruitment for Al-Qaeda in Yemen.

The Houthis staged a massive military parade on September 21 to celebrate the anniversary of their seizure of the capital in 2014. They then cracked down heavily on September 26 revolution celebrations, which mark the end of the Imamate and the beginning of republican rule. Thousands were reportedly arrested and detained, and a number of people were beaten for participation, as the event now carries symbolic importance as resistance against Houthi rule. Yemen has also seen nationwide demonstrations in support of the Palestinians over the course of October.

Two border incidents marked a rare resumption of violence between the Houthis and foreign members of the Saudi coalition. Five Bahraini soldiers were killed following a Houthi drone strike along the border on September 25, and four Saudi soldiers were killed in a raid one month later. There has been speculation that the incidents reflect internal dissent over progressing Saudi-Houthi peace talks.

Heavy fighting in Al-Dhalea has killed scores of fighters on both sides, though the frontlines have moved little. The renewed violence has been accompanied by the assassination and attempted assassination of local military leaders.

### Politics and Diplomacy

A Houthi delegation made a long-awaited visit to Riyadh in mid-September as bilateral peace talks with Saudi Arabia continue to move forward. Both sides have pressed on despite recent border incidents and the Houthis' attempted participation in the conflict in Gaza. Progress has reportedly been made on a number of thorny issues, including the payment of public sector salaries. The internationally recognized government remains excluded from the talks, and is expected to swallow whatever deal materializes. The loudest objections to this arrangement have come from the Southern Transitional Council (STC), which advocates secession. The attempted Houthi strikes on Israel could complicate the announcement of a peace deal, particularly if they provoke a retaliatory response.

Presidential Leadership Council (PLC) chief Rashad al-Alimi addressed the UN General Assembly in New York in September, where he noted the challenges his government faces from the war and an ongoing economic crisis. Al-Alimi was accompanied by STC chief Aiderous al-Zubaidi, though neither appeared happy with the arrangement. The PLC remains riven by division, and the UAE-backed Zubaidi represents perhaps its most powerful faction.

A security operation in Hadramawt's capital city of Mukalla has stoked divisions in the governorate, which remains contested between Islah and the STC and their sympathetic local factions. More than twenty people were arrested in raids on civilian homes, provoking a furious response. The Hadramawt Tribal Alliance demanded that the Emirati-backed forces that conducted the operation be held accountable for violations, which drew further recriminations from local STC leadership.

International aid organization Save the Children announced that their director of security Hisham al-Hakimi had died in a Houthi prison after being kidnapped by the group six weeks prior. The organization had reportedly been in contact with his captors but to no avail. Allegations have since surfaced that the Al-Hakimi had been denounced to Houthi authorities by a colleague, who informed them that he objected to restrictions imposed by the group and sought to have projects relocated. Save the Children is conducting an investigation into the incident, and briefly suspended its operations in the north.

### Economy

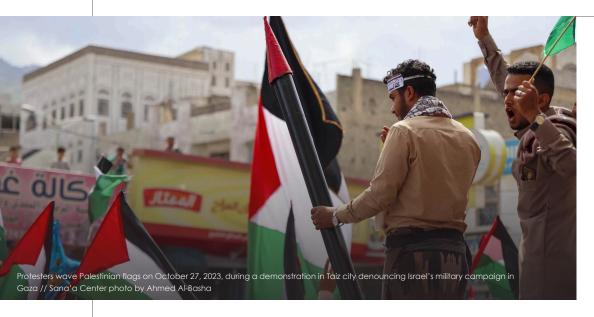
Prime Minister Maeen Abdelmalek Saaed denied allegations of corruption against his government laid out by a parliamentary fact-finding committee. Saaed said the committee's report was politically motivated and reflected the partisan grievances of special interest groups. The government has faced criticism over its handling of the country's acute economic crisis, precipitated by a Houthi blockade on oil exports last fall. Without its largest source of revenue, the government has been unable to afford the provision of electricity, and may soon be unable to pay public sector salaries. It has also faced recent criticism for its handling of a telecommunications deal with an Emirati company.

The STC has also criticized the handling of electricity provision, accusing the government and central bank of mismanagement. The interim capital of Aden, controlled by the STC, is currently receiving as few as two hours of electricity a day, as power stations shut down due to lack of fuel. The blackouts have fueled protests in Aden and other governorates.

The Houthi-controlled ports of Hudaydah have witnessed a more than 50 percent increase in commercial activity. The Saudi coalition has eased controls on shipping into the north, and the Houthis have actively sought to divert shipping by coercing and threatening traders. The result has been a shift of customs revenues to the Houthis, driving the government closer to insolvency. The Houthis have also imposed new restrictions on trucks that service the ports, perhaps in an attempt to monopolize the distribution of imports.

The value of new rials, the currency used in government-controlled areas, declined 5 percent in October, following smaller drops in August and September. The fall is almost certainly informed by the government's rapidly dwindling FX reserves. Promised Saudi support has failed to materialize, and the central bank has suspended FX auctions that finance the purchase of imported foodstuffs.

The government-controlled Central Bank in Aden announced the first auction of one-year government bonds. Only 28.5 percent were sold, with an average return of 17.7 percent. The central bank also announced that it had successfully joined the Arab Regional Payment System (BUNA), and that it has issued a public tender for the audit of its accounts and data for the past three years.



#### **Politics & Diplomacy**

## Houthis Visit Riyadh as Bilateral Talks Move Forward

A Houthi delegation arrived in Riyadh for discussions with Omani and Saudi officials on September 14, the first time Houthi representatives have publicly visited the Saudi capital since the war in Yemen began. The bilateral talks now appear to be moving rapidly toward the announcement of an agreement. The Houthi delegation met with Saudi Defense Minister Khalid bin Salman, and talks took place over five days before Houthi officials announced their conclusion and returned to Sana'a. The Saudi government said it is preparing a roadmap to securing peace in Yemen, and head of the Houthi Supreme Political Council Mahdi al-Mashat indicated the group was "pleased" with the discussions. On September 20, officials in Riyadh praised the "positive results" of the negotiations and encouraged Yemeni parties to work together to reach a comprehensive solution.

The delegation was headed by Houthi negotiator Mohammed Abdelsalam, who made dovish comments to Saudi daily Asharq al-Awsat, declaring that "peace is our first choice." He was accompanied by five other senior figures: Hasan al-Kohlani, Abdelmalek al-Ejri, Yahya al-Razami, deputy foreign minister Hussein al-Ezzi, and Jalal al-Ruwaishan, who belongs to the General People's Congress, the Houthis' nominal ally in government. Saudi Defense Minister Khaled bin Salman tweeted photos of the meetings from his official X account (formerly Twitter), accompanied by text presenting Saudi Arabia as it wishes to be seen: as a mediator in the conflict. "I affirmed during my meeting with the delegation that the kingdom stands with Yemen and its people and its desire for the Yemeni parties to sit around the negotiating table to achieve a comprehensive and permanent peace in Yemen under UN auspices," he wrote. "We hope serious talks will bring results and the Yemeni parties can come together and agree."

The visit was widely praised as a sign of progress. US National Security Advisor Jake Sullivan issued a statement on September 15 welcoming the delegation's arrival in Riyadh, the UAE foreign ministry issued a statement praising Saudi Arabia and Oman for their efforts to create a lasting political settlement, and Qatar commended Saudi Arabia for issuing its invitation to "a Yemeni delegation" to complete earlier talks held in Sana'a. But despite this apparent pressure from regional players, sources say the atmosphere in Riyadh was tense. The dynamics are the same as they have been for months – barely repressed fury among Presidential Leadership Council (PLC) members that they have no say in talks on the country's future.

The PLC remains almost entirely excluded from the talks – they are provided with details of their progress, but not written drafts. The council has reportedly agreed on a declaration of principles governing their approach to the current talks and planned future negotiations with the Houthis. They recently passed comments to Saudi Crown Prince Mohammed bin Salman, including a request that foreign forces be allowed to remain in Yemen until later in the peace process. But the Saudis have delivered a harsh message. Convening the PLC in Riyadh for a series of meetings with the Saudi and Emirati diplomats, Ambassador to Yemen Mohammed al-Jaber told the council that as far as Riyadh is concerned, the war is over and a deal is close to being done. Saudi Arabia's hosting of the 2034 World Cup, after it became the sole bidder at the October 31 deadline, underscores its desire for peace on its southern border, so it can focus on economic development, tourism, and global branding. This was further underlined by the recent announcement of another mega tourism project, this time in Abha, in the kingdom's southwest.

Predictably, objections have been voiced most strongly by the UAE-backed Southern Transitional Council (STC). Its head, Aiderous al-Zubaidi, warned against any deal made in Riyadh after the Houthis' visit, and told The Guardian that southerners had been "sidelined." Al-Zubaidi has further objected to the *fait accompli* presented to the council by Al-Jaber, saying that the south wouldn't accept it, that it wants its own administration with its own sources of revenue, and that it would consider such a deal as concerning only Saudi Arabia and the north. PLC sources say Al-Jaber responded that the STC is not the south's sole representative, during a sharp exchange between the two. Al-Zubaidi is still pushing for a separate track of negotiations regarding the future of the south, but has been told by the Saudis that this is beyond the scope of the current talks and will have to wait.

The bilateral negotiations have marched on despite a rare border attack by the Houthis and renewed international attention on the group following its attempted strikes against Israel. A Houthi drone attack on the Yemeni-Saudi border on September 25 killed five Bahraini soldiers, arousing speculation over its intent: in some quarters it was interpreted as reflecting Iranian unease over the talks and their apparently rapid progress – some reports say Iran wants the Houthis to extract clearer recognition of their authority in northern Yemen. Another possibility is that the attack was the work of hardliners within senior Houthi ranks, namely Abdelkarim al-Houthi and Yahya al-Houthi. Abdelkarim, the uncle of supreme Houthi leader Abdelmalek al-Houthi, is the former chairman of the executive office of the group and current interior minister; Yahya, Abdelmalek's older brother, serves as education minister. Saudi Arabia's willingness to continue talks may reflect an understanding that these are the internal dynamics they are dealing with. Saudi officials have reportedly privately expressed frustration about the incident. On October 24, at least four Saudi soldiers were killed in another border clash between Saudi Arabia's Jazan district and Yemen's Hajjah governorate.

Developments in Gaza initially precipitated a brief pause in the Saudi-Houthi talks, but both sides now appear intent on pressing on, and an agreement has reportedly been reached on a number of outstanding items. The outlines of a prospective deal are the same as those leaked to the media earlier this year: a six-month period during which Saudi Arabia pays public sector salaries and oil and gas revenues are deposited in an account controlled by a special committee; then another six months to prepare the ground for a two-year process of talks between the government, in the form of the PLC, and the Houthis. The Houthis have now reportedly consented to allow customs tax from the ports of Hudaydah to be "included in revenues," possibly meaning they would be part of a contribution to the nationwide payment of public sector salaries, as stipulated in the 2018 Stockholm agreement. But such news should be treated with some skepticism, as the original provision foundered due to disputes over the intended meaning of the text. The Saudis have reportedly even consented to pay the salaries for a full year, provided that this is not stipulated anywhere in writing. But core issues remain unresolved, including a long-running dispute over whether the Saudis can formally cast themselves as a mediator to the conflict. Both sides want to emerge from the negotiations in the best possible light, and coordinating this façade is proving difficult.

### Houthis Fire on Israel as Regional Tensions Soar

The Houthis have claimed responsibility for several recent missile and drone operations targeting Israel. Houthi military spokesman Yahya Sarea gave a televised speech on October 31, declaring that attacks would persist as long as Israeli aggression in Gaza continued. The strikes raise the possibility of the Biden administration re-designating the Houthis as a foreign terrorist organization, after they were removed from the list in February 2021, although only a small group of congressional republicans are publicly pushing for a re-designation. Houthi caretaker Prime Minister Abdelaziz bin Habtour, who was sacked by leader Abdelmalek al-Houthi in late September, made a statement to the media describing the missiles as "belonging to the Yemeni government."

Houthi leader Abdelmalek al-Houthi had vowed to attack Israel in an October 10 speech should the US get involved. "We will not hesitate to do everything we can [...] and we are in complete coordination with the Axis of Resistance to do everything we can," he said, referring to the military alignment of Tehran, Hezbollah, Hamas, and other Iranian-backed groups. "If the US directly intervenes, we are ready to participate with missile strikes, drones, and other military options." Abdelmalek also lamented the groups' geographical distance from the conflict: "If only we were next to Palestine, then we would have sent hundreds of thousands of our fighters to defend it," he said, echoing a rhetorical flourish often used by his predecessor in Sana'a, President Ali Abdullah Saleh. Houthi spokesperson Mohammed Abdelsalam took to X to attack the UAE – backers of the Southern Transitional Council (STC) and other military forces on the government side – for a public statement condemning Hamas for attacks against Israeli civilians. "The UAE should have stayed quiet rather than reveal its ugly face by stabbing the Palestinian resistance in the back," he wrote on October 9. Omani and Iranian sources have said the Houthis are prepared to be as much of a thorn in the Israelis' side as they can be.

The attempted strikes have been stymied by air defense systems. But Houthi missiles and drones have been effective in Yemen, and the group's strategy in the event of a wider regional conflagration could be to harass Red Sea shipping, especially American vessels or those of other nations perceived as supporters of Israel. The Houthis have fired missiles in the Red Sea before, as recently as last March, and targeted a US warship in October 2016. Further Houthi involvement

in the conflict will likely provoke a commensurate response. The Houthis may now run the risk of Israel assassinating senior figures inside Yemen or US drone and missile strikes, such as those that targeted Al-Qaeda's leadership over the past decade. The conflict will likely have a galvanizing effect on jihadists and other extremists, and could improve recruitment. Previously isolated jihadist leaders and militants have reportedly returned to the fold and rejoined Al-Qaeda in Yemen, which could augur new operations and violence. There is an increased risk of attack against Western or Yemeni government interests from Al-Qaeda, particularly elements in Al-Mahra under the influence of Iran-based leader Saif al-Adel, and this too could provoke a US response.

Yemen, like much of the region, has been consumed by the fear that the conflict in Gaza – and Houthi participation – could escalate into a wider conflagration involving Iran and its allies, and perhaps draw in the United States. The Israel-Palestine conflict remains an important touchstone in the Arab and Muslim worlds, and a devastating explosion at a hospital in Gaza provoked an outpouring of public support for the besieged inhabitants of Gaza and condemnation of Israel's aerial bombardment campaign. A solidarity demonstration in Sana'a was held on October 20, and rallies also took place across several other governorates, including Taiz, Marib, and Hadramawt. The slogan of the Houthi group is "God is the greatest, Death to America, Death to Israel, Curse on the Jews, Victory to Islam," and the group routinely holds demonstrations when violence flares up in Palestine.

