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EVENT TRANSCRIPT

Yemen: A New Challenge for Europe?

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LIZZA BOMASSI: Welcome, everybody and thank you very much for coming to this Carnegie Europe presentation on Yemen. My name is Lisa Bomassi. I am the Program Manager at Carnegie Europe, the Pan-European Policy Forum of the Carnegie Endowment for International Peace.

In recent months Yemen has come sharply into focus, stoked in a large part by a failed bombing of an airliner, as you all know, in Detroit in the US last December. The security breach highlights the growing concerns of Al-Qaeda and the Arabian Peninsula which claimed credit for planning the attack but, as many of you know, the Yemen situation has been on the brink for a while now. The growing security concerns come on top of already large disquiet over the country's two unrelated separatist movements, one in the north, one in the south. The government has been accused of using inappropriate and lethal amount of force in its response to dealing with these conflicts, which has provoked an IDP crisis in the process.

Added to this are the facts that Yemen is also an oil dependent economy, facing collapse, with unemployment at nearly 35%, according to official figures, that the country's water supply is rapidly disappearing and it's also facing a growing population surge. The international community has stressed its strong commitment to assisting Yemen; we've seen this through a flurry of recent international processes that have taken place and beginning in January this year with the London conference. We had the GCC Donor's Conference in Riyadh last month and, at the end of this month, there will be the Friends of Yemen meeting.

Today we ask what needs to be done to prevent Yemen from becoming another Al-Qaeda safe haven. Are the real issues being dealt with and what measures beyond traditional security assistance must the international community undertake to support and what are the critical economic and governance challenges facing the country today?

Joining us today are three very qualified experts to give us some insights, Christopher Boucek, who's an associate in the Carnegie Middle East program, where his research focuses on regional security challenges. Christopher is a renowned Yemen specialist and has written widely on the many challenges facing the country. He joins us today following a recent trip to Yemen, so he will really be able to give us some insights from the ground. We also have Gilles de Kerchove, the EU's counterterrorism coordinator. Gilles guides the work of the EU in the field of counterterrorism and is responsible for monitoring the implementation of the EU's counterterrorism strategy, while ensuring that the EU plays an active role in its fight against terrorism. Gilles was also formerly the Director for Justice and Home Affairs at the Council of the EU. And last, but not least, we have Ginny Hill who's an associate fellow at Chatham House where she runs the Yemen Forum, a project intended to tackle Yemen's challenges within a regional context. She's also an award winning filmmaker, a former BBC and Al Jazeera correspondent, and has also lived and worked in Yemen at various points throughout her career.

So I will hand the floor over to Chris who will speak mainly about his thoughts from the ground; then Gilles will cover Yemen from an EU perspective, in particular how the EU can help Yemen with its counterterrorism efforts, and finally Ginny who will talk a little bit more on what's going on with the various international processes, as well as how the EU can help in other ways. So thank you. Chris, the floor is yours.

CHRISTOPHER BOUCEK: Thank you very much. It's a great pleasure to be here today and I'm very pleased to see so many people come out to talk about Yemen. I feel like I should begin with an apology and say that I'm sorry that every conversation that I have about Yemen ends up being so depressing and I think by the time I finish the ten or 15 minutes' worth of remarks, I think of you will be probably very depressed about how the situation on the ground is incredibly depressing. I think we all know that Yemen is facing this very unique confluence of crises where Yemen is beset by this host of problems, economic, human security, development and hard security. The terrible thing is that none of these challenges are unique in the region. Every country in the Middle East is going through these in one way or another; it just happens that Yemen's dealing with all of them all at the same time and Yemen happens to be the state with the least state capacity to manage multiple crises. The Yemeni Government can handle about one problem at a time and, when they do, they're completely focused on that one issue, to the exclusion of just about everything else.

The economics of the situation I think are really at the heart of Yemen's many problems and we had an event last year where the speaker made this great analogy about how when Yemen runs out of money it's like throwing sand in the gears, and that's exactly what's going to happen, I fear.

Yemen's economy is extremely dependent on the sale of crude oil; nearly 80% of the Yemeni income comes from the sale of hydrocarbons, from oil, and hydrocarbons are quickly running out. So the country was producing about 450,000 barrels a year in 2003. Right now it's probably around 180,000 per day [sic], so it's a huge fall-off. Moreover, the country's getting less dollars per barrel sold than they have in the past so for the last several years this was masking the true economic decline in Yemen.

Right now there has been no real viable planning for a sustainable post-oil economy, which is at the centre of all of these issues. There's much discussion about liquefied natural gas being an alternative. LNG exports have begun; there's discussion that the second LNG trade would start later this year. However, my concern is that it is unclear to me that revenue and royalties from LNG would replace income earned from oil sales and, if it does come on to produce what they're thinking - it's somewhere in the neighbourhood of a billion dollars a year - there will still be a

gap when oil tails off before natural gas comes online. I think it's during that gap that we have to be very, very concerned about what's happening in Yemen. This is when Yemen's other problems will become more accentuated.

If running out of oil is bad enough, running out of water is even worse and Yemen is very likely to be the first country in modern history, and I think Sanaa the first capital, to run out of water. This will be a catastrophic event. Several water basins have already collapsed in Yemen; the water table falls several metres a year and at different parts of the country the problem is worse or better off. So it's not like one day we might wake up and find there's no water that comes out of the taps; it'll be a slow, gradual process and, as Ginny has noted, as that happens the water quality will get worse as the quantity goes down. This is fuelled in a large part by qat irrigation, excessive waste, a lack of any kind of planning for how to administer the water system; but this will be a catastrophic problem and when we factor in that Yemen is one of the most rapidly growing populations – there are 23 million Yemenis now and in 20 years there will be 40 million and in three decades there will be 60 million – on less and less and less water. So this will involve major population shifts, this will involve a very serious resource crunch that the country's not prepared to deal with.

On top of this, the Yemeni Government is not able to provide the goods and services throughout the entire country and slowly we see the Yemeni Government's authority and capability eroding into major urban highland cities in the north of the country. Unemployment is about 35%, which would put it on par with the Great Depression in the United States; that's official. Unofficially, it's probably much higher. You have a rapidly expanding, increasingly poorer population and it is from this ever expanding pool that I'm afraid that you can recruit young men to do just about anything. I think that's one of the big concerns of the international community that it needs to keep in mind looking ahead, is that Yemen's problems are accentuating the security problems throughout the rest of the world.

You have an education system where probably two-thirds of the population who should be in school are in school; illiteracy is about 50%; women are disproportionately affected by illiteracy – probably 70% of women are illiterate in Yemen. At its heart Yemen cannot absorb all of the labour that it produces every year, so Yemen will need to become a net labour exporter in the very near future. How will that relationship work? Probably with wealthy Gulf States, has yet to be seen.

