



CUSTOMS & TAX LEVIES...

ANOTHER FACET OF THE WAR IN YEMEN

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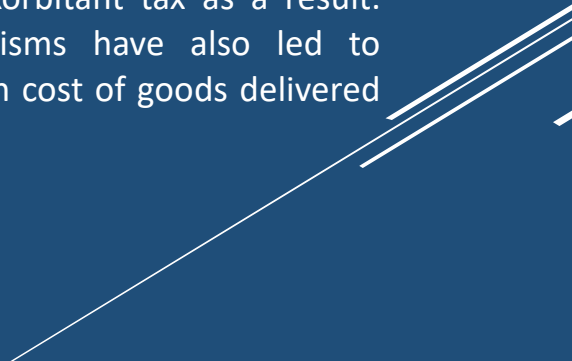
Introduction

Over the last seven years, the dual tax and customs policy measures in Yemen have contributed to the emergence of negative repercussions on the overall economic activity, and the failure to deposit these resources in the correct and legal outlets of state public treasury. These resources are widely dispersed. There are many complications in the collection of customs and tax revenues, especially in the areas under the control of the Houthi group, which has established double customs centers in the ports of its areas of control, on all goods and commodities coming from the areas controlled by the Yemeni government. Houthi authorities raised customs duties, by 30%, in all ports under their control.

The duality that emerged since the outbreak of the war seven years ago, in collected levies, taxes, and other fees, especially in customs duties, has doubled the prices of commodities, foodstuffs and consumer goods. The consumer has paid the price of double taxation and customs, enforced and consolidated by Houthi group significantly, especially in recent years.

On the other hand, the state of lawlessness and the struggle of the conflicting forces in the areas under the control of the internationally recognized government encouraged random collection and tampering with tax and customs revenues, not to mention the confusing decisions and mechanisms of the commercial sector that were imposed on imports during the past period.

The security turmoil that afflicts the country has also given rise to further complications in the mechanisms of collecting tax and customs revenues. Commercial and economic activity paid an exorbitant tax as a result. Practical changes in the collection mechanisms have also led to bottlenecks in the supply markets, and the high cost of goods delivered to the consumers.



Importance of tax and customs revenues

Tax and customs revenues are among the basic resources on which the annual state budget depends in its government spending and financing its programs. Many countries have strived to improve their tax systems by adopting transparency and improving tax procedures on an ongoing basis based on the flexibility principle. Governments ensure that adopted procedures contribute to reviving the flow of goods and commercial activity, and combating all kinds and forms of smuggling, in a way that ensures the high volume of collected amounts of tax and customs revenues, and bridges the gap in the state's general budget deficit.

The tax policy represents one of the main pillars for the fiscal policy to achieve its objectives, due to its social and economic effects, represented in achieving social justice in the distribution of income and wealth among individuals, and addressing economic crises such as inflation, recession, poverty and unemployment.

The role of the tax system is manifested through various taxes in raising the tax proceeds and influencing economic variables, such as savings, consumption and the volume of investment, which leads to the recovery and development of the national economy. Taxes are also a true reflection of the economic, social and political conditions of the society in which they are imposed. However, our country has been an exceptional case that defied this tax definition. Taxes in Yemen took another direction, relying mainly on levies and royalties. The process of expanding the base of collection of resources and fees, in the country, and the concomitant duality, in spite of the deterioration of the living conditions, do not reflect the size of the economic situation and do not indicate a high pace of development and economic activity.