### Alimi Addresses UN Assembly

On September 18, PLC chief Al-Alimi and PLC member and STC chief Al-Zubaidi arrived in New York to attend the UN General Assembly. While there, they met US Secretary of State Blinken and other foreign leaders, including Jordan's King Abdullah II and UAE Foreign Minister Abdullah bin Zayed. They also attended the UN Sustainable Development Summit, in which Al-Alimi delivered a brief address. On September 20, they met with US Special Envoy for Yemen Tim Lenderking, following his meeting with Saudi and Emirati officials, and PLC chief Rashad al-Alimi addressed the United Nations General Assembly, saying that peace in Yemen was "elusive" and stressing that his government faced serious challenges from the Houthis, extremist forces, and the country's ongoing economic crisis. On September 24, he concluded his visit after meeting with a number of foreign ministers and attending a reception with US President Joe Biden.

Al-Zubaidi sat alongside Al-Alimi at the opening of the General Assembly on September 19, though neither looked particularly happy about it. US Secretary of State Antony Blinken tweeted a photograph on September 18 of a meeting with Al-Alimi in which Al-Zubaidi was cut out of the picture, leaving only his nameplate showing, but the US generally looked to use the UN meetings as a forum for bringing various parties together. On September 20, Blinken posted photos of himself speaking with Saudi Foreign Minister Faisal bin Farhan and UAE Foreign Minister Bin Zayed on the sidelines of the conference, following reports stating that the US would try to bring Saudi and Emirati officials together to reduce tension over Yemen. The US may fear that the UAE and its numerous proxies, including Zubaidi's secessionist STC, could play a spoiler role in the bilateral Saudi-Houthi talks.

ZAl-ubaidi prolonged his stay in the US and met with members of the southern Yemeni diaspora. In his sole major interview he took a measured tack, welcoming the ongoing talks as a prelude to a peace process in which the STC could negotiate for southern independence. "We are asking for the return of the southern state, with complete sovereignty, and this will happen through

beginning negotiations with the Houthis and the negotiations will be, surely, long," he said in an interview with Associated Press on the sidelines of the General Assembly. "This is the goal of our strategy for negotiations with the Houthis."

### **UN Continues Shuttle Diplomacy**

UN Special Envoy to Yemen Hans Grundberg has maintained a busy schedule of shuttle diplomacy in support of the ongoing peace talks. On September 6, Grundberg concluded a visit to Abu Dhabi where he met with UAE Foreign Minister Khalifa Shaheen and diplomatic advisor to the Emirati president, Anwar Gargash. He also met Shabwa Governor Awad bin al-Wazir al-Awlaqi. Discussions reportedly focused on regional and international efforts to bring sustainable peace to Yemen. On September 7, Grundberg met Saudi Ambassador to Yemen Mohammed al-Jaber in Riyadh, along with the ambassadors to Yemen of the five permanent members of the UN Security Council. On September 11, the Security Council held a closed meeting to discuss the situation in Yemen and heard briefings from Grundberg, Assistant Secretary-General for the UN's Office for the Coordination of Humanitarian Affairs Joyce Msuya, and head of the UN Mission to Support the Hudaydah Agreement Michael Beary. Council members encouraged continued peace talks led by Saudi Arabia and Oman but also stressed the importance of a Yemeni-Yemeni dialogue.

On September 25, Grundberg concluded another trip to Riyadh where he met with Al-Jaber and representatives of the P5, following direct negotiations between Saudi and Houthi officials. On October 2, Grundberg traveled to Qatar where he met Minister of State for International Cooperation Lolwah al-Khater and other officials. Three days later, he met with Foreign Minister Badr al-Busadi in Muscat to discuss developments in mediation efforts, as military adviser to the UN Special Envoy's Office General Antony Hayward traveled to Marib for talks with officials on humanitarian and political developments and potential steps to end the war under UN auspices. Governor Sultan al-Aradah expressed his readiness to open major roads leading to Houthi-held areas within 48 hours if the Houthis agreed to do the same, according to the director of the governor's office. General Hayward and officials from the Special Envoy's office also spoke with civilian, security, and military leaders in the governorate.

On October 18, Grundberg concluded another visit to Riyadh where he met with senior Yemeni officials and other international stakeholders. Conversations focused on establishing an intra-Yemeni political process. On October 25, Grundberg concluded a visit to London, where he met with a number of officials from the British Foreign Office and discussed UN efforts to establish a peace process in Yemen.

The EU and US have also continued diplomatic visits in support of the peace process, though there is concern that such efforts will now be overshadowed by attention to the conflict in Gaza. On September 12, the head of the EU mission to Yemen and the ambassadors of France, Germany, the Netherlands, and Finland met with PLC chief Al-Alimi in Aden, where they discussed the ongoing efforts to end the conflict and stressed the importance of the PLC's unity. The EU heads of mission to Yemen met Saudi Ambassador Al-Jaber in Riyadh on September 25 to discuss the conflict.

Senior US officials, including Middle East adviser Brett McGurk, Assistant Secretary of State of Near East Affairs Barbara Leaf, and US Special Envoy for Yemen Tim Lenderking traveled to Riyadh for talks with Saudi officials. According to National Security Adviser Jack Sullivan, one of the primary purposes of the visit is to work toward "a permanent peace in Yemen." US officials

confirmed that Yemen was on top of White House Coordinator for the Middle East and North Africa Brett McGurk's agenda. US Ambassador to Yemen Steve Fagin met with Hadramawt Governor Mabkhout bin Madi and Interior Minister Ibrahim Haydan, along with several local representatives, in Seyoun city, in the first visit by a US ambassador to the Hadramawt Desert and Valley region in over a decade. On October 23 and 25, the US Embassy to Yemen posted images of Ambassador Fagin meeting with senior government officials, including PLC members Othman Mujali and Abdullah al-Alimi, and Foreign Minister Ahmed Awad bin Mubarak.

### Houthis Arrest Hundreds Over Sept 26 Celebrations

Following recent protests of the non-payment of public sector salaries, Houthi authorities were notably aggressive in their efforts to stop celebrations of Revolution Day on September 26, which marks the 1962 replacement of the Zaidi imamate with a republic. Hundreds of people were detained, shots were fired at cars bearing the republican flag, and flag wavers and itinerant flag sellers were beaten. Internet links to Zoom and Google Meet were down on the eve of September 26, likely a result of official jamming.

Dozens of people were held in prolonged detention. Some have been released after signing pledges not to engage in acts of public disorder, without specifying that they were celebrating the republic. Most of those arrested had carried flags in celebration. Houthi ideology holds disdain for the revolution, despite having no formal objection to Yemen's status as a republic. Many families are staying quiet in the hope of ensuring the release of detainees rather than risk further inflaming Houthi authorities by speaking out.

In some districts, where important Houthi figures live, there were no measures taken against flag-wavers, but there was a particular crackdown in Ibb, which has been a center of anti-Houthi protest activity over the past year. Similar precautions were taken in Hudaydah city, where hundreds of Houthi forces deployed following widespread celebrations. More than 20 members of the General People's Congress party were reportedly detained in Hudaydah for two days for fear they would mobilize demonstrators.

On social media, Houthi supporters have been passing around old clips of warnings made by senior military commander Abu Ali al-Hakim against efforts to destabilize Houthi control just before former president Ali Abdullah Saleh broke with the Houthis and was killed in 2017. Friday prayers and neighborhood representatives (s. aqil, pl. auqal) are also putting out the message that the populace should refrain from protests. The authorities have been alarmed by a gradual rise in public complaints about the economy while Houthi revenues are rising and many among the Houthi elite have clearly enriched themselves. The Teachers' Union has been at the forefront of such protests, and support from GPC members of the Houthi parliament sparked a firestorm of rhetorical backlash in August.

### Humanitarian Worker Dies in Houthi Custody

On October 25, international aid organization Save the Children announced the death of their Security and Safety Director for Yemen, Hisham al-Hakimi. Al-Hakimi reportedly died inside a Houthi Security and Intelligence Services prison after being forcibly disappeared on September 9. During his detention, the Save the Children regional office in Amman was in communication with Houthi authorities and demanded his release, but the request was rejected by the Houthirun National Security Bureau, according to a humanitarian source. Local media reported that Al-Hakimi's family were contacted by Houthi authorities and told to come collect his body.

A Yemeni human rights activist who was in contact with Al-Hakimi before his detention has alleged that Save the Children's then-director in Yemen, Rama Hansraj, informed Houthi authorities that Al-Hakimi was objecting to restrictions imposed by the group and attempting to redirect projects to areas under the control of the internationally recognized government prior to his abduction. Save the Children initially issued a statement mourning Al-Hakimi on its Facebook page, without providing any information about his detention or cause of death. In a statement released a day later, the organization called for an independent investigation. An internal investigation, assisted by an external law firm, was also launched, according to employees with the organization. Save the Children suspended its work in Houthi-controlled areas for an initial period of 10 days before resuming operations.

The Houthis have targeted other humanitarian workers as well. On October 25, Houthi forces stormed the house of UNHCR employee Mubarak al-Anwa in Sana'a; Al-Anwa was kidnapped in Ibb on August 8 and is reportedly being held in Sana'a.

### Hadramawt Dispute over UAE-Backed Security Operation

In Hadramawt's capital city Mukalla, military and security forces launched operation "Scales of Justice" to target fugitives wanted by the local judiciary for rioting and disturbing the peace. Hadramawt Governor Mabkhout bin Madi characterized the campaign as a success, while local journalists and activists condemned the raids on civilian homes. Twenty people were reportedly arrested. Days before the campaign began, the Islah party had criticized the Criminal Investigation Department in Mukalla for preventing them from holding an event to celebrate the anniversary of the September 26 Revolution.

The Hadramawt Tribal Alliance, led by Amr bin Habrish, issued a statement on October 29 calling for the governorate to hold UAE-backed forces accountable for violations perpetrated during the searches and to release detainees being held without charge. The criticism provoked a furious response in STC-aligned media, which defended the UAE for standing with the governorate during its "most difficult times" and helping to "liberate the Hadramawt coast."

The issue was still reverberating two days later when the local STC leadership issued a statement accusing Bin Habrish of abusing his authority as head of the tribal group to attack the UAE. The dispute seemed to reflect underlying Saudi-UAE tensions in Hadramawt, since Bin Habrish has drawn closer to Riyadh, but may reflect specific concerns that the UAE is trying to limit the Hadramawt Tribal Alliance's influence along the Hadramawt coast, where the STC and other UAE-linked forces hold power.

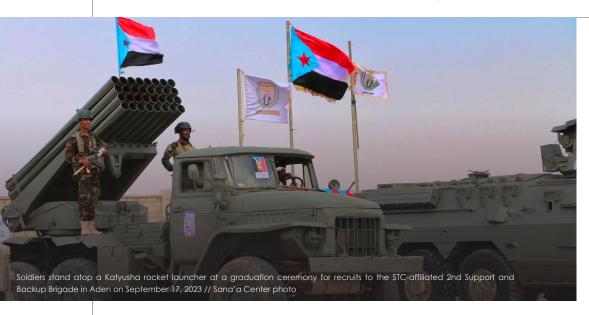
### Other Developments in Brief

### Houthis Told to Vacate Syria Embassy

On October 11, Yemeni Foreign Minister Ahmed bin Mubarak announced that the Syrian government had instructed Houthi officials to vacate the Yemeni embassy in Damascus so that the Aden-based government could return to the building. The Yemeni government severed diplomatic ties with Damascus in 2011 during the Syrian civil war. In 2015, shortly after the Houthis stormed Sana'a, the group sent a diplomatic mission to Damascus that settled into the Yemeni embassy there.

#### Former Al-Jawf Governor Returns to Yemen

The former governor of Al-Jawf, Sheikh Amin al-Ukaimi, returned to Yemen for the first time since he was placed under house arrest in Riyadh over a year ago. At an event in Marib, Al-Ukaimi declared a rebellion against the Presidential Leadership Council (PLC), describing its members as coup plotters who unseated former President Abdo Rabbuh Mansour Hadi in a fashion not unlike when the Houthis took over Sana'a in September 2014. Affiliated with the Islah party, Al-Ukaimi was replaced as governor by Hussein al-Aji al-Awadi in October 2022 after falling out of favor with Saudi Arabia. Al-Ukaimi said in his speech that he remains the legitimate governor of Al-Jawf and will not cede power to anyone who does not have the approval of the citizens of the governorate. Leaders from the General People's Congress (GPC) and the Yemeni Socialist Party in Al-Jawf subsequently declared their support for the PLC.



#### **Military & Security**

# Houthi Missiles and Drones Target Israel

The outbreak of conflict between Israel and Hamas in Gaza on October 7 galvanized Houthi forces, who have used their strategic position on the Red Sea to threaten Israeli and US forces in the region – or at least give their supporters the impression that they are doing so. This culminated on October 31, when Houthi military spokesman Yahya Sarea gave a televised speech claiming three missile and drone strikes in the Red Sea, threatening to continue attacks as long as the Israeli campaign in Gaza continued. A flurry of Houthi military activity took place in the weeks preceding the missile launches, suggesting that Houthi forces have militarized large swaths of the Hudaydah coastline and Red Sea islands, giving them a strategic position from which to threaten not only Israeli cities, but also US ships and commercial activity in the Red Sea.

Houthi operations in the Red Sea have recently centered around the group's bases on Kamaran and Taqfash Islands, two of more than 15 islands that the group controls off the western coast of Hudaydah. The eastern areas of Kamaran Island are particularly strategic, as they are interspersed with mangrove forests which provide cover across the many inlets and ports in the area. Taqfash – which is known locally as Antofash Island and has likely been home to a Houthi base since August – is also tactically valuable, as it is one of the largest Red Sea islands and the closest to the international shipping lane. Early September witnessed a number of Houthi naval boats launching from these areas, with patrols reported near Taqfash Island, as well as Jabal al-Tair Island and the Zubair Archipelago to the west of Kamaran Island on September 11 and throughout October. In October, locals reported Houthi training exercises involving amphibious naval teams and naval commando units, as well as mock drone raids over Kamaran's mangrove forests.

Events escalated in early October when Houthi forces closed off several coastal areas in northern and southern Hudaydah between October 4-8 to allow the supply of weapons shipments and materiel to military sites. During this time period, three large boats arrived at Khor al-Nakhila to

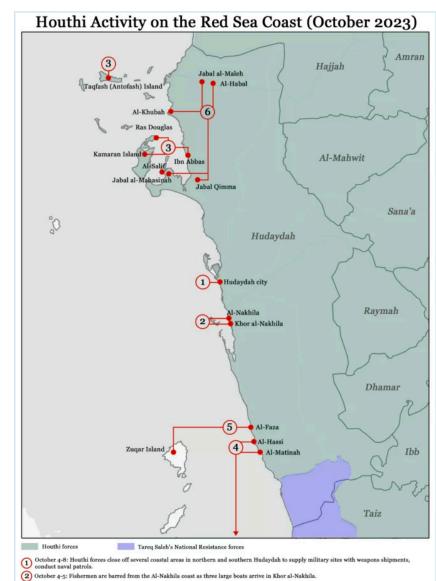
the south of Hudaydah city and several large boats entered the Kamaran Island port and visited a northeastern part of the island called Ras Douglas. Fishermen were concurrently prohibited from working in these areas.