All of these issues that are tied up in terms of corruption, governance and inflation, which is probably in the low teens right now, down from a high of maybe 20% a year or two ago. All of these human security issues are made much more complicated by the hard security problems that we all know are going on in Yemen. There's a civil war going on in the north. In the northern province of Saada a ceasefire has been in effect for the last several weeks; it appears that the ceasefire is holding but it doesn't seem that the long-term sources of grieve stability are being addressed. While the civil war in the north, which pits Shia Zaidi revivalists against the Central Government, is not right now an active conflict – as Lisa mentioned, 250,000 internally displaced people – the real untold story of what's going on in Saada is the disastrous effect this has had on the Yemeni economy. The war in Saada is rapidly accelerating the country's economic collapse.

The government is spending hard currency reserves at truly an alarming rate, over $200 million a month. Over a billion dollars have gone into fighting this last round of the conflict. Moreover, all of the money that other states have pumped in to support the Yemeni Government is gone. So there's huge budget deficit forecast for this year as a result of the spending on this war effort. Moreover, if the Yemeni military is fighting in Saada, they're not engaged in current terrorism

operations or anything else; every dollar spent in Saada is a dollar not spent on dealing with any of the other systemic challenges in the country.

While the south is probably the biggest challenge to Yemeni security and Yemeni stability, the government has been focused on the war in Saada. There's increasing calls in the south for, what I'm afraid, is separation. I think there's a very short period of time now that the conflict in Saada has subsided before the situation in the south gets very, very bad and before we see a more organised or more coherent threat to the Yemeni territorial integrity. On top of this, you have this resurgent al-Qaeda organisation that everybody's now extremely familiar with.

In January of last year the Saudi and the Yemeni affiliates of al-Qaeda merged and now you have an organisation that has operated domestically inside Yemen against Yemeni targets and foreign targets, oil companies, foreigners, tourists, police officers, security forces. Regionally, inside Saudi Arabia, there have been a number of foiled attacks and attempted attacks inside the Kingdom, including last August's attempted assassination of Prince Mohammed Bin Naif, the Saudi counterterrorism chief. A number of suicide vests have been intercepted on the border and there are a number of Saudi militants who are hiding out in Yemen, who it's believed are plotting their return back to the Kingdom.

Now, since December, we've seen that this is an organisation with even larger aspirations. This is the first time that I can think of where an al-Qaeda organisation has successfully targeted an American target from somewhere other than Afghanistan or Pakistan. This is the first time that a regional organisation has attempted an attack against the United States and I think this shouldn't be discounted. Even at the height of the violence in Saudi Arabia, from 2003 to 2006, al-Qaeda and Saudi Arabia never attempted any kind of an attack outside the country and I think this is not the last we've heard of this organisation. They've demonstrated their capacity and intention to target outside and I think all of this, I'd say, is background because now we're in a situation about how to deal with this issue.

One of the big takeaways after this most recent trip is you only need to be in the country for about an hour before you realise that this is not about security and counterterrorism. But I'm afraid that's what the international community is looking at this problem as; this is an al-Qaeda problem or a terrorism problem. Al-Qaeda will not be the downfall of Yemen; it will be the economy and corruption and governance and these major systemic issues, employment. Until we get on the right side of this issue, I'm very concerned that the way the international community is dealing with this problem is going to exacerbate the grievances and the challenges inside the country.

So when I see that the American assistance commitment is $150 million for military assistance and only $50 million for humanitarian assistance, it seems that we are absolutely on the wrong side of this equation. I don't want to downplay the severity of the security situation, but I think we need to make sure we are addressing the counterterrorism imperative, going after the al-Qaeda elements that I believe to be hiding in the country, but that has to be a small part of a larger overall, more coherent counterterrorism strategy that involves building the capacity and the legitimacy and the capability of the Yemeni Government to provide goods and services throughout the country. This is what needs to happen. I say this as probably more of a big question because I'm not sure how this process is going to go forward from here. There is a major challenge for Europe and a major opportunity for Europe to be involved in addressing these issues and it seems that through the donor process that we have right now, we need to make sure that the Yemenis know how to manage the donor process and that the international community knows how to best help Yemen. I think we need to work on that. I'll leave it to my colleagues to go into more detail so I'll stop there. Thank you.

LIZZA BOMASSI: Thank you, Chris, for that very sobering assessment. Gilles?

GILLES DE KERCHOVE: Thanks for inviting me on this very important subject. I'll touch upon three points, first to explain why Yemen is not a new challenge for Europe, then what needs to be done to bring stability to Yemen and third, since I'm back from Afghanistan – I arrived this morning and I'm sorry it's the second time I meet Christopher in a complete jetlag – some lessons from Afghanistan that could be applied to Yemen.

The first point, it's not a new challenge for Europe. We have for a long time regarded Yemen as a strategy challenge. I don't repeat the reason; I think you have been very comprehensive. Just on the city angle, the counterterrorism angle, it has been a problem for some time. We have had three generations of jihadists in Yemen; remember the mujahedeen of the 80s, again the Russian, they came back to Yemen. We've had al-Qaeda core with Osama Bin Laden himself pretty active in the country. I think his father was living in Yemen or was born in Yemen. We remember the 2000 attack against the USS Cole and others, 9/11, and if you look at the number of detainees in Guantanamo it tells a lot about the importance of Yemen, second generation, third generation – Christopher just alluded to that, the AQAP.

He mentioned the attempted assassination of the Saudi Deputy Minister of the Interior and the Detroit plot. Interesting, by the way, the first one, unlike what we saw in the press, was a bit of the same type, the same modus operandi. The bomb, it seems, was not ingested in the body of the person but it was exactly what did happen in Detroit, which shows that they have some capability, as Christopher said. I'm even told that we would not be surprised to see that they have quite sophisticated devices in Yemen to test the [unclear] detonation device and so on to see what works and what does not work.

That's where it becomes a bit worrying. This shows a possible new development, i.e. the franchise group, AQAP, IQIM, al-Shabab, LET, i.e. not al-Qaeda core but franchised al-Qaeda groups active beyond a regional inter-land in a way. You mentioned the Detroit plot; we could even add a Somali who tried to assassinate the author of the cartoons in Denmark not a long time ago. That too was a regional franchise group, one or two attacks outside the region, and that's why we are worried on the city front, a possible safe haven. It is already a safe haven in a way for terrorists.

I have not seen detailed figures of jihadists coming from Afghanistan, Pakistan, trying to avoid the high military pressure in Af/Pak, but it could happen and we know that the al-Qaeda and Islamic peninsula wants to attack the Western interest, they are not that many, but some at least, and some diplomatic buildings in Sanaa.

Terrorism is one aspect; we know we have piracy in the region, we have a lot of trafficking in human beings, trafficking in arms and just to mention what I would call the twin pincer scenario. I don't know what the accurate figures are, but 4% of the daily global demand of oil is carried through the Gulf of Aden and any disruption of the flow of crude oil from Saudi terminuses will have a significant impact on the price of oil. When you know the importance of al-Shabab in controlling most of Somali shores on the one side, and on the other side the possibility for al-Qaeda in the Arabian Peninsula in controlling the other shore, that could play the effect of an Islamist pincer. The distance between the two shores is only 18 miles, which is much below all available rockets on the market. So this is a strategic issue, not only on terrorism, on piracy and on many other problems like trafficking arms, trafficking human beings.

