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Common Country Assessment

Republic of Yemen

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Executive Summary

Yemen has ratified six major human rights conventions and strongly endorsed the MDGs as the main frame of reference for the country's future development. The CCA builds on this to undertake a human rights based assessment of major development challenges in Yemen, using the MDG targets as key anchors in terms of main outcomes to be achieved.

The candid assessments of progress to date in moving towards MDGs and the objectives of the Poverty Reduction Strategy, contained in the MDGR and the PRSP progress report issued respectively in 2003 and 2005, indicate that the country is not on track to reach most MDGs by 2015 without substantial redirection of policies, injection of additional funds and institutional and human capacity building. The MDG needs assessment report mentions some needed policy changes and provides an estimate of total financial resources required if Yemen is to reach the MDGs by 2015. The gulf between what needs to be done and achievements to-date demonstrates the enormity of development challenges faced by the country.

Yemen has improved its score on the human development index since 1990, but the progress has been too slow to change the country's ranking. It remains stuck in the group of low human development countries. While the population growth rate decreased from 3.7% in 1994 to 3.02% in 2004, high population growth remains an underlying cause of many of the problems Yemen faces. Population dynamics have negatively impacted improvements in water management, economic growth, education and primary health care. The country has also regressed on child malnutrition where the rate worsened from 1992 to 1997, with the situation remaining unchanged through 2003. The progress on maternal and child mortality has slowed to a crawl since 1997. At current 3% annual rate of population growth, the population will double in 23 years time, while oil production has already peaked with oil reserves expected to be depleted within ten years, and water resources can not even meet the needs of the present generation at current rates of use.

The assessment of progress against MDGs demonstrates that the only area where current rates of change at the national level offer some hope of reaching the target by 2015 is universal primary education. However, if one takes into account the wide disparities amongst governorates, with persistence of pockets of high deprivation, it is unlikely that business as usual will lead to the desired 100% access to primary education across the whole country, especially for girls. This lackluster performance is mainly the result of inappropriate policy choices, including allocation of insufficient resources and inefficiency of public action.

A series of surveys on various aspects of human welfare are produced on a reasonably consistent and timely basis. However, the information has not led to course correction, largely due to suboptimal relations between data users and producers. The reliability of some of the data sets, especially administrative data, has also been questioned. The UN system has supported Yemen in most of the surveys undertaken and will continue to do so, with a view to further improving the quality (particularly with respect to qualitative changes and disaggregation of data by sex, age, region, etc) and timeliness of their production, as well as linkages with policy making.

There is general agreement between the Government of Yemen and its development partners that a key underlying cause of suboptimal development outcomes is governance failures, which resulted in corruption and mismanagement of public resources at all levels of government. The PRSP and MDG Needs Assessment reports both highlight the importance of progress in governance. This provides additional justification for the adoption of the broader Millennium Declaration, with its emphasis on governance and human rights as

prerequisites for success, as the main benchmark against which the CCA measures progress. The adoption of a rights based approach has led to the use of a frame of reference in the CCA that extends beyond the Declaration to incorporate all key international conferences that preceded the Millennium Summit as well as the human rights instruments ratified by Yemen, notably CEDAW, CRC and the Beijing and Cairo plans of action on gender and population.

The CCA extensively uses the comments and recommendations of human rights bodies. These comments underline the importance of institutionalized respect for and protection of human rights, rule of law, empowerment of women, protection of children, food security, sustainable and inclusive development and employment creation and poverty reduction as main pillars of national development. This included adoption of a comprehensive definition of poverty as "a human condition characterized by the sustained or chronic deprivation of the resources, capabilities, choices, security and power necessary for the enjoyment of an adequate standard of living and other civil, cultural, economic, political and social rights." (E/C.12/2001/10)

The analysis contained in the CCA has identified the following four underlying reasons for the poor outcome of development interventions in Yemen:

1. Lack of transparency and participation;
2. Dis-empowerment of women and children;
3. Inequitable and unsustainable use of water resources; and
4. Jobless growth, in the face of rising population.

The main factors that have impeded progress on transparency and participation have been dependence on oil revenues, which have granted the State autonomy from the local economy, a power nexus which gives substantial power to tribal leaders, army officers and other socially influential characters, and prevalence of patron-client relations and centrist tendencies that have delayed the implementation of meaningful decentralization of power and authority to elected local governments. The above context has led to a situation where despite some positive moves, respect for and protection of human rights in general and women's rights in particular, is yet to be institutionalized. The legal system, which is often at conflict with the tribal system, lacks credibility and effectiveness in dispensing justice and creating conditions for full enjoyment of the many rights the Yemeni population has been granted by the Constitution. Responsive and capable local governance remains elusive, while civil society continues to face many constraints in the way of its effective participation in public life. Corruption remains a problem, despite strong indications from the highest political level that it should not be tolerated and the civil service reform is still in its early days, even though Yemen needs a strong State machinery capable of intervening effectively to create an enabling environment for development, if it is to join the rank of middle human development countries, as desired by the 2025 strategy.

The government of Yemen has stated its commitment to equal rights and women empowerment through endorsing CEDAW without reservations and developing the National Women Development Strategy. However, the past decade has shown no significant development on the area of women empowerment. Some of the factors that have impeded progress on this front are: continued cultural restrictions on the mobility of women, early marriage and child bearing and rearing practices, their effective marginalization from decision making arenas and limited access to and control over economic assets. While women bear the brunt of the negative results of short sighted and inequitable use of resources, they lack voice when decisions are taken in society and the family on how to allocate limited resources. The State, by not sufficiently providing for the health and education needs of women, makes it that much more difficult for them to break out of the vicious circle of dis-empowerment. The Yemeni society at large is not yet aware of the need for a radical shift in perceived gender roles to unleash the full potential of half the population to contribute to the country's development.

Yemen has been living beyond its means in terms of maintaining water take off rates that substantially exceed annual recharge of water tables. High rates of population growth and continued dependence on agriculture as the mainstay of the majority of the people exacerbate the problem. The location of Yemen within the dry Arabian Peninsula does not help, while deforestation has further reduced water retention. Excessive water use deprives future generations of their right to lead a long and healthy life, and thus touches on sensitive issues of inter-generational equity, in a context where the present generation struggle against many odds to get out of poverty. There are also concerns about the concentration of ever more limited and precious water resources in the hands of the wealthier and more influential segments of society. The Government is fully aware of the need to take drastic action to rectify the situation and has already developed a national water sector strategy. The partial lifting of diesel subsidies in July 2005 should help

reduce the gap between the social and private cost of water extraction and thus hopefully encourage more efficient use of this precious resource.

The economic development path of Yemen is marked by over dependence on oil, with little attention to creating the conditions for the growth of a well integrated national economy based on agriculture, fisheries, manufacturing and tourism. The capital-intensive nature of the oil industry has meant that the growth of per capita GDP has not been led to the creation of a commensurate number of jobs. Inefficiencies and inequities in the justice sector, as well as the policy formulation and implementation capacities of the State have created an operating environment that is not conducive to the growth of private enterprise, particularly micro, small and medium enterprises. The increasing concentration of the best agricultural lands in the hands of richer farmers, who typically use less labour per acre than smaller farmers, has constrained the growth of employment in the agriculture sector. Lack of protection and support for the manufacturing sector and the greater ease of making profits from trading has led to a situation where the share of manufacturing in total employment has remained unchanged over the past decade. The youth in particular face tremendous hurdles in getting jobs, as they are saddled with sub-optimal growth of their productive potential due to prevalent child malnutrition, limited and poor quality of general and vocational education, high prevalence of communicable disease and dilapidated health facilities. This has led to high youth unemployment rates, which if left unchecked will exceed 40% within a decade and could lead to political instability.

The UN system has a lot to offer to support Yemeni efforts to overcome the earlier noted development challenges in the areas of governance, human development, gender equality, local and rural development and equitable growth. The finalization of the 3rd five-year poverty reduction plan in the fourth quarter of 2005, offers an opportunity for the analysis contained in the CCA to contribute to national processes. All the same, since the analysis builds on the preparatory work undertaken by the Government in the planning process, the UNDAF is likely to be consistent with the next plan, which will be based on MDGs and focused on poverty reduction.

CHAPTER 1

OVERVIEW

1.1 Introduction

The CCA for Yemen was prepared by the office of the Resident Coordinator, drawing on inputs provided by all participating UN agencies. The process was led by a core group composed of all UN agencies present in the country, under the overall guidance of the UN Country Team. Given the availability of a number of recent reports assessing the developmental context of the country, the UNCT had initially decided to opt for a light CCA. However, as the process proceeded, it became evident that a more thorough CCA had to be prepared, in order to do justice to rights based programming. A number of the core group members had participated in a UNDG organized on human rights based programming in Cairo in February 2005 and were able to share their insights with the group. The Executive Committee Quality Support and Assurance Team visited Sana'a in August 2005, to meet with the core group, the UNCT and the Government and provided valuable inputs on both the process and content of the CCA. Partly in response to these comments, and in order to provide greater depth to the rights based analysis of the CCA, a two-day human rights based programming workshop for a cross section of UN staff was held in Sana'a in late August 2005. This workshop provided some additional insights, which have been incorporated in the final CCA document. The CCA draft has also been shared with the Government, development partners and some international NGOs.

The CCA views the development challenges of the country from a rights-based perspective with the Millennium Declaration and associated MDGs the main reference point. It is largely based on three key documents pertaining to human development and poverty reduction produced by the Government of Yemen, namely the MDG Report 2003 and the 2005 MDG Needs Assessment and PRSP progress reports. The first two reports adopt a 10-12 year horizon and are largely forward looking, while the last one reviews progress in the first 2 years of the current 3-year PRSP and contributes to the preparation of the next 5-year PRSP.

1.2 Political Developments

In the past decade, the Government has taken many difficult and bold steps to strengthen the union and ensure its development. On the regional front, border agreements signed with neighbouring countries (Oman, Eritrea and Saudi Arabia) are expected to bring about economic and trade benefits. Yemen is participating in four of the Gulf Co-operation Council (GCC) institutions, namely Education, Health, Social Affairs and Labour, and Youth and Sports, though full membership remains a distant prospect.

As an emerging democracy, Yemen conducted its third parliamentary elections in April 2003, considered by national and international observers to be reasonably fair and free. Encouragingly, women accounted for 42% of the electorate. The ruling General People's Congress (GPC) party led by President Ali Abdullah Saleh, retained its majority by securing more than 70 percent of parliamentary seats. In addition to improving the country's electoral process, the Government is implementing other sensitive democratic governance programmes in the areas of human rights (where a new Ministry is headed by a female Minister), decentralization and judicial reform. With Law No. 4 for Local Authority of February 2000, the government introduced reform measures that grant a wider authority to local entities, followed in February 2001 by the first local council elections in the country. Fiscal decentralization is yet to be introduced with transfers to local levels of government accounting for only 3% of total public expenditure in 2003.

1.3 The Human Development Context

Despite advancements on many indicators, reflected in a rising HDI value, Yemen remains one of the least developed countries in the world, retaining the ranking of 149 (out of 177 countries) on the UNDP Human Development Index. Yemen is also one of the world's most water scarce countries and has one of the highest rates of population growth. The above combination leads to water resources being consumed at such a rate that without urgent action parts of the rural economy could disappear within a decade.

Table 1: Yemen, Human Development Index trend, 1990-2002

Year	HDI value	HDI rank
1990	0.392	149
1995	0.435	149
2002	0.482	149

Source: UNDP Human Development Report 2004

Social development indicators, such as child malnutrition, maternal mortality, and population growth remain unfavourable. There are also large gender disparities, with significant gaps in women's access to economic, social and political opportunities. Yemen's first Millennium Development Goals Report in 2003, produced by the Government with support from UNDP, concluded that Yemen is currently off track with respect to meeting the MDGs, with the possible exception of universal primary education and under-five child mortality. On the malnutrition front, due to a combination of stagnating per capita income levels and worsening nutritional patterns (e.g. rising consumption of junk food and qat) the situation has even got worse over time, with the proportion of under five children who are underweight rising from 30% in 1992 to 46% by 1997/8 and remaining at that level through 2003.

Official commitments to human rights have not been translated into a tangible reduction of human deprivation, with large numbers of women, children and men, in rural and urban areas, in more remote and central locations alike unable to exercise their political, economic and social rights. While disaggregated HDI data at governorate and district levels are lacking, the available health, education, food security and poverty surveys clearly demonstrate the existence of substantial disparities along gender and regional lines. In view of the disparities, the levels of human deprivation faced by women and children and people living in rural and remote areas are amongst the highest in the World.

Yemen scores even lower on GDP per capita in PPP terms. This reflects a failure to translate whatever limited advances there have been on social indicators into improved incomes. The resultant high and pervasive income poverty, combined with a young population and high youth unemployment rates, underscores the urgency of greater attention to increasing economic opportunities.

1.3.1 Population and Demographic Trends Affecting National Development

High population growth rate remains an underlying cause for many of the problems Yemen faces, despite declining from an annual rate of 3.7 % revealed in the 1994 census, to 3.02% according to the 2004 census. By 2004 the total resident population had increased to 19.7 million, with nearly 50% of the population below the age of 15, which has major social and economic implications, notably with respect to expansion of and access to basic social services and eventually employment. At the current rate of growth, population will double in 23 years exacerbating the already heavy burden on natural resources. As an example projections show that water availability per capita will decline from 116 m3 in 2005 to 99 m3 by 2010 at the current population growth rate.

Furthermore, poverty is strongly interlinked with the number of children in a family. The 1999 poverty survey shows that while the poverty rate among families with 2 children is 29%, it rises to 48% among families with 8 children. The rapid population growth rate is a result of the high total fertility rate at 6.2 births per woman. The direct factors influencing the total fertility rate are the age of marriage and the use of family planning. The fertility rate among women married before the age of 15 is 6.2 comparing with 3.5 for women married at age of 20-21 years. The high total fertility rate has a strong effect on girls' and women's access to and use of education-, health- and other social services. Less than full attention to the population dynamics in the country, and in particular efforts to increase birth spacing and decrease the total fertility rate will hamper development efforts, and will undermine socio-economic development efforts.

80% of the population lives on 16% of the total area, mainly in fragile mountainous and plateau areas, putting undue pressure on economic infrastructure, including transport, as well as causing degradation of resources. Despite this concentration, many people live in small, scattered settlements, not exceeding 500 inhabitants. This hinders attempts to make efficient distribution and utilization of the scarce resources, as well as provide social services, particularly health.

As the table below demonstrates, the progress on all demographic indicators, other than the population growth rate and life expectancy, has been more marked in the period from 1992 to 1997. The most notable achievement in this earlier period was the decline of total fertility from 7.7 to 6.5. It is also worth noting that the biological advantage of women over men, as reflected in a higher life expectancy, has narrowed over time, with the gap declining from 3 years in 1994 to 1.8 years in 2004. This can be largely explained by the particular problems women face in accessing health care services.

Table 2: Demographic Indicators (core)

Indicator	1992-4	1997	2003-4	Expected 2010
Life Expectancy at birth (years)Overall	57.5	59.2	62.9	66.6
Male	56, 56.7, 62			
Female	59, 59.9, 63.8			
Total Population (in millions)	14.6 million	16.5 million	19.7 million	22 million
Annual Population Growth Rate (%)	3.7%	3.5%	3.02%	2.8%
Total Fertility Rate (Birth per woman)	7.7	6.5	6.2	5.3
Crude Birth Rate (0/00)	47	42.5	41.3	36
Crude Death Rate (0/00)	21	11.2	11.3	8

Sources: 1992 and 97 DHS and 2003 FHS surveys and the 94 and 2004 population censuses

1.3.2 Poverty Reduction Strategy Paper (PRSP)¹

The Government of Yemen is implementing its Second Five-Year Development Plan (2001-05) and the Poverty Reduction Strategy Paper (PRSP) 2003-2005 within the framework of the National Strategic Vision 2025. Yemen's first PRSP, prepared in May 2002, recognized a number of critical developmental challenges impacting the country's ability to reduce poverty. These include declining incomes and weak prospects for economic growth; high population growth; poor development of human resources and infrastructure; and weak levels of social protection. The PRS recognizes the importance of improved governance and public management, including the need to broaden participation and collaboration, and notably women empowerment in order to make optimal use of available resources. To address these concerns, the PRS proposes a strategy centred around four pillars:

- Achieving Economic Growth;
- Human Resources Development;
- Improving Infrastructure; and
- Ensuring Social Protection.

Overall, progress since 2003 has been slow on income and social dimensions of human poverty. Growth has been below expectations, and barely able to keep up with stubbornly high population growth. As a result, there has been little or no reduction in income poverty. The following factors largely explain this disappointing performance:

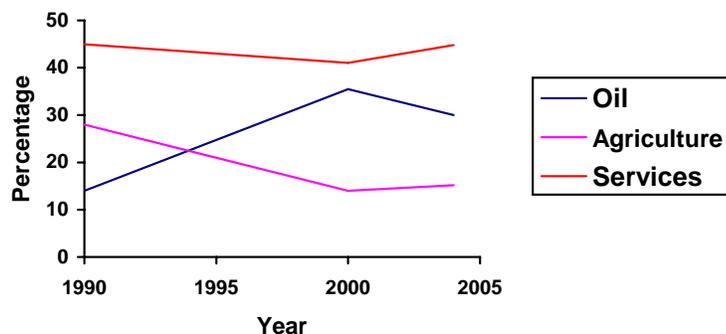
- Slow pace of economic reforms;
- A rise in government consumption expenditures;
- Decline in oil production, although revenues have been buoyed by rising oil prices;
- Continued use of civil service as a social safety net;
- Adoption of an austere macro-economic framework, as evidenced by a combination of low budget deficit with a high interest rate policy;
- Limited scope for redirecting budget to priority sectors, and;
- Yemen's poor international image;

Yemen's second PRSP and the Third Five Year Development Plan (2006-2010) are due for approval in 2005. Both documents will be informed by the MDG needs assessment as well as the PRSP progress report, and would need to grapple with the above noted challenges. They provide the background against which the UN would be operating in the coming five-year period.

