# Testimony before the House Foreign Affairs Subcommittee on the Middle East, North Africa and International Terrorism

"The Humanitarian Crisis in Yemen: Addressing Current Political and Humanitarian Challenges"

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Chairman Deutch, Ranking Member Wilson, and members of the Committee, thank you for the opportunity to testify on the Yemen crisis and its implications for U.S. policy. After a brief analysis of the current humanitarian situation, this testimony focuses on recommendations for the international community and U.S. policymakers.

Today's hearing occurs at a potential inflection point in the four-year-old war in Yemen. For the first time since the breakdown of the ceasefire in 2016, there exists real, though easily reversible, political momentum toward de-escalation that could reduce the fighting, enable the transit of needed assistance, and lay the groundwork for future negotiations. Humanitarian progress almost entirely depends on diplomatic progress.

While the United Nations Special Envoy has led the diplomatic track, the United States—including the U.S. Congress—must pressure the parties to fulfill their late 2018 Stockholm, Sweden agreements and to offer additional agreements to end the fighting. The United States commands significant leverage over the Coalition, including the power to influence decision—making within Saudi Arabia and the United Arab Emirates. The United States should end all operational support for the Saudi-led Coalition. America's involvement in this war has undermined U.S. global leadership and derailed the pursuit of key U.S. national security interests. U.S. material support for the Coalition has set back global human rights norms. As the United States extricates itself operationally, it should pressure its partners in the Coalition to draw down and redeploy their forces, while urging all parties to de-escalate.

#### THE CRISIS IN YEMEN

The world's worst humanitarian crisis has followed from the confluence of food insecurity, deadly, though preventable, disease, economic collapse and hyperinflation, and the breakdown of social safety nets. All of these factors are the direct result of the fighting. The United Nations estimates that as of February 2019, in a country of over 30 million people, 24 million people require some form of humanitarian assistance, with 14.3 million of these in acute need, requiring basic water, food and other handouts for survival. Alarmingly, these numbers have grown exponentially since the war began; in 2018 alone, there was a sharp 27 percentage rise in the

<sup>&</sup>lt;sup>1</sup> "Humanitarian Needs Overview: Yemen," *UN OCHA*, December 2018, https://reliefweb.int/sites/reliefweb.int/files/resources/2019 Yemen HNO FINAL.pdf.

number of civilians facing acute humanitarian need.<sup>2</sup> The 3.3 million Yemenis internally displaced because of the conflict are among the most vulnerable.

Today, 17.8 million Yemenis lack access to clean water. This water scarcity has triggered the current cholera outbreak—the largest in recorded history, with over 1.2 million cases since April 2017.<sup>3</sup> While Yemenis have been facing a water shortage problem for decades, the fighting has accelerated water mismanagement. Combatants frequently target key elements of the water infrastructure. Finally, the sharp decrease in fuel access has also limited water availability—across the country, diesel is required to operate water treatment facilities and to pump groundwater.

In many places across Yemen there is food in the marketplaces but no household money to buy it given the inflated prices. The poorest Arab country before civil war broke out, Yemen now faces economic collapse. Since 2015, the Yemeni rial (YR) has lost over 70 percent of its value. The YR hit an unprecedented low in October 2018 when it was trading at YR800 per \$1 U.S. dollar compared to YR250 per \$1 U.S. dollar before the war. The parties to the conflict have blatantly disregarded civilian and economic infrastructure sites, such as transportation networks and health facilities, shuttering vital industries such as agriculture, manufacturing, and fishing, with deleterious implications for Yemen's post-war recovery. Exchange rate volatility, access impediments, and double-taxation by overlapping governing jurisdictions have disrupted markets. Skyrocketing fuel prices have raised the costs of transportation, making food, water, and other basic goods more expensive.