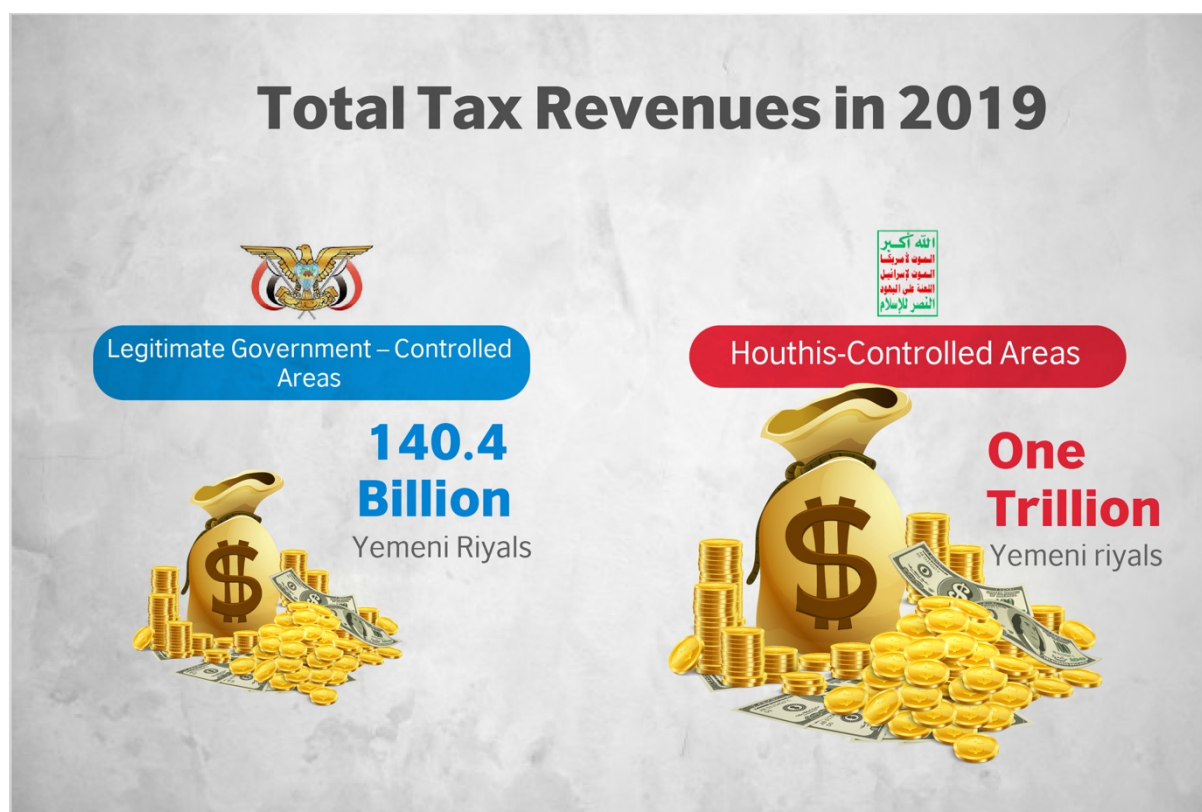


Figure 1A comparison between tax revenues in the areas controlled by the legitimate government and areas controlled by the Houthi group during 2019

In Yemen, which has been ravaged by war for the last seven years, taxation merely reflects the absence of the state, the fragility of state institutions, and the emergence

of armed and influential groups, which impose additional taxes, without realizing the consequences. Citizens and commercial activity suffer the consequences of such taxation turmoil, which has led to the bankruptcy of many private sector institutions, the absence of a proper investment environment, and the deterioration of the business environment. This state of affairs is directly reflected in the widening circle of poverty and unemployment and the lack of job opportunities.

Pre-war Revenues

In 2014, tax revenues in Yemen were estimated at 586 billion and 400 million rials, while customs revenues were estimated at 11 billion and 500 million rials, which is equivalent to about 17% of the gross domestic product of the Republic of Yemen.¹

Over the past years, the tax system of the state has suffered from several serious imbalances, without any improvement or optimum utilization of state resources, while an enormous growth in public expenditures was recorded.



Figure 2 The total revenues in Yemen before the war in 2014

Economic reports have unfailingly recommended, at the time, the need to put in place real remedies for imbalances, on the side of the state's general budget resources. Such recommendations include taking serious and effective steps and measures in combating tax evasion and smuggling, full enforcement of the general sales tax law, increasing production and exploration activities in oil and gas fields and developing existing fields. Moreover, reports stressed the need to reduce the cost of oil by tightening control over the activities and expenditures of oil companies, following up on the collection and supply of overdue tax and customs resources, and developing the promising non-oil productive sectors.