¹ PRSP Progress Report, May 2005, PRSP Unit, Ministry of Planning and International Cooperation, Yemen
Yemen Common Country Assessment 2005

1.3.3 Economic Progress

Graph 1: Composition of GDP



Source: UNDP report on impact of macro-economic policies on poverty in Yemen, 2005

As the above graph demonstrates, the structural composition of the economy has been influenced by the growth and decline of the oil industry over the period since 1990. There has been a reduction of some 50% in the contribution of agriculture, while services continues to be the dominant sector and makes the same percentage contribution to GDP in 2004 as it was making in 1990. The opportunity offered by oil income has not been used to transform the structure of the economy, with manufacturing as the dynamic sector seeing its contribution to GDP remain unchanged over the period since 1990, only providing 5% of employment in the country. Thus, what one observes is essentially a shift in the nature of the service sector, which has moved from being focussed on supporting agriculture in the period up to 1990 to being an avenue for injecting oil income into the economy, through an expansion of foreign trade related service activities. Private industry has failed to take advantage of the opportunities offered by greater availability of foreign exchange due to an unfavourable investment climate, largely related to weak governance and absence of a culture of rule of law. Oil income has allowed the Government to adopt a relaxed attitude towards raising domestic resources. It also appears to have had a negative impact on the growth of both the agricultural and industrial sectors, by facilitating imports of foodstuffs and consumer goods.

The strategy vision 2025 strives to increase GDP growth by an average rate of 9%, an ambitious target for any country. It identifies fishing, tourism, agriculture and manufacturing as the promising sectors to achieve these targets. In support of the strategy vision 2025, the SFYP 2000-2005 targeted an average growth rate of 5.6%, which, though realistic by Yemen's historical growth performance (4.5% from 1990 to 1995 & 5.5% from 1995 to 2000), could not be realized partly due to tapering off of oil production. Yemen's economic growth decelerated from 4.6% in 2001 to 2.7% in 2004, in line with the decline in oil production. The outlook for 2005 is worrisome, with stagnant or declining per-capita GDP growth for the third year in a row.

The share of crude oil production in GDP having risen from 5.5% in 1995 to 35.7% in 2000, fell to 30.3% in 2003. Production in 2005 is running at about 400 thousand barrels per day, compared to over 430 thousand in 2002. The negative impact of lower oil production has been more than offset by higher oil prices since 2003. Prices for oil exports averaged \$36.60 per barrel in 2003 and are expected to substantially exceed these levels through 2005, compared with \$20.40 expected in the PRS. While oil accounts for around 30% of GDP, and over 70 percent of Government revenue, it does not provide much employment. Agriculture, on the other hand, employs 54% of the population, and is the mainstay of 74% of the rural population, while only accounting for at best 15% of GDP. This largely explains the much higher incidence of rural poverty. The increasing share of prime land and scarce water resources allocated to qat has in the meantime adversely affected sustainable use of water resources and ability of agriculture to contribute to food security.

A major share of revenue generated by oil accrues to the Government, which has used it to support an expanding public sector. The foreign oil companies that extract the oil and reap the balance of revenues

have, by and large, not reinvested this income to further expand their activities in Yemen. The Yemeni private sector has also mostly ignored manufacturing due to lack of a supportive environment.

As a result of the above, the country remains stuck in a vicious poverty trap, where savings have not been transformed into productive investments. Hence, labour productivity has remained low, meaning that even those fortunate enough to find jobs are mostly faced with "poverty wages".

1.3.4 Poverty and Employment

Indirect estimates of poverty suggest an overall poverty rate of about 40.1% in 2003, little changed from a level of 41.8% in 1998. However, given the high population growth rate, there has been an increase in the number of people in poverty. There are, though, some hopeful signs that the poverty gap and the severity of poverty have been reduced, suggesting that the poor are moving closer to the poverty line. Stagnating agricultural production has led to poverty in rural areas remaining high at about 45%. Providing employment opportunities remains one of the major challenges facing the government, with unemployment rising from 13.2% in 2002 to 14.8% in 2004. If current trends continue, with labour demand rising by 2.8% versus an increase of 3.8% in labour supply on an annual basis, the unemployment rate will continue its upward trend.

1.3.5 PRS in the Budget

Rising oil prices in past years offset lower production levels, producing a net increase in revenue. Non-oil tax revenue remained constant at about 7.4% of GDP in 2004, well below the PRS target of 9.5%. The main problem has been the deferment of the enforcement of the general sale tax (GST), which has caused wide criticism and objections by businessmen and industrialists. Enforcement is planned for 2005.

The PRS called for a substantial real increase in spending on social sectors, with the ratio expected to reach 12.8% of GDP by 2004. While spending on social sectors did grow, its share in total GDP remained at 7.7% of GDP, substantially short of the PRS target. The majority of this spending is on education (5.8% of GDP) and health (1.3%). At 0.1% of GDP, Social protection spending is very limited. Spending on the social sectors also takes place through the Social Fund for Development (SFD). The SFD executed 1,309 projects in 2003-04, estimated at a total cost of \$123.3 million or about .5% of GDP per year. A rising proportion of the budget goes to subsidize oil derivatives and electricity, mostly diesel. These subsidies rose from 3.1% of GDP in 2002 to 6.3% in 2004, exceeding the allocation to education. In 2005, the Government started reducing these subsidies on a gradual basis in order to free up resources for poverty reduction.

The table below shows that despite fairly substantial increases in allocations to health and education in nominal terms, their share of GDP remained unchanged over the period since 2000, and their share in total government expenditure actually registered a decline. While combined expenditures on health and education accounted for 22% of public expenditures in 2000, this ratio had fallen to 20.7% by 2004, with proportionately greater reduction in health than education.

Public Spending on Health and Education, 2000-2004

Year	2000			2003			2004		
	Rials (billions)	% of public expenditure	% of GDP	Rials (billions)	% of public expenditure	% of GDP	Rials (billions)	% of public expenditure	% of GDP
Health	20.3	4.3	1.3	30.5	4	1.4	32.1	3.7	1.3
Education	88.8	17.7	5.7	133.3	17.2	6.2	147.9	17	5.8

Source: CSO

CHAPTER 2

THE MILLENNIUM CHALLENGE

2.1 Introduction

This CCA looks at Yemen's development situation through the lens of the Millennium Declaration, which the Yemeni government signed in September 2000 and the preceding international conferences and commitments made to support those by Yemen. A central part of that Declaration is the Millennium Development Goals, which represent the centrepiece of the international development agenda. But the Millennium Declaration is not just about these goals; it asks every country to put human rights and the building of capacities to reach those rights at the centre of national development priorities. Indeed since the realization of human rights is the ultimate outcome of development, the vehicle for achieving the eight MDGs is imbued with the principles of democratic governance which are at the heart of the Millennium Declaration. The spirit of the declaration, when it comes to the complex nature of gender equality and rights of children, can only be addressed by taking into account the full spectrum of interventions identified by ICPD, CEDAW, and the Beijing declaration and the legal obligations undertaken by states signatory to the CRC.

The sustainability of development outcomes can only be assured if they are built on the rule of law and civil liberties, and ensure participation and government accountability. From this vantage point the CCA analysis rests on two structural concepts: the human capabilities of citizens to fulfil their potential in society and the institutional capabilities of the state and its organs to create the right environment for human development.

The Millennium Declaration spells out the commitment to help people realize their human capabilities, to allow them to lead the lives they value. This means the ability to fulfil basic human needs like feeding oneself and avoiding premature morbidity, as well as the capability to better oneself through opportunities created by good education and participation in decisions that impact an individual's life. It has long been recognized that a deficit in these areas leads to deep and endemic poverty, i.e. a lack of income and capabilities to make choices in life. As the 1997 Human Development Report argued poverty is more than the lack of income, but rather a "deprivation in the valuable things a person can do or be", which includes deficits in education, health, equity in political and social rights and security. This sentiment had already been endorsed by Yemen and other nations in the 1993 Vienna Conference on Human Rights, where there was agreement that "extreme poverty and social exclusion constitute a violation of human dignity".

In March 2005 the UN Secretary-General issued his report, *In Larger Freedom: Towards Development, Security and Human Rights for All*, where he linked peace, human development and human rights. It confirms that "development, security and human rights go hand in hand" and identifies the ultimate goal of development as that of granting "men and women everywhere [...] the right to be governed by their own consent, under law, in a society where all individuals can [...] speak, worship and associate freely [...] and be free from want".² But these rights, which provide the environment for people to make free human capability-related choices, need to be claimed and provided by those who have the power to do so. Thus "If human development represents the enhancement of the capabilities and freedoms that individuals enjoy, human rights represent the claims that individuals have on the conduct of individual and collective agents and on the design of social arrangements to facilitate or secure these capabilities and freedoms"³.

The UN has been mandated to ensure that its technical assistance should further the realisation of human rights as laid down in the Universal Declaration of Human Rights (which has legal force in Yemen by virtue of article 6 of the Constitution which affirms Yemen's commitment to observe the provisions of both the UN Charter and the UDHR) and other major international human rights instruments. This has to be done at the level of developing policies, programmes and implementing them. Six international human treaties ratified by Yemen and the work of their monitoring committee have been relied upon in the preparation of this CCA:

² The Secretary General's report 'In larger Freedom: Towards Development, Security and Human Rights for All', March 2005

³ Human Development Report 2000, UNDP, New York, p.20

- International Covenant on Civil & Political Rights - ICCPR
- International Covenant on Economic, Social & Cultural Rights - ICESCR
- The Convention on the Elimination of all Forms of Racial Discrimination –CERD
- The Convention Against Torture – CAT
- The Convention on the Elimination of all forms of Discrimination Against Women - CEDAW
- The Convention on the Rights of the Child –CRC

The CCA considers human rights, as set out in the Universal Declaration of Human Rights and other international human rights instruments, as universal, indivisible and interdependent. These principles guide the preparation of the CCA, UNDAF and subsequent UN programming processes. In addition to integration of human rights in the development process, the human rights based approach considers the implementation of gender equality as a challenge in itself, e.g. in relation to the MDG goal of achieving gender equality, as well as a cross-cutting theme permeating other challenges.

2.1.1 Millennium Development Goals and Human Rights

The negation of human rights will inevitably hinder the pursuit of MDGs, since their achievement can only be assured and sustained by establishing a solid base in human rights norms and democratic principles. Thus viewing the MDGs through human rights expands the understanding of the policies and institutional reforms required to achieve them. While the MDG framework adopts a long-term horizon through to 2015, the challenges the CCA identifies focus on what has to be done in the next five years to facilitate the attainment of MDGs. Each MDG is supported by a set of human rights norms, which the Yemeni constitution recognizes and the government has adopted, through a number of national policies and plans of action.

2.1.2 Relationship Between MDGs and Human Rights Instruments and Yemeni Constitution

Millennium Development Goals	Human rights standards in international human rights instruments ⁴ and Yemeni Constitution (YC)
Goal 1 Eradicate extreme poverty and hunger	Draft guidelines on a human rights approach to poverty reduction strategies ICESCR (article 11), GC 12, CRC (articles 24 Para. 2 and 27 Para. 3) YC articles 7, 24, and 56.
Goal 2 Achieve universal primary education	UDHR (article 26); ICESCR (articles 13 and 14, and GC 11), CRC (article 28 a) and GC 1), CERD (articles 5 and 7) YC article 45
Goal 3 Promote gender equality and empower women	UDHR (articles 2 and 6); CEDAW; ICESCR (articles 3 and 7 Para. a (i)); ICCPR (articles 3, 6 para. 5 and 23 para. 2); CRC (article 2); CERD (GC 25) ; ICPD principle 4 YC article 31 and 41.
Goal 4 Reduce child mortality	UDHR (article 25); CRC (articles 6 and 24 Para. 2.a); ICESCR (article 12 Para. 2 a, GC 14) YC articles 30, 55, and 56.
Goal 5 Improve maternal health	UDHR (article 25); CEDAW (articles 10 h, 11 f, 12 Para. 1, 14 b, and GC 24); CERD (article 5 e iv); ICESCR: GC 14; CRC (article 24 d) ; ICPD principle 6 YC articles 30, 55, and 56.
Goal 6 Combat HIV/AIDS, malaria and other diseases	International guidelines on HIV/AIDS and human rights, ICESCR: GC 14; CRC (article 24 c) YC articles 30, 55, and 56.
Goal 7 Ensure environmental sustainability	Safe drinking water: ICESCR: GC 14 Slum dwellers: ICESCR:GC 4 and GC 7 YC articles 8, 33, and 35.

⁴ United Nations High Commissioner for Human Rights - **CEDAW**: Convention on the Elimination of All Forms of Discrimination against Women; **CERD**: Convention on the Elimination of All Forms of Racial Discrimination; **CRC**: Convention on the Rights of the child; **GC**: General Comment; **ICCPR**: International Covenant on Civil and Political Rights; **ICESCR**: International Covenant on Economic, Social and Cultural Rights; **ICPD**: International Conference of Population and Development, **UDHR**: **Universal Declaration for Human Rights**.

Goal 8 Develop a global partnership for Development	UDHR (articles 22 and 28); Charter of the United Nations (article 1 Para. 3), ICESCR (article 2), CRC (article 4) YC article 6, 9, and 10.
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The first MDG Report for Yemen shows that the country is unlikely to meet most MDGs if current rates of change are not improved radically. If one takes into account wide disparities along socio-economic, rural/urban, regional and gender lines, the task ahead for reaching the MDGs becomes truly formidable.

2.1.3 Human Rights, Democracy and Good Governance

Among the underlying causes of denial of freedom from want, is a relative lack of transparent, representative and democratic dialogue on budgetary priorities. Institutional capacity in planning is weak. Falling oil resources, high population growth and lack of female participation in work force contribute to lack of resources. Though many surveys on different aspects of human welfare have been carried out over the past five years, with support from the UN system, their results do not systematically feed into policy choices. Corruption is rampant and has been both a cause and effect of a culture of patronage that denies objective discussion of resource allocation. Tribal norms and traditions enmeshed in the governance structures lead to priorities that are often neither poor nor women friendly. Revenue systems are weak. Lack of awareness of citizens' rights in the government contributes to the non-realization of rights.

The ratification by Yemen of 57 major international human rights instruments and promulgation of many significant pieces of legislation the necessary foundations for dealing with the above noted issues. The Government has taken commendable steps to promote a rights based approach, including setting up institutions and processes leading to increased participation in public affairs, such as elections at central and local levels; increase in civil society organizations and their involvement in governance; openness in public space in relation to political parties, opposition activities and relatively free press; establishment of a Ministry of Human Rights with an active complaints and human rights information section, and responsiveness to international scrutiny including timely submission of treaty reports and responding to reports by international non-governmental human rights organizations.

Stronger implementation of international human rights commitments and widening of the democratic space is needed for the quality of governance to be improved. Amongst the key recommendations of the Millennium Project is strengthening MDG-based poverty reduction strategies that provide a framework for promoting human rights. Vital to the success of Yemen's efforts in achieving the MDGs is increasing the awareness of the links between human rights and the MDGs (e.g. Human rights approach to development and to PRS) as well as strengthening the capacity of the government and civil society to incorporate human rights concerns into the development issues, which lie at the heart of the MDGs.

There is general agreement amongst Yemen's development partners that the poor performance of the past decade can be ascribed largely to weak governance, as manifested by low levels of democracy in action, poor transparency and accountability, ineffective rule of law and continued search for peace and political stability. This has been compounded by lack of technical capacity and human resources in priority productive and social sectors. The World Bank, in its Country Assistance Strategy issued in 2002, sums up the governance problems in these words: "Poor quality of governance...is the most important constraint on development. Its main characteristics are weak government capacity to design and implement programs, poor service delivery associated with lack of incentives and skills in the civil service, widespread corruption and absence, until recently, of accountable local governments." However, a serious gap remains between the commitment to accountable local governance and the reality on the ground.

While Yemen has opted for a democratic framework as the first step towards good governance, the Government has limited capacity to increase transparency and accountability and the relevance and efficiency of the public sector, in order to combat poverty and achieve the MDGs. Excessive centralization and weak capacity of local government explain the inability of local councils to promote local development, despite public commitment to decentralization. Reforms of the governance structures, including deepening the democratic tradition and decentralization are prerequisites for the successful attainment of MDGs, in addition to being valuable in themselves, for promoting people's control over their lives.

2.2 Yemen as a Pilot Country of the UN Millennium Project

The Government of Yemen has undertaken a number of measures and programmes that embrace the spirit of the Millennium Declaration, including participation in the UN Millennium Project, which aims to propose the best strategies for meeting the Millennium Development Goals in the World Summit in September 2005. With support from the UN Country Team in Yemen and the UN Millennium Project, the Ministry of Planning and International Cooperation led the MDG Needs Assessment and costing exercise.

2.2.1 Yemen's MDGs Needs Assessment⁵

The MDG needs assessment used global MDG targets without modifying them to Yemen's situation, capacity and potential. The process made extensive use of multi-disciplinary thematic groups, including government technical agencies, the UN, civil society actors and development partners. This has paved the way for the preparation of a scaled up and MDG-based National Development Plan for Poverty Reduction for the period 2006-2010 within the context of Yemen's Strategic Vision 2025. The vision aims at the following:

- Improving the demographic and health conditions;
- Eliminating illiteracy by increasing school enrolment for basic education, especially among girls and;
- Raising per capita income by diversifying the economic base

For each sector and sub sector covered by the needs assessment the current situation has been analyzed and challenges identified. Consequently based on the foregoing, an investment plan was drawn and costed.

MGD Costing: Due to methodological limitations, adding up of sectoral costs can lead to over-estimation of total costs, given the inter-related nature of MDG targets. Inter-linkages among targets lead to "positive externalities" or "joint production" (synergies), with one input simultaneously affecting several targets. For instance, improving health system capacity helps to achieve several MDGs targets both health and non-health - such as child and maternal morbidity and mortality, poverty, hunger and gender. Health related MDGs are, on the other hand, affected by other sectors e.g. water and sanitation on prevalence of hygiene and water-related diseases; and gender and infrastructure on access to health care particularly obstetric care. In such cases, the cost functions for separate MDG targets cannot be defined accurately. There is a need to understand the manner in which specific inputs help to advance multiple goals in order to estimate the cost of achieving the entire sets of the MDGs. This challenge remains unresolved.