We have been involved, as I have said, for a long time. We started assisting Yemen in the early 80s and we have increased our assistance. We have a cooperation agreement which was signed

in 1997; we have a political dialogue since 2004 and between 2007 and 2010 the European Union has provided something like €165 million in financial assistance to improved governance, social welfare, health, economic development, food, security. And we will increase this assistance by 40% annually. These last two years you know that we have been quite active on the security front to address the regional threats, piracy, of course, trafficking, and will soon launch an initiative to improve maritime capacity building, a regional initiative in which Yemen will be of course included, especially the coastguards.

I, myself, have been to Yemen a year ago to explore what we could do in the field of counterterrorism and we are about to start a city assistance program of nearly €15 million to improve the interagency coordination and especially the communication between the different agencies, improve airport security, which is pretty much linked to the Detroit incident, work on criminal justice, which is a problem that we encounter everywhere in the country where there is an issue, Afghanistan, Pakistan; I was in Bangladesh as well. The legislation has to be improved and we would like to engage more with the Parliament; there is a draft legislation in the field of terrorism which is stuck in Parliament. It has been prepared, I think, by ULDC but it's not adopted yet and it's important; terrorist financing, same, and adopt all the legislation necessary to implement the UN Convention in this field.

And – and I'll come to that later on – we will invest part of this €15 on a deradicalisation program. Now, I come to that because it's very important to me.

That's my first point. The second point, what needs to be done to bring stability to Yemen and effectively disrupt activities there? And on that front I don't have any differences with Christopher, but the EU has no difference. We want to have a very holistic approach to the problems in Yemen and avoid perceiving Yemen through only a city lens, so a counterterrorism lens. For us, it is the non terrorist problems in Yemen which are the drivers of extremism and radicalisation, and that's the reason why I think after September 2009 – I don't have the precise date – we've adopted a comprehensive approach to Yemen which addresses the long-term developmental and state building needs of Yemen with special attention to the root cause of the internal conflict north and south, the economic and resource stresses, the drivers of radicalisation. For us, the primary need is to push ahead with the political reform, a lot to do on that front, governance, economic reform and, as Christopher said, improve the delivery of the services throughout the country and especially in the non governed spaces.

Something I would like to develop more in the coming years, and especially I have started discussing with the American friends, is how can we design a program to prevent radicalisation or a de-radicalisation program when something goes wrong. So far Yemen has set up some, but quite modest system; I don't know if they've been so successful, but when you listen to what was just said, booming demography, unemployed people, you have all the recipes for potential huge radicalisation in the coming years.

I have started discussing that with my counterparts in Washington on the context of the closure of Guantanamo because they were stuck with something like 80 or 90 detainees that they could not send back to Riyadh because the Saudi program only works provided that the family is around, and that does not apply to many of these 80 or 90 remaining detainees. But there is, besides the closure of Guantanamo in itself, a need to set up something strong to address the problem in the near future.

I'll then turn to my third point, which is some lessons that we can draw from our huge engagement in Afghanistan, and I don't only confine myself to three. First, we need to develop a regional approach, a regional ownership to the problem from the outset. It's obvious when you go to Afghanistan that the key to Afghanistan is not in Afghanistan. We have to engage with the

neighbours and the GCC, first to understand the connection with the instability in Somalia and the Horn of Africa. As I said, there is a lot of trafficking in human beings, a lot of trafficking in weapons between the Horn of Africa and Yemen. The conflict in Somalia has to do with something over 150,000 refugees in Yemen and when I was there, they told me they were so proud, even as a very poor country, to welcome all the refugees coming from Somalia, which is an additional problem.

Second, we have to have from the outset a very long-term development, economic and political reform agenda, supporting policies which are fully owned by the Yemeni Government, and supported by international community. Therefore, that's the reason why the European Union wants to remain a long-term partner for Yemen and this long-term agenda must not be sacrificed by short-term security reasons. There is indeed a dilemma here because the more we press the president to address the AQAP problem, the more he may be tempted to postpone reforms and to only address the AQAP problem, besides the two north/south conflicts.

The other one is militarisation. I'm very keen to develop a law enforcement and judicial approach to the [unclear] because, in the long run, that's the only one which is efficient. And, third, as was said already, we must be better coordinated and more coherent in providing our assistance to Yemen, and that applies to Afghanistan; that was very obvious during my week there, and that's in this context. I hope that the Friends of Yemen group that has been set up in London will help to bring some clarity and assistance.

So that's some primary points for discussion.

LIZZA BOMASSI: Thank you very much, Gilles.

GINNY HILL: Thank you. I will inevitably touch on points that have been raised by both the previous speakers. Yemen clearly is a challenge, not just for the European Union but for the United States, all the Member States of the European Union and the GCC as a whole. One of the crucial elements of a successful response to the challenge that Yemen poses will be improved donor coordination and better diplomatic alignment built around the shared analysis of the problem that Yemen faces. The European Union has a very interesting role to play here as a significant donor in Yemen and an institution that's well versed in working with different constituent parts, and the European Union has also taken an early lead in an improved country analysis in Yemen.

Chris has spelt out very clearly that the hard security challenges in Yemen, in particular al-Qaeda, are just the tip of the iceberg and that the underlying issues are in danger of being overlooked. He's talked about food, security, water depletion, population growth, but I would argue that these issues as well are just symptoms of an even deeper problem, which is the structure of power in Yemen which sits outside, in and around government institutions. And these informal networks that are really held together by patronage have held things together in the country, more or less, for about 20 years through a system of crisis management and divide and rule. But every month that goes by now, as oil production is falling, is putting the system under greater strain and this is what Chris means, I think, when he talks about sand in the gears.

We can see, as a result of that, that over the last 18 months there has been deferred parliamentary elections, increased repression of the media and increasing grassroots discontent, and I think this is all a symptom of the fact that the political patronage system is coming under greater strain.

You're all very well aware that Yemen is characterised as a fragile state and the concern about Yemen's future rests around the possibility of state failure, with all the implications for political

instability and the hard security challenges that arise from that. Now there's a debate taking place, not just in Yemen, around the suitability of the terms fragile state and failing state. I completely accept those concerns and I won't go into a debate about that now. Everybody here has pointed out that there's been concern about the risk, the perception of risk, emanating from Yemen for some time and people have been predicting Yemen's collapse for over a decade so why are we talking about it as being a new challenge?

I'd actually say that this goes back to the Cold War period and a lot of the things that we're seeing playing themselves out in Yemen at the moment have their roots in the 1960s, 70s and 80s. It isn't just something which has been set in motion by the dynamics created by 9/11. Detroit has clearly drawn attention to a country that's been marginal to most consumers of the media and also because this notion of fragile state, state failure, has really taken root over the course of the last few years and created a new policy trend around response which is built around the three Ds, diplomacy, development and defence. We've seen Secretary Clinton support that approach for US engagement in fragile states.