Early October also saw activity off the Al-Matinah coast of Al-Tuhayta district in southern Hudaydah as Houthi forces patrolled their territorial waters. On October 11, naval skirmishes occurred off the Al-Faza coast in the west of Al-Tuhayta district after a Houthi-flagged dhow, reportedly carrying a shipment of weapons, briefly exchanged fire with a Joint Forces-flagged transport boat, causing the Houthi vessel to withdraw.

On October 18, local residents in Hudaydah's northwestern Al-Lahiya district reported hearing missile and drone launches from Houthi-controlled areas near the village of Jabal al-Maleh, Jabal Qimma, Al-Salif city, and Ras Issa. Houthi construction has been ongoing in several of these areas and they have been cordoned off since 2020. The following day, on October 19, the Pentagon announced that the USS Carney had intercepted four Houthi missiles and drones in the Red Sea which, based on their trajectory, could have been targeting Israel. Prime Minister of the Houthiled government Abdelaziz bin Habtour took responsibility for the incident and warned that attacks would continue.

On October drones 27, were downed over the Egyptian coastal towns of Taba and Nuweiba. The Israeli military linked these drones to the Houthis, reporting that they intercepted the drones before they could reach their presumed target, the nearby southern Israeli port of Eilat. On October 31, another projectile was intercepted outside Eilat. Houthi leader Hezam al-Asad's دد that the group was involved in both attacks appeared to be confirmed on October 31, when Houthi spokesman Yahya Sarea gave a speech saying that Houthi forces had launched three assaults on Israel. The following day, Sarea announced a fourth attack on X (formerly Twitter), which remains unconfirmed.

While the ability of the Houthis to actually strike targets in Israel remains in question, the attacks do have several major implications and highlight the Houthis' ability to threaten strategic interests in the region. Houthi forces could turn their attention to Red Sea targets. Washington announced the arrival of an Ohio-class submarine to the Red Sea on November 4. In response to promised Houthi attacks on "Zionist" assets in the region, the Israeli military announced on November 1 that it had deployed missile ships in the Red Sea.



October 6-7: Large Houthi vessels dock at Kamaran Island port and the Ras Douglas area in the northeast of the island.

Houthi naval forces patrol around Taqfash (Antofash) Island military base. Fishermen are prohibited from the Ibn Abbas coast

October 18: Houthi forces seal off Jabal al-Maleh village and surrounding areas; roads are closed between the Al-Habal and Al-Khubal sounds of drone and missile launches are reported from the Jabal al-Maleh/Jabal Jadr area, Jabal Qimma, and Jabal al-Malasinah, coinciding with Houthi missile launches that were intercepted by a US Nay warship in the Red Sea and Saudi Arabia.

October 6-8: Houthi naval forces patrol the Al-Matinah coast from the Al-Hassi area south to Al-Makha.
 October 11: Naval skirmishes are reported between a Houthi dhow carrying weapons and a Joint Forces transf the Houthi vessel withdraws and later docks at Al-Faza port.

Retaliation could include a combination of hard- and soft-power maneuvers, including the assassination of senior Houthi members in the following months or the reclassification of the Houthi group as a terrorist organization – which Washington policymakers are already keen to move forward on. Regardless, while continued Houthi involvement in the Gaza crisis may be popular with the group's domestic base, it remains unclear at what cost.

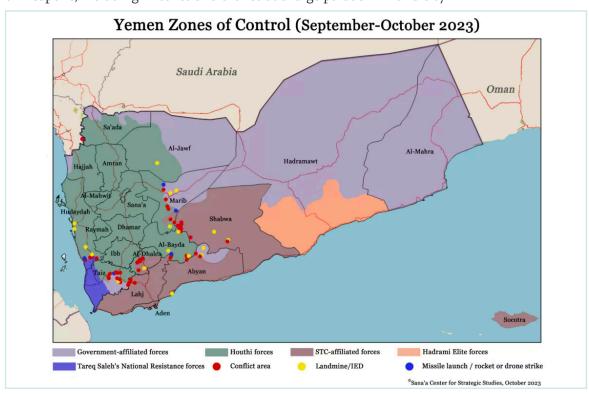
### September Revolution Celebrations Spark Security Crackdowns

The commemoration of both the Houthi takeover of Sana'a on September 21 and the anniversary of the 1962 revolution against the Zaidi imamate in North Yemen on September 26 caused a wave of security crackdowns as Houthi forces attempted to quell dissent over their own celebrations and prevent the observance of the Republican Revolution, which has become a symbol of resistance against Houthi rule.

A massive Houthi military parade was staged to celebrate the ninth anniversary of the Houthi takeover of Sana'a, with thousands of soldiers taking to the streets and a number of new weapons being showcased. Among these were replicas of Iranian missiles and drones, and an F-5 fighter jet, which flew overhead for the first time during the war.

In the days preceding the September 26 Revolution celebrations, Houthi forces arrested more than a thousand civilians in Sana'a as citizens took to the streets waving banners and republican flags. Across Houthi-held territories, Houthi forces attempted to break up the celebrations, often beating participants or destroying their property. Following the holiday, Houthi authorities continued to hold hundreds of people in detention, forcing some to sign pledges to cease all participation in public disorder prior to release. On September 30, hundreds of residents of Al-Dhalea's Qaataba District protested these arrests, and in Hudaydah dozens of armed Houthi soldiers were deployed throughout Hudaydah city, with armored vehicles blocking major streets and snipers positioned on rooftops across the city.

In government-held territories, pro-government officials used the holiday as an opportunity to stage military parades of their own. On September 26, Yemeni army forces displayed a number of weapons, including missiles and drones at a large parade in Marib city.



### Houthis Clash with Coalition Forces

September and October saw a rare outbreak of clashes between the Houthis and forces from the Saudi-led coalition, representing the first acknowledged fighting between the two sides since a UN-brokered truce was signed in April 2022. On September 25, Bahrain announced that two Bahraini soldiers had been killed and several others wounded in an alleged Houthi drone strike along the Saudi-Yemen border. A third Bahraini soldier died from his injuries two days later, a fourth was announced dead on September 29, and a fifth died about a month later.

On October 24, at least four Saudi soldiers were killed in clashes on the border between Saudi Arabia's Jazan district and Yemen's Hajjah governorate after Houthi forces attempted to destroy surveillance cameras that were recently installed in the border area near Jabal al-Doud, according to government, Houthi, and Saudi military sources. Houthi forces briefly took control of Jabal al-Doud for several hours, with some reports indicating that they remained in the area until the morning of November 1 in order to disable the surveillance equipment, and later withdrew.

### Fighting in Al-Dhalea

Clashes in Al-Dhalea resulted in heavy casualties on all sides as Houthi forces engaged STC- and government-affiliated forces on frontlines across the governorate. In the last two months, at least 191 Houthi soldiers were wounded and another 77 were killed. Anti-Houthi forces sustained significant damages as well, with at least 164 soldiers wounded and another 79 killed in combat. Fighting seems to have favored Houthi forces in the latter half of the reporting period – of the anti-Houthi forces wounded, over 100 were injured in October alone. Despite the high casualties, neither side was able to make significant territorial advances.

October also saw the attempted assassination of several STC military leaders based in Al-Dhalea. On October 1, unidentified gunmen killed STC leader Abdo Mohammed Saleh al-Bakri in front of his house in the village of Shaab Qasr in the Bani Saeed area in the center of Jahaf district, according to tribal sources. The commander of the 4th Sector of the STC-affiliated Security Belt Forces in Al-Dhalea, Zaghloul Ali Mohammed, and an STC-affiliated Security Belt forces commander, Aboud al-Jaridhi, survived assassination attempts by unidentified gunmen on October 16 and 18, respectively.

### Other Developments in Brief:

**September 7:** Clashes broke out between two rival ethnic groups of Ethiopian migrants in the border region between Aden's Dar Saad district and Lahj's Tuban district, according to a local activist, with clashes and looting continuing in Sheikh Othman district the following day. STC-affiliated Security Belt forces began rounding up hundreds of Ethiopian and Somali migrants on September 10 and transporting them to the Basateen area of Dar Saad district.

September 13: The families and fellow tribesmen of dozens of soldiers from the Republican Palace Protection Battalion of the Hadrami Elite forces demanded a formal investigation into inhumane treatment by officers at the Al-Rabwa camp near Mukalla. According to a statement submitted to Hadramawt Governor Mabkhout bin Madi's office, family members claim that Emirati officers at the camp beat their sons with sticks, batons, and rifle butts before leaving them tied up for several hours, and then forcibly shaved their heads, eyebrows, and mustaches.

**October 3:** Security forces in Mukalla launched the "Scales of Justice" security campaign with support from 2nd Military Region forces, targeting individuals charged with the crimes of rioting and disturbing the peace. Hadramawt Governor Mabkhout bin Madi characterized the campaign as a success, while local journalists and activists decried it as a "violation" against dozens of citizens who had their homes raided.

**October 4:** A roadside bomb killed the commander of the STC-affiliated Security Belt forces for the Shuqra sector, Salem Ali Sal'an, and injured five soldiers during a military patrol in the village of Urma in Mudiya district in northeast Abyan, where counterterrorism forces have been battling Al-Qaeda militants for over a year, according to a Security Belt source.

October 14: Houthi forces staged a military parade in Al-Bayda's Al-Sawadiyah camp. President of the Supreme Political Council Mahdi al-Mashat attended the event, along with Minister of Defense Mohammed Nasser al-Atifi and several other high-ranking military leaders. The day before, during preparations for the parade, armed clashes broke out between Al-Rayam tribesmen and Houthi Preventative Security Forces. The local commander of the Houthi forces, Hadi Ghanem al-Qasma (Abu Tareq), was killed in the ensuing fighting, along with more than 15 fighters from both sides, according to local sources.



#### The Economy & Finance

# Prime Minister Denies Allegations of Government Corruption

Prime Minister Maeen Abdelmalek Saaed denied allegations of corruption against his government made in a parliamentary report during a press conference on September 4. The alleged violations include mismanagement and corruption amounting to YR2.8 trillion (approximately US\$1.9 billion) across the electricity, energy, telecommunications, and financial sectors.

Saaed attacked the report of a parliament fact-finding committee, calling the accusations malicious and backed by influential individuals whose personal interests have suffered. He alleged that certain partisan individuals have attempted to obstruct the work of the government, and said that it has formed a committee headed by the minister of justice to respond to allegations outlined in the report. The prime minister defended his government's performance, noting that it has continued to pay salaries and provide public services despite the suspension of oil exports, which accounted for 60 percent of the total budget revenues before they ended last fall. In the first eight months of the year, the government's expenditures amounted to YR1.3 trillion, while public revenues reached YR600 billion. The deficit is currently about 40-50 percent due to the halt of oil exports. Saeed also said the US\$1.2 billion Saudi grant announced in August represented a lifeline for the government, despite its being conditional on a further set of reforms. Since the beginning of the year, non-oil revenues have only declined by 5 percent, which Saeed attributed to reforms his government has implemented to reduce fiscal leakage and combat smuggling.

The government has had to spend large amounts to provide electricity this year, allocating US\$229 million for payments to the sector, not including accumulated arrears. The increase in electricity consumption in Aden and the government's inability to complete strategic projects in this sector,

such as a 120-megawatt solar power generation project, have compounded the problem. Saeed added that the government has allocated US\$100 million to assist governorates under its control to transition to renewable energy. The parliamentary committee's report detailed accusations relating to price discrepancies for oil derivatives. Saeed said that influential individuals lost money when imported fuel derivatives became subject to customs taxes after 2018. When the government adopted a decree to regulate the import of fuel derivatives, it collected an estimated YR19 billion in taxes, which increased to YR137 billion in 2020.

In the telecommunications sector, the prime minister acknowledged the government's failures but said the challenges could be overcome. He detailed irregularities in the granting of licenses in the sector under former president Abdo Rabbu Mansour Hadi, who purportedly granted mobile service operator Y-telecom an exceptional license to provide fourth-generation telecommunications services and to use the state's telecommunications infrastructure without paying fees to the government. As of writing, the company has neither paid license fees owed to the government nor operated mobile services. Instead, the company has called on the government to refund US\$149 million, which it said it paid to the then-government in Sana'a for obtaining a license when it was established in 2006.

The government would need some US\$3 billion of investment in the telecommunications sector to keep pace with regional standards, such as those in the Horn of Africa, and to be able to offer a minimum level of telecommunication services. Addressing the controversial sale of Aden Net to the UAE-based company NX Digital Technology, Saeed said that it is in the country's interest to attract foreign investment and that the Emirati company will invest US\$700 million in the telecommunications sector. This joint investment will grant the government a 30 percent share of the envisioned company assets. The prime minister said the government needs to develop telecommunications infrastructure, and that it would have been better for the House of Representatives to await its response on the matter, instead of rushing to issue a report. He stated that the government had spent a full year negotiating with the Emirati company, the negotiations took place publicly, and their outcomes were submitted to the PLC, the highest state authority. Several high-ranking public officials and MPs have since criticized Saeed's fiery attack on the parliament and the committee report, stating that his speech did not refute the allegations of corruption committed by his government across multiple sectors.

### Increase in Commercial Activity at Hudaydah Ports

The Houthi-aligned head of the Yemeni Red Sea Ports Corporation, Mohammed Abu Bakr bin Ishaq, reported on September 12 that commercial activity has increased 52 percent at Hudaydah's ports (Hudaydah Ras Issa, and Al-Salif), with the number of shipments received up 75 percent in 2023 compared to the same period last year. The announcement was made during a visit by high-ranking Houthi officials, including Prime Minister of the National Salvation Government Abdelaziz Saleh bin Habtoor, Minister of Transport Abdelwahab al-Durrah, and Hudaydah Governor Mohammed Ayyash Qahim.

Al-Durrah criticized a memorandum of understanding (MoU) signed between the United Nations Development Programme and the Aden-based Ministry of Transport to reduce maritime insurance costs for ships entering government-controlled ports, saying it was biased against Houthi authorities. Under the MoU, signed in mid-August, the government would deposit US\$50 million with the Insurance Protection Club in London.

Al-Durrah also complained about the clearance requirements of the United Nations Verification and Inspection Mechanism for Yemen (UNVIM), which he claimed caused long delays for vessels docking in Hudaydah. He said this had resulted in large fines for commercial traders, with costs passed on to citizens. But barriers on shipping have been significantly eased following progress in the ongoing Saudi-Houthi talks. Ishaq said in an interview in early March that the UNVIM had agreed to allow more types of goods to Houthi-controlled ports and expand its operating hours to clear additional ships for entry. He also claimed that vessels were no longer subject to a secondary inspection by the Saudi-led coalition and could proceed directly from Djibouti following UNVIM approval.

In its August report, the World Food Programme (WFP) noted there has been a steady flow of fuel shipments into Hudaydah since the truce was enacted in April 2022. From January to July 2023, the combined volume of fuel imported through the northern ports of Hudaydah and Al-Salif increased 81 percent compared to the corresponding period last year. United Kingdom Maritime Trade Operations (UKMTO) reported that "it has been made aware of an entity impersonating the UNVIM directing that merchant vessels in the vicinity of Aden anchorage divert to Hudaydah port." It continued, "Vessels in the vicinity are advised to exercise caution and report any suspicious activity to UKMTO."