Sequentially, MDGs costing must go hand in hand with MDGs financing. A survey of the potential of various sources of funding including levels of taxation, cost recovery for non-basic services, private-public partnership, foreign aid and debt relief, provides the basis for crafting a combined financing strategy that is based on the mobilization of both domestic and external resources. The main challenge on the financing issue is for the government to renew its efforts at reforming policies, instituting an enabling legal and regulatory framework and putting in place transparent and accountable governance structures. Such efforts are not only critical for mobilizing domestic resources and promoting private sector activities in the economy, but also for attracting external resources- both in terms of donor funds and foreign direct investment (FDI).

According to the MDGs Needs Assessment methodology, linkages between the MDGs and the policy framework (in the context of TFYP/PRSP), requires the following:

- A set of *integrated interventions* that will enable the country to meet the MDGs over the medium to long-term through to 2015.
- A long-term approach in identifying the necessary infrastructure, human, and financial resources required for scaling-up of interventions through to 2015, with an initial focus on improving absorptive capacity;
- A *transparent approach to MDG based* long-term planning;
- A *financing strategy* for achieving the MDGs, with a significant increase in domestic resource mobilization over time, to be complemented by donor contributions.

2.2.2 Key Findings of MDG Needs Assessment

The MDG Needs Assessment aimed to identify policy priorities and generate estimates of overall resources needed to achieve the MDG targets. It is intended to expedite the slow trajectory of reaching the MDGs, by

⁵ MDGs Needs Assessment, June 2005, Millennium Project Unit, Ministry of Planning and International Cooperation, Yemen

providing the basis for the *up-scaling* of programs (notably expanded human resources, financial and administrative capacity and basic infrastructure), making them more ambitious and comprehensive.

The MDGs Needs Assessment reviews the current situation with MDG targets and indicators, building on the first Millennium Development Goals Report (MDGR), including the particular barriers that prevent faster economic growth and accelerated progress towards poverty reduction. It identifies the combination of public investments that would tackle key obstacles, thus enabling the country to achieve the MDGs by 2015.

The MDGs Needs Assessment confirms the need for strategic policies, political commitment and strong planning capacity for meeting the longer-term time horizon of the MDGs (2005 to 2015). In essence, the time horizon calls for the incorporation of the MDGs into ongoing national development and policy processes (the MDGs Long Term Plan, future NDPPR, sectoral strategies, policies and plans). A review of the policy framework indicates that links between the MDGs and PRSP/ TFYP (including any other NDPPR) need to be particularly strengthened in three areas:

- Defining poverty reduction targets;
- Formulating pro-poor policy content and prioritization; and
- Resources mobilization requirements for meeting poverty reduction targets.

2.3 MDG Goal-by-Goal Summary

The major recommendations of the Needs Assessment report, broken down by sectors, appear as an annex. The section below presents a summary of the current status of progress against the MDGs, based on an update of the MDGR.

2.3.1 Poverty, Education, and Gender Goals

Goal 1: Halving Income Poverty and Hunger

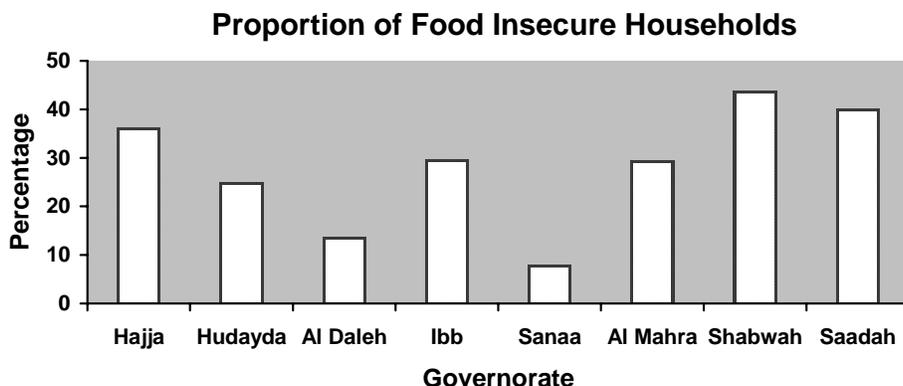
The 1998 HBS showed that 17.6% of the Yemeni population lives under the Food Poverty Line, whereas the percentage of the population who live below the national income poverty line is 41.8%. The 1999 poverty survey, however shows a much higher level of food poverty of 27%. Poverty in Yemen is more of a rural than an urban phenomenon, with 45% of the rural population poor compared to 30.8% in the urban areas. With three quarters of the population living in rural areas, it is clear that poverty reduction strategies must have a strong rural focus. The other dimension of poverty in Yemen is the disparities among different governorates with poverty incidence highest in Dhamar governorate (49%), and lowest in Al baidha (15%). Given the limited public provisioning of basic social services those who suffer from income poverty are particularly vulnerable to extreme poverty and despair in the event of a loved one falling sick and have great difficulty in getting out of poverty through benefiting from public education. Hence, they have little prospect of realizing their full potential as active agents of change and masters of their destiny. Simply by virtue of being born into a poor household they are subject to a life of misery and human indignity, with little prospect of breaking out of the vicious circle of poverty.

Anecdotal evidence suggests that there has been some decrease in income poverty since 1998 with the World Bank estimating that in 2003 the proportion of the population below the poverty line had fallen to 40.1%. The absolute number of the income poor, i.e. those deprived of the right to a dignified life, actually shows an increase given the 3% annual population growth.

Employment has grown in the expanding public services, in construction, and in informal micro and small-scale rural and urban activities characterized by low productivity. In rural areas, productivity, wages and incomes are extremely low, and poverty is rife. Female participation is highest in the agricultural sector, but much of it is unpaid. The increase in demand for labour, at only 2.8% pa has been unable to keep pace with a 3.8% increase in labour supply. As a result unemployment is expected to rise from a level of 11.5% in 1999 to 17% in 2006, with youth unemployment exceeding 29%. Enterprise creation has occurred largely in the micro- and small-scale (informal) sectors which have expanded, notably in wholesale and retail trade and in road transport, to take advantage of the liberalization of external trade and payments and the current wide availability of imported consumer goods.

Food insecurity is a major problem afflicting just under 22% of households, with over 60% of the affected population suffering from moderate hunger, and is reflected in a stubbornly high 46% of under five children

being underweight. The above averages mask major disparities amongst governorates, with the proportion of food insecure households ranging from a low of 7.8% in Sana'a City to 43.5% in Shabwah.



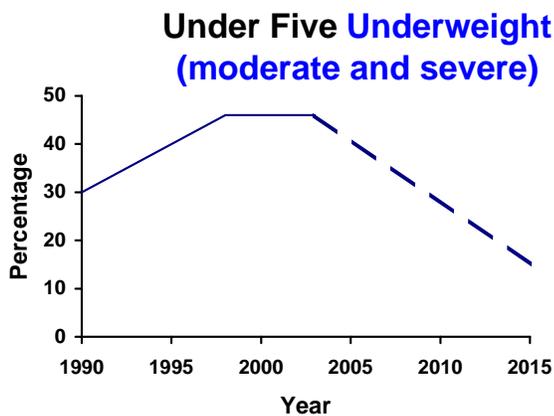
Source: FAO Food Insecurity in Yemen report based on results of the 2003 FIVIMS Survey

Food insecurity appears to be a product of a mixture of factors that lead to low levels of income, seasonable fluctuations in employment and consumption habits that give preference to non-food expenditures, notably the qat phenomenon. Data on under-five malnutrition shows that there has been no improvement between the health surveys conducted in 1997-8 and 2003, with a consequent substantial increase in the number of children whose right to freedom from want has been violated. Proportion of underweight children below five remained at the same level of 46% in the 1997 (DHS) and 2003 (FHS) surveys.

The Committee on Economic, Social and Cultural Rights (CESCR), in its 2003 concluding observations on Yemen's compliance with the relevant Covenant, expressed deep concern about the persistence of extreme poverty, especially in rural areas and among disadvantaged and marginalized groups. The Committee urged the State to take effective measures to combat the problem of poverty.

The poor as claim holders, lack organization and voice to be able to push for pro-poor policy reforms, as well as lacking in basic skills and financial resources that are needed for them to take advantage of opportunities for gainful economic activities. The Government, as a duty bearer, lacks a coherent set of poverty reduction policies and is constrained in its actions by the political power of those who benefit from current economic and social policies. Limited donor interest in supporting the productive sectors compounds the problem.

Given the demographic structure of Yemen, the largest group of rights holders and one of the most vulnerable are children under 18 years of age, with the girl child being doubly vulnerable given prevailing gender disparities. Since there is evidence to suggest that the poor have more children than the non-poor, children represent a disproportionate number of those affected by poverty. Article 27 of CRC states that all children have a right to an adequate standard of living. The CRC Committee in its 2005 concluding observations expressed its deep concern over the high number of children living in poverty.



Source: 1992 and 1997 DHS and 2003 FHS surveys

The above graph clearly demonstrates the formidable task that Yemen faces in reducing child malnutrition to 15% in 2015 in line with MDG targets, while the historical trend has been an increase in the rate with no improvement seen since the 1997DHS.

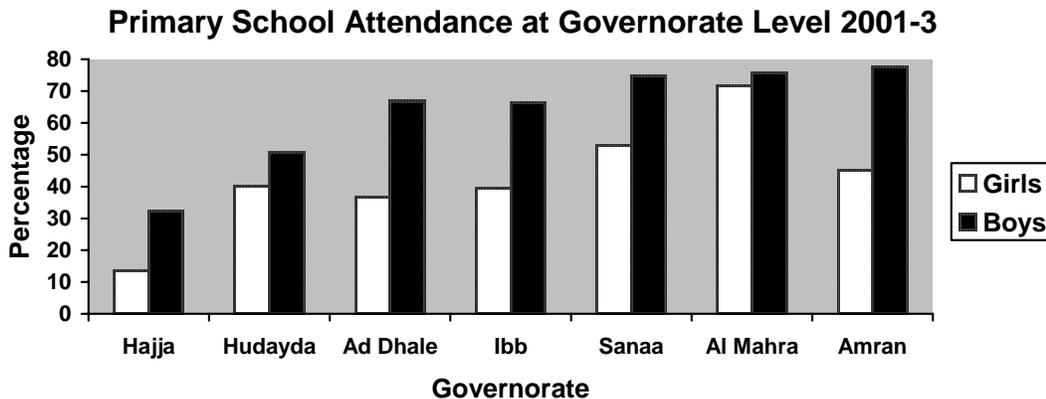
When poverty strikes a family children are often the worst sufferers of its consequences. High rates of morbidity that follow malnourishment stunt biological and mental growth producing life long irreversible handicap. Poor children often contribute to perpetuation of cycle of poverty. Despite this, children as a group are not adequately addressed in the poverty reduction dialogue, notably the current PRSP (2003-2005).

Child labour is widely practiced in the country and, unfortunately, accepted as a norm. It is estimated to constitute about 16% in rural areas and 3% in urban centres. Child labour in Yemen expanded during the last decade at an average rate of 3% to constitute more than 10 % of the total labour force. This runs counter to Yemen's ratification of the ILO conventions no.138 and 182, the two Optional Protocols of CRC and the agreement with ILO to combat child labour.

Goal 2: Achieve Universal Primary Education

Trends over the last few years in primary education point to the deprivation of a substantial minority of children of this right. Gross enrolment rates in basic education have risen from 58% in 1997/8 to 66.5% in 2003/04. Despite substantial progress in girls' education, GER for girls only reached 51.5% in 2003. The right of females to education is thus more violated than the males. Given the rapid rate of population growth, despite the above noted increase in enrolment rates the absolute number of children out of school

has not been reduced over this period. These average rates of school enrolment in the country hide serious geographic disparities. Boys and urban children enjoy greater education opportunities and higher enrolment rates. Data from the baseline survey of the Child Development Program carried out in 30 districts reveal significant disparities among different governorates, as the next graph illustrates, with enrolment rates for girls ranging from a mere 13.4% in Hajja to a respectable 71.7% in Al Mahra. The regional disparity amongst boys is less marked, with the lowest rate being 32.2% in Hajja, versus a high of 77.6% in Amran. Gender disparities, as measured by the ratio of girls to boys is particularly marked in Hajja, where there are only 42 girls for every 100 boys, while in Al Mahra parity is within reach with there being 95 girls for every 100 boys. There are also significant differences in enrolment rates of both boys and girls between rural and urban areas, with girls in urban areas more likely to attend school than boys in rural areas. This is against the spirit of universality of the right to education for all children.



Source: Child Development Project, baseline survey, 2001-2003, UNICEF and GOY

Gender disparity at secondary and tertiary levels is even more marked than at the primary level, with female students in the secondary education in 2003 accounting for 40% of the total in the cities and only 20% in the rural areas. At the university level, female students constitute only 25% of the total number of students and less than 10% in vocational institutions. Another dimension of discrimination is the lack of access to and poor quality of education available to poor and vulnerable communities like the "Akhdams".

The Needs Assessment for Yemen in the education sector highlights the major underlying causes for this non-realization of children's rights. Lack of infrastructure, particularly schools, unavailability of female teachers, especially in the rural areas and poor quality of curriculum/text books are identified as major causes. The NA however, does not adequately cover some of the basic causes of this situation, such as parental attitude towards girls and lack of value assigned to education. This leads to weak demand from the right holders for education. Lack of systematic policies and resources for primary education and community organization are additional causes for the failure of duty bearers in meeting their obligation.

Lack of awareness of rights and systematic and reliable data on the violation of these rights is a major capacity gap that dis-empowers the claim holders (children, parents and civil society organizations) from tracking and monitoring the failure of the duty bearers in meeting their obligations. Scarcity of resources (low growth with high population) is a capacity gap faced by the prime duty bearer (the government). Inequitable use of the limited resources with a major share of educational budget going for tertiary education and the insufficient investment in teaching aids and supervision, undermine the quality of the general education provided by the State. Corruption, lack of authority and resources handicaps the local governments and Parent Teachers Associations from functioning effectively. The CRC Committee in its observations notes with concern that the traditional attitudes in the Yemeni society limit respect for children's rights and views. This is one of the biggest capacity gaps faced by the prime right-holders i.e. the children and their parents particularly mothers in advocating for the rights of children.

The right holders are unable to organize, plan and monitor public expenditures. Accountability mechanisms need strengthening. Citizens, parents and communities have almost no capacity to organize and demand better services for children. Civil society sector is still nascent and not conversant with its own rights.

Goal 3: Promote Gender Equality and Empower Women

The MDG framework views gender equality and women's empowerment as a necessary condition to combat poverty. Persistent gender inequalities are seen as one of the underlying causes of poverty by limiting women's capacities to contribute fully to growth as well as benefit from development. Goal 3 specifically focuses on achievement of gender equality and women's empowerment.

Prevailing gender division of labour results in women spending much of their time in household chores such as collection of water and fuel, especially in rural areas. Poor infrastructure facilities and absence of basic services further exacerbate the problem. These have far reaching implications on women's health status and opportunity to engage in productive activities. Yemen's high fertility rate of 6.2 and early marriage further reduce women's opportunities to acquire skills and training so they can compete in the labour market. This is compounded by high illiteracy rates of women and low skills.

Even when women surmount these challenges and manage to get educated, there is no guarantee that they will get gainful employment. Lack of employment opportunities is noticeable among educated women, a third of who are involuntarily unemployed. Female enrolment in vocational training is extremely low. Although the law recognizes women's right to work discriminatory practices, within the household and the labour market, persist, including the requirement of espousal consent for women who wish to work in the public sector. Access to employment is also hindered by poor infrastructure, notably low access to public transportation.

While the gender gap in primary enrolment decreased from 37.18 in 90/91 to 24.79 in 2002, the female enrolment rate in the first year of basic education was only 75% of the male enrolment rate in 2002. Both boys and girls intake rates in the past few years have increased in large measure due to the emphasis on improving primary school education. Boys are making greater gains from these new opportunities in access to education, while girls' primary intake rate continues to lag behind.

Presence of female teachers has an important influence on girls' enrolment and retention in schools. Currently there are far fewer female than male teachers. There are only 52 female teachers for every 100 male teachers in cities, while the ratio for rural areas is only 8.6%. Inability to afford the financial burden of enrolling girls in schools in terms of expenses towards uniforms, fees, travel and other related expenses is a further obstacle to girls' education. This is compounded by a strong son preference. Access to health care for women and their children is not only constrained by availability and proximity, but has major socio-cultural dimensions related to mobility of women and preference for and lack of female health workers.

Traditional perceptions of gender roles and difficulties women face in organizing themselves, makes it very difficult for them as claim holders to push for their rights. Even though the constitution gives women full equality for participating in public life, there are very few senior women in Government (one Minister) and a minuscule proportion of elected seats in parliament (1 out of 305 seats) or local councils (0.1%) are held by women, despite the fact that in the latest elections they made up 42% of the electorate. The low participation of women in education and lack of access to support for productive activities further constrain their ability to take advantage of opportunities for gainful economic activities. This is compounded by the fact that most female labour is unpaid. Even when they engage in paid work, the Family Health Survey indicates that 53% of working women do not have sole control of their income. Consequently, they are absent in most decision-making arenas and cannot advocate for their needs.

The government, as the principal duty bearer, has enshrined women's rights in stronger legislative frameworks than most other Arab countries. However, this has not been backed up with sufficient resources and the requisite priority to surmount obstacles that ingrained social customs (on issues such as women's mobility) pose in the way of applying the spirit and letter of laws promoting gender equality.

The Committee on Economic, Social and Cultural Rights (CESCR) in 2002 expressed concern about customs, traditions and cultural practices that lead to substantial discrimination against women and girls, and the inadequate representation of women in decision making bodies. The committee also expressed concern about the continuing high levels of female illiteracy and the impact this has on their ability to enjoy their economic, social and cultural rights. The Committee called upon the State to combat domestic and sexual violence and provide adequate protection for victims of such practices.