So I think the policy landscape is changing in a way which is resetting the perception of the challenge in Yemen. I'd also argue that the challenges in Yemen seem familiar from Iraq and Afghanistan, so we're looking at state building, counterterrorism and development, but the specifics in Yemen are really quite different and that raises a specific new set of challenges. Yemen is not a post-conflict country in the classic sense; it's actually on a downward trajectory and you can split hairs over this because there was a civil war in 94, there's been a civil war going on in the north. But essentially the country as a whole is on a downward trajectory and most of the policy lessons that we've learnt about engagement in Iraq and Afghanistan since 2001 have been around post-conflict reconstruction and stabilisation, which means something quite different in the Yemeni context.

The other difference is that this is not a newly installed government. President Saleh has been in power for 30 years and Yemen was actually the first country on the Arabian Peninsula to introduce full universal suffrage, and this was way before the Bush Administration was promoting democracy as a tool of engagement in the Middle East. The Saudis were extremely displeased at the time and the Clinton Administration was rather lukewarm about Yemen's democracy experiment, so it's a really quite different context for engagement. Yemen's Arabian Peninsula location, concerns about Yemeni sovereignty arising from the nature of Yemeni power and the overstretch of Western military forces elsewhere mean that troops won't be put on the ground, certainly not in the short-term. That recasts the entire state building, counterterrorism relationship that the West has been working with.

So I'll just quickly recap where we are on the policy front, which has been slightly touched on by the previous speakers. During 2009 most governments and the European Union was involved in recasting the policy, they were looking at their policy, they were reviewing how to approach Yemen. The UK policy was finalised in the closing weeks of December; it's called Stability and Security in Yemen and it urges a textbook approach to engagement in fragile states, so it identifies a need to improve public service delivery and strengthened state institutions. The policy is framed on the basis that prevention is better than cure and that you need to intervene early to prevent state collapse and remove the need for costly intervention later.

So this is where we were in London just before the Detroit attack and then the British Prime Minister decided to convene the London meeting and it became an opportunity really to pursue the objectives that were contained within the British policy. The outcome, the final statement from the London meeting, stressed a need for this renewed commitment to political, economic and social reform on the part of the Yemeni Government and a commitment from the

international community to pursue the comprehensive approach that Gilles and Chris have outlined.

There were no new aid pledges and the priorities were very clear, that Yemen was to engage in a new IMF program, that the government was to reduce diesel subsidies and that there were supposed to be improved disbursement of existing aid pledges; there were about $5 billion in aid pledges that were standing in the pipeline for Yemen and I think we've had about 10% of disbursement and most of that money comes from the Gulf States. The British Foreign Secretary and the American Secretary of State praised Yemen's ten-point plan for reform, which included proposals to improve civil service capacity and resolve land disputes and tackle water depletion, but the emphasis was all on swift implementation.

So the point I'm trying to make is that there are frameworks in place and there are quite established technical debates that have been going on for several years about how to improve governance in Yemen. And the London meeting announced the creation of Friends of Yemen. I think the crucial thing about the Friends of Yemen is that it represents an attempt to treat fragility in Yemen as a process and not just reacting to a series of events, and it amounts to a mechanism, at least an intended mechanism, to create a sustained process of engagement. There are two technical working groups: there's one on the economy and governance which is led by the United Aram Emirates and Germany, and another group on Justice and the Rule of Law, which is led by the Dutch and the Jordanians.

As far as I'm aware, there hasn't been an agreement about where that meeting is going to take place, but it's due to happen in the region later this month or in April and that will be the next follow-on point from the London meeting. There's also a commitment to continuing that process by meeting in New York in September. So, in theory, this is a framework, but in practice clearly there are risks and tendencies that are working to undermine the framework.

In the weeks since the London meeting we saw the Yemeni Government shift on diesel subsidy reductions. This has been something the international community has been pushing for, for about four or five years, and there was an immediate announcement following the London meeting, a very slight reduction but the hope is that this will be followed by a sequence of planned price increases as part of a phased implementation package and will be supported by adequate social safety nets. The diesel subsidies are costing about two billion a year in the Yemeni budget and in 2008 it was 3.5 billion because of high global prices, and it has such a powerful impact on the budget; this is why it's been such an important priority.

The outcome of the London meeting, about a couple of weeks later we saw a ceasefire agreement in the conflict in Saada and there are obviously concerns about whether or not that can be implemented and it will hold, but at least there's been progress. In the last week of February there was the donor's conference in Riyadh which was an attempt to try to unblock all of these aid pledges. Now I think the outcome from that has been a renewed commitment to institutionalising coordination structures and steps towards a better understanding, but there's still huge room for improvement on that front.

The debate really is split into, not doves and hawks about engagement in Yemen, but optimists and pessimists and Chris has come down very clearly on the pessimistic side. The optimists say this is a new phase, we've not been here before, we've never had such potential for alignment and we've never had a framework for sustained engagement, we've never had such high level attention. But the danger is that that high level attention is already falling off. It's true that Yemen's track record on reform has been very poor, that there were a number of commitments and pledges made in 2006n and we haven't seen any progress on that at all. I think the important thing to recognise here is that the reform agenda is flawed because it's a very

technical program and there's a disconnect between the technocrats and the elite decision makers.

This comes back to my original point about the way power is structured. It's not structured through formal institutions. If you have a reform agenda which is all about engagement with formal institutions and you have no way of connecting with the people that really need to make the decisions, then there's a fundamental disconnect. Pessimists say that the reform agenda will never succeed because it threatens vested interest to have no desire to change the status quo. So in order for the reform agenda to make progress, it needs to be cast in a way which addresses the self interest of the decision makers and finds a way to identify incentives for those individuals to support the reform at political level.

I'll just finish by quoting the US Assistant Secretary of State who spoke to the Senate Committee on Foreign Relations in January. He said that the United States supports a stable, unified, democratic and prosperous Yemen and, in the words of the British author, Rory Stuart, who's been doing a lot of work around Western engagement in Afghanistan, this is a description of what we have not got. I think it's really important here to be realistic about what can be achieved and the timeframe is very short, the projections for oil depletion, we're talking about years. Yemen is gong to need increasing humanitarian assistance over the coming years; there is a potential there to offset the scale and speed of the crisis, but I think it is important to be realistic about what can be achieved and where it's possible to find traction in the system.

So what are the options for Europe in the current framework? I think Europe can play a more visible role in Friends of Yemen, I think Europe can counterbalance the tendency potentially for the Americans to dominate with the security agenda. Europe can push within the Friends of Yemen framework for real commitment to the comprehensive approach, which we know is a European Union commitment, and to encourage direct high level engagement amongst the Member States. It can encourage the Member States to act in accord and it can support thinking about how to identify these incentives for elite engagement and also potentially to encourage self-awareness amongst Western governments about how they might be interacting with the elite in a way which is actually driving factions and tension within the elite. And the European Union can encourage the GCC to play a more proactive role and the European Union can also work through high level contacts in Riyadh, Washington and Sanaa.

In Yemen, the European Union is a respected partner; it's not perhaps as well known and understood, it doesn't have the same profile clearly that the Americans have, but it is respected and it can provide support to Yemeni advocates of reform and it can communicate the reform message to the president. I think the European Union can press to support for full implementation for the Saada ceasefire and I think it's important that the international community does line up to encourage the implementation because in previous rounds of conflict, when we've reached the ceasefire stage, there hasn't been the level of international scrutiny and support that would help to sustain a ceasefire.