The split of the Central Bank of Yemen in 2016 compromised the neutrality of Yemen's most important financial institution, accelerating the depreciation of the currency and the collapse of the economy and government institutions.<sup>6</sup> (While an injection of capital into the Central Bank in October 2018 by Saudi Arabia helped strengthen and stabilize the Yemeni rial in the short term, the ameliorative effect of that injection is beginning to fade as foreign reserves dwindle once again.<sup>7</sup>) The budget deficit has meant that public civil servant salaries remain unpaid, affecting the extended households that depend on this steady source of income. Nurses, doctors, and public works officials have been forced to stay home, with dire implications for the health and

<sup>&</sup>lt;sup>2</sup> "Yemen," UN OCHA, Accessed February 27, 2019, https://www.unocha.org/.

<sup>&</sup>lt;sup>3</sup> "Humanitarian Response Plan: Yemen, January-December 2019," *UN OCHA*, February 2019, p. 5, <a href="https://reliefweb.int/sites/reliefweb.int/files/resources/2019\_Yemen\_HRP\_V21.pdf">https://reliefweb.int/sites/reliefweb.int/files/resources/2019\_Yemen\_HRP\_V21.pdf</a>.

<sup>&</sup>lt;sup>4</sup> Farea al-Muslimi, "Revitalizing Yemen's Banking Sector: Necessary Steps for Restarting Formal Financial Cycles and Basic Economic Stabilization," *SANA'A Center for Strategic Studies*, February 2019, <a href="http://sanaacenter.org/files/Revitalizing\_Yemens\_Banking\_Sector\_en.pdf">http://sanaacenter.org/files/Revitalizing\_Yemens\_Banking\_Sector\_en.pdf</a>.

<sup>&</sup>lt;sup>5</sup> Martha Mundy, "Strategies of the Coalition in Yemen War: Aerial Bombardment and Food War," *World Peace Foundation*, October 9, 2018, p. 7, <a href="https://sites.tufts.edu/wpf/files/2018/10/Strategies-of-Coalition-in-Yemen-War-Final-20181005-1.pdf">https://sites.tufts.edu/wpf/files/2018/10/Strategies-of-Coalition-in-Yemen-War-Final-20181005-1.pdf</a>.

<sup>&</sup>lt;sup>6</sup> "Yemen Economic Monitoring Brief," *World Bank Group*, October 2018, <a href="http://documents.worldbank.org/curated/en/508301539801659212/pdf/130967-REVISED-BRI-PUBLIC-Disclosed-10-19-2018.pdf">http://documents.worldbank.org/curated/en/508301539801659212/pdf/130967-REVISED-BRI-PUBLIC-Disclosed-10-19-2018.pdf</a>.

<sup>7 &</sup>quot;Yemen Commodity Tracker," *UN OCHA*, January 7, 2019, https://reliefweb.int/sites/reliefweb.int/files/resources/20181231%20OCHA Yemen Commodity%20Tracker.pdf.

sanitation systems. Only 50 percent of health facilities are functioning despite the dramatic rise in the population's health needs.<sup>8</sup> In short, a breakdown in the public sector, combined with the inability of small businesses to find capital, has meant little income to sustain the extended family structure for most Yemenis.

## **HUMANITARIAN ACCESS FOR THE YEMENI PEOPLE**

Even before the start of the civil conflict, Yemen was already 90 percent reliant on imports for its food and for items such as water, fuel, and medicine. It is therefore impossible to overstate the importance of both commercial and humanitarian access—both into the country through Yemen's ports and airports and between the ports of entry through various regions into the cities and towns. Inflation of basic goods has skyrocketed as a result of the restrictions on imports arriving by sea, air, and land. The Coalition imposed a blockade in November 2017, preventing all imports from entering the country for nearly one month. Today, despite the partial lifting of the blockage, access is limited due to the uncertainty of delays, restrictions, and insecurity at Hodeidah Port, the largest entry point for goods into Yemen. Shippers face increased financial and security risks, given the uncertainty at Hodeidah Port and the bureaucratic and access obstacles at other ports. The result has been hundreds of thousands of dollars in added costs for importers and businesses, much of which is passed on to the consumers.<sup>9</sup>