The National Strategy of Women's Development (Gender Strategy), endorsed in May 2003, provides a policy framework to promote gender equality and women's rights. The Strategy focuses on: (1) Promoting and endorsing the basic principles of CEDAW and BPFA, with a particular emphasis on reviewing and amending gender discriminatory laws; (2) Gender mainstreaming in all sectors of the PRSP; and (3) Increasing women's representation and political participation. The strategy also emphasises building partnerships with CSOs and donors to promote the strategy's direction and realization.

2.3.2 Health-related Goals

Given the indivisibilities in terms of simultaneous support to a number of different goals, it makes sense for us to initiate the discussion of health related goals by a description of the health situation in general.

Core Health Indicators

Core Indicators	1992	1997	2003
1 Prevalence of underweight children (under-five years of age)	30%	46%	46%
2 Under-five mortality rate	122	105	102
3 Infant mortality rate	83	75	75
4 Proportion of 1 year old children immunized against measles	49.6%	42.8%	45%
5 Maternal mortality ratio	800-1000*	351	365
6 Proportion of births attended by skilled health personnel	16	22	25%
7 Contraceptive prevalence rate (Modern)	6.1%	10%	13.4%
8 Proportion of population with sustainable access to an improved water source	34.9%	37%	48%
9 Proportion of people with access to improved sanitation	27.4%	30.5%	31%

Source: 1992 and 1997 estimates are from DHS surveys and 2003 estimates are from the Family Health Survey (MoPHP, CSO and PAFAM 2004) * Estimate from National Population Policy, Problems and challenges, NPC, Sana'a, 2001

The above table shows progress on most indicators, though the pace has slowed down across the board for the period since 1997 (except for access to an improved water resource. But it should be noted that this figure is disputed and not used in the national water strategy document 2005). The final outcome, however, in terms of key indicators, such as infant and maternal mortality rates represents too slow a pace of progress, for there to be any reasonable chance of meeting the relevant MDG goals without a radical re-orientation of policies and allocation of substantially more resources to the task.

The health sector is characterized by high maternal and child mortality ratios, of 365 and 102 respectively. The combination of poverty and poor dietary practices means that 46% of children under-5 years old are reported to be underweight (all estimates for 2003).⁶ Moreover, 60% of the population in Yemen lives in malaria epidemic-prone areas.⁷ TB and HIV/AIDS are less frequent but their prevalence is expected to grow, unless significant preventive measures are taken. Other endemic diseases constitute a major burden of disease e.g. bilharziasis, hemorrhagic fevers (dengue), hepatitis including the childhood diseases (respiratory infections and diarrhoeal diseases constitute 50% of child mortality). Recent outbreak of polio in Yemen reflects the fragility of the system, in spite of the maintenance of polio-free status for few years.

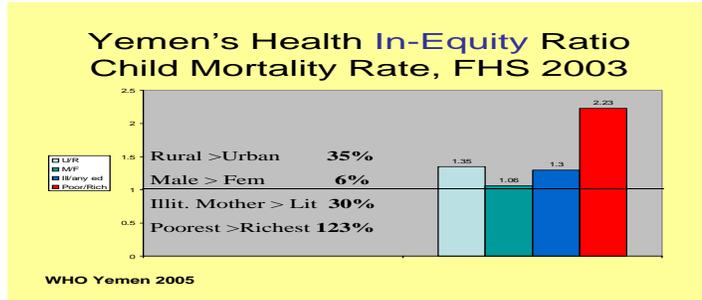
As can be expected in a country with limited public provision of health services, there is a very strong link between income poverty and poor health indicators, with 2-7 fold differential when poorest quintile households are compared to the richest, whereas geographic, rural/urban and gender differentials have 1-2 fold effect.⁸ For example, the percentage of underweight children in 2003 was twice higher in the poorest quintile than in the richest quintile of the population, and severely underweight were more than three times

⁶ MPHP and Pan Arab Project for Family Health, "Yemen Family Health Survey 2003. Selected indicators", January – March 2003, referred to as FHS 2003

⁷ WHO Country Profile

⁸ WHO Yemen & PAFAM 2005 based on the 2003 FHS data, and Gwatkin D, et al "Socio-economic differences in health, nutrition, and population in Yemen" HNP/Poverty Thematic Group, World Bank, December 2000, based on DHS 1997

higher. Children in the poorest quintile were also over 3 times more likely to have received no immunization (both ratios were almost the same in the 1997 estimates).



There is considerable lack of resources in the health sector. Despite a large nominal increase in 2003 to a total of 31,7 billion YER or US\$174 million (mostly due to investment spending), total health expenditure as a percentage of GDP has declined to 1.3% in 2004 as compared to the level of 1.5% reached in 1999. Only 4% of total government expenditure is allocated to health in 2003.⁹ Moreover, in the last two years, actual expenditures have been significantly lower than the approved budgets, with expenditure being only 16% of the budget in 2002 and 33% in 2003.¹⁰

The health system suffers from serious systemic problems such as: inadequacy of the health facility coverage, low quality of services, shortages and poor quality of human resources and gender imbalance, low remuneration and lack of incentives, lack of coordinated management, weak monitoring and information system and limited operation and maintenance budgets. This is reflected in poor availability, access and utilization of health care services: only 35% of the rural population is covered by essential health services, compared to 80% of the urban population (58% coverage overall).¹¹ User fees, official and unofficial, are charged for most health services, and the perceived low quality and frequent lack of drugs in public facilities leads patients to seek services in the private sector. In 1998, estimates of National Health Accounts found that 60% of health spending was out-of-pocket spending by households.¹² This is particularly serious given high levels of income poverty and creates a situation where income poverty and poor health reinforce each other in a vicious circle of deprivation. While men suffer as much as women from the non-performing health care system, women are doubly impacted by the low number of female health workers and social strictures on movement and receiving treatment from a male health worker.

Goal 4: Reduce Child Mortality

The available data show that while both under five and infant mortality had a clear downward trend from 1990 to 1997, there has hardly been any change in both indicators since. This does not augur well for the ability of Yemen to meet the MDG goals in these areas, despite the assessment contained in the MDGR (which did not benefit from the results of the 2003 FHS data) that the MDG goals in this area were potentially within reach. In depth studies of the available data sets are needed in order to correctly diagnose the reasons for the apparent stagnation of the situation in the last few years, so that corrective action can be taken. One possible explanation for this pattern can be lack of attention to the neonatal component of child mortality, which has been hovering around 40 per 1000 live births ever since 1990. Other explanatory factors are high birth rate, absence of skilled birth attendance, lack of spacing and poor antenatal care.

Comment [S2]: Very quantitative characterization, can simplify it!

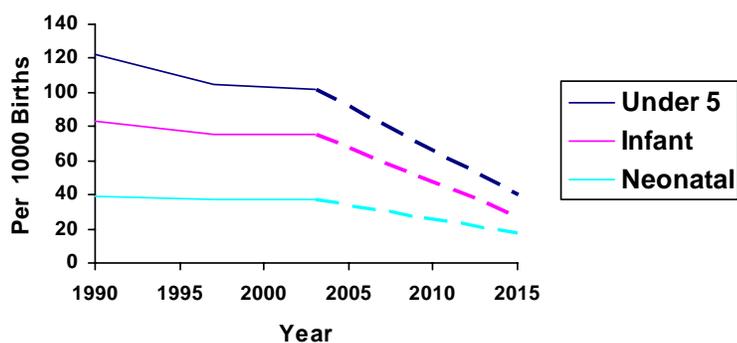
⁹ Alan Fairbank, February 2005, "Public Expenditure Review, Health Sector Republic of Yemen, 1999-2003"

¹⁰ Ibid.

¹¹ WHO 2000

¹² Government of Yemen, MPHP, June 2000, "Yemen National Health Accounts".

Under 5, Infant and Neonatal Mortality



Source: 1992 and 1997 DHS and 2003 FHS Surveys

Goal 5: Improve Maternal Health

Maternal mortality in Yemen in 1990 was generally believed to exceed 500 per 100,000 live births, even though the 1992 DHS survey does not provide a figure. The ratio had fallen to around 350 by the time the 1997 DHS was carried out, but has not shown much change since, as illustrated by a figure of 365 given in the FHS of 2003. Maternal mortality is the leading cause of deaths among women of reproductive age, accounting for 42% of all deaths. The data reveals that 18 percent of deaths occurred during pregnancy and 82 percent during delivery and postpartum period. 77% of births took place at home, with less than 30% attended by a qualified person. Furthermore, only 13% received post-partum care. Mothers and mothers in law assisted in 48 percent of births, relatives or friends assisted in 14 percent. 33% of maternal deaths were less than 25 years of age and 37 % of the mothers who had died had more than 5 children. Closely correlated to the high maternal mortality ratio is the high neonatal mortality rate, at 37 per 1000 live births.

The average desired fertility expressed by Yemeni women is 4.6 children compared to the actual 6.2 fertility rate (Family Health Survey 2003). If one were to hold up the right of women to control their reproductive function, the gap between the desired and actual fertility rate would be narrowed, through meeting the high unmet need for family planning of about 40%. Reductions in poverty levels and child mortality and improved access of girls to education will lead to further declines in fertility based on global experience. The rate of decline in fertility slowed down in the period from 1997 to 2003, in comparison to the earlier 5 year period,

when it had declined from 7.7 to 6.5. It only declined by 0.3 to 6.2, while an accelerated rate of decline is needed for population stabilization in the foreseeable future. Lower fertility by reducing the population growth rate, will make it possible for the limited available public resources to cover a greater percentage of people with health and education services. It will also, eventually, reduce the number of people entering the labour market, thus allowing for a reduction in unemployment and underemployment.

The low status of women within family and society leads to and is aggravated by various forms of discrimination and gender based violence and non-realization of human rights throughout their life cycle, such as early marriage and teenage pregnancy, short birth intervals, high fertility rates, malnutrition, anaemia, lack of access to and availability of skilled care during pregnancy, childbirth and the post-partum period, poor referral services and a paucity of affordable quality emergency obstetric care. The above compound the effects of widespread poverty and lead to high mortality and morbidity. Women in coastal areas are subject to additional hazards due to the practice of female genital mutilation. Even where infrastructure exists the lack of female health workers inhibits women's access to services. Women as the primary claim holders for reproductive health services are not able to insist on their rights due to poor status in family and society.

The Government has not effectively discharged its duty in terms of providing adequate resources for health care in general and maternal care in particular, while health providers face limited resources and are thus only able to reach 58% of the population, and provide RH/FP to only half of them. That means less than 30% of the population are covered by some kind of RH/FP care, with only 13.4% modern contraceptive prevalence rate in 2003 against a revealed demand of 62%. There is also low awareness concerning prevention of risky and unintended pregnancy. The quality of services is unsatisfactory. Lack of quality and quantity of human resources, weak logistic and supervision system are chronic problems and lead to unreliable services.

Women, as the primary claim holders for reproductive health services, are not able to advocate for their rights, as they are absent from most decision making arenas and face major handicaps in terms of awareness of their rights.

Challenges: Dealing with the above issues is complicated by the following factors, which can be considered as challenges as they are not directly influenced by reproductive health interventions.

- High illiteracy among women (69%), and low girls' school enrolment (55.9%);
- Low status of women within family and society and ;
- The impact of historically high under five mortality on the desired number of births.

Goal 6: Combat HIV/AIDS, Malaria and Other Diseases

The MDG Report shows a negative trend on account of Malaria, with the prevalence rate actually rising over the period from 1990 to 2000, to reach 35% of the population, while the MDG goal is to reduce it to 3% by 2015. A similar trend is also seen for TB cases. The general problems of the health care system noted above can largely explain this deficient performance. On the positive front, there has been some remarkable reduction in such contagious disease as measles and polio, though in the latter case, there was a recent resurgence of the disease imported from Africa. There may well be a problem with screening of cases, prevalence changes, etc which can lead to under reporting of cases especially in rural area

Yemen has so far been spared an AIDS pandemic, but the prevalence of HIV/AIDS is estimated to be 0.2% rising from 0.1% within three years reporting. The data on sero-prevalence (7 fold increase) and on absolute numbers shows a steady rise. Only 5% of blood for transfusion is screened for HIV. Studies show that adolescent's practice of high-risk behaviour is also on the rise. It would, therefore, be safe to conclude that if these trends continue HIV threatens to become a generalized epidemic (0.5% prevalence) within a few years. Social prejudices against people living with HIV affect their right to human dignity and have an adverse impact on preventive and curative measures.

Influx of refugees from high prevalence areas and lack of a surveillance system further increase the risk of a pandemic. Lack of confidentiality in the institutional set up and societal attitudes to those who are affected

make it difficult to share information. Increase in high-risk behaviour and lack of awareness on the part of the public and the state increase the likelihood of a rapid increase in HIV/AIDS infection rates.

Adolescents are particularly at risk of acquiring HIV/AIDS if the Government does not develop a comprehensive policy to ensure reproductive and health counselling and services for all. On the positive front, it should be noted that the Government developed a national HIV/AIDS policy in 2003 and received support for its HIV/AIDS interventions from the Global Fund (GFATM) in 2005. The low status of women within the family puts them at particular risk of acquiring the disease from a contaminated husband.

2.3.3 Environment Goal

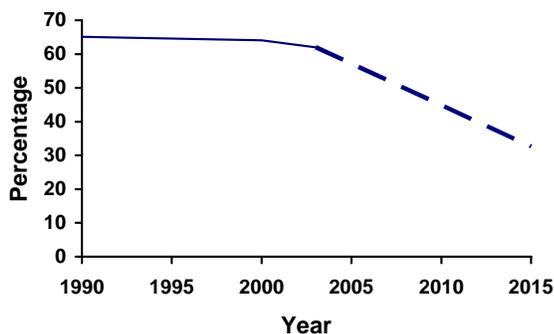
Goal 7: Ensure Environmental Sustainability

Though globally the key indicator for measuring loss of environmental resources is forest cover, in the case of a water scarce country such as Yemen, change in the water table might well be a more appropriate measure of the decline the country faces. It is clear that if current rates of water depletion continue, many rural communities will simply cease to exist. The declining water table is a clear case of the present generation depriving future generations of the possibility of a decent life, by abusing nature.

The Committee on Economic and Social Rights in its concluding observations on Yemen's initial report in November 2003 reminded the Government of its obligation to uphold the population's right to water in line with its general comment 15 of 2002. It expressed concern about the persisting water crisis which is an alarming environmental emergency and prevents access to safe and affordable drinking water for disadvantaged and marginalized groups of society and rural areas. The next section of the CCA on developmental challenges provides more extensive coverage of the issue.

Yemen is unlikely to meet the MDG target of reducing the proportion of people without access to safe drinking water. As the graph below shows, the rate of progress in access to safe water has been slow, and without an improvement in the rate of change the target is unlikely to be met. Given the link of access to clean water with many health indicators, as well as the role that water collection by girls has on their inability to attend school, this is an area where action can have the greatest benefits.

Pop. Without Access to Safe Water



Source: 1992 and 1997 DHS Surveys and the national water strategy document 2005

Under international human rights law, water is implicitly protected as a human right in the 1948 Universal Declaration of Human Rights and the 1966 International Covenant on Civil and Political Rights (ICCPR), as an integral component of other recognised rights, such as the rights to life, to adequate standard of living, to health, to housing and to food. The right to water is covered by the International Covenant on Economic, Social and Cultural Rights (ICESCR), as articulated by the CESCR in its general comment 15 of 2002. Access to water enjoys explicit protection under the 1979 Convention on the Elimination of all Forms of Discrimination against Women and the 1989 Convention on the Rights of the Child.

Since only 62% of the urban and 34% of the rural population had access to safe water in 2003, it is clear that around 60% of the population is denied access to safe water*. This particularly acute rights violation in the rural areas essentially means that the state party in Yemen is not able to meet its obligation to ensure access to clean water to all of its citizens.

Comment [MSOffice3]: FHS2003 piped public water network 19.5% (U 52.4% and R 9.6%) which is not the only source of "improved water source"...see definition below

Unavailability of fresh water sources, unplanned use of existing ones, population dispersion, inability of the state to plan and implement disciplined use of water aquifers and lack of community awareness and well functioning public institutions make it difficult for the government as the principal duty bearer to ensure universal access to clean water. Lack of community awareness of appropriate technology and hygiene practices constrain the ability of claim holders to enjoy their rights. While women and girls are traditionally charged with meeting family needs for drinking water, their lack of voice, severely constrains their ability to actively participate in the management of water resources. At the same time, they bear the cost of increased water scarcity as they have to walk longer distances in search of water.

Comment [MSOffice4]: The MDGs Target 10 states "sustainable access to safe drinking water" and the indicator for this target is "proportion of population with sustainable access to an improved water source"

Hence no "piped" though that is expected to be one of the safe or improved sources.

2.4 Capacity and Resource Gaps for MDGs and PRS

The assessment of progress against the PRSP clearly indicates a huge gap between intentions and outcomes, with economic growth rates and allocation of public resources to social sectors both falling well below targets in the first two years of the PRS. The MDG Needs Assessment Report on the other hand, is essentially arguing for even higher targets, so that the MDGs can be met by 2015. The needs assessment exercise is not comprehensive, especially in terms of working out the costs of needed public investments if the MDG target on income poverty is to be met. It does, however, describe the needed investment in agriculture, but without a clear articulation of the reduction in food insecurity and income poverty this will bring about. On the other hand, it does not take into account complementarities and synergies, and hence might overestimate the total cost of the package on this count.

With the above caveats, the total cost of the package of interventions detailed in the needs assessment comes to \$57.6 billion over the ten year period 2006-2015 or around \$2,500 per capita given an average population of 23 million over the period. Assuming that national resources can cover at least \$20 billion of the required capital and running costs, total funding gap goes down to \$37.6 billion or around \$160 per capita on an annual basis, which is in the upper range of ODA receipts for LDCs. Given the very low current levels of ODA per capita received by Yemen and the unwillingness or inability of donors to meet the pledges of just over \$2 billion for a three year period made in Paris in 2002, realization of the needed funding support would be contingent upon concerted national effort, including painful policy reforms.