I think there's also a role for pushing for the comprehensive national dialogue to support political inclusion around the forthcoming elections and also the discontent in the south. There's also a role for election monitoring. Yemen was supposed to have elections in 2009; they've been deferred till next year and there's presidential elections scheduled for 2013. I think the potential for these elections to be contested, if they do take place, there was a European Union election monitoring observation mission in 2006 and I think that there is a track record there that can be built on.

I'll just end by saying that if the reform agenda doesn't gain traction and there isn't immediate and rapid and effective progress on the reform agenda, there's a risk that advocates of reform

are going to lose out to their colleagues who are pushing for a security approach. It may be that if there's another attack emanating from Yemen that the balance between the advocates of reform and the people who are more comfortable working through a security agenda starts to change.

LIZZA BOMASSI: Thank you, Ginny. Thank you to all. We've heard a very sobering assessment of the situation on the ground. You heard about security challenges facing the EU and how the EU was dealing with these issues; we've also heard a little bit about the historical aspects which go to the root of the problems and the various international efforts going on. I think the three of you are generally in agreement on the key challenges facing the country. The stick point is really how we're going to tackle them. My question really comes, how does that bode for an international or indeed a global consensus on how we're going to resolve Yemen's problems and bring together all the solutions from government, civil society, military, etc.

We'll open the floor now to questions. I'd like you to please start by introducing yourself and if your question is addressed to one of the speakers, please state that. So we've got the gentleman in the middle here in the grey suit.

NAWAB KHAN: Nawab Khan from Kuwait News Agency, KUNA in Brussels. We heard some passing remarks on the role of GCC and getting stability and integration. So what precise role do you think it will play? Mr. Kerchove - Is there any plans for the EU to engage with GCC countries on Yemen and on Afghanistan? Thank you.

LIZZA BOMASSI: Okay, we'll just take another two questions. Yes?

SPEAKER 1: The last time I have been in Yemen was in 93 and 94, so I don't know what changes really. First, I would like to understand from Ginny, you talked a lot about elite. I don't know which elite you are talking about because, for me, it's the old generation which does not exist anymore, or it's on the edge of disappearing. My question, I have another observation which is, by the way, in 93, 94 also, it was the unification. It was a bloody one because the president of the south was assassinated, if I remember well, and my question is how this process of reform can be executed. For me, with President Ali Abdallah Saleh, I don't know how it could be done.

LIZZA BOMASSI: Yes?

BROOKS TIGNER: Brooks Tigner with Jane's Defence and also Security Europe. I have two questions, one for Christopher and one for Gilles. One the money front, I suppose this is both for the EU and the US, these are pitiful amounts of money if indeed these problems are so grave as both of you describe, 15 million for CT, it's a start. But interagency cooperation, that sounds like a recipe for throwing money down the hole in a country that's probably going to divert it from its intended use. An increasing 40% EU assistance still only brings 70 million a year. What's the money solution here? 15 million only from the US is not going to be enough. And, secondly it seems to me that if the money's not coming then some kind of mission needs to be launched in the country and is that a possibility, be it military or civ/mil? If these problems are so grave, it sounds like an explosion is coming anyway, so why isn't the EU considering any mission there? Thank you.

LIZZA BOMASSI: We'll take those first three questions and then we'll take a second round. Gilles or Chris?

GILLES DE KERCHOVE: I'll just answer quickly. GCC involvement, we are very much in favour in Yemen. Most of the GCC members were invited at the London Conference and I was there. Many of them expressed concern and readiness to help. But so far, the GCC as an organisation has not

accepted to involve Yemen. The EU has a regular dialogue with the GCC states on terrorist financing, for instance. I was some months ago in Riyadh for that dialogue, which was very interesting. We pushed a lot so that Yemen could be invited, but there is one member of the GCC, because of the invasion of Iraq, which does not want it so far. Of course there is in imbalance between those rich GCC members and Yemen but I think in their interests they would be well inspired to start building a close relationship on several fronts. In the field of terrorism the GCC has improved a lot the rules on cash couriers, on Abwallah, with the NFTF regional body and so on. It would be a very good idea to bring Yemen onboard because, like for Afghanistan by the way, that you mentioned, regional cooperation, developing common training, regional rules, are of critical importance. I was before going to Afghanistan visiting Bangladesh with the idea to set up a law enforcement academy in Dakar for all the law enforcement people of the region, from Afghanistan to Bangladesh, India, Pakistan and so on, so that not only you train people together but to create trust among these people. So it's of critical importance.

The role of the Gulf in Afghanistan is of critical importance as well. We know what has already been done in the field of reconciliation, the role of the King of Saudi Arabia in this front, the role of Saudi money, zakat money channelled to Afghanistan, Pakistan; we have to discuss that together. On the elite, I'm not sufficiently an expert on Yemen; I'll leave that to Ginny and Christopher, but it seems to be a very valid question, as well as the role of President Saleh himself. Is it possible to have any reform with the current president? That's a good question.

On whether we give enough money, believe me it's already a significant change. We have started earmarking money for city capacity building projects only last year. I started with Pakistan; a €15 million project has started last week with Pakistan. We'll do the same with Sahel, Yemen, as well, 15 this year and most likely 15 next year under the stability instrument [?] , short-term. It's already a huge step; it's the first time the European Union as a European Union is supporting capacity building in the field of terrorism as such. What does it mean? Helping the intelligence security service, intelligence service, the police to work together, and that's not an easy task, as you said. So let's see if it works. We are in a new testing phase, so many we need more. Whether we will have a civ/mil mission, I don't know yet, but on maritime capacity building we are exploring all formulae. There is no decision yet but you know that in addition to the training of the security people in Somalia, we are exploring this third avenue. It may be, but I don't know yet; it's still being examined by the experts within the council.

GINNY HILL: Your point about the elite, I think Yemen is actually going through another transition, which is the transition from the revolutionary generation to their sons and nephews. Sheik Abdullah al-Almar was the chief tribal leader, speaker of parliament and the leader of the opposition party who died at the end of 2007 and none of his single job titles has passed successfully to any of his sons. I think this represents a challenge that Yemen is going through in this process of transition. There are succession tensions within the elite because the president's been in power for 30 years; there is this election coming up. He's supposed to stand down under the constitutional terms. His son is clearly a contender; his nephews, Tariq and Yehya are also important powerful figures within the elite and I think about them as belonging to a category of inheritors. When you're thinking about trying to identify incentives for reform, it's really these men that you need to be thinking about because they're the ones that are going to have the country's future potentially in their hands, and how one can appeal to their fathers and uncles to think about a vision for their inheritance and their legacy.