When the Coalition offensive in Hodeidah began in June 2018, shipping traffic increased toward Aden—the second largest port located along the southern coast of Yemen. Coupled with debilitating bureaucratic inefficiencies, Aden port still lacks the capacity and infrastructure to accommodate the current level of imports needed, leading to frustrating delays extending for days. Some shippers have resorted to ports in Oman, offloading and then transporting goods overland to Yemen. Although the Saudi-led Coalition has announced investments intended to increase the overall capacity at Yemen's sea and land ports, these investments have yet to yield tangible improvements to access. <sup>10</sup>

## RECOMMENDATIONS FOR U.S. AND INTERNATIONAL POLICYMAKERS

## Pressure the parties to improve humanitarian access

The Coalition must reopen Sana'a International Airport to commercial traffic, to allow the import of commercial and humanitarian goods, including medical supplies. Opening the airport will enable Yemenis to leave the country to seek needed medical treatment. The Coalition,

<sup>&</sup>lt;sup>8</sup> "Humanitarian Response Plan: Yemen, January-December 2019," *UN OCHA*, February 2019, p. 5, <a href="https://reliefweb.int/sites/reliefweb.int/files/resources/2019">https://reliefweb.int/sites/reliefweb.int/files/resources/2019</a> Yemen HRP V21.pdf.

<sup>&</sup>lt;sup>9</sup> According to <u>UN OCHA</u>, since the Coalition imposed a blockade in November 2017, only 75% of food and 24% of fuel requirements have been met, resulting in the rise of prices. "Prices of basic commodities including food, diesel and petrol are 137%, 257% and 261%, respectively, higher than pre-crisis."

<sup>&</sup>lt;sup>10</sup> In December 2018, <u>Saudi Arabia</u> announced the arrival of cranes to Aden and Mukalla ports. Yet according to private commercial shippers importing goods into Yemen, delays continue as a result of bureaucratic impediments and limited capacity.

Government of Yemen, and Ansar Allah (the Houthis) must take genuine steps to reduce barriers and delays to imports. They must allow for free and unfettered access of commercial and humanitarian goods into and through all entry points, including those in the Red Sea and Gulf of Aden. Commercial shippers have all but given up on Aden, because of the backlog and inefficiencies that they find there.<sup>11</sup>

# Pressure the parties to implement the Stockholm agreements and to expand de-escalation zones

The three agreements reached in Stockholm in late 2018 remain unfulfilled, including the redeployment of forces out of Hodeidah Port. The most tangible progress involves a noticeable diminution in ground fighting and air strikes in the Hodeidah governorate.

Overall, the Stockholm agreements are limited to small geographies. The United Nations must pressure the parties to expand the de-escalation agreements to broader areas. Near Hodeidah, the fighting continues—in January 2019, the number of airstrikes increased in nearby Hajjah governorate, for example. Over the course of the first six weeks of 2019, at least 271 civilian casualties were reported across Yemen, including 96 deaths. Fighting has increased in Taiz, since December, in spite of the agreement in Stockholm to focus on de-escalation there. Taiz is a historic economic, commercial, and educational hub where the persistent fighting will have an irreversible impact on Yemen's economic recovery as well as the healing of Yemen's torn social fabric.

De-escalatory measures should focus on re-opening the Hodeidah-Sana'a highway. <sup>14</sup> Finally, as the negotiations over the administration of Hodeidah port continue, port operations are not reaching capacity. Even if the military forces are fully redeployed, all parties will continue to compete over the running of the port, including managing its revenues—presenting a challenge to further United Nations peace talks and the expeditious resumption of full port operations.