Comment [MSOffice5]: The population growth has to be factored in ...over the 10 years period

The record of Yemen on implementation of policy reform measures and mobilization of domestic resources does not augur well for the future. If the ambitious targets of MDGs are to be achieved by 2015, the policy environment would have to improve radically and measures taken to increase domestic resource mobilization in a sustainable and socially equitable manner. The use of public resources would also have to become more effective in reducing poverty, through a combination of increased allocation to essential sectors and improved efficiency of the interventions supported. Improved governance and a substantial reduction in the population growth rate are two of the underlying conditions for success in meeting the MDGs within a decade, given the distance that remains and the historically slow pace of progress.

More information on the needed human resource requirements for sustainable operation of a higher level of service provision is needed together with an assessment of the realistic increase in the pace of human resource formation, before much can be said regarding the human resource gaps for meeting the MDGs and the likelihood of their coverage. The rate of construction of new facilities needed should be reachable, given adoption of a flexible approach and involvement of the beneficiaries and local government in the design, construction and maintenance of capital assets.

2.5 Information Systems

There are a wealth of data produced on various dimensions of human development in Yemen on a regular basis. A population census was carried out on target in 2004. Health surveys were carried out in 1992, 1997 and 2003. A household budget survey was carried out in 1998 and the repeat one scheduled for 2003 is currently under implementation with support from the World Bank and the UN system. Labour market and demand surveys were carried out in 1999 and 2003. A poverty survey was implemented in 1999. FAO and CSO have been carrying out food insecurity assessments on a regular basis. UNICEF supported a Multiple Indicator Cluster Survey (MICS) in 2001 and 2003 in 30 districts targeted under the Child Development

Project to collect baseline data. The CSO carried out a number of annual education surveys from 1999 to 2003, which though preferable to administrative data, do not capture quality dimensions. The Health Management Information System (HMIS) provides regular data on some health indicators and the World Bank is leading an effort to improve its reliability. A donor coordination mechanism has been looking at how the reliability of monitoring data on progress in primary education can be improved.

The above noted surveys are of variable quality and do not always follow the same methodology from one to the next, thus making it difficult for establishing trends. For example, the DHS 1992 does not provide any estimates on maternal mortality. On the poverty front the HBS of 1998 and the poverty survey of 1999 produce divergent estimates of the proportion of population below food and income poverty. The data does not provide sufficient degree of disaggregation by gender, social class, age group, etc for one to assess change in condition of particularly vulnerable population groups over time. What is most worrying is that there appears to be no close coordination between data producers and data users. This can partially explain lack of action to deal with the poor trend of change most surveys show.

Comment [MSOffice6]: See earlier note on the MDGR 2003 regarding the M&E capacity

The UN supports many of the above surveys and the CCA for 2002-2006 had identified support to information management and policy formulation systems as a major priority. The UN system is engaged in the process, including support to the PRSP monitoring unit in the Ministry of Planning. However, clearly more effort is needed. The CSO has developed a proposal for strengthening statistical capacity. This can form the basis for a review of needed interventions, but it has to provide for more effective interaction between data users and producers, in order to improve the effectiveness of data systems in supporting corrective action.

A system for monitoring progress against MDGs should be instituted composed of periodic surveys that measure the actual extent of progress in reaching the targets, supported by more frequent assessments that would confirm if the chosen indicators are moving in the desired direction. The monitoring system can build on the one used for measuring progress against the PRS, by filling the identified data gaps in terms of reliability, frequency and disaggregation of data. One model which has been used effectively in many African countries, with support from the UN system, and could be adapted to the conditions in Yemen is to establish a "poverty observatory". There is already some experience in Yemen with use of community based surveys to produce reliable data on social development indicators, on which one can build a system. There is no doubt that national capacities in data collection and analysis will have to be strengthened for reliable information to be available on progress achieved in moving towards MDG outcomes and realization of rights of vulnerable groups.

CHAPTER 3

KEY DEVELOPMENT CHALLENGES

From the preceding description of the developmental context in Yemen, it is clear that the country is currently at a cross roads. If current trends continue unchecked by 2015 the population will exceed 27 million, water resources would be depleted in large parts of the country, youth unemployment will exceed 40% and numbers below the poverty line would exceed 10 million human beings. The above would clearly lead to increased social tension and political instability.

With international support, and a radical revision of development policies, the country can make significant progress towards achieving the MDGs by harnessing the energy of its youth. This would require sustained rates of labour intensive growth in excess of 5% per annum, improved provisioning of social services leading to a healthy and well qualified labour force, sustainable water use through demand management and increased efficiency of water use and improved position of women in order to make full use of the potential they represent and promote more development oriented choices at the household level.

The above positive outcome would be contingent upon concerted attention to the following four challenges in the next five years:

- Promoting accountability and participation, so as to deal with rent seeking behaviour, corruption, lack of rule of law and unproductive use of public resources;
- Gender empowerment to allow for equal participation of women in public life, encourage more productive use of resources at the household level and facilitate a reduction in population growth;
- Sustainable and equitable water use by reducing over exploitation of underground resources, capture of scarce water resources by better off segments, and using water more efficiently and;
- Empowering the youth to contribute to the country's development, through nurturing their development from infancy and promoting job creating economic growth.

3.1 Accountability and Participation

Yemen has made significant progress in formal adoption of accountable and participatory governance since its reunification in 1990. The bill of rights in the present constitution and the ratification of all major international human rights instruments are cases in point. However, the delicate balance between a central power on the one hand and the milieu of tribal sheikhs, military leaders and other socially influential characters on the other has complicated the translation of intentions into action.

Accountability and participation are vital for Yemen's development process (including economic growth) as well as for management of existing and potential conflicts. It is in this context that political stability must be upheld while governance reforms are boldly pursued.

The major factors that negatively affect accountability and participation are:

- Lack of institutionalized promotion of and respect for human rights;
- Less than completely free press;
- Weak capacity of formal oversight mechanisms;
- A culture of impunity and ineffective application of laws;
- Weak local governance;
- Weak civil society;
- Lack of transparency in public finances;
- Rent seeking behaviour by the private sector and public servants and;
- A bloated and non-merit based civil service.

Tackling the above issues is complicated by the following challenges:

- Continued dependence of the state on oil revenues, which grants it autonomy from the local economy, as it does not have to depend on domestic revenues to cover its expenses;
- Strength of traditional power structures and norms that are not necessarily consistent with internationally accepted human rights norms and ;
- Centrist tendencies that use valid claims of lack of capacity at the local level to delay meaningful decentralization, which would bring power closer to the people.

The mechanics of a parliamentary system have improved over the past decade, with higher voter registration and turn-out and an increasingly assertive Parliament. A bold attempt has been initiated to devolve state powers to the local level. Human rights have been enhanced through greater freedom of speech and press and upholding the rights enshrined in various international conventions. It is not easy to develop an equitable system of justice in a tribal society that venerates religious edicts. Although the formal opening of democratic space is unique in the region, much remains to be done for nurturing a deep rooted and genuine democratic culture, i.e. moving away from traditional structures to institutional and constitutional ones.

The promotion of accountability and participation is contingent upon action in the following areas: Enhancing Human Rights; Rule of Law; Local Governance; Civil Society; Combating Corruption; and Civil Service and Administrative Reform.

3.1.1 Enhancing Human Rights

The bill of rights in the present constitution and the ratification of all major international human rights instruments create an enabling environment for respect for and protection of human rights. However, the following factors have led to divergence between intentions and actions: a) the delicate balance between two opposing forces of a central power on the one hand and the milieu of tribal sheikhs, military leaders and other socially influential characters on the other; b) the issue of corruption and rent-seeking, which is closely related to this power nexus; and c) the delicate balance between security and protection of human rights as a result of "the war on terrorism." The Human Rights Committee, following the consideration of the last report by Yemen under the ICCPR, recommended that Yemen "should ensure that the utmost consideration is given to the principle of proportionality in all its responses to terrorist threats and activities. It should bear in mind the non-derogable character of specific rights under the Covenant, in particular articles 6 and 7, which must be respected in all circumstances."¹³

The most significant action that institutionalizes respect for human rights was the establishment of a Ministry of Human Rights (MHR) in 2003 with a mandate of overseeing the implementation of these instruments and raising public awareness. Two years into its creation, the Ministry has achieved many milestones, including:

- The publication of the first comprehensive National Human Rights Report for the year 2004;
- Up-to-date submission of reports under international human rights instruments, e.g. CRC Report and ICCPR Report;
- Establishing a complaints' department that has received over 1,000 complaints from citizens, with many cases brought to satisfactory conclusion;
- A hotline on child trafficking issues;
- Training of the national police on human rights; and
- The visible role of the Minister and the Ministry in supporting the National Women's Committee in advancing gender equality in the country and in the region.

The creation of the Human Rights Ministry, which has been appreciated by most treaty bodies (e.g. Human Rights Committee, the ESCR Committee, and CRC Committee), has to be supplemented by an independent national human rights institution on the basis of the Paris Principles adopted by the UN General Assembly in Resolution 48/134, as noted by these treaty bodies. Human rights NGOs and human rights committees at Parliament and the Shura Council have also made valuable contributions to advancing human rights.

Challenges: In spite of these achievements, full realization of human rights faces many challenges including:

- Reform of the judiciary and strengthening the rule of law culture;
- Enlarging the democratic space and strengthening press freedom; and
- Integrating human rights in development plans and programmes as well as in public and private life in general.

¹³ Human Rights Committee (herein after CPR-Com), *Concluding Observations/comments of the Human Rights Committee, Advanced Unedited Version, Yemen*, CCPR/CO/84/YEM/21 July 2005, para. 13, page 4. The same conclusion was reached by the Committee Against Torture (hereinafter CAT Committee), conclusion 5, CAT/C/CR/31/4, 3 February 2003.

Protection of children's rights merits special focus. The non-alignment of the Child Act No. 45 of 2002 with International Conventions, especially in the areas of definition of child, family law, and administration of juvenile justice, creates opportunities for violation of children's rights. Article 7 of the CRC stipulates that one of the important rights of a child is to be recognized as an individual, enjoying civil rights and freedoms. This right is realized through birth registration. The CRC Committee in its June 2005 observations mentions that non registration of a significant number of children prevents them from full enjoyment of their rights.

Violence against children is widely practiced within schools, judicial system/other institutions, streets as well as in the family and community, irrespective of gender and in urban and rural areas both, though the practice is more widespread against girls and in rural areas. Most parents believe that corporal/physical punishment is the right way of rehabilitation and correction for children. This violates the right that Yemeni children enjoy under the CRC and recommendations by Human Rights Committee (CCPR/C/75/YEM) and Committee against Torture (CAT/C/CR/314). The concluding observations of the CRC Committee raise concern over the lack of data on sexual exploitation of children. The CRC Committee in its June 2005 observations mentions its deep concern over the low minimum age of criminal responsibility (7 years), which contravenes articles 37, 39 and 40 of CRC.

The extent of child trafficking is not fully known, however available data confirms that the number of children trafficked is on the increase. Trafficking mostly occurs between Yemen and Saudi Arabia. According to a study*, the number of children smuggled to Saudi Arabia in the year 2004 would reach close to 40,000.

The proximate cause of these violations of children's right to protection is lack of institutions to re-integrate them into society after conflict with the law, including deficiencies in juvenile courts and directorates to regulate them and lack of human resources i.e. trained lawyers, judges and counsellors etc. However basic causes are more complex. Wide spread poverty compels parents to indulge in violating the rights of their own children. Lack of awareness of children's rights and claims on the government often means that duty bearers like parents and communities are unable to hold themselves and the government accountable. Non-alignment of government policies and legislations with the CRC is another major lacuna that leads to the dis-empowerment of the right holders.

Lack of adequate resources is one of the main reasons cited by the government for its inability to build institutions to adequately address protection issues. Lack of awareness of children's rights by parents and communities is a major capacity gap that encourages and abates violations of children's rights.

3.1.2 Rule of Law

Rule of Law is key for Yemen's transformation into a modern economy that invests productively to absorb an ever growing labour force, as well as having intrinsic value in protecting the rights and claims of the weak.

The constitution guarantees the independence of the judiciary, yet the Ministry of Justice (MOJ) supervises all courts and judges. The Human Rights Committee is concerned "about the reported lack of independence and efficiency of the judiciary, despite the existence of constitutional guarantees and measures taken to reform the judicial branch."¹⁴ The Committee also pointed to the need for the State to "ensure that the judiciary is free from any interference, in particular from the executive branch, in law as well as in practice."¹⁵

The judicial system consists of a formal system and a traditional (tribal, customary and private self-help) one. The traditional system is enforced through tribal structures and/or resort to private help measures, e.g. use of force, bribes, etc. The formal system is a blend of Shari'a, continental law based on the French system as applied in Egypt, and to a lesser extent the legal system applied in the ex People's Democratic Republic of Yemen (PDRY). The two systems run in parallel with no provisions for ensuring the traditional system is consistent with international human rights norms.

Although several reforms have been introduced since the establishment of the modern judicial system, the focus has been on organizational, human resources and physical aspects of the judiciary. In 2001, the

¹⁴ CPR-Com, observation 6 page 2.

¹⁵ CPR-Com, observation 6 page 2.

Government of Yemen produced a strategy paper that identified several priorities for strengthening the judicial sector. These included restructuring of the MOJ, establishing commercial courts, enhancing the role of the Judicial Inspectorate, providing adequate infrastructure for the Justice sector, developing training programmes and capacity building of the entire MOJ staff, and modernizing the Judicial Information System.

Problems of poor access to and weak administration of justice remain widespread and are particularly serious for women, especially in rural areas where the traditional tribal system is male-centric and the formal court system dysfunctional. Women face difficulties in accessing the courts because of social restraints and other cultural, procedural and administrative impediments inside the courts. With high illiteracy rates, population dispersion and absence of public awareness campaigns, citizens remain unaware of their constitutional and legal rights and are unable to exercise them. Weak administrative capacity and lack of adequate infrastructure of the judiciary (MOJ and the courts) compound the problem. The litigation process is slow, and is marked by failure to execute court rulings, thus leading to lack of public trust in the Judiciary.

In addition to being weakened by corruption, tribal structure and undue influence, the ability of the formal judicial system to deliver fair, prompt and just decisions is hampered by the following factors:

- **Weak basic and continued legal education:** Legal education is weak and haphazard. The High Judicial Institute offers a basic post-university training for new recruits, which mostly repeats basic university training while adding general religious subjects. In addition to resolving the tension between different legal regimes, i.e. Shari'a, civil law and traditional (tribal/customary) law, many contemporary legal subjects required for dealing with a variety of economic activities are yet to be considered at universities and the Institute;
- **Lack of proper court infrastructure:** Most courts do not provide adequate space and as a result are often crowded and impossible for women to access;
- **Access to justice:** Women and poor people face great difficulties in accessing courts and are handicapped by wide spread legal illiteracy and near total absence of legal aid; and
- **Weak enforcement of decisions:** Court cases, especially civil ones, in addition to taking a long time to be finalized, suffer from weak enforcement of judgments.

Challenges: An efficient, transparent and just administration and enforcement of the law are the main challenges of this sector. Special attention to making justice accessible to the poor and the disadvantaged is needed. Women are particularly vulnerable given restrictions on their movement, the requirement for male guardianship, limited access to legal advice, and poor knowledge and awareness of their legal and civil rights. Commercial law is also critical for Yemen's economic diversification. Conflict over property is a key source of armed conflict and must be resolved by the justice system. There is also need for integrating the traditional and formal systems, while respecting the constitution and Yemen's international obligations.

3.1.3 Local Governance¹⁶

Local governance is an excellent tool in expanding popular participation in the management of public affairs. A well functioning decentralized system helps strengthen democracy by devolving state powers to the local level and empowering people's representatives at district and governorate levels.

Law Number 4 Of 2000, called the Local Authority Law¹⁷, is based on the following objectives: (a) broadened popular participation through elected local councils; (b) financial decentralization; and (c) decentralization of administrative and services delivery functions. Local councils were elected in 2003. Since then, a number of developments have taken place including, awareness raising and training of councillors and local administration staff; an assessment of infrastructure and personnel needs at the District level; and transferring still limited budgets to all Governorates and some Districts.

In 2003, the Ministry of Local Administration (MoLA) drafted a national plan for training and rehabilitation, targeting more than 16.6 thousand senior officers and staff of local authorities. MoLA was unable to implement the plan due to financial constraints, and preoccupation of staff with the Parliamentary Elections of April 2003. A Higher Committee under the chairmanship of the Prime Minister, was established through Republican Decree No 264, to support and enhance decentralization. A technical committee operates as secretariat to the Higher Committee, with the mandate of accelerating the transfer of authority to local

¹⁶ UNDP: Decentralization and Local Development Support Project.

¹⁷ Henceforth throughout this document this will be referred to as The Law

administrative units. However, both committees lack clear and specific action plans and have not managed to carry out their functions in the desired manner.

The successful achievement of the overall political, economic and administrative reform program launched in the mid-1990s is dependent upon the realization of a consensus within society about its contribution to the management of the country's affairs. Notwithstanding the Government's commitment to decentralization and the popular enthusiasm for strengthening democracy and Yemen's positive traditions, the conceptual and operational frameworks for this bold initiative are yet to be defined. The 2001 local elections responded first and foremost to the immediate need to increase state legitimacy and establish state presence at the periphery of the country, rather than to a broad developmental rationale. Three years after the elections no significant devolution of responsibilities and resources had followed and few district authorities were effectively discharging their local development and services delivery responsibilities.

Issues: At the central level, coordination between the Ministry of Local Administration (MoLA) and line ministries is limited. The policy nexus of planning (Ministry of Planning), fiscal allocation (Ministry of Finance) and a national framework for decentralization (MoLA) are weak at best.

At the local level the institutional map of decentralization is intricate, complex and lacks a clear division of labour among the various levels and offices of government. These units include the central government, the Governorates, Districts and an extensive network of branch central government ministries and agencies offices at the lower administrative levels. The new local authority system functions within the existing administrative structure of the government, whereby a balance has to be established between elected councils and appointed officers. The competition amongst different bodies over scarce resources has to be mediated through a clear structure that specifies the mandates and roles of the various institutions and equips them with the requisite human and financial capacities to perform their respective functions.