During the tenure of successive governments, tax evasion has witnessed a significant expansion, in the field of customs duties or taxes. Despite the low customs tariff, the rate of

¹A government study issued by the Economic Studies and Predicting Sector, in Planning and International Cooperation, 2016

customs evasion exceeds 35 percent.

According to the Inventory and Registration Department of the Department of Taxation Authority, the number of private companies that are subject to taxes does not exceed 14,871, of which more than 386 companies are owned by individuals. On the other hand, up to last year, about 379 companies have accumulated tax files.

Despite this rise, there was a deficit in the total collected customs duties, compared to the estimates of the targeted budget. An official report attributed this deficit to the security turmoil, due to the political crisis in the country last year, which cast a shadow on the trade and investment activity.

With the outbreak of the war, many efforts to improve the efficiency of the Customs Authority were disrupted. At the end of 2013, the Customs Authority began implementing the actual testing phase of the Global Automated System project at Cargo Customs at Sana'a International Airport in cooperation and coordination with the United Nations Conference on Trade and Development (UNCTAD). The aim was to ensure an effective state revenue collection, contribute to the promotion of legal trade, and reduce illegal trade, which is represented by smuggling and threatens the security, safety and health of society.

Revenues during the war

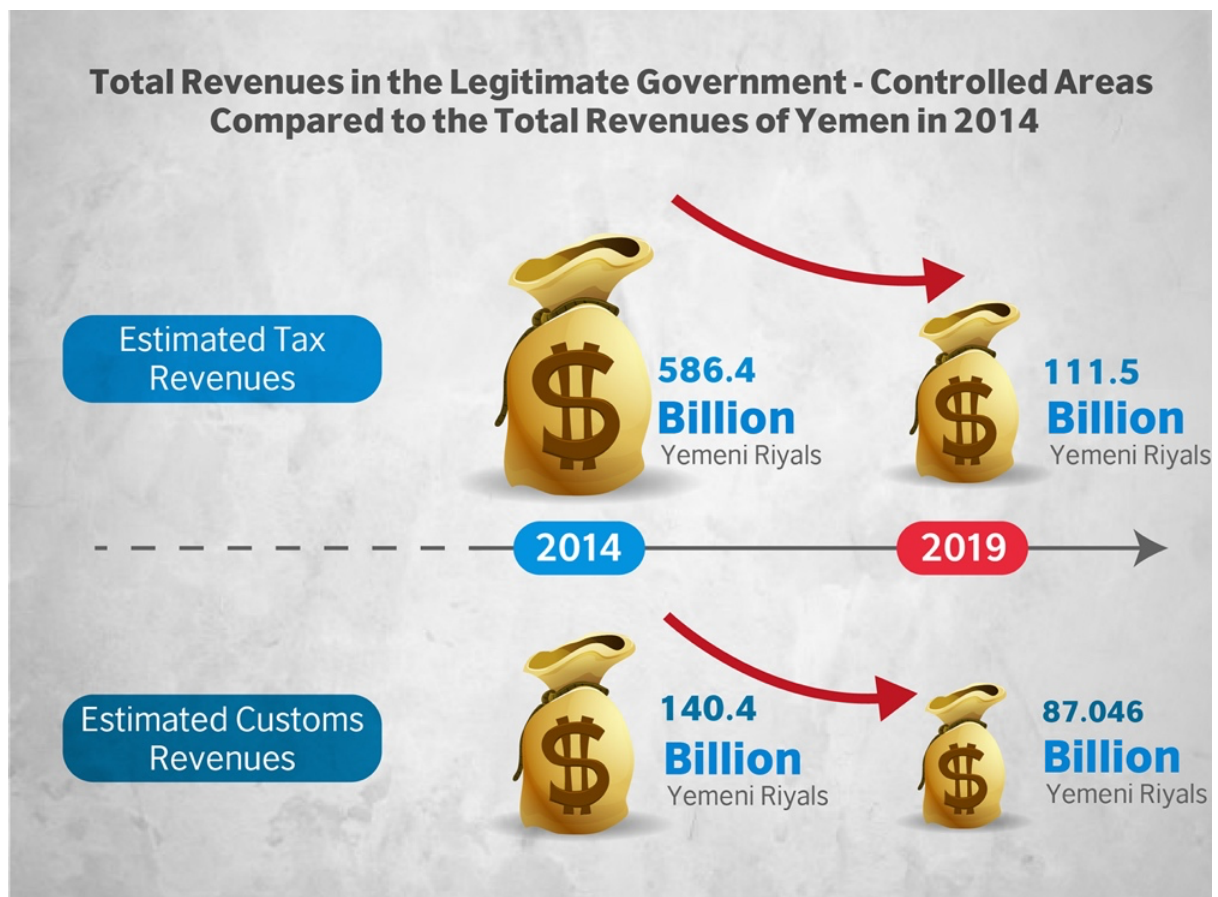


Figure 3 The volume of revenues in the areas under the control of the legitimate government compared to the entire revenues of Yemen in 2014

In its draft financial budget for the year 2019, the Yemeni government estimated the volume of tax revenues that it would receive from the government-run governorates at 140 billion and 413 million Yemeni rials, while customs revenues were estimated at about 87 billion and 46 million Yemeni rials. This was the whole state budget submitted by Government to