I think you're right to question this issue about reform and what the logic is behind working with the status quo to try to create change. I think there's an assumption, a tendency, to think that you need a very powerful experienced figurehead to kick off the process and that Saleh is an elected president. However you might want to cast the nature of democracy in Yemen, he is the leader of the country and he has lent support for the reform agenda in the past. So can you

bring those two issues together that I've just discussed around the inheritance and the need for a vision for the future? I think this really challenges the way that power has been exercised; it's been very much exercised in a form of crisis management, which is a short-term process. It's not a visionary process. The economic crisis is really forcing questions around that and I don't know the level of understanding in the minds of those men at the moment.

The role of the GCC, they are clearly incredibly important as donors and as oil revenue depletes they will become more important. There's an issue around workforce, labour access, for Yemenis. Many of you will know that before the invasion of Iraq there were large numbers of Yemenis working in the GCC. Yemen supported Saddam and, as a result, nearly a million Yemeni workers were sent home and that had an enormous impact on remittances. So, this is a breadline economy and just one member of the family going to work in a GCC can support an entire village and is possibly more realistic than employment generation programs inside Yemen.

There are clearly a lot of concerns and risks around Yemeni access to the GCC; it's to do with vocational training, security issues, history between these countries, but I think there are dialogues going on about how to adjust that. GCC's Qatar has played an important role as a mediator in Saada in the past and I think that potentially members of the GCC and other Arab states could be playing an important role in supporting national dialogue and mediation efforts and I think Yemen, in a sense, is a test case for the GCC states. We know that they have a tendency and a history of working bilaterally in Yemen and we know that there are political tensions inside the GCC that sit around Yemen. But can the GCC overcome these issues and can the Friends of Yemen encourage the GCC states to work effectively within a multilateral framework?

CHRISTOPHER BOUCEK: I would only add a few things and I think on the issue of the GCC, Yemen's future lies with the GCC, lies with some relationship; whether or not that is a full relationship I think has yet to be seen. The Saudis and the Gulf are the only actors that can give Yemen what it desperately wants and what it needs and they're the only actors that can really induce the painful choices that the Yemeni government is going to have to make on a number of issues; no one else can have that relationship with Yemen, no one else does. The Saudis are the biggest player in Yemen; they always have been and they always will. They have the most developed relationship, they spend somewhere around $2 billion a year which absolutely dwarfs the $200 million that the Americans give or the €100 million that the European Union is going to give and they have the networks and the relationship and the vested interest in this. So the Saudis and the Gulf will need to be key and I think for many of the issues that Ginny aptly went through about labour migration, about investment, about opportunity, but also about security, and I think that's how the Gulf is going to have to look at Yemen as how do we manage this issue.

I think on the money situation, the $200 million that the Americans give publicly is hardly anything compared to the rhetoric that gets used, so American officials will talk about Yemen as a priority second only to Af/Pak, but Pakistan gets millions of dollars of unaccounted for monies and Yemen doesn't get anywhere near that attention. Several years ago it was zeroed out to no dollars for Yemen. So, as Gilles was saying, it is an increase and it will go up again, I'm sure. I think Gilles made this really great point and I think that where we need to be focusing is on law enforcement. I think there are very small things that especially the EU can do that would be so great, about professionalising the police service, helping the institutions of counterterrorism legislation so you can charge the people that the international community wants charged, tying up judges and lawyers to help get convictions, improve the prison service, make sure these guys stay in prison, build the coastguard. All these things aren't necessarily about killing Huthies or about repressing the media in the south; that is, it costs money but also it's capacity building

too. I think there is so much research to show that abuse by the police service or abuse by the intelligence services leads to further recruitment and radicalisation. So we can do this and we can address these counterterrorism things through this rule of law and capacity building, which I think is really important.

GINNY HILL: Just in response to this, I just want to underline the timeframe that we're talking about here. Reforms and capacity building, these are all initiatives which take time to feed into the system, not just in terms of awareness amongst the Yemeni population, but the real impact and the benefits to be felt at a grassroots level. We're talking about a matter of years before Yemen hits zero oil and the pain is already being felt in the system; as every month goes by there's less money available for the national budget and the patronage payments. I think the balance there between what can be achieved through capacity building and the urgent need for effective engagement and effective planning for humanitarian assistance needs to be considered.

LISA BOMASSI: Thank you. We'll go to the second round and we've got quite a few questions.

NAGAYO TANIGUCHI: My name is Nagayo Taniguchi from Japanese media. Ginny mentioned about elections, several ones, presidential one which has been postponed till next year, if I understand. Democracy is very important but when we look back at the last two decades, the hasty elections might have triggered potential conflicts. We notice this in Africa and in other nations, in the Middle East as well. I would like all of you to discuss isn't it important to put the things in tidy first, stability, peacekeeping missions and then perhaps reconstructions, development phase then? After consolidations why not we can expect the people would hold elections. I would like your open comments on that.

KHALID FRAOOQI: Khalid Fraooqi from Geo Television, Pakistan. You said that that this zakat goes to insurgence or to Pakistan or Afghanistan or are they going to insurgents? I would like to have some clarification on that, plus the regional approach. When we see too much talks in Brussels about regional approach, but Ahmadinejad's visit to Afghanistan has been criticised severely today by Americans and Iran is a very neighbouring country, and Pakistan, India playing their quarrel inside of Afghanistan. What really, Western in particular, is the EU doing to solve their problem vis-à-vis Kashmir? There are reports constantly coming out in Europe regarding LET. Is there any substantial proof that LET is really a part of a terrorist infrastructure world-wide because it claims it is a local organisation and its grievances are in Kashmir and they are fighting against only India? Are there any substantial proofs that they have some link internationally? Obviously, they have some with al-Qaeda locally.

LIZZA BOMASSI: Okay, I think we'll take more than three because we've got quite a few hands. Yes?

NORIO MARUYANA: Yes, my name is Norio Maruyana and I'm from the Mission of Japan to the EU. Mr. de Kerchove, Miss Hill, you mentioned about the donor coordination and my question is related to this. Well, Japan is not the biggest donor and it's not announced and like Afghanistan, a huge amount of contribution. But still, in this year we announced that it was $30 million we have already committed from Japan every year, either the fourth or the fifth main contributors. I sense that we are considering ourselves as one of the major contributors who can be able to do the comprehensive approach, as you said. Yes, Japan has to have the constitutional restriction in order to be a fully-fledged partner for the security issues, but in Yemen and Somalia and the piracy, we have sent it our military, no, it's not the existing military for Japan, but it serves different forces for the Japanese issues and we have our peace [unclear] in Somalia. So we consider that we have this type of approach which can go at the same time to the security and also we are doing a lot of development programs in the human resources development and also

the social and the economic infrastructures and more for the health. So my question is what type of scheme are you envisaging in order to coordinate those donors which are very numerous, and coordinating the EU Member States is rather, I think, an easy one, because you have EU institutions yourself and it's a little bit easier. But, according to my experience in the other developing countries, the scheme of the donor coordination is extremely important in order to settle the priorities for every country. So I would like to know what type of scheme you are envisaging for when you are talking about the donor coordination?

AMIRA NASSAR: My name is Amira Nassar. I have recently completed a program in the École Nationale d'Administration. I appreciate very much your overview which is very insightful about Yemen, but I'm particularly interested in the security issue and about what causes the rise of extremism in Yemen and in the region. Could the Israeli/Palestinian conflict be at the heart of playing as an easy recruit for organisations like al-Qaeda? Thank you.