Of great significance is the fact that of the 147 women who ran for office only 7 were elected, accounting for less than 0.1% of council members. This suggests a clear need to promote women's capacities to develop election campaigns and enhance acceptance of women's participation at the societal level. Current efforts are geared towards the adoption of a women's quota for participation in the local councils.

The key challenges that need to be addressed for ensuring meaningful decentralization are:

- Broad based consensus around the National Decentralization Strategy that is due for completion by December 2005;
- Planning and implementing local sector based development and localizing MDGs;
- Effective fiscal decentralization that allows local districts to meet their operational costs;
- Continued capacity building at the local level and;
- Streamlining the institutional arrangements and clarifying the respective mandates and linkages between the central government, governorates and local districts.

3.1.4 Civil Society

The law No. 1 of 2001 on civil society organizations enshrines the principle of freedom of association. Yet civil society organizations lack voice and effectiveness due to weak structures and marginalization from the country's democratization process. Nevertheless, some civil society groups focus on issues of human rights and human development. Civil society participation in Yemen ranges from consultations through client surveys, telephone hot lines or call –in radio shows, to setting up citizens' bodies to oversee public agencies and databases that make government procurement public or disclose assets of candidates for public office.

The Yemen HDR 2000/1 looked at the institutional capacity of civil society through the prism of: "institutionalization of structures, mechanisms and practices". Yemeni NGOs have achieved some development in structures and mechanisms, but much remains to be achieved in terms of desired levels of respect for laws and regulations from all sides, i.e. NGOs, Government and judicial services. Practices by NGOs lag behind the progress achieved in relation to structures and mechanisms. The analysis of the report remains valid today with more symptoms, e.g. absence of internal democracy within NGOs, concentration on soft activities and in urban centres, difficulties with the regulatory regime and its implementation, etc. There is a great need for capacity building of civil society organizations especially development oriented ones. Three main areas of capacity building are: institutional and infrastructure development; consolidation of civic and volunteer culture; and the development of team and democratic leadership practices. More debate on the place of tribal structures, private entities and political parties within civil society is needed. Effective

participation by civil society in various aspects of democratic life (i.e. implementation of the right to participate in public life) ensures a better threshold of human rights implementation. For example, the CRC Committee recommended that the GOY involves "systematically" NGOs and other parts of civil society "throughout the implementation of the Convention, including the formulation of national plan of action, policies, and programmes and in the preparation of the periodic reports to the Committee."

Civil society organizations are particularly constrained by the following issues:

- Weak capacity;
- Inconsistent enforcement of regulations by the government;
- Absence of collective (networking) activities and the prevalence of competitive culture;
- Weakness of proper communication with donors;
- Lack of funds; and
- Lack of independence from political entities

Challenges: More effective participation of civil society organisations in public life is contingent upon:

- Adoption of official policy(ies) relating to the incorporation of civil society organisations in planning and policy development on the basis of relevance, equity, transparency and democratic notions.
- The establishment of a resource centre to provide:
 - Advise to NGOs on proposal writing, networking, volunteerism and fund raising;
 - Management training;
 - Timely substantive and organizational information and;
 - A forum for discussion of issues such as: regulatory regime, internal democracy, etc.
- Provision of legal aid training and funds for NGOs and institutions working on legal aid;
- Publication of report and policies parallel and complementary to Government's and;
- Continued support for NGO activities mainly in relation to other challenges identified in CCA.

3.1.5 Combating Corruption

In 2003, the President constituted a Supreme Committee to deal with issues of public property and corruption, chaired by the Prime Minister with the Director of the Presidency Office and the Chairman of the Central Organization for Control and Audit (COCA) as members. The committee drafted a matrix of main problems in the management of public property and corruption and presented it to the Cabinet in April 2003. In response, the Cabinet issued several resolutions and orders, including formation of ministerial committees led by a Higher Committee for Coordination (HCC) between control and audit agencies and the judiciary. The HCC is responsible for coordinating and overseeing implementation of corrective actions. It also supports the work of the Public Property Courts and the Judicial Inspection in Public Property Courts and Prosecutions.

Issues and concerns: The issue of corruption and rent-seeking is closely related to the power nexus. Main factors that contribute to corrupt practices by public officials are sighted as: inadequate pay of public servants with the average salary of a public servant in the range of \$100/month; over-regulations and inefficient controls systems at all levels of governance as well as arbitrary penalties for non-compliance.

The system for ensuring accountability of the public sector remains weak. In the areas of financial and procurement laws, regulations and procedures, both law and regulations lack explicit procedure to assign accountability to sectors, units and individuals. Punishment for non-compliance with legal requirements for conduct of public affairs and disclosing information about activities are unclear and not enforced.

COCA has audited a number of Ministries and other public organs, with some of the audit results published in newspapers and discussed in the Parliament, yet no court cases and/or prosecutorial investigations have resulted. It is to be noted that: (1) COCA reports to the President and not to Parliament; and (2) there is the Public Funds (*al-mal al-a'am*) Prosecution Department which can act on its own initiative or upon complaint by a competent organ.

Challenges: Despite repeated declarations on combating corruption, a culture of self-justified entitlements prevails in government and the private sector. Non-transparent and incoherent rules and regulations compound the complexities of combating corruption. Hence, the need for strong leadership, firm political

commitment, and ability to withstand and manage resistance, if the challenge of modernizing control systems, and developing the underlying institutional and human capacities is to be met.

3.1.6 Civil Service and Administrative Reform

Since March 1995 the Government has embarked on an IMF-supported Economic, Financial and Administrative Reform Program (EFARP) designed to modernize and streamline the economy and has made substantial progress in macroeconomic indicators. Restructuring of administrative units of the government is a major component of the administrative reform. Although Cabinet resolution No 291 was issued in 1998 to restructure some administrative units, practical measures were only taken in the last two years. Preparations began for restructuring COCA and the GTA in mid 2004. In 2003, the Ministry of Civil Service and Pensions (MCSP) took steps to eliminate employees that were either not working, or taking two jobs in the public sector. Thus, 4,520 "double dippers" were eliminated during 2003-04.

Issues and concerns: Key factors required for an effective reform process are clear national strategies and/or frameworks; an effective legislative package that assists the implementation of reform; modern management systems and valid data; and more importantly defining and developing public servants skills. However, even a well-designed reform package will fail if it lacks a firm commitment to reform and strong leadership.

Challenges: Despite government efforts since 1999 supported by international assistance, including UNDP and more directly the World Bank's Civil Service Modernization Project (CSMP) attached to the Ministry of Civil Service & Insurance (MCSI), many of the reform's objectives have not yet been achieved. Widespread corruption and favouritism, low human and financial capacity and mismanagement, proved formidable barriers to modernizing the civil service. The continued use of civil service employment as a social safety net, renders staff retrenchment, which is an essential part of the reform measures, politically unpalatable.

3.2 Gender Equality and Empowerment of Women

3.2.1 Gender issues and legal rights

The CEDAW committee* noted "the close connection between the success of development policies and the promotion of gender equality." It highlighted the negative impact of high illiteracy rates among women and girls, high school drop out and child labour rates and early marriage of girls, and low levels of political participation of women on national development outcomes.

In response to Yemen's 2002 report under CEDAW, the Committee on the Elimination of Discrimination Against Women, welcomed the many steps taken to improve the status of women. The Committee on the other hand noted many areas of concern. It noted the existence of many laws that contradict the constitution and CEDAW.¹⁸ The Committee urged the State to "engage in and continue the process of comprehensive legislative review and reform to ensure that all laws are in harmony with the Constitution and the Convention."¹⁹ Secondly, the Committee urged the government to "implement awareness-raising programmes directed at all levels of society" in order to combat the "persistence of patriarchal stereotypes and discriminatory traditional cultural and social norms" and to change "stereotypical attitudes."²⁰ Third, the Committee called for the government to combat violence against women²¹ and reduce the "high rate of maternal mortality" through development of health programmes and family planning.²²

Although right to work is recognized as a basic entitlement of all citizens irrespective of gender, gender disparities in employment prevail. Women's share of the labour force is 21.8%. In addition, women often work in low skilled and poorly paid jobs. The Labour Force Demand Survey 2003, revealed that close to 85% of establishments gave priority to employing men and that only 8% of jobs in the surveyed establishments were held by women. The same survey also indicated widespread unemployment amongst educated women, with 32% of them being without a job as opposed to 13% of men. In addition, the bulk of female

¹⁸ Report of the Committee on the Elimination of Discrimination Against Women, 26th, 27th and the Exceptional Session, GAOR/57/Supp. No. 38(A/57/38), page 200.

¹⁹ Ibid., comment 385 at page 202.

²⁰ Ibid., comments 388 and 389, pages 202-3.

²¹ Ibid., comments 398 and 399, pages 203-4.

²² Ibid., comments 396 and 397, page 203.

employment (72%) is unpaid family labour in agriculture. The CEDAW Committee stated: "In view of the fact that rural women constitute the majority of women in Yemen, the Committee notes with concern that the traditional division of labour in agricultural production disadvantages women and that, for cultural and social reasons, women do not control the means of production and face difficulties in obtaining loans. The Committee is concerned that rural women have little or no access to health-care services."²³

Women are denied the right to control their reproductive functions as shown by a considerable gap between desired and actual fertility rates. They have limited access to health services, with more than 35% of women not receiving any medical attention (FHS 2003). Prevailing social and cultural norms constrain use of family planning. Despite this, there has been a steady increase in family planning, with prevalence rates more than doubling from a mere 10% in 1992 to 22% in 1997 and 23.1% in 2003. Much of the lack of access, even to physically accessible services is due to social restrictions on movement of women and the absence of female health workers. The CEDAW Committee recommended that the GOY take three actions to remedy the situation of working rural women: (1) integration of rural women in all sectoral policies; (2) awareness-raising and educational programmes to combat discriminatory practices; and (3) increase rural women's access to health-care services."²⁴

Comment [MSOffice7]: More specifically Not receiving ANC 55%, at least one dose of Tetanus 68%, Delivery Care 70%, post partum care 87% and the unmet need of modern family planning methods of 39%

3.2.2 Specific gaps

Gender inequality in education is shown by the significant gender gap in primary and secondary education (24.8% and 51.6%, respectively) and the high percentage of girls' dropout especially after grade 5 of primary education. This is largely due to unfavourable environment for girls' education such as: (a) lack of awareness of the value of girl's education, (b) socio-cultural constraints on enrolment of girls in mixed schools, (c) lack of female teachers especially in rural areas, (d) inaccessibility of schools; (e) occupation of rural girls with collecting water and fuel and taking care of younger siblings, (f) high cost of schooling, (g) poor quality of physical infrastructure (e.g. latrines) and (g) early marriage. Lack of adequate water sources; - especially in rural areas - overburdens women as they are assigned the responsibility of fetching water for the household (84.3% of women fetch water from remote sources). The CEDAW Committee urged Yemen to increase its efforts "to eradicate female illiteracy, especially among girls, particularly in rural areas," and to take measures to: (1) ensure girls' access to primary and secondary school; (2) reduce the rate of girls' drop-out; and (3) create an educational environment more conducive to girls' education. (e.g. increasing the number of female teachers and addressing parents' concerns relating to co-education.)²⁵

Despite considerable progress in the democratic system in Yemen, women's political participation remains low, with women only making up 0.5% of members in elected institutions. Gender disparities also persist in the government with women accounting for less than 4% of civil servants. The main reasons for the effective non-realization of women's right to full participation in public life appear to be: (a) social stereotypes that limit women's role to reproduction and family care, (b) small pool of qualified women, (c) impact of frequent pregnancies on women's ability to participate in public life and (d) exclusion of women from qat sessions where many political decisions are taken in an informal setting. The CEDAW Committee urged Yemen to improve women's participation in public life through awareness-raising and through "the use of temporary special measures in accordance with article 4, paragraph 1, of the Convention, such as quotas, in order to increase women's access to decision-making positions".²⁶

Yemeni women experience inequalities both in terms of access to law as well as inconsistencies in the interpretation of the equality principle. Some examples of these are: nationality, right to reside and guardianship. In addition, Yemeni women suffer from domestic violence, discrimination in legal institutions (police stations and court) and lack access to the free legal services stipulated in law.

3.2.3 Challenges and capacity gaps

²³ Ibid., comment 400 page 204.

²⁴ Ibid., comment 401 page 204.

²⁵ Ibid., comment 387 page 202.

²⁶ Ibid., comment 403 page 204.

The main challenges that have limited the impact of actions to translate good intentions into more rapid improvements on the ground can be summarized as:

1. Continued low status of women within family and society and associated violation of their rights including gender based violence;
2. Women's effective marginalization and exceedingly limited participation as active agents in political and decision making arena;
3. Women's limited control over economic assets, both in terms of lack of voice with respect to use of family income, despite their contribution to it, and limited opportunities for paid employment;
4. The negative impact of high fertility on women's health in general and reproductive health in particular, as well as the impact of repeated pregnancies on their ability to obtain paid jobs and participate in elected bodies, and;
5. Slow progress of legislative reform to bring laws and legal practice in line with international human rights standards and practice.

Overcoming the above noted handicaps requires concerted efforts by the Government as the principal duty bearer and development partners including the UN as secondary duty bearers and women and their organizations as the prime claim holders. The government would need to take effective steps to discharge its obligations under CEDAW with support from the international community. Clearly a society that negates the human rights of half its members and does not bring them into the mainstream of development deprives the country of significant human capacities that are badly needed for the transition out of poverty. They would have to be brought into the public sphere through building up their capacity to exercise the political rights they formally have.

The Government has not been able to translate its unconditional endorsement of CEDAW into practice, as it has not been ready to take on a traditional male dominated power structure. The widespread prevalence of unemployment has meant that there has been no pressure on the State to provide opportunities for women to enter the labour force in larger numbers. Given limited employment opportunities for educated women, girls' education, particularly beyond the primary level appears as a luxury for most families, as reflected in the fact that women only make up 10% of the students at vocational training centres. The precarious situation of drinking water availability in rural areas has kept girls busy with water fetching chores, thus constraining their ability to exercise their right to education.

Women would be in a better position to advocate for and demand their rights, if the serious gender gaps in terms of access to education and employment noted earlier are closed through concerted action by the Government and society as the main duty bearers, through providing the required resources for expanded provision of accessible, quality education and enabling environment for greater employment opportunities. Without a major improvement on reproductive health issues, women will not be able to take advantage of opportunities that may be created, hence the critical importance of increased attention to the implementation of agreed population and reproductive health policies.

Women lack voice in Yemeni society. This is reinforced by and leads to: a) lack of self esteem and awareness of their rights, which hampers the ability of women to exercise their responsibility as right holders; b) male dominance and limited mobility, which restrict the authority of women to bring about change; c) limited access to resources; d) limited development and exercise of decision making capacity; and e) poor communication and organizational skills. Clearly women need much sensitive support from the Government, the UN and civil society, if they are to exercise their right to voice.

The Government has, to its credit, created a high level National Women's Committee, headed by the Prime Minister to improve the conditions of women. The committee has identified areas where laws have to be amended to bring them in line with the provisions of CEDAW and the principle of non-discrimination enshrined in Yemen's constitution. There has been talk of reserving a quota for women in public employment and elected positions, but it is yet to be translated into action.

3.3 Sustainable Water Use

Traditional agriculture in Yemen was once an environmentally sensitive, largely subsistence-based agro ecological system. Farmers were in rough ecological balance with their land, crops, and livestock through the active recycling of all waste products and the careful conservation and use of surface- and ground waters. Rampant poverty and a rapidly growing population have contributed to environmental degradation and resource depletion in rural and urban areas. In rural areas, the ever-increasing number of mouths to

feed has led to use of water, soils, forest, and other resources at rates that exceed sustainable limits for recovery or renewal. These trends are exacerbated by: strains on communal use of forests and grazing lands, unclear land and water rights, the use of modern technology (e.g., water pumps) without adequate knowledge of its impact on natural resources, an ever increasing share of the best agricultural lands and water from boreholes allocated to water intensive crops, notably qat and persistent poverty.

Water supply is naturally constrained by virtue of Yemen's geographical location. Deforestation has led to less water retention and greater run off, while insufficient attention to watershed management in general and reforestation in particular has meant that environmental degradation has gone unchecked.

Water shortage is the most crucial natural constraint faced by the country (as reflected by insufficiency of the annual rainfall to recharge water table) and is likely to remain so unless drastic measures are taken. The total renewable freshwater resources of the country are estimated at 2500 MCM per year, of which 1500 MCM is surface water and 1000 MCM is groundwater. The per capita share of renewable water resources was (125) cubic meter per annum in 2005 and declines at a rate equal to that of population increase. The total annual water use in the country is estimated at 3200 MCM. The water deficit, i.e. gap between water use and renewable water resources is expected to soar to 920 MCM in 2005. This trend, if maintained, will lead to the depletion of groundwater, with negative consequences on food production, drinking water supply and the environment.

Farmers have been provided with subsidized pumps and diesel to run them, without education on appropriate water-conserving techniques, leading to over-utilisation of tube wells. Corruption and ineffective justice system compounded by a civil service structure that is not merit based, exacerbate the problem by leading to poor enforcement of rules that control the installation and operation of water pumps. In addition, up to 80 percent of new wells in the Highlands are used for Qat (which has no nutritional value) production, thus crowding out food crops. Qat has become the dominant crop due to its greater profitability and low risk.

Ground water aquifers decline 1-7 meters annually with rare recharge. Some basins have become very dry and some cultivation has been uprooted due to the depletion of ground water, which is highest in the North (Sa'adh basin). Water scarcity has a major negative effect on the jobs and income situation of the country - both agriculture and industry are adversely impacted. Lack of adequate water sources - especially in rural areas - overburdens women as they are responsible for fetching water (84.3% of women fetch water from remote sources). The increasing concentration of the best irrigated lands in the hands of richer farmers further compromises equitable access to the ever more limited water resources.

The immediate consequence of this decline in water resources is household food shortages, especially for poor families in vulnerable rural areas. As most renewable water resources have already been harnessed for use, the only viable remaining option is to improve the management of the available resources through adoption of appropriate water conservation policies and introduction of technologies and management tools that optimize the output per unit of water while sustaining the resource base.