<sup>&</sup>lt;sup>11</sup> The international community, including the United States, its European allies, Saudi Arabia, and the United Arab Emirates, have generously provided humanitarian assistance since the start of the war in 2015. The United States, one of the single largest bilateral donors, has provided over \$1.46 billion in humanitarian aid plus \$74 million in development and recovery funds between 2016 and 2017. Yet just as important as the aid itself is the diplomatic pressure to ensure that the parties to the conflict, allow international aid to arrive in Yemen in a cost-efficient and effective manner and to enable the transport of this aid from ports of entry to the communities of need.

<sup>&</sup>lt;sup>12</sup> On 19 February, nine civilians were killed and 13 injured by armed hostilities in Hodeidah and Hajjah, according to the Office of the Resident Coordinator and Humanitarian Coordinator for Yemen, Lise Grande.

<sup>&</sup>lt;sup>13</sup> "Statement of Understanding on Ta'iz." United Nations Security Council, 20 December 2018, p. 5. <a href="https://undocs.org/en/S/2018/1134">https://undocs.org/en/S/2018/1134</a>

<sup>&</sup>lt;sup>14</sup> "Under-Secretary-General for Humanitarian Affairs and Emergency Relief Coordinator, Mark Lowcock Statement on the Situation in Yemen," *UN OCHA*, February 7, 2019, <a href="https://reliefweb.int/sites/reliefweb.int/files/resources/ERC%20USG%20Mark%20Lowcock%20on%20Yemen%20">https://reliefweb.int/sites/reliefweb.int/files/resources/ERC%20USG%20Mark%20Lowcock%20on%20Yemen%20</a> 07%20Feb2019.pdf.

#### Pressure the Saudi-Led Coalition to limit civilian harm

Direct attacks on civilians and civilian infrastructure have led to a tragic loss of life in Yemen, including the August 2018 Coalition attack on a bus of schoolchildren and the numerous other attacks on weddings, markets, and food production, agriculture sites, and distribution sites. The United States remains distinctively positioned to press the Saudi-led Coalition to avoid civilian casualties and to prevent the continued destruction of critical civilian infrastructure, even as UN-led talks take place.

Over the past few months, as the fighting has decreased across Hodeidah, in some governorates, including Hajjah in northwest Yemen, there has been intense escalation. In some cases, the recent fighting has generated newly-besieged civilian areas. Coalition airstrikes hit Sadaa 60 times in January 2019.<sup>15</sup> This Congress and the 115<sup>th</sup> Congress have clearly called on all parties to limit civilian harm in airstrikes and ground fighting and to reduce the risk to civilian sites. It is critical that U.S. Congressional and Executive Branch officials, including from the Department of Defense, consistently reiterate these messages publicly and privately at senior levels.

#### CONCLUSION: U.S. POLICY AIMS IN THE NEXT PHASE

The nearly four-year-old conflict has killed tens of thousands of civilians and devastated the civilian infrastructure and economy of Yemen. While the United Nations continues to lead the diplomatic process, the voice, influence and legislative action of Congress will remain a key U.S. diplomatic lever. Over the past year, Congress' firm opposition to the planned Hodeidah offensive—conveyed through statements, legislation and scrutiny over U.S. security assistance underlying Coalition operations—undoubtedly contributed to the parties' willingness to meet in Stockholm rather than escalate the fighting.

Congressional leadership on Yemen should focus on two key policy goals: First, while the United States has suspended its military aerial refueling, Congress should ensure that the United States extricates itself definitively and completely from the Coalition operations in Yemen. Second, Congress should ensure that U.S. diplomatic energies are working toward peace – particularly by convincing the Coalition that its strategic goals will only be achieved at a negotiating table. Given the complexity of this crisis, and the multiple internal actors, peace in Yemen may yet be illusory. Ending the Coalition offensives and airstrikes, combined with pushing the Houthis to show restraint, will be a critical step forward in a country that has seen too much war.

<sup>15</sup> According to <u>Yemen Data Project</u>, "...eight governorates saw an increase in bombings in January most notably in Hajja where there was a 65% rise in air raids and the highest in the governorate since May 2018."