### Truck Drivers Call for Strike in Protest of Houthi Restrictions

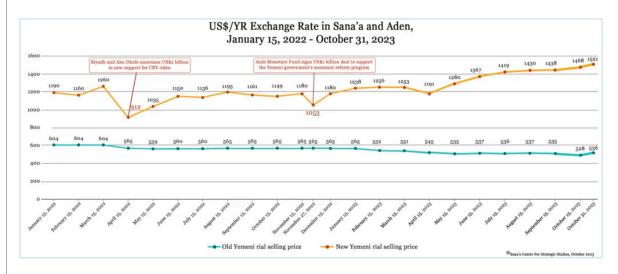
On October 9, dozens of truck drivers at the Houthi-controlled Red Sea ports of Hudaydah called for a comprehensive strike in protest of new traffic restrictions. Police in Sana'a have forced truck drivers to use longer, alternative routes between Sana'a and Hudaydah, which were not built for heavy trucks. Earlier this month, Houthi authorities enforced the use of an alternate route from Sana'a to Al-Mahwit for trucks bound for Hudaydah, and the use of the Hudaydah-Dhamar route for heavy trucks traveling from Hudaydah to Sana'a. Houthi authorities also announced that trucks will only be allowed to travel between 4 p.m. and midnight.

The restrictions were purportedly implemented with the purpose of ensuring citizens' safety and promoting traffic security. The widely-held belief among truck drivers is that they are aimed at gaining control over transport from Hudaydah's seaports and monopolizing it under companies controlled by Houthi authorities.

### New Rials Drop Precipitously in October

New rials in government-held areas depreciated by 5 percent in October, reaching lows not witnessed since late 2021, as the government contends with falling revenues and limited foreign currency reserves. This was preceded by smaller drops in value, as new rials depreciated by 3 percent from YR1,425 to YR1,471 per US\$1, from the end of August to early September. The rial rebounded slightly to YR1,432 on September 17 before slightly depreciating to YR1,455 per US\$1 toward the end of the month. By the end of October, new rials had dropped to YR1,521 per US\$1.

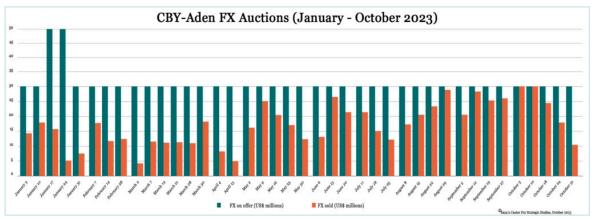
Old rials in Houthi-controlled areas experienced slight fluctuations over the reporting period. They remained relatively stable over the course of September, trading at YR535 per US\$1 on average, slightly appreciated to YR527 by mid-October, and were trading at YR536 by month's end.



The precipitous decline of new rials coincided with the depletion of the Central Bank of Yemen's (CBY-Aden) foreign currency reserves, which has been compounded by the government's widening fiscal shortfall. Oil exports, previously the primary source of revenue, have been halted since late last year following Houthi missile and drone attacks on southern oil ports. Government customs revenues have decreased markedly this year as commercial shipping has been diverted to the Houthi-controlled ports of Hudaydah following the lifting of coalition restrictions. A US\$1.2 billion Saudi grant was announced in early August to finance the public budget and prop up the value of the Yemeni rial, but Riyadh has only released 1 billion Saudi riyals (roughly US\$267 million) as the first tranche.

The first tranche is now exhausted, and the delay in the delivery of a new tranche is limiting the CBY-Aden's capacity to continue holding foreign exchange auctions to finance the importing of basic commodities and utilize its equivalent amount of new rials currency to help the government meet vital spending needs, including the payment of public sector salaries and subsidizing the purchase of fuel derivatives for electricity generation. Since the delivery of the first installment of the Saudi grant, the CBY-Aden has held 14 FX auctions, selling US\$321 million from its limited foreign currency reserves to Yemeni banks to help finance the import of basic commodities and lessen downward pressure on the Yemeni rial. Since the beginning of the current year, 41 FX auctions have been held, with Yemeni banks purchasing US\$712 million (56.1 percent) of the US\$1.27 billion on offer.

The CBY-Aden ceased holding of new foreign currency auctions near the end of October, indicating that its FX reserves are likely perilously low. Absent new support, the rial is expected to depreciate further in the coming months.



### Government Workers Protest Salary Payments through Banks

Thousands of public sector employees working in multiple government departments continued to demand that the Ministry of Finance repeal its decision to transfer public payroll data and payment disbursement to the banking system. At the beginning of September, teachers staged protests, while Ministry of Culture employees hired lawyers to oppose the decision.

The Medical Professions Syndicate announced the start of a partial strike beginning September 11, and a full strike on September 20, in protest of the ministry's decision. The General Federation of Southern Trade Unions also called on the government to immediately reverse the move, threatening to declare a general strike and paralyze the system. It said it held the government responsible for the deterioration of humanitarian and socioeconomic conditions and demanded a 100 percent increase in salaries and an end to the deterioration of public services.

There have been a series of strikes and vocal objections by employees across the public sector, who are concerned they will not be able to withdraw their salaries via the banking system. But the government has remained firm: On September 12, the Ministry of Finance issued Circular No. 13 of 2023 to add two banks, the Yemen Commercial Bank (YCB) and the International Bank of Yemen (IBY), to the list of those nominated to pay public sector salaries.

### CBY-Aden Holds its First Auction of Government Bonds

On September 11, the government-controlled Central Bank of Yemen (CBY-Aden) announced the first auction of the year for local public debt instruments, namely government bonds of one-year maturity, through the American Refintiv electronic platform. It indicated that the total initial value of the bonds to be auctioned is set at YR20 billion and is subject to increase. The nominal value of each bond was set at YR1 million, while the minimum bids for each participant were set at YR100 million and its multiples. The participants are able to claim interest after six months and when the bond matures, with the annual interest rate set at 18 percent.

On September 19, the CBY-Aden announced the results of Auction No. 1-2023. Only YR5.7 billion (or 28.5 percent) of the bonds on offer were sold, at an average return of 17.7 percent. There were only three participants, who submitted eight bids for the auctioned bonds.

### CBY-Aden Joins Arab Regional Payment System

The CBY-Aden announced on September 14 that it had completed the necessary requirements and successfully joined the Arab Regional Payment System (BUNA). The CBY-Aden is the seventh Arab central bank to join the platform. Membership in BUNA will act as an important international interface for the CBY-Aden and Yemeni banking sector at large to conduct cross-border transactions and increase opportunities for economic and financial integration in the Arab region.

The platform is affiliated with the Regional Corporation for Clearing and Settlement of Arab Payments and fully owned by the Arab Monetary Fund, and has been in operation since December 2020. Based in the United Arab Emirates (UAE), it is a centralized cross-border payment system that was launched to enable financial institutions and central banks to send and receive payments in Arab and international currencies safely and effectively.

### CBY-Aden Announces Tender for Audit

The CBY-Aden announced a public tender for the auditing of its accounts and financial data for the years 2021, 2022, and 2023. According to the late-September announcement, qualified and interested auditing firms are required to submit their technical and financial proposals to the CBY-Aden before November 2. The firm will be required to provide annual audits of the CBY-Aden's accounts in accordance with Article no. 56 of CBY Law No. 14 of 2000. The tender announcement noted that in order to be considered, firms must be internationally classified or recognized, maintain a good reputation and standing, and have a valid license. The CBY's financial statements went unaudited for five years following its relocation from Sana'a to the interim capital of Aden in late 2016. In mid-June, the CBY-Aden's Board of Directors approved the bank's financial statements for the years 2016-2020, audited by Baker Tilly International. The government and CBY were under significant pressure to audit the accounts following the publication of the United Nations Panel of Experts 2020 report, which accused the government of money laundering and corruption. The report claimed that the CBY-Aden had misused a US\$2 billion Saudi deposit intended to fund the import of essential commodities, allowing commercial traders to reap large windfalls. The UN panel subsequently withdrew the accusations in March 2021.

#### CBY-Aden Participates in IMF and World Bank Annual Meetings

CBY-Aden Governor Ahmed Ghaleb and Finance Minister Salim bin Breik participated in the annual International Monetary Fund (IMF) and World Bank meetings of Middle Eastern and North African finance ministers and central bank governors in Marrakesh, Morocco, which concluded on October 15.

During the meetings, Ghaleb discussed Yemen's dire humanitarian situation, exacerbated by Houthi attacks on oil infrastructure last year that halted oil exports and denied the government one of its main sources of revenue. He also emphasized the importance of the IMF's funding for Yemen's humanitarian needs but noted that the country has found it difficult to obtain and make use of international financing due to strict terms for utilization that do not take into account realities on the ground. Ghaleb called for the IMF to reconsider requirements for financial sustainability, the sustainability of public debt, and the repaying of external debt in conflict-affected countries, especially for programs designed to address disasters and countries experiencing abnormal conditions.

### World Bank Approves Grant for Yemen

On September 22, the World Bank approved a US\$150 million grant for the Yemen Emergency Human Capital Project (YEHCP). The grant, funded through the World Bank's International Development Association (IDA), is the second phase of funding for the YECHP, which was launched in June 2021 and aims to provide essential health, nutrition, and water and sanitation services to Yemen's population. The project aims to buttress the government's institutional capacity and will focus specifically on improving basic service coverage and quality, and resilience against disease outbreaks. The World Bank noted that the project has already served 8.4 million Yemeni beneficiaries. Since 2016, the IDA has provided Yemen with US\$3.9 billion in grants.

### Government Failure to Utilize Wheat Grant Sparks Debate

Controversy broke out over a grant for 40,000 tons of wheat announced by Poland at a donor conference in February 2023. The Yemeni government was notified of the grant that same month but did not take the necessary measures to receive it before it expired in September. The government and WFP were accused of corruption estimated at US\$20 million.

Yemeni government bodies traded accusations over the failure. In an early October memorandum signed by the Minister of Trade and Industry Mohammed al-Ashwal directed to Prime Minister Maeen Abdelmalek Saeed, the minister said that the Polish government's withdrawal of the grant was due to the failure of the government to arrange the transportation of the wheat. According to the memorandum, the Ministry of Trade and Industry received a directive from the prime minister to coordinate with the Yemeni ambassador to Poland and search for a way to transport the wheat shipment from grain silos at the Polish port of Gdansk. It also includes an implicit accusation that the Ministry of Planning and International Cooperation did not fulfill its responsibilities to facilitate the delivery.

The Ministry of Trade and Industry said it had signed a contract with Al-Massi Food Company to transport the 40,000-ton shipment in exchange for 50 percent of the wheat. However, in another memorandum, dated September 11, Minister of Planning and International Cooperation Waed Badib explained that his ministry received a directive from the prime minister to take responsibility for the delivery only after he had rejected the contract signed by the Ministry of Trade and Industry. Badib said that he had communicated with a representative of the WFP in Yemen to transport the shipment and that the WFP apologized to the ministry for its inability to afford the expense of transporting the grain, which it estimated at US\$20 million. But several media outlets reported that economic experts estimated the market price of shipment to be only US\$14 million, and transportation costs less than US\$2 million, fueling speculation of attempted corruption.

The case has sparked widespread debate and criticism regarding the mismanagement of aid funds and the failure to optimize their utilization. Some accused the government and prime minister of behaving irresponsibly, as the country continues to face massive food insecurity and one of the world's largest humanitarian crises. According to humanitarian organizations, a staggering 21.6 million Yemeni people require some form of assistance, and 80 percent of the country struggles to put food on the table and access basic services.

### Aden Power Stations Warns of Blackouts

On October 23, the government-owned General Electricity Corporation (GEC) in Aden warned that the governorate's power plants may be forced to completely cease providing electricity due to a lack of fuel. According to the GEC, 70 percent of diesel-powered stations were already out of service, and the PetroMasila station, which runs on mazut, was completely shut down. It called on the government to provide urgently needed fuel for the power plants to avoid a complete blackout in the interim capital. On October 22, the GEC branch in Lahj announced that two electricity plants in the governorate – the Bir Nasser and Al-Ahram stations – had been forced to cut their supply. Aden, Lahj, and neighboring Abyan governorate have witnessed regular popular protests over the past two months, as residents demand a solution to the chronic electricity shortages.

Aden and other governorates under government control began experiencing extended blackouts following the expiration of a Saudi fuel grant in April. In November 2022, the Saudi Development and Reconstruction Program for Yemen (SDRPY) began supplying the government with over 1.2 million metric tons of diesel and mazut, valued at US\$422 million, for electricity generation at more than 80 power stations. A new US\$1.2 billion Saudi grant was announced in early August to address the government's budget shortfalls, including the purchase of fuel to operate power stations, which is estimated to cost US\$75-100 million per month. The GEC confirmed the arrival of 13,000 metric tons of fuel at the port of Aden on August 22, but no further fuel shipments have been announced. In early October, Prime Minister Saeed stated that the electricity crisis would be resolved soon, as electricity demand declines significantly in the winter compared to the hot summer months.

### STC Blames Government for Electricity Crisis, Accuses CBY-Aden of Mismanagement

On October 26, the STC blamed the internationally recognized government for the ongoing electricity crisis in Aden and other southern governorates. During the monthly meeting of the STC Presidium, led by Ali al-Kathiri, the acting head of the Presidium and Chairman of the Southern National Assembly, the party accused the government and Prime Minister of delaying solutions to the electricity crisis and failing to provide sufficient fuel for operating power stations. It called on the Presidential Leadership Council (PLC) to intervene, particularly with regard to the refusal of the Central Bank of Yemen in Aden to finance the purchasing of fuel shipments.

The Presidium also criticized the CBY-Aden for its inability to regulate cash circulating in the market and for failing to mandate that Yemeni banks transfer their headquarters from Sana'a to Aden. An STC economic committee submitted a brief with a number of recommendations aimed at addressing challenges related to the banking sector.

On October 28, the STC-affiliated Southern Money Exchangers Association (SMEA) published a statement accusing the CBY-Aden of using the Southern Money Changers Syndicate (SMCS) to cover up corruption. The SMEA, established in August as a rival to the SMCS, said certain money exchangers had improperly benefited from the bouts of instability in the value of the Yemeni rial to enrich themselves at the expense of citizens. Surprisingly, the statement praised the management of the Central Bank of Yemen in Sana'a for its efforts in curbing currency speculation compared to the CBY-Aden, which it accused of lacking "strong and honest management." The SMEA proposed recommendations that it claimed would allow CBY-Aden to maintain exchange rates and economic stability, such as continuing foreign currency auctions, with the goal of eventually restoring the value of new rials to YR750 per US\$1.

### Temporarily Suspended Flights from Sana'a Resume

Yemenia Airways announced the resumption of flights from Sana'a International Airport to Amman, Jordan, starting October 17. Yemenia suspended commercial flights to the Jordanian capital, the only current route out of Sana'a, in early October, due to a dispute with Houthi authorities over access to more than US\$80 million in airline funds held in Sana'a-based banks since March, which has severely curtailed its ability to operate flights. The government-run Ministry of Transport said that although Houthi authorities continue to block Yemenia's access to funds, the decision to resume flights stemmed from humanitarian concerns over Yemenis' ability to travel abroad for medical treatment.