Issues and Concerns: The water crisis and the undue burden it imposes on the poor are largely the outcome of following factors and processes:

- The location of Yemen in the dry Arabian peninsula characterized by low rainfall;
- Reduced water retention due to the destructive effects of deforestation;
- Over exploitation of ground water resources, through introduction of tube wells and their operation using highly subsidized diesel;
- Shift of cropping pattern in favour of water intensive crops, notably qat;
- Competition between household consumption needs in urban areas and agriculture;
- Reduced availability of water to small farmers;
- Inequitable supply of drinking water and sanitation, with better off segments of population accessing subsidized services, while the poor lack access to piped water and sanitation facilities and ;
- Increased concentration of irrigated lands in the hands of larger landlords.

In the long run, in addition to bringing the population growth rate down to sustainable levels, measures have to be taken to increase water retention and substantially cut down on water consumption. This would require major watershed management interventions, including reforestation and limiting agriculture to

production of niche products, such as olives, using the most efficient irrigation systems. This would mean an accelerated pace of movement away from agriculture into manufacturing and service sectors.

In the near future, given that the majority of the population live off the land and there are limited opportunities for off farm employment, agriculture will continue as the mainstay of livelihoods for the majority of Yemenis who live in rural areas. The critical issues in this period, from a rights based perspective, are equitable access to the available water resources, a participatory and inclusive process for managing water use and a reliable system of justice to adjudicate water disputes. The gap between the private and social cost of water has to be reduced through removing subsidies that encourage greater water use and moving towards a more equitable system of pricing water, with appropriate penalties imposed on big users.

The Committee on Economic, Social and Cultural Rights in its observations of 2003 has urged the State party to introduce strategies, plans of action, and legislative and other measures to address the scarcity of water problems, in particular the sustainable management of the available water resources. It has also asked the Government to report on steps taken in its next report.

The main duty bearers, responsible for satisfying people's right to water are the central government, water authorities and local government while the main claim holders are families, communities and water users associations. The central government has not allocated sufficient financial and human resources to bring about a radical shift in water management measures in order to deal with the situation caused by the interplay of declining water resources and rapidly rising demand. It has provided some notional financial resources to the water authorities, which combined with a non-performing administrative machinery, has not resulted in the requisite improvement of the management of water resources. Local government, while it has some authority on paper, has not been able to intervene effectively due to lack of financial resources and human and institutional capacity.

Families, communities and water users associations as the main claim holders are constrained in the exercise of their right to water by an unclear legal framework, which is not uniformly applied and upheld by a judiciary that suffers from the limitations discussed in an earlier section. They also lack organizational and advocacy skills and have scarce resources, which makes it difficult for them to seek redress. Within communities, the poor and in particular members of marginalized groups, notably the Akhdam, are doubly deprived as the richer segments of society increasingly appropriate the ever more limited supply of water to themselves. Women and girls are also particularly burdened by the water crisis, due to their traditional role as water bearers, yet they have the least say in dealing with the crisis.

There is increasing competition between different uses of water, particularly between agricultural use that accounts for some 90% of water consumption and the needs of a rapidly increasing urban population. The current contradictory relationship can be transformed into a more beneficial one by putting in place systems for reuse of urban waste water for irrigation in peri-urban areas, as well as promoting more environmentally friendly waste disposal systems, so that urban waste, rather than scarring the country side, can provide valuable fertilizer. The issue of drinking water supply and sanitation as such is covered in the earlier chapter.

Since the greatest demand on water is in agriculture, and many of the above noted issues relate to changing agricultural practices and contribute to rising food insecurity, the issue is covered in greater depth in the section below on agriculture and food security.

3.3.1 Agriculture and Food Security

The agriculture sector plays an important role in the economy: it contributes 15% of the GDP, employs more than half of the labour force and provides livelihood to more than two thirds of the population. In 2003 total agriculture value added at the production level was estimated at US\$ 1.87 billion, equivalent to US\$ 1260 per agricultural household. This does not reflect the incremental added value generated downstream by agro-industries. The food insecurity vulnerability mapping system survey (FIVMIS) conducted by FAO and the Central Statistical Office in 2003, shows that about 22% of households depend on agriculture as source of food, either directly or through sale of cash crops. It is thus clear that improving agricultural productivity and incomes of people engaged in the sector would have an important, positive impact on food security.

The above noted survey shows that the key factor that limits the access of poor to food is income, as opposed to food availability per se, with only 4% of surveyed households being fully dependent on this own

production for what they eat. Cultural practices, notably the widespread practice of qat chewing, reduce the amount of income that is available for food, while at the same time affecting the ability, particularly of children, to metabolize what they do consume. This largely accounts for increasing incidence of stunting in children, with children 4 times more likely to suffer from malnutrition at age five than when they are breastfed.

The fishery sector contributes significantly to the GDP and employs more than 53 000 fishermen and factory workers. With a coastline of 2230 km Yemen has an extraordinarily valuable fish resource in its Exclusive Economic Zone (EEZ). With proper development and management of these resources, fishery can become a major source of employment and income for some of the poorest populations that inhabit the coastal areas and play an important role for achieving the MDGs and the PRS. Annual average growth of fish production in volume was around 12% during the First Five-Year Plan (FFYP 1996-2000); this jumped to 18% during the first three years of the Second Five Year plan (2001-2005), with production rising to 228 000 tons in 2003.

Lack of attention to efficient use of the limited water supply due to the fact that the individual farmer does not have to cover the full social cost of the water he uses, leads to huge waste of this most valuable and limited resource. Modern irrigation methods such as drip and sprinkler irrigation are not widely used due to their high private cost. Choice of crops are made based on what appears to be cheap water, hence leading to a shift to water intensive crops and bringing more land under irrigated as opposed to rain fed farming.

The increasing scarcity of water means that not only the agricultural sector has no scope for further expansion by bringing new land under cultivation, but that it must even rethink the use of existing agricultural lands, if the sector is not going to peter out due to depletion of water resources. Growth, at the intensive margin, meaning using the existing areas more wisely by increasing efficiency of water use and yields is possible. This is largely so because the current irrigation practices are wasteful, yields are well below levels under comparable ecological conditions in other countries and post harvest losses are high.

A recent World bank report²⁷ concludes that: (i) rain fed cereals have the potential to grow by up to 12% per annum with improved quality of indigenous seeds and better crop husbandry; (ii) irrigated crops (vegetables and fruits) have the potential to grow up to 16% annually with the provision of improved extension services and better management of irrigation; and (iii) livestock has good potentials for growth with improved husbandry practices, cross-breeding and improved management of rangelands.

Key Issues and Concerns: The sector has not been able to realize its full potential due to the urban bias of development policies followed by successive governments. Declining water tables limit extensive agriculture and would have to be dealt with urgently through appropriate water conservation measures for the sector to survive, let alone prosper. Exploitation of the sector's full potential is dependent upon successful resolution of the following constraints:

- Wasteful water use;
- Limited access to formal credit, with agriculture only accounting for under 1% of commercial bank loans;
- Increasingly unequal landholdings, particularly for valuable irrigated land;
- Almost no access to credit for the small farmer;
- Unavailability of inputs at affordable prices;
- Extremely limited extension services;
- Low yields compared to neighbouring countries;
- Poor marketing channels;
- High level of food insecurity and rampant poverty, and;
- Limited exploitation of huge fisheries potential

Key Challenges: The Government aims to generate a sustainable increase of production to improve food security as well as farmers income, reduce the level of poverty and address unemployment. Currently reassessed through the MDG framework and the national planning process, with FAO support, this objective is articulated around five strategic lines:

²⁷ Barrès JF, "Sources of Growth in Agriculture and Fisheries", study paper prepared in the PRSP framework, World Bank Office Sana'a, 2001

- Sustainable and equitable management of water resources, including use of improved irrigation techniques and water saving systems;
- A pro-poor economic growth environment;
- Optimization of income growth and employment generation by supporting the expansion of high value added commodities;
- Increasing the productivity and improving access of farmers to formal credit;
- A pragmatic Qat supply-demand limiting policy; and
- Strengthened policy monitoring and implementation capacities of the MAI.

The MDG needs assessment programme for agriculture emphasizes improved water management in order to deal with the most important constraint faced by Yemeni farmers, with irrigation accounting for over 50% of the planned expenditures over the coming decade. Funding alone, however, will not be able to bring about the desired change. There is a critical need for clearer and better enforced rules covering the use of tube wells, in order to deal with the phenomenon of environmentally destructive water mining.

The main parties responsible for ensuring that the right of the rural population to a decent standard of living, including sustainable provision of water, is met are the Government and the Ministry of Agriculture and Irrigation (MAI). The Government has been largely responsible for bringing the sector to the brink of collapse by an ill advised policy of devoting substantial resources to subsidizing the use of modern tube wells, while not allocating sufficient resources to agricultural extension, and in particular promotion of more efficient water management practices. MAI does not have the requisite number of qualified personnel, nor the needed incentive structure and financial resources to actually provide a service to the many small farmers who are badly in need of access to new technology in order to improve their productivity.

Poor farmers and agricultural labourers face many difficulties in asserting their rights. They lack advocacy and organizational skills and support systems to combine forces and effectively advocate for their rights. The large scale of practice of unpaid family labour, particularly by women, further constrains the ability of paid farmers. The gap is not filled by a benevolent State or active civil society organisations. Their poverty handicaps them in relations with more influential farmers, who increasingly appropriate ever more limited water resources.

The Economic, Social & Cultural Rights Committee in 2003, expressed deep concern about the persistence of extreme poverty, especially in rural areas, as well as the persistent consumption of qat. A well directed rural development and food security programme would need to address these concerns.

In the Strategic Vision 2025, the fisheries sector is regarded as one of the most important among the promising growth sectors. The sector provides an opportunity for increased food security without further straining limited water and land resources, by providing a stable source of foreign exchange to cover the cost of food imports, as well as more food directly. Focus should be given to research in fishery and to promoting modern technologies in culture breeding, fishing, refrigeration, storage, canning and marketing of fish products in order to raise productivity and improve quality and competitiveness.

The existing legal framework for control of fisheries needs further reform to enable effective management and protection of resources. The 2003 ministerial Resolution forbidding the use of foreign fishing vessels constitutes a positive step in improving the operating environment of the sub sector. It demonstrates a government pro-active policy-making targeted on poverty reduction and on long-term sustainable management of resources (with no renewal of licenses, all industrial fish catches have been eliminated, mainly cuttlefish, demersal fish and shrimps) and has had positive consequences on the economy of traditional fishery. The status of Yemen's fish resources and notably valuable fish such as cuttlefish, lobster and possibly shrimp and demersal fish and actual fish catches is mainly unknown. Effective fisheries research and management for key fish resources, followed by effective monitoring, control and surveillance (MCS), and enforcement of fishing regulations are essential to provide the basis for a sustained fisheries production for exports as well as to meet local protein needs.

3.4 Population Growth and the Empowerment of Youth and Children

Comment [MSOffice8]: Where is the Private sector in the social services

As a result of a high population growth rate combined with a relatively short life expectancy of around 60 years, the majority of Yemen's population (around 60%) are below 18, giving Yemen huge potential as a youthful country but also presenting major challenges in terms of absorbing an ever expanding supply of labour into dignified work. The large population of children also implies heavy needs in terms of education and health services, as well as nutrition, if they are to be equipped with the required physical strength and skills to compete for quality jobs. Inadequate educational facilities, both in terms of quantity and quality and

problems of equitable access faced by young people in rural areas and disadvantaged governorates and girls throughout the country, seriously limit the potential contribution of youth to the country and their ability to develop their abilities to the fullest. Rampant food insecurity and poor diets mean that 46% of under 5 children are underweight, and thus unlikely to develop to their full potential as adults. Even for those fortunate enough to have access to an acceptable level of education and good health, jobs are not easily available as elaborated in the section below.

The lack of access to education for a significant number of children, specially for girls in rural areas and the poor quality of the public education that is provided, as evidenced by the low levels of competence of the majority of teachers, means that most youth enter the labour force with only their physical power on offer. The fact that children account for some 10% of the labour force, both deprives them of the opportunity and right to develop themselves into more productive adults, and at the same time lowers the pay that adults could gain as typically children work for a pittance. At the same time many establishments complain about inability to find suitably qualified personnel. There is clearly scope for expanded provision of demand driven vocational training.

As already elaborated in chapter 2, the country has been achieving such a slow rate of improvement on key indicators of children's welfare, namely infant and under five mortality, stunting and school enrolment that continuation of current trends would at best stabilize the numbers of children who are deprived of the opportunity to grow up into productive adults.

One key factor responsible for the above suboptimal performance has been insufficient allocation of public resources to priority sectors for improving the nutrition, health and educational status of children. The lack of voice by children and parents of poor children who are dependent on public provisioning of these services has meant that there has not been an effective lobby group to advocate for and demand the fulfilment of the basic human rights of children to develop into productive and healthy adults.

3.4.1 Economic Development and Employment Generation

The earlier noted governance problems have meant that oil income, rather than being used to pursue a pro-poor growth path, has exacerbated income inequality and has not brought about an appreciable reduction in income poverty. The CCA, given its rights based approach, adopts a comprehensive definition of poverty as "a human condition characterized by the sustained or chronic deprivation of the resources, capabilities, choices, security and power necessary for the enjoyment of an adequate standard of living and other civil, cultural, economic, political and social rights." (E/C.12/2001/10)

The combination of worsening income inequality and the capital intensive nature of the oil industry, which has acted as the economy's engine of growth, has led to rising unemployment and underemployment, particularly amongst the youth and women.

The 1995 World Summit for Social Development underscored the critical link between poverty and unemployment as central concerns for people centred development. The participating countries, including Yemen, committed themselves to "enabling all men and women to attain secure and sustainable livelihoods, through freely chosen productive employment and work". The Commission for Social Development reaffirmed employment as a fundamental component of any development strategy in 2005.

The UN Secretary General issued a report entitled "the centrality of employment to poverty eradication" in August 2005, where he sees promotion of greater opportunities for productive employment as an important measure of reaching the MDG goal of poverty reduction, in line with the multi-dimensional approach to poverty taken at the World Summit for Social Development. Poverty is not simply about lack of income, but it is equally about disempowerment of the poor, hence the importance of dealing with the problem through empowering the poor to participate in the economic process, rather than through providing handouts. To quote from the above noted report: "Employment empowers people to obtain recognition of their rights, to demand respect and to participate in and contribute to the betterment of their lives and society. Linked to this is the importance of providing opportunities for education, skill development and training, and access to health services and productive assets."

The Economic, Social & Cultural Rights Committee in 2003, expressed its concern about the limited progress in combating unemployment, which remained at a very high rate, particularly among young people. The committee also expressed concern about persistence of child labour, despite adoption of a National Strategy

and a Plan of Action for the Eradication of Child Labour. The Committee urged the State to take effective measures to combat the problem of poverty and to adopt measures to eradicate child labour.

A recent (2005) UNDP study on the impact of macro-economic policies on poverty concludes that given an unchanged pattern of income distribution and a population growth rate of 3% per annum, Yemen needs to maintain a GDP growth rate of no less than 5% per annum in order to reduce poverty by half by 2015. This is going to be difficult to achieve, if current trends in population growth and patterns of growth continue, given the expected depletion of natural resources, particularly non-renewable oil and water resources.

Much of the employment generated over the 1995-2004 period fell within the confines of the lower productivity agriculture, services including the public sector and construction. Meanwhile, the more productive manufacturing and export sectors, which should have been attracting investment and creating more employment opportunities, remained static. Indeed agriculture (including Oat production) accounts for an estimated 54% of Yemen's employed labour force, despite the scarcity of water and agricultural land resources. Productivity, wages and incomes in the sector are extremely low and poverty is rife in rural areas. Female participation is highest in the agricultural sector, but much of it is unpaid family labour, in a context where women have little say on how the household income is used. The trend increase in agricultural employment is unsustainable in the long run, as poor conditions, and low wages in particular, create pressure to migrate to urban areas. The challenge is to improve productivity levels and expand activities downstream, in areas such as food processing, in order to capitalize on agriculture's potential.

Although data are scant, it is estimated that approximately 80% of total employment takes place within the burgeoning informal sector, including most agricultural and 90% of industrial activities. It is typified by low productivity and receives no public support.

Labour supply is growing faster (3.8%) than labour demand (2.8%). The fast growth of the work force results mainly from high birth rates, the return of migrants from neighbouring countries after the first Gulf war, and the increasing readiness of women to enter the labour market. The relatively slow growth of labour demand, on the other hand, reflects the limited job opportunities in the private sector and the saturation of the government as an employer of last resort. The unemployment rate is projected to increase from 11.5% in 1999 to about 17 % in 2006, and more than 29 % among the young (15 to 24 years old).

Issues and concerns: In summary the major issues that have led to rising levels of unemployment and underemployment are:

- High population growth rates;
- Limited prospects for agricultural expansion due to harsh climatic conditions and growing scarcity of water;
- Governance and judicial problems, such as uneven law enforcement and legal ambiguity that lead to insecurity of capital and hence low long term investment;
- Suboptimal use of water resources, low productivity of agriculture and high post harvest losses;
- Consolidation of most productive lands in larger holdings that use less labour than small farms;
- Mismatch between skills needed and available labour force;
- Lack of support and protection of those producing for the local market;
- Limited investment in productive and social infrastructure;
- Lack of unambiguous and transparent laws and regulations governing provision of social services and public goods in general by the private sector;
- Unproductive habits and an adverse investment climate;
- Low savings and even lower and declining investment rates; and
- Lack of high quality jobs, due to a dual economy where the investment in the modern sector creates few jobs, while a low productivity and unsupported informal sector accounts for the bulk of employment.

If Yemen is to achieve a meaningful reduction in poverty levels, and generate sufficient high quality jobs for the youth, to prevent them from falling into despair, growth in the forthcoming decade has to be more pro-poor and employment-intensive. For this to happen, the primary requirement is improved transparency of government action and rule of law, as elaborated earlier. This has to be supplemented by specific measures

for diversification of the economy and improving inter-sectoral linkages and the environment for private sector development with particular focus on micro- and small-enterprise creation and expansion. The Government might consider implementing a package of measures amounting to a 'new deal' for this important but largely informal sector. This has to be matched by improvements of the quality and reach of general and vocational training to reach the ever increasing number of young people and women who are joining the labour force.