Parliament, during its meeting in the city of Seiyun, Hadramout.²

Customs revenues collected by the government in 2020, increased to 286 billion rials, recording an increase of 15 percent over 2019.³

According to the Customs Authority officials, the Authority has an ambitious plan for current year, 2021 that it seeks to achieve to improve revenues, impose state sovereignty over the ports and ensure the enforcement of the articles of the customs law and customs legislation. It seeks to impose these measures away from interfering in customs work and harming its employees, whether by directives or actions that contradict the customs law and the instructions of the Ministry of Finance and the government in general.

The size of Houthi tax revenues

In 2018, the volume of tax revenues obtained by the Houthi group, in its areas of control, amounted to more than 400 billion rials. In its 2019 annual report, the Panel of Experts of the Security Council Sanctions Committee on Yemen, indicated in paragraph 99 that the Houthi group collected at least 407 billion rials as a result of its regular collection of revenues that came from licensing fees applied to telecommunications, tobacco, and other goods during the fiscal year 2018.⁴

According to the report, several reasons were behind the increase in the amounts of collected tax revenues in areas under the control of the Houthi group. These include the rise in inflation rates and prices of goods and services, and the collapse of the purchasing power of the Yemeni rial, which is reflected in the rise of the income of traders and various companies, as well as the increase in the value of collected taxes. In addition, the increase in taxes imposed on many types of goods by rates of up to 300% compared to 2014, such as: real estate tax revenues, free professions taxes, and commercial and industrial profits taxes.