Following the freeze, Yemenia's Aden branch stopped selling tickets for flights from Sana'a International Airport, and divisions deepened between the airline's respective branches. At the time, Houthi authorities responded by suspending flights for international organizations for a week and limiting their operation to only one day a week. There have been disputes over the utilization of revenues mobilized by the sales of airline tickets. Ticket sales in Houthi-controlled areas represent nearly 70 percent of total ticket revenues in the country, given that the majority of the Yemen population live in Houthi-controlled regions. Yemenia proposed that Houthi authorities take 70 percent of the funds accumulated in Sana'a, with the remainder going to the internationally recognized government. Yemenia alleged that the Houthis had initially agreed to the proposal but later rejected it.

The Houthi-affiliated Ministry of Transport has denied that any funds had been frozen and accused Yemenia of creating a malicious pretext to prevent Yemeni medical patients and citizens from traveling abroad. Houthi authorities threatened to take escalatory measures against the airline and have already prevented a Yemenia flight from taking off to another destination in a bid to compel the company. Houthi-aligned Deputy Foreign Minister Hussein Al-Ezzi commented on the freezing of Yemenia's funds, admitting that some restrictions had been implemented: "We have only ceased the withdrawal of large sums in order to prevent corruption and to ensure and establish honest, disciplined, and transparent behavior for the benefit of the company." He warned that authorities in Sana'a would escalate the situation should they be pressured to choose between permitting corruption and depriving Yemenis of travel abroad.

The halting of the six weekly flights has deprived thousands of Yemeni passengers from traveling to Amman, and from there to the rest of the world. The Sana'a International Airport was reopened in April 2022 as part of a UN-brokered ceasefire.

### New Aircraft Joins Yemenia Fleet

Yemenia Airways welcomed its newest Airbus A320 aircraft, named "Kingdom of Himyar," to its fleet at the Aden International Airport on October 8. The following day it made its first flight, from Aden to Cairo. The A320 is a short-to-medium-haul aircraft, with a maximum capacity of 150 passengers. It is the fifth Airbus plane currently owned by Yemenia, and the sixth aircraft to join its fleet. The plane was acquired as part of an August deal to purchase two A320s signed with Spain's Vueling Airlines Company in Dubai. According to Yemenia, the second aircraft, named "Kingdom of Saba," will arrive sometime in the next month. Before purchase, the two aircraft were subject to technical examinations in Lithuania. The first plane was then transported to Dubai at the end of August. The purchase is part of an ambitious expansion plan embarked on by Yemen's national carrier to increase routes and operate more international passenger flights. However, its expansion strategy coincides with deepening disputes over its operation and finances.

### Zenith Energy Terminates its Acquisition of OMV

Dutch-owned Zenith Energy announced the termination of a Share Purchase Agreement (SPA) it held with Austrian-owned OMV Yemen on September 4, due to the conditions required for completion of the SPA not being satisfied. On January 3, Zenith Energy announced its acquisition of 100 percent of the outstanding share capital of OMV (Yemen Block-S2) Exploration GmbH, OMV Jardan Block 3 Upstream GmbH, and OMV Block 70 Upstream GmbH (collectively 'OMV Yemen.') As per the terms of the SPA, OMV has refunded Zenith its deposit of US\$4,323,800, along with the accrued interest. Additionally, the share purchase agreement between Zenith

Energy and Hingbo Industries Company Limited, which was involved in the sale of a 51 percent interest in Zenith Energy Netherlands, has also been terminated following the end of the SPA with OMV Yemen.

Following Zenith Energy's withdrawal from the above-mentioned agreement to purchase OMV's oil field rights, OMV announced on September 5 plans to lay off around 200 employees at Block S2 in the Al-Uqlah area of Armaa district, beginning next year. Company officials cited financial difficulties and a cessation of oil exports as the reasoning behind the layoffs.

Separately, Employees at Block 4 in Shabwa issued a statement on September 12 announcing the start of a comprehensive strike over the nonpayment of wages and benefits by the Yemen Investment Company for Oil and Minerals (YICOM) for July and August. The employees said they had been demanding payment of their delayed salaries for more than two months, but the company's management had not responded, forcing them to go on strike. Employees called for a strike and the halt of operations in all oil fields and terminal sites of Block 4 from September 11, and threatened to take further escalatory measures if their demands were not met.

In early May, the Employees Union of YICOM in Shabwa issued a memorandum calling on management to reduce its operating budget in order to provide salary and health insurance payments, and threatened to strike. In response, the director of the company called on employees to postpone a planned strike and promised to explore solutions to resume payments as soon as possible. He explained that the company had suffered from a drop in revenues and had to borrow to cover operational expenses after the government was forced to halt hydrocarbon exports following Houthi drone attacks against oil export terminals in October and November 2022. YICOM announced in mid-January that it would cut operating expenses at its Aden office and at Block 4 in Shabwa and reduce the number of active workers due to budget shortfalls. Crude oil from Block 4 in the Eyad area in Shabwa's northern Jardan district is currently transported overland to power plants in Aden.

#### Sana'a Center Editorial

### Blackouts and Blackholes: Yemen's Vanishing Electricity Supply

One of the most visceral signs of state collapse in Yemen isn't frontline fighting or food insecurity – it's the inability of the internationally recognized government to provide electricity. For several years now, the approach of summer has meant bracing for extended blackouts in many parts of the country. With the intense heat and humidity, life becomes almost unbearable for millions of people, and puts the sick and elderly at risk of death. Even as of late October, residents of Aden were getting only two hours of electricity a day due to a shortage of fuel for power plants.

By contrast, although Yemenis living in Houthi-run territories are subject to many deprivations, a lack of electricity is not one of them. In northern Yemen the system is mostly privatized, so while electricity is expensive for most of the population, at 234 Yemeni rials (YR) per kilowatt hour, it is at least available in most urban areas. In rural localities, persistent problems have led many to turn to solar energy, but high up-front and maintenance costs remain barriers, with low-quality batteries with short lifespans the norm. Houthi authorities also benefit from a more moderate climate in the mountainous territories they control, with lower demand during the summer compared to other areas of the country.

In Aden, massive government subsidies have kept the price down to only YR12 per kilowatt hour for households, which account for 62 percent of power usage – but have also facilitated high levels of corruption. The subsidies cost on the order of US\$75 million to US\$100 million a month, the largest government expenditure by far, double the public sector salary bill. The government uses this money – which usually comes from Saudi Arabia – to buy diesel, which is then given away for free to traders, who produce electricity from private generators and sell it back to the government for cut-price distribution. Despite the low prices, in some government-controlled areas only 20 percent of bills are paid, as people steal electricity from the aging grid.

This byzantine system has been in place since before the war. There has been little progress in reforming it because of the many individuals who benefit, skimming from the US\$1 billion or so lavished on the sector each year. Aware of the corruption, Saudi Arabia has recently been less willing to stump up the cash. The government fears provoking dissent if it lifts the subsidies – mass protests against a hike in fuel prices set in motion the train of events that led to the Houthis seizing power in Sana'a in September 2014. But this rationale holds less water given the angry street demonstrations that now take place each summer, fueled by the system's recent collapse.

One long-serving engineer who has worked in the electricity sector in Taiz and Aden says the problems go back to the era of Ali Abdullah Saleh, and are set to get worse with each passing year.

Under Saleh, the state paid US\$26 billion to the sector between 1999 to 2009, an approach which has been continued by the government. Since the war started in 2015, the government in Aden has spent up to US\$6 billion on fuel and maintenance. Despite the investment, the infrastructure remains inefficient.

The problems are no secret. A parliamentary report presented to the government of Prime Minister Maeen Abdelmalek Saeed in August described the electricity sector as a "black hole swallowing public money as a result of corruption." It noted that the government incurred losses amounting to US\$575 million in 2022 through a botched contractual arrangement with one energy provider alone, while spending a whopping YR569.5 billion (US\$2.27 billion) in 2022 just to fund the Ministry of Electricity's operating budget. The report said the situation had worsened since the government was tasked by the Presidential Leadership Council with improving capacity last year; it is now spending US\$3 million a day in an opaque procurement process to provide electricity across government-held areas. "It's not a crisis of resources, it's a crisis of managing resources," the report stated. Independent studies have reached similar conclusions.

The sector needs an overhaul. The government's Public Electricity Corporation should buy electricity from private producers via a transparent and competitive process. Further, the government should acquire infrastructure rather than relying on unscrupulous middlemen – it would be better off using the resources at its disposal to invest in cheaper and cleaner means of electricity generation such as solar, or at the very least purchasing lower-cost mazut fuel and rehabilitating decrepit power stations. A gradual easing of subsidies could provide the necessary funding for investment in infrastructure, as could better collection of utility bills. More innovative solutions might also be required, such as a decentralized approach whereby each governorate installs its own grid. All of this will require time and money and perhaps, above all, an end to the political and economic chaos of the war. The problem has been left to fester over many years, and having reached the point of crisis, a comprehensive approach is now urgently required. The question is whether the authorities in Aden are up to the task.



#### **Analysis**

# Bios: The Houthi Delegates to Riyadh

#### Adnan al-Jabrani

A Houthi delegation flew to Saudi Arabia's capital, Riyadh, on September 14 for the latest round of negotiations to end nine years of war in Yemen. A year after the United Nations officially brokered a truce in April 2022, talks have slowly shifted from backchannels to direct public meetings. The high visibility of their first-ever confirmed visit to Saudi Arabia reveals new information about the insular Houthi group (*Ansar Allah*). Moreover, a comparison of the latest Houthi delegation to the members who participated in consultations from 2018 through 2022 shows the extent of the group's transformation.

Overall, diversity has declined. In previous years, the Houthis included representatives from the General People's Congress (GPC) and other independent political parties that the Houthis acknowledged as allies. The selection of envoys was also regionally balanced, with representatives from governorates far from the main Houthi strongholds in northern Yemen. This time, the symbolic inclusion of other groups, regions, or allies was limited to one man —Jalal al-Ruwaishan — who is ostensibly affiliated with the GPC, although many believe he is now aligned with Houthi interests more than any political group. The erasure of these token representatives makes it clear that decision-making authority was always, and continues to be, with the Al-Houthi family. This can be seen in the backgrounds of the members of the Houthi negotiation delegation that traveled from Yemen to Riyadh. Biographical information was compiled through open-source material as well as interviews with officials close to the Houthis group as well as some members of the delegation.

### Mohammed Abdelsalam – Chief Houthi Negotiator and Head of Delegation

Mohammed Abdelsalam Salah Falitah was born in 1982 in western Sa'ada. He received a religious education from his father, Zaidi scholar Salah Ahmad Falitah, and was a student at summer camps run by the Believing Youth, a Zaidi revivalist movement founded by Hussein al-Houthi. There, Abdelsalem studied alongside current Houthi group leader, Abdelmalek al-Houthi. At an early age, Abdelsalam often accompanied his father on travels abroad, as his father was active in trade and interested in mobilizing support for Zaidism in Yemen. Salah Falitah met former Supreme Leader of Iran Ayatollah Ruhollah Khomeini in the 1980s, which helped shape Abdelsalam's political and theological outlook. This, combined with his father's Zaidi teachings, complemented his intensive studies abroad in fields relating to media and technology. Using this technical background and his close relationship with the Al-Houthi family, Abdelsalam began to regularly broadcast Hussein al-Houthi's lectures on the internet before the 1st Sa'ada War in 2004. Following Abdelmalek al-Houthi's takeover over the group's leadership after the 3rd Sa'ada War, Abdelsalam became the Houthi group's formal media officer in Abdelmalek al-Houthi's office, contacting newspapers and television channels during the 5th and 6th Sa'ada Wars.

He remained relatively anonymous, known only by his nom de guerre Mohammed Abdelsalam which obscured his family lineage until 2009, when Yemeni security services were able to identify Abdelsalam as the son of Salah Falitah and started to monitor him. He survived a Saudi airstrike during the 6th Sa'ada War in 2009 and had his first televised appearance as the official Houthi spokesman in 2012 when he launched Al-Masirah network, now the Houthis' primary media outlet – of which Abdelsalam still remains the chairman. In 2013, Abdelsalam traveled to Iraq during the war with the Islamic State in Syria and the Levant (ISIL) and was accompanied by the former commander of the Islamic Revolutionary Guard Corps (IRGC), Qasem Soleimani. This kindled a relationship between the two that helped grow Abdelsalam's network and reach as a negotiator, eventually leading to Soleimani arranging a meeting between Abdelsalam and Saudi officials in 2016. Abdelsalam continued in his role as Houthi media spokesperson and refrained from political activities until 2014. Abdelsalam's first public political activity was as a member of a delegation visiting Iran in March 2015, along with former President of the Supreme Political Council Saleh al-Sammad, immediately preceding Operation Decisive Storm and the beginning of the Saudi-led intervention in Yemen. Abdelsalam's presence on the trip was a sign of his close relationship with the Iranians.

Following the Saudi-led coalition intervention in Yemen, Abdelsalam was not a member of the Houthi negotiating team in the first round of UN-coordinated talks in Geneva in June 2015. Instead, he first appeared as the leader of the Houthi delegation in the second Geneva talks at the end of 2015, accompanied by the current President of the Supreme Political Council Mahdi al-Mashat and Hamza al-Houthi, a member of the council. Abdelsalam was chosen as the chief representative because Al-Sammad's role as President of the Supreme Political Council prevented him from leaving the capital, while Al-Mashat's strong personality in the previous round of Geneva talks, as well as during the 2013-14 National Dialogue Conference, had led to disputes within the Houthi political establishment.

Abdelsalam continues to serve as the head of the delegation today in addition to acting as political assistant to Abdelmalek al-Houthi, specifically on foreign affairs. Abdelsalam has proven his usefulness not only through an intimate understanding of the Iranian role in the region, but also through a keen ability to understand his audience. Interviews with Saudi media have portrayed a man who is diplomatic and eager to engage, while conversations with Iranian outlets reflect a desire to draw Yemen into a closer relationship with the members of the Axis of Resistance.

### Hasan al-Kohlani – Head of the Houthi Foreign Operations Department of the Security and Intelligence Service

Hasan Ahmed al-Kohlani, also known as Abu Shaheed, was born in 1984 in Hajjah governorate. Throughout his childhood, Al-Kohlani's Hashemite family lived in both Sa'ada and Sana'a. The most recent talks in Riyadh were Al-Kohlani's first appearance in a Houthi negotiating delegation, having previously kept a low profile within the group. Al-Kohlani reportedly joined the Houthis early in his life and was part of a cell in Sana'a that carried out bombings and assassinations following the killing of Hussein al-Houthi in late 2004. He was later tried by the Public Prosecution Court, alongside senior military commander Abu Ali al-Hakim and other Houthi leaders in what was to become the Houthi security apparatus. Al-Kohlani was also among the first Houthi supervisors assigned to oversee Sana'a airport after the group's coup d'etat in September 2014. At that time, he was reportedly the Houthi commander who gave the call to stop American charter flights from taking off from Sana'a airport under the pretext that they must be searched before departure. His father was assassinated in October 2014 by unidentified assailants on a motorcycle in Sana'a.