LIZZA BOMASSI: Thank you. I'll give the floor first to Chris and then Gilles and then Ginny.

CHRISTOPHER BOUCEK: Thank you. On the issue of democracy in elections, I think Yemen has a pretty long history of holding elections. I think most Yemenis are very eager to vote. I had a very interesting conversation in Sanaa about what would happen if the opposition didn't want to participate in the elections. How bad would that be? What would that be like? I wasn't quite sure how to respond to this person and what I said is that I think democracy is so much more than just elections. I think focusing just on the act of voting takes away from the really crucial part about building durable state institutions, which is what Yemen needs. It's very telling to me that the international community was pretty okay with postponing the elections last year; that wasn't as big a problem as I think many people thought it would have been. So I think Yemen has a long way to go on democracy and a lot of [tape break] these durable state institutions that will replace this informal patronage and corruption and the politics of personal relationships. I'm not quite sure where to put that in the rank of immediate issues that Yemen has to do deal with. I just don't know enough to say on that. I don't know anything about Pakistan, so I'm going to stay far away from that.

In terms of donor coordination, I think the international community and the Friends of Yemen need to get real organised real fast because the window we have to operate in is getting smaller every day. I think a year ago I would have said that maybe we have five years to deal with Yemen before things get to a point of no return. I think we have like a year, year and a half before... I think the situation's deteriorating so rapidly that we need to do things right now and we need to help. The international community, it seems to me, and it's something I've been thinking about since I left Yemen, is perhaps it would be good for individual countries to attack individual problems and we need to come up with a good framework for what this can be. I don't know what the scheme is, I don't know how that's going to be, but I think it would make perfect sense for the Germans to be responsible for water issues. I'm not sure, but I think you could probably come up with a list of very short, immediate needs, identify an international partner, identify a regional partner to work together, and then get the Yemeni Government to identify local partners to work with and make this project start now because Yemen can't wait three or four years for development projects to come to fruition; they need help today and yesterday.

On the question of security and what causes extremism in Yemen and violent radicalisation, there is a whole range of Islamist actors in Yemen and violent international al-Qaeda style terrorism is a very small subset of that. I think we need to be very, very careful when we 're talking about Islamism or Islamist extremism or whatever word you want to use in a country like Yemen, not to involve everybody with that because that's not what the situation is. At the same time there is a very long history of violent extremism in Yemen and political violence. The

first al-Qaeda attack against a foreign target was in Yemen 20 years ago. So I think when we're thinking about what the sources are, I don't think it's the Israel/Palestine conflict that leads to most radicalisation inside Yemen. I think there are very, very local grievances that have to do with corruption and governance and lack of civil service and lack of anything. I think if you sit in the dark for 12 hours every night and you don't have any exposure to anything else, who comes to talk to you?

And we know the answer. We know where the recruiters go out, we know the areas where there is not civil service provision or economic development and we know what happens in those areas, and I think this comes back to this point that I tried to talk about at the very beginning that in such a rapidly expanding poor population, the pool for recruitment is getting bigger and bigger. There is so much research to show that recruitment into an organisation proceeds radicalisation. You get recruited by a movement or an organisation who will then radicalise you to do something else, so I think we need to look at some... There are some direct causes and effects and we can get ahead of this but, by focusing on counterterrorism as a hard security imperative, we're going to miss the picture and we're going to actually increase what we don't want to have happen.

GILLES DE KERCHOVE: I'm sorry, I don't have much to add because on the first question I had the same answer. We of course in the European Union are now extremely insisting on elections and just for the sake of consistency there is no reason why not to do so in Yemen, but as Christopher said – again, I'm not an expert on Yemen – but I have not seen excessive reaction after the postponement of the election. And as he said, there is so much to do on the front of governance, especially empowering local level or I don't know if it's province or what is; this is part of democracy as well. So I would answer the same way. I think it's probably not the right moment to discuss Pakistan as such. I made a reference just because I was there, but I fully support your view that all the neighbours should be involved. You mentioned Iran, of course; in Afghanistan they have an important role to play. The week I was there you had the visit of Robert Gates, the National Security Advisor of India and the President of Iran, and there will only be a solution on Afghanistan if we make it a neutral county and stop this conflict by proxy of all the neighbours.

I don't want to enter into a discussion on LET. If you want, afterwards I can confirm that we see elite as a very dangerous organisation with a global agenda and not a local agenda. We have more than several hundred people leaving Europe for training camps and it's not TTP and besides that it's all with the idea to fight against India by proxy through a terrorist organisation.

To the question of donor coordination, I think I would answer the same way. Instead of having national projects which very often – and that's something which strikes me in several places in the world – because they are attractive for our own consideration because we like to promote health, or we like to promote education, we should first look at the needs and then need by need try to open a pledging exercise and work together and not having individual projects and trying to align them. That's what the Friends of Yemen should do.

To the question on radicalisation, I would there too answer the same way. I think the economic and social environment is probably the most important driver and factor, together with a culture of violence in a country where you have a lot of arms; that is quite an explosive cocktail and so we need to address the basic needs of the people. And, as I said, a booming demography with no economic and social perspective is the best recipe for a problem.

GINNY HILL: On the issue of the elections, to be clear, it's parliamentary elections that are supposed to take place next year and, as far as I understand it, the negotiations are still going on around the constitutional reforms that couldn't be agreed last year, and they're going to have to

resolve this soon if they want to start the voter registration process in the summer. So then we're talking about something that's probably supposed to happen next year; the events on the ground right at the moment are going to influence whether or not they take place. I think elections in Yemen, to an extent, are a mandate on patronage and that the patronage system is under great strain and I think that makes them more unpredictable than they have been previously.

So I'll just leave that as a question mark and I'll say that there's a risk that if they do go ahead they may be contested by either party, depending on what the result is, and there's a risk of not holding them because, although the entire country didn't come out in protest in 2009 when the elections were deferred, the south did blow up. The elections were supposed to take place in April and in May and June we saw waves of violence in the south, and the south was never going to receive better improved parliamentary representation in a way that actually addressed the grievances if the elections had been held. I think there was a sense that the cork was in the bottle and everything just blew up after the elections were deferred, so there's a risk either way from here around the elections next year and I think that's why Yemen isn't quite the same situation as Iraq or Afghanistan. The reformers would say, look, we've got enough on our plate just to try to get a political will behind the reform agenda and even if we do get the political will, we're all going to have to focus fulltime on just getting one aspect of the reform agenda to achieve something, so don't make life more complicated for us by insisting on elections.

So I'm not sure there's any clear answers around that but there's clearly a debate and I think it's important to engage in a debate and not just insist on the standard process, so we do elections when we do state building and we're doing in state building in Yemen so we should be doing elections.

In terms of donor coordination, I think there's enormous room for improvement in Yemen, partly because it hasn't been enough in the international spotlight and the Friends of Yemen process is there, it needs to be understood, it needs to be supported, it needs to be engaged with and there's no need to reinvent the wheel there, but there may be a set of initiatives that sit within that framework.