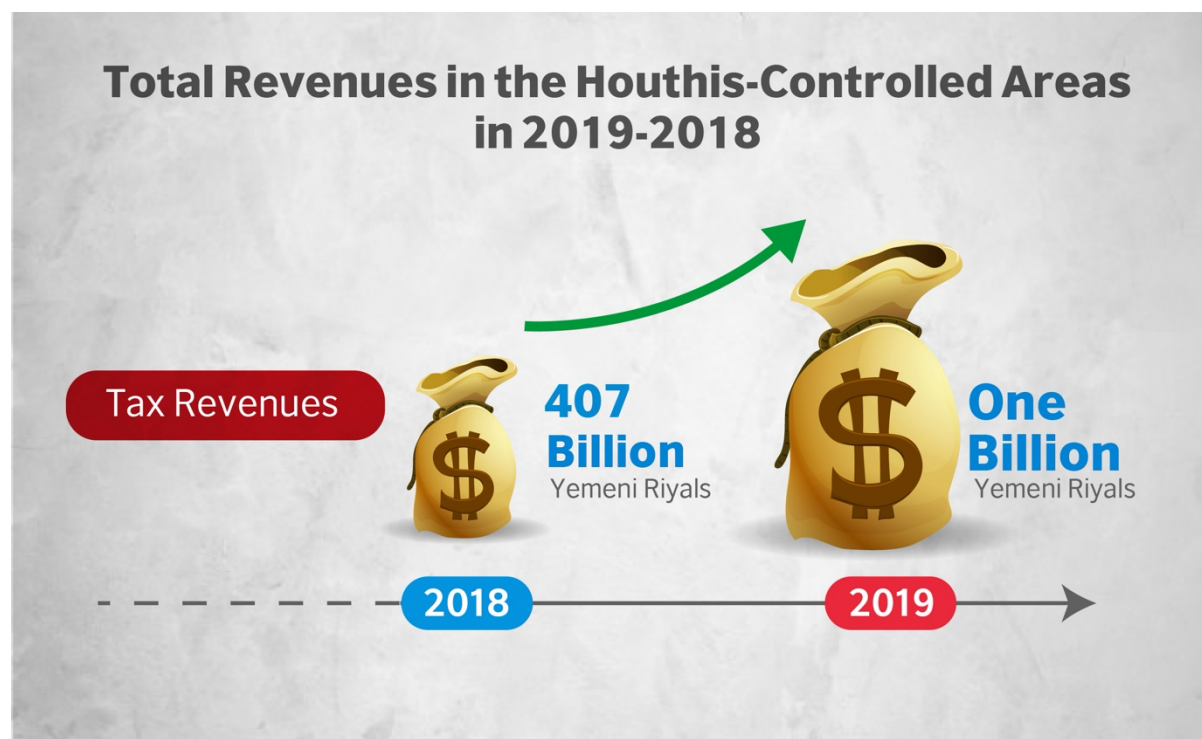


Figure 4 tax revenues in areas under the control of the Houthi group during the years 2018 and 2019

* At the end of last January, the International Committee of Experts team issued its annual report, 2020. According to the report, in 2019, the Houthi group had collected more than

² -The draft general budget of the Yemeni government for the year 2019

³ An official report issued by the Higher Customs Authority

⁴ Report of the Panel of Experts of the Security Council Sanctions Committee on Yemen , 2019 annual report

one billion and 800 million dollars, equivalent to more than one trillion Yemeni rials, (a dollar is equal to 600 rials in Houthi controlled dominions), mostly from tax revenues and other state resources. The report stated that these amounts were intended to pay the salaries of public employees, who have gone unpaid since September 2016, but the Houthi group diverted from the intended purpose to spend the money on the war effort, to fund its internal wars.⁵

The control of the western ports of Hodeida and Saleef since the outbreak of the war seven years ago, and the creation of more than seven customs centers, in the border areas, between Houthi- and government-controlled areas, have contributed to the expansion of the double customs collection process on all incoming goods and shipments. All goods destined to Houthi areas of control are taxed and tariffed anew even though all customs procedures had been completed at sea and land ports, which fall within the scope of the legitimate government control.

Paragraph 100 of the 2019 annual report of the United Nations Panel of Experts on Yemen addressed the continued collection of customs duties and royalties by the Houthi group in Hodeida and its ports and customs points in the governorates of Tamar, Al-Baida, Amran, etc.

The report stated in paragraph No. 101 that in 2018 the Houthi group levied the amount of 131.9 billion as fees on oil derivatives imported via the Hodeida ports alone.

In 2019, the total annual oil derivatives arriving at the port of Hodeida reached 2.9 billion liters, with financial revenues amounting to 143.9 billion rials annually.

Customs laws of the government during the pre-war phase

While the customs law of 2010 and its 2012 amendments is still in force in the internationally recognized legitimate government dominions, the Houthi group - through its Political Council in May 2020, issued Law No. (6) of 2020 amending the Customs Tariff Law No. (41) of the year 2005 and its amendments. The amendments included exemptions of the renewable energy system imports, exemption of cars working wholly or partially with solar energy, and exemption of customs duties on agricultural equipment powered by renewable energy.