Al-Kohlani currently serves as the head of the Foreign Operations Department of the Security and Intelligence Service under Houthi control. The Undersecretary of Houthi Intelligence for Foreign Operations and Al-Kohlani's supervisor, Abdelwahid Abou Raas, previously served as a delegate to the National Dialogue Conference on behalf of the Houthis, and has political as well as security experience. Abou Raas' exclusion from the most recent delegation may indicate the extent of the existing tensions between the group and the leader of the GPC in Sana'a, Sadiq Amin Abou Raas – Abdelwahid's relative. Al-Kohlani's selection for the most recent delegation was due largely to his skill as a negotiator and connections to Iran's IRGC, potentially serving as a trusted link to Tehran if talks develop and move to an advanced stage.

### Abdelmalek al-Ejri – Deputy Chief Negotiator

Abdelmalek al-Ejri was born in Haydan, Sa'ada governorate, where his Hashemite family had close ties with the Al-Houthi family. Al-Ejri first supported the Houthis during the Sa'ada Wars from 2004 to 2010 as a blogger who gained prominence on several online forums by promoting Houthi ideology in a style that combined Zaidi thought, Iranian Khomeinist influences, and leftist anti-imperialist rhetoric. Al-Ejri also published a collection of personal writings and research that applied a modernist and humanistic lens to the group's most extreme ideas, including the idea of *Wilayah* (divine right to rule), *Al-Sayyid Al-Alam* (the infallibility of the leader), and "political Hashemitism," the belief that the Hashemites' historical lineage entitles them to certain advantages and considers the right to rule over Muslims exclusive to Hashemite families. Al-Ejri's Hashemite background combined with his deep faith and devotion to Houthi dogma helped him into the group's upper echelons

Prior to 2014, Al-Ejri was the director of the Al-Fajr Center, an academic center affiliated with the Houthis that was later renamed the Yemeni Center for Political and Consulting Studies. After 2014 he served as a member of the Supreme Political Council, where he had nominal exposure to the Houthi group's top leadership. This changed in August 2016 when the Yemeni Center's magazine, Muqarabat, interviewed Abdelmalek al-Houthi and gave Al-Ejri a chance to associate more personally with the Houthi leader.

After the two connected, Al-Ejri was brought into Abdelmalek's inner circle and eventually joined the Houthi negotiating delegation in the 2018 Stockholm consultations as a replacement for Mahdi al-Mashat after he was promoted to President of the Supreme Political Council.

Al-Ejri currently serves as Mohammed Abdelsalam's deputy; Abdelmalek reportedly paired the two to balance personalities in the group and ensure that sensitive issues, such as external negotiations and foreign affairs, were at least partially controlled by a Hashemite. Abdelsalam comes from a traditional Zaidi scholarly background and uses this traditional rhetoric to confront those he negotiates with. Al-Ejri brings a different skillset, a savvy intellectual spin that is more comprehensible to foreign delegations and researchers, making him more fluent in the language Houthis prefer to use with researchers, journalists, and politicians.

### Jalal al-Ruwaishan – Deputy Prime Minister for Defense and Security Affairs

Jalal Ali al-Ruwaishan was born in Khawlan, Sana'a governorate, in 1964. He joined the security services after graduating from the Police Academy, rising to the position of Security Director in Marib in the 1990s. In 2014, former President Abdo Rabbu Mansour Hadi appointed Al-Ruwaishan as head of the Political Security Organization, the country's primary intelligence agency responsible for internal security. In the short-lived cabinet of Khaled Bahah, which governed from November 2014 to January 2015 after the Houthi takeover of Sana'a, Al-Ruwaishan served as the Minister of Interior, again, personally appointed by President Hadi. Politically, he is considered to be affiliated with the late Ali Abdullah Saleh and the GPC, despite not being an active member of the party. He continued to serve as Minister of Interior under the Houthi administration and was selected as a member of the newly formed Supreme Security Committee. Al-Ruwaishan's career shifted dramatically in October 2016 when a Saudi-led coalition airstrike hit the funeral hall where his father's wake was being held, killing dozens of senior security officials, political leaders, and tribal sheikhs. Al-Ruwaishan lost many important contacts within his political network during the airstrike, which led him to lean more into his Houthi connections.

In recent years, Al-Ruwaishan has been favored by Abdelmalek al-Houthi. He currently serves as Deputy Prime Minister for Defense and Security Affairs, a ceremonial position with no direct function. Recently, Al-Ruwaishan has publicly adopted Houthi positions, where previously he had been more reserved. A source close to Al-Ruwaishan in Sana'a suggests he has strengthened his relationship with the Houthis by pledging allegiance to Abdelmalek. The Houthis consider Al-Ruwaishan's presence on the delegation a symbolic representation of the GPC's inclusion in government and support for the Houthi leadership.

### Yahya al-Razami – Head of the Houthi Military Negotiating Committee

Yahya Abdullah Aydhah al-Razami was born in 1989 in Al-Safraa district, Sa'ada. His father was one of Hussein al-Houthi's closest associates, and Al-Razami's tribe famously defended the Houthi founder during the 1st Sa'ada War in 2004. Abdullah al-Razami, Yahya's father, was a commander in the 2nd Sa'ada War alongside senior Houthi military commander Yusuf al-Madani, gaining local influence and power. However, attachment to Hussein al-Houthi and reluctant acceptance of Abdelmalek al-Houthi's leadership after the former's death in September 2004 led to Al-Razami's demotion until 2015, when he rose back to power as he joined the fight against the government and the Saudi-led coalition.

Between 2007 and 2015, Abdullah al-Razami controlled a group of fighters, recruited via familial ties and financially backed using his personal wealth. At the beginning of the current war, he transferred command of these forces to his son, naming the militia the "Hamdan bin Zaid Axis." Yahya al-Razami participated in battles on the border with Saudi Arabia, continuing to grow the Hamdan bin Zaid Axis as a semi-independent force operating alongside the Houthis and their Jihadi Council. Al-Razami rejoined the Houthi inner circle when his forces repelled Ali Abdullah Saleh's attempted uprising in December 2017. Al-Mashat held separate meetings with Yahya al-Razami to discuss military developments outside of the Ministry of Defense, upsetting Houthi military commanders who saw Al-Razami as dangerously independent and a threat to their power.

From 2019, Yahya al-Razami's power quickly grew. He used his prestige as a military leader to establish his own separate judicial system – which he heads – to resolve tribal problems in Sana'a, and also established his own media arm that conducts and publishes interviews on X and Telegram. According to sources close to Houthi leadership, Abdelmalek remains wary of Al-Razami's growing power, and has appointed Al-Razami to several prestigious positions which require time-consuming meetings and public appearances, but involve few real responsibilities, in an attempt to contain him. For example, in May 2022, Abdelmalek appointed Al-Razami to head the Houthi Military Committee, while the real decision-making power remained with Hussein Dhaifallah, a member of Houthi intelligence services and the Jihadi Council. Abdelmalek al-Houthi also selected Al-Razami to head the delegation of Houthi pilgrims who were allowed to perform Hajj for the first time this year, a symbolic role far from military influence. Al-Razami has many supporters and opponents in the group, explaining Abdelmalek al-Houthi's decision to keep him close but toothless as an attempt to draw Al-Razami's followers into the group. His honorific appointments are also an attempt to appeal to tribes in Sa'ada who are allied with the Houthis, as both junior and senior Al-Razamis present themselves as model tribesmen who support and are loyal to Ahl Al-Bayt (the family of the Prophet Mohammed) and are rewarded in return.

### Hussein al-Ezzi – Deputy Minister of Foreign Affairs

Hussein Hamoud al-Ezzi was born to a Hashemite family in Al-Jawf. He joined the Houthi group early in his life before he left Yemen for university in Jordan. His father was one of the most prominent Sayyid monarchists, who collected salaries from the Saudi government that then were distributed to pro-Imamate families in the five years after the Republic Revolution on September 26, 1962, as Saudi Arabia supported allies of the overthrown Imam during the North Yemen Civil War. Hussein al-Ezzi rose to power in the Houthi group in 2014 while working as a political relations officer for the group. He publicly represented the Houthis in the signing of the Peace and National Partnership Agreement after the 2014 coup and was also a prominent political commentator who represented the group on social media. In 2018, Al-Ezzi was appointed the Deputy Minister of Foreign Affairs and became responsible for communicating with all official delegations that visit Sana'a, carrying out the formal protocols under the Houthi group's authority.

**Adnan al-Jabarni** is a Yemeni journalist specializing in military affairs. He previously worked for Al-Masdar Online and has covered the conflict in Yemen since 2014, writing investigative reports focused on the internal structure of the Houthis and various military components in Yemen.



#### **Feature**

### The Black Waters of Total

#### Quentin Müller

Editor's Note: This article was originally published by French magazine L'Obs in April 2023 and has been translated by the Sana'a Center and edited for clarity.

A strange curse seems to be hanging over Sah district. Cultivable plots, once lush with crops, pastures, limes, watermelons, and onions, have been abandoned. Blackened at the base, twisted and staggering, the trail of date palms stands out in the desolate landscape. On his doorstep sits 36-year-old Mohammed Ali Salem Sourour, listening to the song of the birds, which are increasingly rare in this region. In the darkness of the house, a small child hesitates to step into the light. His 6-year-old son Adam finally reveals a startling birth defect. One eye, larger than the other, seemed to have detached from his left eyebrow, dropping a few centimeters below. "We live in the most poisoned land in Yemen," says Mohammed, looking at his child's facial disfigurement.

We're 70 km south of the town of Seyoun, in Hadramawt governorate in eastern Yemen, where an impressive network of red canyons and valleys stretches out, crisscrossing each other and connected ad infinitum. Water has trickled into the ground for centuries, supplying four gigantic reservoirs that feed the whole of Yemen. However, two decades ago, this water began to turn brown after every monsoon. Locals called it Seyoul al-Aswad – the black floods. They've been a constant threat to the villages for many years now. Rainfall from the high plateau is coated in a dark, oily mantle that poisons cultivable soil, contaminates wells, kills lizards, monkeys, and small insects, and makes cancer and other diseases commonplace among the local population.

"Cancer has always been a problem, especially in recent years in Sah and elsewhere, because the water is so polluted," says Dawud Saleh al-Jaberi, head of the district's medical center, under a large Yemeni flag decorating his ventilated office. Awatif Hussein ibn Sheikh Abu Bakr, wearing a niqab and black gloves and working for the Hadramawt Cancer Foundation, confirms: "On average, there are 200 new cases of cancer per year in the Sah district." Little Adam is one of

these cases. He was diagnosed with brain cancer shortly after birth. He needed three operations in Egypt to remove the tumor. A solidarity network helped raise the US\$10,000 needed for the trip. Adam has since made a miraculous recovery. However, the disease has left an indelible mark on Adam. "This kind of cancer in children has become something ordinary," says his father. "I'm sure this disease is caused by pollution from oil companies. Total is responsible for it, and I'm furious with them."

1996. Total began operating in the region that year, as did other foreign firms, in an oil basin known as Masila. Unfortunately, Block 10, which the French group's Yemeni subsidiary Total E&P Yemen managed until 2015, was not without its share of setbacks. This included a succession of accidents due to archaic installations that failed to meet safety and environmental standards and a lack of rigorous management of the waste generated by oil extraction. The extent of the pollution is difficult to quantify, but the damage is immense and not confined to a few valleys: numerous aquifers throughout Yemen could have been affected. Total has not denied several of the incidents that led to the pollution but asserts that it has implemented appropriate technical measures, and stresses that it has not been involved in that oil field since 2015.

Mohsen Ba Surrah, a local MP since 1997 and an agricultural engineer, was one of the first to speak out against oil pollution in the region. He claims to have received the first complaints from residents living near Total E&P Yemen facilities in the early 2000s. "I wrote a series of reports and brought the matter before parliament on numerous occasions." His investigations all led to "produced water". This is water that returns to the surface as wastewater during oil and gas production; its toxic composition includes "small quantities of heavy metals and radioactive materials," as well as a highly carcinogenic cocktail called "BTEX (benzene, toluene, ethylbenzene, and xylene)," explains Paul Hardisty, CEO of the Australian Institute of Marine Sciences.

Total E&P Yemen extracted millions of liters of this toxic water every day for years in order to extract oil from Block 10. According to an insightful study, the starting point of this investigation, carried out by the Sana'a Center for Strategic Studies, in 2008 the neighboring Block 14 was producing up to 2 million barrels of produced water per day. The question is, how did they dispose of it? The oil company chose to store it in a hundred or so underground reservoirs equipped with simple plastic sheeting to prevent infiltration into the soil: thus, exposing the produced water to the Sun so that it evaporates. A method as archaic as it is dangerous, according to a French oil engineer who wishes to remain anonymous. "As far as I know, nobody plays this game anymore, apart from small companies with rogue methods. The international standard would be to treat produced water in plants. With the method used here, some of the water escapes into the air, and some seeps into the soil, since the lifespan of a polymer tarpaulin exposed to UV light is short. Once the water has evaporated, all the solid particles are left behind, forming a hydrocarbonladen sludge with a high concentration of radioactivity, which is highly toxic." Total, for its part, concedes that it has never drained its reservoirs to avoid damaging their fragile lining, but asserts that a skimming system had been installed to recover the residual oil, which is separated from the produced water and then recycled. However, this did not prevent tons of radioactive and carcinogenic soil from being left to decay. Even today, satellite images of Block 10 recovered by "L'Obs" show certain reservoirs clearly overflowing with this noxious sludge.

A Yemeni engineer who worked for Total E&P Yemen has further revelations to make: "When our reservoirs were all full, we reinjected the water into disposal wells dug at a depth of over 2,500 meters." The company denies this – "There were no inactive so-called disposal wells used to inject produced water." This is contested by Lucien Dat, a French former employee who served as

Health, Safety, and Environment Supervisor of Block 10 between 2006 and 2010. He asserts that Total did indeed bury toxic water: "Oil companies often do that. When they drill, there are lots of wells, some of which are of no use because there's no oil in them, so they fill them with more or less polluted water, basically crap, and then they close them up again." A dangerous technique, according to our expert who wishes to remain anonymous: "I'd never heard of it... Once again, it's an absolutely non-standard practice. What happens to the toxic water injected into a well? The pipes have to be leakproof, and they have to be constantly checked." According to Dat, this question has never arisen: "Even if there were a small leak, it wouldn't have any impact at a depth of 2,000 meters. The only risk is the pollution of a water table." Total, for its part, asserts that "there were no water injection wells in the aquifers."