The Government will also have to intensify its programmes for promoting investment in new export-oriented, foreign exchange earning sectors (notably manufacturing, high value export crops, fisheries and tourism) so as to create a substantially increased momentum of growth in the supply of non-oil exports of goods and services. This will require both the vigorous pursuit of investment promotion campaigns and the construction of necessary infrastructure in selected locations. The cost of this infrastructure should be factored into the Plan, even though it may not be specifically MDG-related. Ports in particular can play an important role in this respect. Particular attention to agriculture will also be needed, as the sector is the home to the majority of the work force and accounts for a disproportionately large share of the poor.

Perhaps the strongest employment challenge that emerges is the need to create more jobs of a higher quality (associated with higher productivity and wages). More and better opportunities need to appear in the manufacturing and export sectors, whilst rural infrastructure must simultaneously be improved in order to reduce the pressures of rural-urban migration, as population growth in urban areas is already twice as high as in rural areas. The MSME sector that already accounts for nearly 90% of all industrial employment can play a pivotal role in creating the needed additional employment opportunities. Realization of this potential is dependent upon removal of institutional biases against the sector and significantly improved investment incentives, financing and other service provision.

It should be noted that greater employment in more productive, decent work is dependent upon improving skill levels to meet demand requirements, through enhanced education and training systems. Making education and training more demand-driven should help in combating the exceptionally high youth unemployment rate.

The results of the labour demand survey of 2003 indicate that job creation in existing establishments is unlikely to produce the new jobs required to meet the annual net increase of labour force from 2004 to 2006. An implication of this result is that the employment problem should be addressed not only through job growth in existing establishments, but also more importantly through enterprise creation on a massive scale. This is contingent upon implementation of a vigorous competition policy, to create scope for new enterprises to enter the market.

The survey results also point to a need to widen and strengthen not only the vocational training programmes and specialised university education, but also the development of managerial and administrative skills through special training programmes, as these are among the areas of skill shortages and skill gaps most reported by establishments, and perceived as sources of mismatch between education and occupation by graduate employees.

Child labour is widely practiced in the country and accepted as a norm. It constitutes about 16% of labour in rural areas and 3% in urban centres. Child labour expanded during the last decade at an annual average rate of 3% to constitute more than 10 % of the total labour force. This runs counter to ILO conventions no.138 and 182, the agreement with ILO to combat child labour, and the two Optional Protocols of CRC.

The main parties responsible for ensuring that youth are provided with remunerative jobs are the Government and the private sector. The Government has not managed to discharge its duty due to insufficient awareness of the seriousness of the problem, which has led to insufficient attention to dealing with the root causes of the problem enumerated earlier. The private sector is constrained by insufficient public infrastructure, non-existent protection from import, limited access to bank credit and oligopolistic practices by few dominant trading houses.

The youth as the primary claim holders are constrained by lack of voice. Young women are doubly challenged due to strong social patriarchy, at a time when more and more of them are joining the labour force. They are not prepared for leading a healthy and productive life due to high levels of child malnutrition, lack of attention to early childhood development, insufficient and poor quality of general and vocational training, high prevalence rates of communicable diseases and poor quality of public health

facilities. They lack organizational and advocacy skills for holding the duty bearers, notably the Government, to account for providing them with opportunities to realize their right to a decent standard of living.

Challenges: The challenge ahead is thus enormous: not only jobs are required by new entrants to the labour market every year, but also to decrease the piled up stock of unemployment, many of them young graduates, and increasingly women. This would require a major transformation of the economy, from one that has so far only managed to increase employment by some 2.8% p.a. and that mostly in low paying informal sector jobs, to an economy that creates 5% additional high quality jobs every year, in order to absorb the close to 4% annual increase in labour supply as well as make a dent on an unemployment rate that already exceeds 15%. There is in addition the need to improve the nature of the existing jobs, particularly, in terms of their productivity.

The above has to be achieved against a backdrop of continuing high rates of population growth, which are only expected to decline to 2.8% by 2010 and an ever-larger involvement of women in paid productive activities.

The likely resistance of those with vested interest in the current set of policies, notably the big traders and those benefiting from public funds, at a time of expected declining oil revenues will make it that much more difficult for the required reforms to be implemented. A possible deterioration of the international context could further undermine efforts at promoting pro-poor growth by adversely affecting tourist arrivals and prospects for export of surplus labour.

From the above it is clear that reducing poverty and unemployment substantially over the coming years is contingent upon the adoption of a radically different and human centred approach to development. As already indicated in the 2003 MDGR, if current trends continue Yemen will be far off from achieving the MDG target on income poverty.

3.5 Key Areas of Cooperation of the UN in response to the identified challenges

The UN system is well placed to support the efforts of the Yemeni people and government to overcome the four key development challenges identified in this chapter. UN agencies can bring in successful experiences from other countries where similar challenges have been overcome. The support is mostly of a normative nature and focuses on building national institutional and human capacities.

Potential areas of cooperation can include governance, broadly defined, to include respect for and protection of human rights, a culture of rule of law, increased scope and capacity of civil society for contributing to inclusive and equitable national development and measures to improve the accountability, efficiency and effectiveness of public administration in general and provision of needed social and productive infrastructure in particular.

Based on its wide presence throughout the country, working in different fields from health and education to agriculture and environmental management, the UN system is also well placed to support promotion of sustainable rural and local development, through supporting local governance and demand driven and community managed provision of basic services.

The UN system has a clear comparative advantage in the area of women empowerment and promotion of gender equality. It can build on global good practices in the areas of promoting gender sensitive planning, control over their reproductive function, improving the health and education status of women and effective participation in economic activities and political life as equal partners.

A number of UN agencies have clear mandates and technical competence in supporting measures to bring population growth in line with development options and allow new generations to grow into healthy and productive adults, through working on issues such as: reproductive health and rights, family planning, childhood and communicable diseases, early child development, protection of children, general and vocational training and drinking water supply and sanitation.

The UN can also bring in its expertise to support efforts at promoting equitable economic growth, through interventions at the overall economic policy and enabling environment level, as well as more targeted sectoral supports in areas such as agriculture, industry, trade and micro-finance.

ANNEX 1

MAIN RECOMMENDATIONS FOR MDGs INVESTMENT PLAN

Needs Assessment Sector	Main Recommendations for the investment plans
Agriculture	<p>Irrigation and Watershed management</p> <p>Pro-poor policy (land distribution and credit)</p> <p>Commodity Chain Support (cereals, livestock, honey, fruits, etc.)</p> <p>Institutional Support (research, extension)</p>
Fisheries	<p>Direct support to operators of fish groups (quality control labs, cooperatives, credit, incentives)</p> <p>Support to the costal infrastructure (ports, and facilities)</p> <p>Institutional support for the Ministry of Fish Wealth</p>
Education (gender)	<p>Infrastructure;</p> <p>Curriculum development;</p> <p>Institutional reform to bridge the existing gender gap;</p> <p>Increase female teachers (63,263 female teachers by 2015) and ensure fair distribution of female teachers according to the needs of each governorate especially in rural areas.</p> <p>Reduce girls' dropout to less than 1% by 2015.</p> <p>Provide vocational training for women</p>
Health	<p><u>Health system</u>: 1) Enhance governance and stewardship of the health sector including private and CSO 2) Construction and equipment of new health facilities; upgrading of existing facilities; operating and maintenance costs for all health facilities; 3) Human resource development through: pre-service training; recruiting new staff in line with the expansion and construction of the new health facilities based on the essential services package (ESP); training the existing and new staff; encouraging women employment in the health sector; and incentives; 4) Strengthening of management capacity in the system (Central, Governorate, District, and Facility); 5) Improving monitoring, evaluation and quality assurance; 6) Enhancing community demand and access to essential interventions; 7) Building capacity for health information systems and research; 8) Improving access to affordable essential drugs.</p> <p><u>Maternal health</u>: Family Planning; which includes the use of female and male modern methods and counselling; Provision of antenatal, delivery care and EmOC; including prevention, management of diseases and obstetric complications which will reduce infections, fistulas and prolapse. Newborn-care towards reduction of neonatal mortality and morbidity.</p>

Comment [MSOffice9]: Nutrition

	<p><u>Child Health:</u> The Integrated Management of Childhood Illness (IMCI) is the proposed package among others to be delivered to this age cohort on two levels; primary health care level and hospital level. It would address the major five diseases that cause 80% of childhood deaths; ARI (Acute Respiratory Infections), Diarrhoea, Malnutrition and Anaemia. The proposed intervention package includes immunization services directed towards protection from EPI vaccines preventable diseases. Additionally, the interventions would include education and counselling to the target groups focusing on breastfeeding, infant and child feeding and hygiene.</p> <p><u>HIV/AIDS:</u> surveillance and behavioural change studies; bio-and blood safety measures; behavioural change interventions; development of national capacity to handle HIV/AIDS case management and psychosocial support.</p> <p><u>Malaria prevention:</u> long-lasting insecticide treated bed nets (LLIN) and insecticide spraying.</p> <p><u>Malaria Treatment:</u> The package would provide three different regimes (for Falciparum and non-Falciparum malaria, and severe cases), each with different drugs used in mono-therapy and ACT therapy.</p> <p><u>TB:</u> DOTS approach through the health service outlets and outreach through other health workers affiliated to the system.</p>
Needs Assessment Sectors	Main Recommendations
Water and Sanitation	<p>Strengthening water resources information system. Establishing water resources monitoring systems. Educating and raising awareness. Creating and facilitating water resources management infrastructure. Developing regional water resources plans. Supporting water user associations, community-based organizations and water basin committees. Implementing, monitoring and enforcement of the law. Developing strategic human resources, including empowerment of women. Strengthening and improving institutional (sector) coordination. Designing and implementing NWSSIP monitoring systems.</p> <p>Urban Water Supply and Sanitation (i) Expanding coverage; (ii) Continuing and deepening the reform program after evaluating it; (iii) Developing a regulatory framework; (iv) Monitoring support and policy functions; (v) Achieving financial sustainability of water utilities; (vi) Giving due consideration to the low income segment of the population; (vii) Promoting private investment and public private partnerships; (viii) Continuing capacity building and performance improvement; (ix) Enhancing community participation; (x) Securing additional water sources for cities; (xi) Formulating a policy for sea water or brackish ground water desalination.</p> <p>Rural Water Supply and sanitation (i) Setting up sector strategy and coordination activities; (ii) Improving project/scheme implementation; (iii) Broadening the range of partners; (iv) Widening technology choices and adapting appropriate ones; (v) Integrating sanitation and hygiene in rural water schemes; (vi) Ensuring and protecting water resources and their quality; (vii) Improving targeting and sustainability through broadening the range of partners so as to include, for instance , more NGOs and community participation; (viii) directing available finance to the greatest need (targeting).</p>
Gender	<p><u>Women's political participation:</u> Apply an affirmative action (quota for women) at all levels of political process; Sensitize party leaders to catalyze gender sensitive reforms; Campaigns to increase women's participation in voting process; Provide technical assistance to political parties to engender their policies and programs; Train women candidates in leadership and campaigning skills; Increase visibility of women candidates through media; Build capacity of elected women parliamentarians and local councils through gender sensitization and material development</p> <p><u>Ending violence against women:</u> modify and amend national laws to comply with the constitution and the international conventions; Preventing violence against women through legislation, awareness campaigns and education; Creation of gender desks in every Police</p>

	<p>station; Promote awareness on women's rights to legal redress and state services; Establishment of women's units in law enforcement institutions; Improve state responsiveness to incidence of violence and rehabilitation of victims of gender-based violence; Training of prison staff to ensure gender sensitivity in treatment of women prisoners; Provide counselling, shelters, rehabilitation, conciliation and medication services.</p> <p><u>Awareness on sexual and reproductive health</u>: Initiate adolescent sexual health programs in community and schools; Ensure Reproductive Health Strategy is central to planning and budgeting; Integrate reproductive and sexual health services into primary health care services; Intensive training of birth attendants in maternal health; Spread of family planning techniques with emphasis on both men and women; Diagnosis and referral on STDs; Monitoring blood transmission particularly during ante-natal and post-natal care; Educate policy makers on negative cultural practices such as FGM and early marriage;</p> <p><u>Vocational training for women</u>: Review and revise existing policies to make vocational training market driven; Create opportunities for internship for girls and provide financial support on bridge courses for women; Create awareness about vocational training programs for women; Link women vocational training with access to credit/micro-credit services; Vocational training designed with agriculture cycle.</p> <p><u>Systematic issues</u>: Gender Sensitization Programs, Strengthening Women's Directorates in the Ministries General administration</p>
Private Sector	<p>Government should adopt policies and measures to improve the investment climate which include: promote markets and market access; design policies that are friendly towards foreign investment; redress deficiencies in judicial; control and security systems; institutes guarantees against expropriation; facilitate the repatriation of capital and profits; and simplify the process of hiring expatriates. Also the government needs to promote the rule of law, protect property rights and enforce contracts;</p> <p>Developing and diversification of the private sector's productive capacity. The focus should be on development of capacity in manufacturing, mining, fishing and tourism;</p> <p>Continue and deepen decentralization process that will facilitate provision of physical infrastructure, ensure availability of industrial sites/factories, provide support to domestic industrial base, streamline administrative procedures, provision of social services such as education, health care, housing and leisure facilities;</p> <p>Foster private sector - financial institutions dialogue, with a view to negotiate on how best to improve financial service delivery, and how to change the mindset from risk-aversion to risk taking by (micro) finance organizations;</p> <p>Strengthen awareness campaign on the advantages of associations;</p> <p>Creation of trust and change of mindset between public and private actors;</p> <p>Formalization of public-private dialogue processes;</p> <p>Limit informal dialogue processes between individual actors that can undermine the formal dialogue endeavours;</p> <p>Ensure equal representation of entrepreneurs at the bottom of the pyramid;</p> <p>Strengthen capacity and improve service delivery of the support organizations;</p> <p>Put in place structures and systems of governance underpinned by the rule of law. The strategy needs to ensure the implementations of all components of good governance are scaled up. Also there is a need to improve capacity of representative bodies at all levels, including parliament to perform oversight functions. The governorates also need to be strengthened and foster the participation of all stakeholders in the day to day activities. Emphasis should be put in creating the enabling business and investment environment;</p> <p>Ensure fair allocation of public resources to private sector. The system of allocation of resources to the private sector need to be strengthened to ensure equity</p> <p>Institutional capacity building, aiming at improving public services delivery to private sector. A strategy needs to be formulated to enable the private sector to participate in the preparation, formulation, implementation and evaluation of the development plans and programs. Also the empowerment of private sector in understanding government policies, public financing issues as well as their entitlements needs emphasis. The strategy should also develop effective mechanisms to ensure equitable access and use of environment and natural resources by the private sector. Strengthening of the systems and institutions that will ensure accountability, ethics, and transparency of Government and private sector demand enhanced focus;</p>

	Institute effective regulations and mechanisms regarding petty and grand corruption; Attract foreign capital both direct and portfolio investments.
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Needs Assessment Sector	Main Recommendations for the investment plans
vocational Training	<p>Review and revise existing policies to make vocational training market driven</p> <p>Create opportunities for internship for girls and provide financial support on bridge courses for women.</p> <p>Create awareness about vocational training programs for women.</p> <p>Link women vocational training with access to credit/micro-credit services.</p> <p>Vocational training designed with agriculture cycle.</p>
Infrastructure	Develop productive infrastructure, including Roads, Electrical Power and Communications networks. support Slums Development
Environment	<p>Strengthening and enhancement of national institutional capacities to apply sound environmental management practices and to integrate social, economic and environmental issues at all levels of planning and implementation. Development of coordination mechanisms among relevant agencies;</p> <p>Careful design and implementation of capacity building actions in natural resource management that meet the needs and learning levels of the national cadres;</p> <p>Development and application of economic instruments to encourage careful use and management of natural resources;</p> <p>Investment in environmental infrastructure and technologies;</p> <p>Promoting investment in pollution control and re-use and recycling of waste generated in various forms.</p> <p>Introduction of low cost and appropriate technologies, e.g. solar and wind energy and exploitation of surface water. These technologies ought to be identified by relevant agencies in close cooperation with the beneficiaries. National scientists and researchers can contribute in monitoring the cost effectiveness of applied technologies;</p> <p>Building and strengthening national information databases: improvement of the use of data and information at all stages of planning and management. Encouragement for application of analytical methods stressing interactions and synergism;</p> <p>Assessment of the potential impacts of developmental projects and programs to facilitate the provision of alternative ways of operation and management to attain desired results and economic sustainability.</p> <p>Enhancement of essential human resources capacities to plan and apply sound environmental management practices. Design special programs directed to the rural areas, the urban poor, women and children. Enhancement and introduction of interdisciplinary and integrated approaches in the curricula of the schools and universities;</p> <p>Establishment of procedures and measures to facilitate and enable involvement of local groups and communities to participate in sustainable management and protection of natural resources at the local levels;</p> <p>Promotion of NGOs and community driven initiatives and approaches to sustainability;</p> <p>Promotion of public awareness at large on the importance of considering environment and development in an integrated manner highlighting the responsibilities and potential contribution of different social groups.</p> <p>Development of research and technological capacity to address the environmental problems at the national and local levels;</p> <p>Development of appropriate technologies.</p>
Civil society Organizations	<p>Revise different laws related to CSOs to ensure consistency and to encourage positive CSOs' contribution to achieving MDGs;</p> <p>Contract competent CSOs to implement specific MDGs'-related interventions based on comparative advantage (e.g. raising public awareness on MDGs and specific issues addressed by MDGs such as maternal mortality, girls' education, gender equality, HIV/AIDs, etc),</p> <p>Promote CSOs participation in different structures and processes entrusted with monitoring and evaluation of progress towards achieving MDGs complemented with the space to discuss and accommodate the outputs (e.g. reports) generated by CSOs to this effect.</p> <p>Streamline CSOs' operations and interventions to address specific issues highlighted by</p>

	the MDGs based on their cooperative advantage (e.g. awareness raising and advocacy on relevant issues).
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