Law No. (5) of 2020 was also issued to amend Customs Law No. (14) of 1990 and its amendments. Amendments included: amending the law on five articles that included exemption from customs duties on production inputs for pharmaceutical manufacturing and medical supplies (main and auxiliary raw materials and packaging materials) for pharmaceutical and medical supplies factories, as well as manufacturing inputs for renewable energy generation⁶.

Double taxation

Many traders have long complained about the process of double taxation, and the raising of tax and customs tariff, by the Houthi group, in its areas of control, which in turn initiated the wave of high prices that affected various basic commodities and foodstuffs.

The testimonies of many traders and importers confirm that the seven newly created customs centers, in the interior regions of the country away from the sea and land borders, impose additional customs duties, despite the fact that all customs procedures had been

⁵ Report of the Panel of Experts of the Security Council Sanctions Committee on Yemen, 2020 annual report

⁶ The Customs Law of the Republic of Yemen of 1990 and 2010 and its 2012 amendments; the Houthi amendments to the Customs and Tax laws posted on the group's Saba Agency <https://yemendays.com/posts/1247>

fulfilled during the entry of these commercial shipments to the country. Additional heavy losses are incurred by the commercial sector as a result, thus leading to doubling the cost of goods, which exceed the actual price of the commodity during the shipping process. Importers have to pay customs duties at the port of Aden, in addition to fees in other ports in Houthi-controlled areas.

Some commercial shipments are temporarily obstructed for several months, a measure which causes heavy losses to traders, and exposes some materials to damage as a result of waiting under the heat of the sun.

These illegal measures prompted the Chamber of Commerce and Industry in the Capital Municipality to condemn these practices and describe them as arbitrary, indicating that they cause a rise in the prices of commodities and foodstuffs in the markets.

The Chamber of Commerce and Industry in the Capital Municipality filed a complaint with the Houthi authorities, due to the creation of customs centers, and raising of collection fees by 30 percent.

The additional customs burdens deepened in March 2021, with the Houthi group approval of an arbitrary increase of customs on food commodities and all goods coming to Sana'a and its areas of control through the port of Aden, by 50 percent, instead of the previous tariff of 30 percent.⁷

A circular issued by the Houthi group obliges the clearance centers and offices and suppliers to raise the percentage of tariffs on food commodities and all goods imported through the port of Aden, which is subject to the legitimate authorities, to 50 percent instead of 30 percent.