So, who knew about these methods? In 2012, a local lawyer, Sami Jawas, joined geologists, local representatives, and a member of the Ministry of Oil and Minerals on a tour of Block 10 and its "large 30×30-meter reservoirs." The committee was hosted by Hatem Nuseibeh, one of Total's leading figures in the Middle East, who passed away in 2020. Discussions were heated. The visitors requested the construction of a produced water treatment plant. "Too expensive," the managing director of Total E&P Yemen reportedly replied curtly. "They only proposed two solutions," recalls the lawyer. "Exposing the produced water to the sun, or reinjecting it, but at deeper levels than the main freshwater aquifers. We were worried, so we asked whether, in the long term, this water could contaminate the groundwater used by Yemenis." Hatem Nuseibeh then turned to the oil ministry representative before insisting that "the Yemeni government was a signatory to these methods!" "I warned them," Jawas adds, "that in the event of pollution, they would be prosecuted by the Yemeni or French courts." These comments were corroborated by Hussein Bamakhrama, a member of the local council in Seyoun, who was also present during the visit: "Their arguments weren't really convincing and didn't allay our fears at all."

The residents' fears did not come from out of the blue. Several serious pollution incidents occurred as early as the 2000s. In June 2008, a report by the governor of Hadramawt even mentioned the destruction of one of the site's toxic basins. "It had been washed away by rains as far as the Wadi Ben Ali," the report stated. After visiting the facilities, local officials discovered that several tanks had been built in the wake of the natural flood drainage paths. As they traveled 20 kilometers down the valley, they found numerous black stains, the only visible traces of produced water that had never been 100 percent separated from crude oil. The officials' report reveals local concern: "The inhabitants of Wadi Ben Ali were worried about the blackish stains that had appeared after the last floods. They asked us how harmful this material could be to their health, their land, and their daily use of water (for drinking, cooking, washing, and irrigation). Some have decided to stop cultivating and plowing their land because they fear that once their plots have been sown, nothing will grow again." Soil and water samples were taken. Analysis of these samples, attached to the report, revealed cadmium and mercury levels well above World Health Organization (WHO) standards. According to Pierre Courjault-Radé, a pollution specialist at the French National Center for Scientific Research (CNRS), "mercury may originate from produced water mixed with oil, but it's not easy to prove that. Much more sophisticated, costly, and time-consuming analyses would be required to figure this out." The Hadramawt University of Science and Technology didn't have the technical and financial resources to carry out this analysis. Courjault-Radé adds: "But if we rely on the results and the context of repeated leaks of produced water and oil, this seems an acceptable hypothesis and would explain the origin of cancers in local residents."

According to the region's few oncologists, it was precisely in 2008 that cancer cases began to rise again. The worst happened in 2008: the Wadi al-Ghubaira oil spill. Total E&PYemen's pipeline, laid above ground for dozens of kilometers, exploded one night in March in unclear circumstances. The French company would not disclose the cause of the leak. The Yemeni government attributed it to a technical problem. But why didn't Total, which for its recent project in Uganda boasts of having buried its pipeline for hundreds of kilometers, do the same in Yemen, to avoid sabotage and protect itself from bad weather? An umpteenth question of cost. The extent of the leak is clearly visible in unreleased photos sent to L'Obs.

André Lamy, Director of Safety, Environment, Security, and Sustainable Development at Block 10 from September 2005 to January 2009, hasn't forgotten this event. "It happened at night and we didn't intervene until the morning. I couldn't tell you how many liters escaped, but imagine a pipe that's flowing, that's thousands of barrels. What's more, this one wasn't horizontal, so it emptied." Lamy says he and his team hauled long pipes to pump out the pools of oil that formed on the sides of the contaminated canyons and had bulldozers build earthen dykes around the cavities infiltrated by the oil, reinforced with absorbent silt socks to counteract the rainwater that would bring it out. "A classic procedure, but without soil decontamination, what's the point? It would have been necessary to wash the soil down to the polluted depths," says an oil engineer who wishes to remain anonymous.

Dat also remembers the site: "We couldn't get the vehicles down, so we had to carry the equipment on donkeys. As for the oil pollution on the surface, you leave it as it is, six months later it's gone because the sun and bacteria will eat all the hydrocarbons." Not a word, however, about heavy metals. "All that cleaning pissed me off. We mainly did this to keep the media at bay. Total was so afraid [that it would be revealed] that they made us clean every stone, but it's obvious that there were gaps where we couldn't go and that all this could surface every rainy season .... In the valley, the unprotected inhabitants were paid US\$5 a day by Total to remove the black stains," says a former Yemeni engineer working for the company, speaking on condition of anonymity. But thousands of liters of oil seeped in and are still coming out during heavy rains, say the residents. Several reports from the governorate also mention black flood water coming out of the mountains. The most recent report dates back to 2017. For its part, Total claims to have put in place "containment equipment" to circumscribe the effects "of the spill" and set up "a water monitoring system in the bed of the Wadi, which has detected no pollution on the surface or underground."

The clean-up operation took several months. Just to compare, the operations following a pipeline leak in the Plaine de la Crau (Bouches-du-Rhône) in 2009 took more than ten years. 73,000 tons of polluted soil was extracted. Nearly a quarter of the unusable soil was classified as hazardous waste, while the remainder underwent biological treatment. Despite this, hundreds of cubic meters of oil are still believed to be present in the soil at the French site.

The oil slick is causing a mixture of anger and panic among the Yemeni population in the vicinity of Block 10. Reports dated June 2008, drawn up by committees in Hadramawt, mention crisis meetings between Total and local representatives after the incident. According to one of these reports, "Total assured us that they are investing a large amount of money to preserve the environment and the waters. They say they have carried out analyses of Sah's water table and 120 wells." "L'Obs" has obtained these analyses, carried out by the Swiss company Geos in June 2008 and financed by Total.

The scientific tests on the water samples taken from the wells are even more rudimentary than those carried out by Hadramawt University. And not once is Total's activity mentioned in the Geos' conclusions. Not a word about the March 2008 oil spill nor about produced water leaks. The Swiss company even goes so far as to blame the local population: "Parameters measured in the field show anomalies probably due to local pollution points resulting from poor management of wastewater seeping into the wadi bed and polluting the wells." Total, asked about the Geos report, assures us that "subsequent field visits and analyses carried out with representatives of the authorities and local residents have confirmed the absence of residual oil in the water."

Misfortune rarely happens in isolation: October 2008 was also the year that terrible floods ravaged parts of Sah district. Some caused water reservoirs to overflow their banks and wash away for hundreds of kilometers. "We were of great help to the inhabitants," says Lamy plainly. "I remember a discussion at the Total base... Yemeni children had no milk at all, and we had a large stock of it. However, some of the team members were reluctant to give it away because they used to drink it with their morning tea. We finally voted and decided that all the milk would go to the children of Sah."

Clearly, the donation of milk wasn't enough. Soon, in the lower wadi, peaceful demonstrations and sit-ins began at the entrance to Block 10, as angry farmers demanded compensation from Total for their polluted land. The highly influential Al-Jaberi tribe formed a committee of twelve local chiefs. Total decided to pay for the pollution caused by its pipeline, fearing terrorist attacks or sabotage. The company, when approached, explains that a compensation committee had been established together with the local authorities, and that "this committee carried out an independent calculation of the annual amount to be paid." But L'Obs is able to confirm that a small French company, Ideal, was commissioned in April 2010 to measure farmers' losses. No experts in soil and water pollution were deployed to study the long-term environmental and health consequences. Frédéric Pelat, an anthropologist and agronomist, was left alone to assess the damage. "The Total workers," he recalls, "had no contact with the local population. They arrived directly at their facilities by plane. They'd stay for a few weeks and then leave, with no idea what was going on down there. I carried out a micro agrarian study to find out how to compensate the farmers, suggesting verbally that Total carry out a soil and water analysis. I don't know if it was ever done."

Pelat met several farmers to determine selling prices, potential crop volumes, seed costs, and the extent of the hectares affected. "The impact study commissioned by Total was limited to a very small parcel of land. The pollution was certainly not limited to it, but I was bound by my terms of reference. I overestimated the compensation." His highly detailed report estimates agricultural losses at US\$59,000, to be shared among the 500 inhabitants of the designated land. That was 0.0005 percent of Total's annual profit, which, boosted by rising oil prices, climbed to 10.3 billion euros in 2010. According to a document dated August 28, 2012, and sent by Total's director in the region, Hatem Nuseibeh, to the local governor, the company "paid compensation regarding the 'impacts' on the lands of the citizens of Wadi al-Ghubaira ... [of] 11,400,000 Yemeni rials (US\$57,000) for 2008, US\$58,000 for 2009, and US\$58,000 for 2010." Strangely enough, only the Arabic translation of the document refers to "harm." The word "pollution" is never used. Today, Total claims to have also compensated losses for 2011.

This initial compensation did not appease the anger of the locals. Yemeni lawyers gathered in September 2022 in a room of the Hawta Palace, a now-converted hotel not far from the town of Shibam, to discuss another legal action against Total. Taher Ahmed Ba'abad and his colleagues from the Al-Haq (truth) law firm initiated a complaint against the oil giant in March 2015. At the time, they represented five farmers from the Al-Jaberi tribe who, affected by the pipeline explosion, asked the Seyoun court to compel Total to "take full responsibility for this pollution, end their harmful activities in the valley and on the plots, clean the water as well as test its composition, clean every cavity still contaminated and pay new compensation for the farmers." Could the French company's replies to the judges have been too long in coming? On March 1, 2016, a note from the president of the Seyoun court to the governor of the region issued an order to seize "funds deposited by Total with PetroMasila," the Yemeni national oil company that was then taking over its facilities.

What exactly are these funds? Difficult to determine. Financial transactions between Total and PetroMasila were legion from late 1990 until the start of the war in 2015. But a confidential agreement concluded in 2015, confided to L'Obs by a former Total accountant, mentions US\$59,722,603 handed over by the French company to the Yemeni firm for "abandonment obligations" on its aging, increasingly unprofitable wells and facilities. According to the agreement, "the Republic of Yemen and the Ministry (of Oil and Minerals) agree that following this payment, the assignor (Total) will be irrevocably released and discharged from all claims." This is further proof of the oil company's intentions to protect itself against any legal challenge after fleeing the country in 2015 at the start of the civil war.

One thing is certain: in 2016, the Al-Haq law firm was informed by its clients that the complaint would eventually be withdrawn. The lawyers knew nothing of the financial terms and conditions that had prompted the withdrawal, having been kept out of the negotiations between PetroMasila, Total, and the farmers of Wadi al-Ghubaira. Lawyer Taher Ahmed Ba'abad spoke of US\$400,000, without providing any proof. The plaintiffs did not reply to *L'Obs* when contacted. Total, for its part, denies having "directly or indirectly paid the plaintiffs to withdraw their complaint." Resentment, however, remains strong. According to one of the lawyers, "the tribal chiefs who were supposed to redistribute the money from the first compensation payments made by Total did not do so fairly."

Who profited from this sinister affair? How to find out? Sheikh Ghazi al-Jaberi emerges from the Sah Valley escorted by several 4x4s with tinted windows. This imposing leader with gigantic hands is known in the region for his tribes' activism against the pollution that is eating away the region. He and his followers try to raise funds to help farmers and the sick survive. "I've never seen any money from Total. What did I get in compensation? Four sheep," he complains as he chews qat, a stimulant drug common in Yemen.

Ghazi is not the only local to complain about the failure to receive the three small compensation payments made by Total between 2008 and 2010. "There was no sharing," says Abdelatif al-Jaberi, another sheikh. "Only the chiefs of the Wadi have received something, while every last bit of greenery is dying, harvests have dwindled, bees have disappeared, and people everywhere are developing cancer. The black marks keep reappearing. I'm ready to *go* all the way to France to sue Total."

He is not alone in raising the possibility of further legal action. Farouk al-Jaberi, who grew up in the midst of these misfortunes, has become an active leader in Wadi Ben Ali at the age of 33. He has also carefully preserved all the letters sent to Total by his predecessors, in the event that the case comes back to court. "People are angry," he says, "but the majority of the population don't know their rights and don't know that they can claim reparations for the terrible damage caused by Total. I'll take their voices to France if I'm asked." Total may be in for a disappointment if it thought the pollution affair had been buried in the chaos of Yemen's civil war: the anger unleashed by its black waters has not ended yet.

**Quentin Müller** is a reporter focusing on Yemen, Oman, the wider Arabian Peninsula, and Iraq. He is the co-author of the books "Les Esclaves de l'Homme Pétrole" (Marchialy, 2022) and "Tarjuman, An Investigation into a French Betrayal" (Bayard, 2019), and the comic "Afghan Translators" (La Boîte à Bulles 2020).



## **Commentary**

# The Zaidi Taliban State: Only a Matter of Time

### Abdulghani Al-Iryani

Since their takeover, the Houthi group (*Ansar Allah*) has been cautiously but consistently recasting Yemeni society and its political system in their own image. This has involved a crackdown on freedom of expression and assembly, a massive campaign of youth radicalization under the slogan of defending the homeland against "Saudi-Zionist-American aggression," and restrictions on women's right to work and travel.

The tempo of that campaign accelerated as direct Saudi-Houthi talks began nearly two years ago. We probably will never know whether it was Saudi genius or mere coincidence, but the unconditional concessions Riyadh gave the Houthis created a false sense of victory within the group, strengthening the hand of its most radical members. This appears to have set the Houthis off on a race against the clock to forge the final form of state they desire before the eventual start of negotiations with other Yemeni parties on that state's structure.

In doing so, the Houthis have dropped their long-standing principle of *taqiyya*, or dissimulation of true belief, to reveal a design for the future that their coalition partners, the vast majority of Yemenis, and even the pragmatic faction of the Houthi group itself, do not accept. But in revealing their true intentions, the Houthis have perhaps defeated themselves and made it less likely for them to be part of a future Yemeni state.

On September 21, the Houthi leader Abdelmalek al-Houthi promised that he would announce sweeping and deep reforms in the structure of the state during an upcoming September 27 address commemorating the birthday of the Prophet Mohammed. Many speculated that he would announce a return to the Zaidi Imamate system, whose reputation Houthi media has

been trying to rehabilitate over the past few years. Others predicted the reforms would aim to create a state structure similar to Iran's, with Abdelmalek as the official religious leader sitting at the top.

However, sensing the impending effort to undermine the republican system, the masses in Sana'a and all over Houthi-controlled territory took the opportunity of the 61st anniversary of the revolution against the Imamate on September 26 to hoist the Republic of Yemen flag and sing the national anthem. Squads of special Houthi security service forces set up checkpoints to confiscate the flags and occasionally beat those carrying them. Mass arrests were reported in Sana'a. The public gave the Houthis a clear message: that the attempt to replace the republic with a religious system will be met with massive resistance.

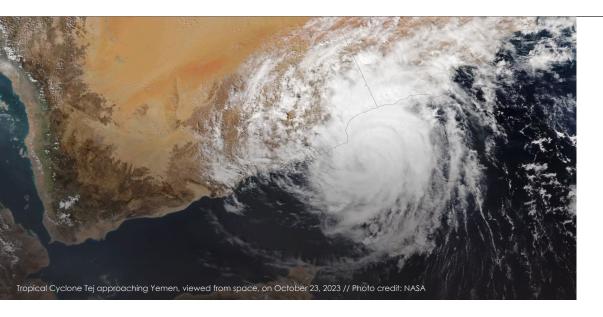
The tone of Abdelmalek's eventual speech was subdued. Instead of the teased governance overhaul, he announced he was firing his powerless cabinet and promised a new government of technocrats. Modest as it was, he called this step "the first phase of the promised deep structural reforms." But clearly, that was not what the Houthis had originally planned for the speech. It was the massive protest of September 26 that made them change their mind.