On the issue of extremism, I think the Israel/Palestine issue is just diffused everywhere in Yemen. The Yemeni sense of identity is very much there's a sense of solidarity, strong Arab solidarity, and the regime really plays very heavily on anti-Israeli sentiments. I was there in 2006 when the Israeli invasion of Southern Lebanon happened and I was watching it on television with my Yemeni friends and the small children of my Yemeni friends were dancing up and down in front of the television and shouting in Arabic, Israel is evil, aged five. And this is just standard; it's just so standard as to go without comment. That's the kind of baseline sense of self and identity and anti-Americanism that just exists amongst most people. But Chris rightly has said that building on that, you have a whole set of different factionalised sections that identify with political Islam and al-Qaeda is definitely engaging in a process of frame alignment and trying to lock into local grievances. There's a direct connection here in that American money is going to the Yemeni military and it's being perceived at a grassroots level, in a way, which is driving anti-Americanism. So I think that's a tension that the West needs to engage with and the way that development assistance is being more closely aligned with security imperatives, which is familiar from other countries, but the USA has identified vulnerable areas which are the areas seen to be hosting extremists. So the development program is very closely focused in the same areas that the security concerns are so I think there's another set of questions that sit around the relationship between development and security.

CHRISTOPHER BOUCEK: I think Ginny makes two really great points. The first is that the postponement of the elections and what that did in the south is incredibly important. I think

that's something we don't often – at least I don't often keep in mind as much. I think on the issue of Israel and Palestine, listening to you talk made me think about when I was in Yemen during last year's war in Gaza. It was amazing how much leeway the government left for people to go out and protest and to be angry and the government uses this as a valve to let off all the other grievances that are going on. This is a very, very accepted way for you to express your incredible anger and your incredible upset about a whole range of other things. You just frame it in a certain issue about what the Israelis are doing in Gaza, what they're doing in South Lebanon.

I think one of the things that really struck me this last time in Yemen was that a Nigerian goes to Yemen and then leaves and then goes to Amsterdam and tries to blow up an American airliner and the Americans put a lot of pressure on the Yemenis then to crack down on al-Qaeda, so they do. I think there's a perception then that after this happens, then the American put Yemen and a bunch of other countries and this list of visa restrictions, so I think the general public are left with this idea that our government is doing something at the behest of the Americans to crack down on terrorism and we all pay the price for it. Why do we benefit from this? I think this is a huge public problem; I don't think anybody in Washington has really thought through what that's going to mean for the next 18 months.

LIZZA BOMASSI: Thank you. Are there any other questions from the floor? Yes, Wolfgang?

WOLFGANG RUDISCHHAUSER: Wolfgang Rudischhauser, German Permanent Representation. You know, we share the analyses and the solutions explained by all three speakers on the election and the EU is really working on that track since more than a year, and we naturally contribute to that. Our minister was there immediately after New Year to talk to President Saleh. We then had the London Conference where we tried to get this buy-in by the GCC countries and we all agreed that it's key to get a regional buy-in. The question is, how do you get really from pledges to implementation, and we had the Riyadh Conference only last week where we had all the people together, where we had good and strong commitment from Saudi Arabia, but the other ones still are the problem.

There is a lot of talk but not enough implementation, and the question is how can we move from the pledges to the implementation phase, in particular with the GCC. I can fully support Japan on the question of donor coordination. This is really key and we have to try to find a solution. We hope that this comes through the Friends of Yemen process but, again, donor coordination needs buy-in by all those who are involved and, in particular, the GCC. Again, the question, to those who know the region better than I do, how can we get the other GCC partners to act? Saudi Arabia was involved through the Saada conflict and is very much engaged now, but how do we really get the others? What can we do as an EU to get the others? Thank you.

LIZZA BOMASSI: If I could also ask you to use the time to make your concluding remarks, as we're wrapping up. So I'll give the floor first to Ginny and then Gilles and Chris will finish after you.

GINNY HILL: Quickly coming back on the point around the GCC, I think you're right to raise this question and I think again, if you cast this in the timeframe problem, you're looking at history, you're looking at a set of very complex histories. You're looking at states that don't make foreign policy in the way that Western governments make foreign policy and haven't gone through the process of OECD aid effectiveness guidelines. How quickly can you build that capacity and create that political will in the individual Member States of the GCC? That's a question I'm perfectly happy to ask. I don't have an answer myself. I'd say to add, and I think this is an important point for Yemen's future, aid is just the tip of the iceberg in terms of the relationship between the GCC states, in particular Saudi and Yemen, and that there are extensive transnational patronage networks which are a political reality. We can't see them, they're not transparent, they're not

accountable, they are having an impact on the way people are making decisions and calculations about Yemen's future inside Yemen and I'd say it's fine to talk about donor coordination and improving disbursement from the GCC states. Fine, keep an eye on that, but you need to keep an eye on the political reality because it's actually moving much faster than the commitment to improved donor coordination and I'd say it's going to play an extremely important role in Yemen's future.

GILLES DE KERCHOVE: Very quickly, I don't have the answer to your question except that you said something important: we have to avoid that it falls very low in our priorities. We have had London – that was very good news, this conference, pretty close after Detroit but in fact for Yemen that was good news because otherwise people start to turn to other priorities. So keep Yemen high on all foreign policy agendas is of key importance because otherwise we have so many other issues.

Secondly, engage with GCC members at the highest level and our new high representative on all sides, key ministers like the visit of your minister, but we should have more visits of that sort, of key political leaders in Europe. It would help a lot.

CHRISTOPHER BOUCEK: I think, as Ginny said, every discussion, every conversation about Yemen always leads to more questions and I think this question of the GCC is right at the top of them all. How do you motivate these states to do this? I think it's going to be the Europeans and the Americans and the West who are going to have to keep the pressure on the GCC to view this issue and this set of challenges and these problems as priorities. I hate to say it, but I think it's only through the lens of security. Yemen's problems are not going to stay in Yemen and they will become Saudi Arabia's and the Gulf's problems before they become anybody else's; it's pure self-interest and I think the more they hear that from everybody over and over and over again, the more likely I think it is that they will start to act on that and start to take the really important proactive measures that need to be taken.

This discussion has only reinforced to me that all of Yemen's problems are all connected together; it's one big set of issues which inevitably complicates any policy analysis or any assessment, but really highlights why we need to focus on this because we know what will happen if we don't do anything. We've seen it play out in lots of other places; this is an opportunity for us to really get on the right side of this and I think it's not going to be easy and we're not going to solve these issues, but we can make them less bad and that's where we need to focus on how to do this, how to manage this situation and how to reduce the suffering that's going to result.

LIZZA BOMASSI: Thank you. Listening to the three of you, I think that the main point about all of this is that we have to keep Yemen high on the agenda, otherwise if we're back here six months from now talking about the same issues, as Chris said at the very beginning, the timeframe is too narrow and it will be too late. I'd like to thank all of you for coming today. I'd like to thank our three speakers for their very interesting presentations. Thank you to everyone.