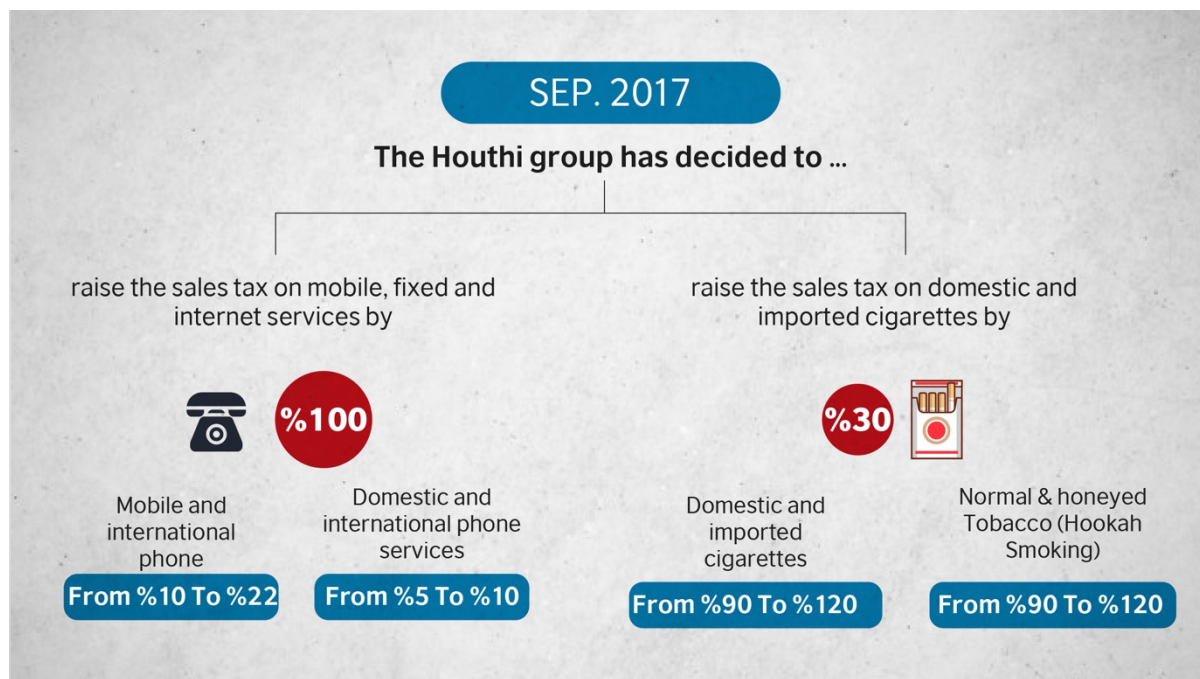


According to traders and specialists, this measure is a key factor in raising the cost of shipments and goods, and thus exacerbates the crazy increase in the prices of goods and is disastrously reflected on the suffering of citizens.

Amendments of tax laws

With regard to taxes, through the institutions under its control, the Houthi group made legal amendments to the provisions of the Taxes and Zakat Law, and increased its commercial base from 1,300 in Yemeni law to more than 25 thousand taxpayers.

⁷ Press report in *Al-Araby Al-Jadeed* newspaper



In September 2017, the Houthi group approved raising the sales tax on mobile, landline and Internet communications services by 100 percent, raising taxes on domestic and imported cigarette sales by 30 percent, and raising the taxes on international and mobile phone services to 22 percent, compared to 10 percent. The tax on local and international telephone services was raised from 5 percent to 10 percent, raising the tax on sales of domestic and imported cigarettes from 90 percent to 120 percent, and the tax on selling cigars, tobacco from 90 percent to 120 percent.⁸

In early 2020, the Houthi group made amendments to the taxes and customs laws. Amendments included the introduction of new articles in the draft law of the year 2020 that includes amendments to Law No. 17 of 2010 regarding income taxes. A draft law of the year 2020 regarding the amendment of Law No. 19 of 2001 regarding the general sales tax and its amendments, a draft law of the year 2020 amending Law No. 41 of 2005 regarding customs tariffs and its amendments, and a draft law of the year 2020 amending Law No. 14 of 1990 regarding customs and its amendments were also introduced.

The amendments include exempting small taxpayers, as well as micro-enterprises from all types of taxes, exempting pharmaceutical production inputs from all types of fees, and his subsequent supplements also added medical supplies, and exempting renewable energy inputs and investments from all fees.

Zakat Law:

On April 29, 2020, the Houthi group officially established new regulations regarding the collection and disbursement of zakat funds, which require each individual to pay part of his wealth each year to charitable causes.

The new executive regulation of the Zakat Law, according to a leaked document issued by the Houthi Ministry of Legal Affairs, imposed 20% on economic activities in the field of natural resources in the areas under the control of the group in Yemen, which includes most of the northern regions where about 70% of the population lives. This move was justified as an extension of the 1999 Zakat Law in Yemen.⁹

⁸ A speech by the Minister of Finance in the Houthi government, Saleh Shaaban, before the House of Representatives in 2017, in front of Parliament <https://bit.ly/3qudiqm>

⁹ A leaked document from the draft Zakat Law issued by the Ministry of Legal Affairs of the Houthi group, and widely circulated in the

Presidential Decree No. 265 issued during the rule of former President Ali Abdullah Saleh in 2001 stipulates the establishment of the General Department of Zakat Duties, to function as part of the organizational structure of the local authorities in the governorates in collecting Zakat fees.