Nevertheless, it has become clear that the Houthis still plan to put an end to the republican system as we know it. Ever since they seized power in Sana'a in 2014, the Houthis have agitated against the main tenets of the republican system. Equality is no longer an acceptable principle, as the Houthi commitment to the concept of wilaya (guardianship) means that only the descendants of Hasan and Hussein, the sons of the Prophet's cousin Ali, have the right to rule. Deference to political or sectarian, let alone religious diversity, is rarely shown these days. In recent weeks, the Houthi movement's online army of supporters has been attacking parliamentarians too such as judge Ahmed Saif Hashed and members of the Houthis' nominal partner in government, the General People's Congress (GPC), for speaking out about unpaid civil servants and other victims of the lawless Houthi police state.

On June 1 this year, a senior Houthi leader, Yousuf al-Feeshi, announced that "there will be no partisanship nor regional divisions – there is only one people and their leader. We can have elections but no competition for power as the leader is holy." With political power ordained solely in the supreme leader, mere mortals have no claim to it. There is also no need for a constitution. On September 29, Dhaifallah al-Shami, the Houthi Minister of Information, posted on X (formerly Twitter) that the constitution is divisive and the only real constitution is the Quran. In fact, this argument, often made by Abdelmalek himself, is identical to that of another champion of the theocratic state, Islah's Abdelmajid al-Zindani. He too is infamous for his objection to the constitution and insistence on reserving the right to rule to religious scholars.

However, despite that, thinking that the Houthis are planning either to restore the Imamate or fashion their new state in the image of Iran's Islamic Republic is in my view too optimistic. Their model is not the primitive authoritarianism of the Imamate, nor the hybrid theocratic-institutional system of Iran. Rather, they are looking to create a totalitarian religious system that combines the Taliban theocracy with the North Korean police state. If you are not convinced, a trip to their traditional stronghold of Sa'ada will enlighten you on what a future "Zaidi Taliban" state in Yemen could look like.

**Abdulghani Al-Iryani** is a senior researcher at the Sana'a Center for Strategic Studies where he focuses on the peace process, conflict analysis and transformations of the Yemeni state. Al-Iryani has more than three decades of experience as a political and development consultant.



### **Analysis**

# Cyclone Tej Undescores Yemen's Climate Crisis Ahead of COP 28

#### Musaed M. Aklan

Cyclone Tej struck Yemen in the last week of October, ripping through the archipelago of Socotra, making landfall in the governorate of Al-Mahra, and wreaking havoc in Hadramawt, Shabwa, and Al-Dhalea. The cyclone brought rainfall and severe flooding, destroyed homes and roads, cut off electricity and communication networks, and displaced thousands of families. According to the Yemen Red Crescent Society, over 35,000 households were impacted by the latest cyclone to hit Yemen.

Cyclones in Yemen have increased in frequency, posing serious risks to vulnerable coastal populations and infrastructure. In the past six years alone, whilst grappling with an almost decadelong conflict, Yemen was hit by six cyclones, compared to only four in the preceding 25 years. An increase in extreme climatic events has led to significant loss of Yemeni lives and livelihoods, worsening food insecurity and leading many local communities to leave their lands and homes. The high number of internally displaced people, meanwhile, has further strained already limited national resources.

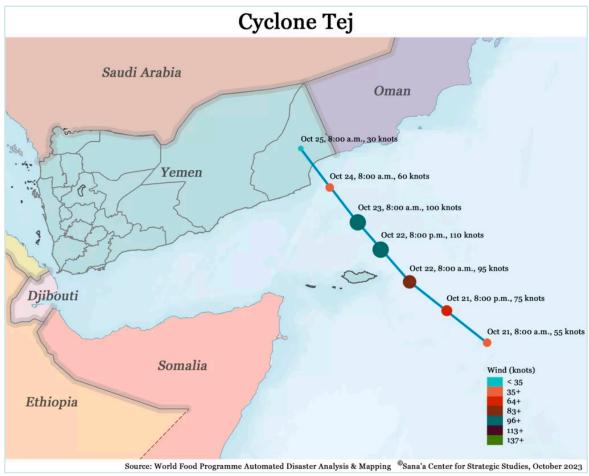
Today, Yemen stands as the 22nd most vulnerable country to climate change, ranking 171 out of 181 countries on the 2022 Global Adaptation Index, and 12th least prepared to adapt to climate change. It is simultaneously one of the least climate-funded countries globally, despite contributing less than 0.03 percent of total global greenhouse gas emissions.

As all eyes will be on COP 28 in Dubai at the end of November, Cyclone Tej serves as an important reminder to the world of the climate threats faced by Yemenis today, and the country's critical need for support in adapting to climate change.

# Cyclone Tej Brings Damage and Devastation

Cyclone Tej passed through Socotra, making its way to the governorate of Al-Mahra on October 22, leading to intense rainfall and sea level rise. On October 23, it made landfall on Al-Mahra's southern coast, with the Yemeni Meteorological Authority reporting over 406 mm of rainfall at the capital's airport in the space of just a few hours, dwarfing the annual average rainfall of 50 mm. Continuing north, on October 24, wind gusts reached 50-60 knots. The cyclone eventually weakened to a tropical depression, but heavy rainfall continued over other parts of Yemen.

On Socotra, a UN agency indicated that the cyclone destroyed or damaged over 500 homes. Although there were no reported casualties, the storm caused significant material damage to infrastructure, public and private property, and citizens' homes, with around 50 percent of roads destroyed, especially in eastern areas. Areas like Ras Irsaal were left completely cut off, with no road linking it to the capital Hadibu.



In Al-Mahra, where the eye of the storm made landfall, the cyclone killed two people, left six people missing, and displaced over 10,000 from Al-Ghaydah and Al-Haswain districts. The cyclone caused flooding that submerged roads and vehicles and damaged numerous buildings. The Yemeni Red Crescent said over 1,800 families were displaced across Al-Mahra. Torrential rains

and flooding also left a wake of destruction in Abyan, Shabwa, and Hadramawt. In some areas of Al-Dhalea, roads were cut off as torrential rainwater inundated residents for four consecutive days, preventing them from accessing food and emergency medical care.

On Sunday, October 22, Rashad al-Alimi, the head of Yemen's Presidential Leadership Council, visited Al-Mahra, urging the government and local authorities to ramp up efforts to mitigate the cyclone's effects, and instructing coordination between responding agencies, including military and security authorities, community committees, as well as regional and international organizations. Al-Mahra's authorities set up 45 centers to shelter more than 1,300 families who were displaced by the cyclone, as public and private schools ground to a halt. Al-Mahra, however, lacks cohesive infrastructure to protect against natural disasters. This makes it difficult to forecast and prepare for natural disasters, jeopardizing the lives of vulnerable communities that are increasingly at risk as climate change causes more frequent, extreme, and unpredictable weather.



Destruction on a street in Al-Ghaydah city on October 25, 2023, as a result of Cyclone Tej // Sana'a Center photo by Moaz
Nasser

# Yemen's Increasing Vulnerability to Climate Shocks

Many Yemeni communities are dependent on climate-sensitive practices such as farming and fishing for their livelihoods. This high dependence on natural resources leaves them highly exposed to climate shocks. Farmers in Yemen have seen their livelihoods destroyed by extreme drought and flooding, pushing them to the brink and making it harder to make ends meet. Yemen is also one of the world's most water-scarce countries, and one of the most food insecure, with 80 percent of the population struggling to access food and drinking water. The effects of climate change, including increased droughts, cyclones, and flash floods in recent years, have exacerbated the problem, leading to declining agricultural yields, loss of lands, and worsening Yemenis' access to clean water sources.

As communities have started to lose the natural resources essential for meeting their basic needs, they are becoming more vulnerable to exploitation and human rights abuses. These vulnerabilities are compounded by the current conflict, which has strained aging infrastructure and increased density, hampering effective disaster response. In rural areas, which are the hardest hit by climate stresses, some families have resorted to harmful coping strategies. These include pulling children from school to work, or in some cases, children even being forced into early marriage or child labor to help meet basic needs. Since the outbreak of the conflict, armed groups have exploited this situation by recruiting from the growing number of internally displaced people, including children and unemployed climate migrants. Limited access to essential services and fragile healthcare systems, in turn, exacerbate the dire repercussions of extreme climatic events. In the absence of a robust national environmental management strategy and early warning for climate threats, competition over scarce resources is likely to increase tensions and the potential for new conflicts to erupt.

# COP28 Must Take Note of Yemen's Climate Plight

Cyclone Tej is a harbinger of things to come. The increasing frequency and severity of extreme weather events underscores the urgency of addressing climate change in Yemen. The upcoming COP28 climate conference, held in Dubai at the end of this month, represents a vital opportunity for the international community to ramp up climate action and support for vulnerable countries like Yemen. It also offers the chance to mobilize international support and financing for climate adaptation, which can lessen the impact of future natural disasters, while fostering stability and development in Yemen.

Yemen's delegation to COP28, alongside representatives from Yemeni civil society organizations and local communities, must ensure the gathering nations understand the severity of Yemen's climate crisis and climate-related peace and security risks highlighted in negotiations at the conference. COP 28 should be used as a platform to coordinate adaptation efforts and climate finance by forging partnerships between national authorities, regional and international entities, and global leaders.

While working on the global stage, Yemen must also pursue a domestic climate reckoning. The country's lack of national climate strategies, plans, and policies compounds its current crisis. Outdated infrastructure will not be able to withstand accelerating climate impacts. The decadelong conflict has also prevented knowledge and technology transfer and restricted fruitful cooperation with international agencies. Yemen must rally internal political support to directly meet the coming climate crisis. Alongside that domestic agenda, Yemen urgently needs sustained international assistance across the humanitarian-development-peace nexus to strengthen national and local capacity to cope with climate shocks. Such support must focus on enhancing climate risk governance, preparedness, early warning and monitoring systems, social safety nets, infrastructure upgrades, and climate-smart agriculture.

**Musaed Aklan** is a Senior Researcher at the Sana'a Center for Strategic Studies focused on water, the environment, and climate change. He holds a Master's in Integrated Water Resources Management from Cologne University in Germany, and a double PhD in Water Resources Management from IHE-Delft and Wageningen University in the Netherlands. He has worked with INGOs and international institutions as a lead researcher and consultant in the field of water and the environment.



## **Commentary**

# The Poisonous Egos in Yemen's Tragedy

### Farea Al-Muslimi

The arrival of a Houthi delegation in Riyadh on September 14 represents a breakthrough after nine bitter years of war. The bilateral negotiations with Saudi Prince Khaled Bin Salman have been widely celebrated and encouraged, though there are myriad grounds for skepticism. But the moment is important as well as symbolic – it marks the dampening of the dangerous and destructive egotism that sparked and sustained Yemen's tragic conflict.

Nearly a decade of war, with hundreds of thousands of Yemenis killed, has undone years of progress and development, setting the country back at least a century. There are numerous reasons why the war began, not least the failed national dialogue process after the fall of President Ali Abdullah Saleh, the Houthis' sectarian agenda and 2014 coup, Saudi-Iranian regional competition, and the shameful failure of political elites to envision or embrace long-overdue change. But the primary though less obvious reason fighting started, and why it has dragged on so long at such great cost, is ego.

Politics and international relations in the Arab world remain intensely personal. Yemen's – and the Arabian Peninsula's – tribal vendettas are an instructive example of this: A conflict can begin because two men had a fight about something petty, spawning years of cyclical vengeance. Notions of honor and ego are evident on the international stage too. The Qatar crisis was a bizarre reminder that in monarchies and autocracies especially, the bruised egos of young men have outsized and destructive effects.

It was, after all, the ego of Saudi Crown Prince Mohammed bin Salman (MBS) that led him to enter a war he could never win, no matter how deep his pockets or sophisticated his weaponry.

Yemen will long remain a shameful stain on his legacy and a threat to his rule and vision for the kingdom. His political legitimacy has been largely built on the likes of Biden, Erdogan, Tamim, and other world leaders making the pilgrimage to the kingdom while it simultaneously reshapes itself into a global hub for sports and cultural events, with all the associated celebrities and glitz that comes with that.

In January 2015, weeks before launching its ill-considered and destructive military operation in Yemen, Saudi Arabia called on the Houthis to come to Riyadh for dialogue. The Houthis' refusal to attend was a personal affront to MBS, who could not stomach the idea that the Houthis – mere upstarts in flip-flops from the mountains – refused to show up.

Former president Saleh too allowed his wounded pride to lure him back into the subsequent fray in a stupid and vengeful alliance with the Houthis; the reckless way in which he fell out with former enemies turned allies of convenience cost him his life. The Houthis' own egotism, on the other hand, is enshrined in their extremist ideology, which holds that descendants of the prophet should enjoy a privileged status as a ruling class. Such belief has fueled their violent takeover and occupation of northern Yemen and the oppressive regime they have installed. Their superiority complex, fed by their military successes, limits their ability to govern and willingness to negotiate. Due mostly to ego and stubbornness, the Houthis appear ready to accept a deal for less than they were offered a year and a half ago.

The predicament is not confined to the belligerents in Yemen's war. In his first years, Jamal Benomar did a marvelous job as UN envoy. But it was his presumptuous self-confidence and refusal to change course that led him to tragically fail. There are lessons to be drawn from this. Mediators must be cognizant of their own egos as well as those of the parties they engage with. Envoys, diplomats, and negotiators also need to remember that beyond rational calculus, their job – first and foremost – requires them to play therapist and have an astute understanding of human psychology. As chief US negotiator Rose Gottemoeller remarked about the 2009 New START talks with Russia, negotiating can be "like putting shoes on a three-year-old."

The recent diplomatic breakthrough, no matter how organic it appears, is part of a large and complex edifice orchestrated by the warring parties. For the Saudis, the Houthis have finally shown up in Riyadh, and on a direct flight from Sana'a – this matters far more than outside observers can imagine. For the Houthis, this is the highest political recognition they can get: welcomed in Saudi Arabia ahead of the 9th anniversary of their takeover of Sana'a. For their part, most Yemenis look on with apprehension at the bilateral talks. They hope at least, that with egos quenched and placed aside, there will now be room for a pragmatic approach to Yemen's current crisis and future challenges.

**Farea Al-Muslimi** is a research fellow at The Royal Institute of International Affairs (Chatham House) focusing on Yemen and the wider Gulf region. He is also the co-founder and former chairperson of the Sana'a Center for Strategic Studies (2014-2022). He tweets at @almuslimi

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In producing The Yemen Review, Sana'a Center staff throughout Yemen and around the world gather information, conduct research, and hold private meetings with local, regional, and international stakeholders in order to analyze domestic and international developments.

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