Zakat was distributed according to Local Authority Law No. (4) of 2000, which incorporated Zakat revenues into the budgets of local authorities at the governorate and district levels as a main source of financing infrastructure projects. According to Article 123 of this law, 50% of Zakat revenues collected at the district level returns as local resources to the district in question, and the remaining percentage goes to the larger governorate budget.

In 2017, the Houthi group attempted to change the Zakat Law, as the Houthi-appointed Minister of Finance, Saleh Shaaban, passed a decree to redirect zakat proceeds from local authority accounts to a special account in the Central Bank of Yemen in the capital, Sana'a. This move was opposed by the Congress Party at the time in an effort to retain the legal authority of collecting zakat as stipulated in the Local Authority Law and other laws. However, it failed to prevent the Houthis from creating a special zakat account.

In mid-May 2018, the Houthi group passed a decree to establish a new zakat authority, the General Authority for Zakat, to replace the General Department of Zakat Duties.

Under this law, the collection, distribution and administration of zakat duties became the function of the General Authority for Zakat only, and local authorities were stripped of the privileges granted to them under Local Authority Law No. 4 of 2000.

The CBY account that was opened for zakat revenues last year was also placed under the supervision of the General Authority for Zakat, and in turn it was placed under the authority of the office of the President of the Supreme Political Council, that is, under the direct supervision of the Houthi higher authorities.

The One Fifth (20 %) Law

In June 2020, the Houthi group issued Law No. 24 in the Authority for Zakat created by it, known as the One Fifth Law. The law sparked widespread controversy, and many observers described it as discriminatory.

The One Fifth Law enshrines discrimination, classifies citizens, and grants privileges on ethnic and dynastic grounds, in violation of all heavenly and legal principles and legislation. The Houthi group erected an apparatus to implement this task; namely, the Zakat Authority, which assumed the task of collecting zakat levies, from merchants and citizens in areas under its control.

The articles that provoked controversy came in Chapter Three, "Money on which Zakat is due," and in Chapter Eight, "Zakat of Buried Treasures and Minerals," p. 18.

Article (47) a. stipulates that "One fifth (20%) is due on buried treasures and minerals extracted from the ground or the sea, regardless of their natural state, whether solid or liquid, such as gold, silver, copper, diamonds, agate, emeralds, turquoise, oil, gas, bituminous, water, salt, mercury, stones, marble, and all other minerals of value."

Paragraph b. of the same article states that one-fifth (20 percent) is due on everything extracted from the sea, such as fish, pearls, amber, etc. Paragraph C. stipulates that one-fifth (20 percent) is due on honey if it is harvested from trees or caves.

According to paragraph d. following the approval of the Political Council, the Chairman of

the Zakat Authority will issue a decision regulating the process of deciding, collecting and calculating zakat on buried treasures, minerals and aquatic products.

Article (48), paragraph a. specifies the disbursement channels of the Zakat on buried treasures and minerals (mentioned in Article 47), dividing them into 6 shares as follows:

First share: the share of God. It is spent on the public interests of Muslims; that is, on public projects such as roads, hospitals, schools, the wages of zakat collectors, printing books of science and school curricula, fortifying the frontiers of Muslims with soldiers, weapons, and supplies, and other public interests in which no particular race or specific people are taken into account.

Second share: the share of the Messenger: it is granted to the supreme ruler who has the absolute right to dispose of it as he wishes.

Third share: for the relatives of Bani Hashim (descendants of the family of the Prophet) who were forbidden to accept charity, so God granted them one fifth instead of zakat. The poor of this category are more entitled to receive this fifth.

Fourth share: It shall be disbursed on orphans of Muslims, including the orphans of Bani Hashim.

Fifth share: It is assigned to all the poor Muslims, including the poor of Bani Hashim.

Sixth share: It is spent in the wayfarers category of Bani Hashim and other Muslims.

Paragraph b. of the same article states that the Chairman of the Zakat Authority will issue a decision detailing the details and controls of the disbursement channels of buried treasures and minerals, after the approval of the Council.

Zakat levies

In early April 2021, the Houthi group launched what it called a project to update the data of Zakat beneficiaries, with the aim of establishing a systematic and accurate database, as it put it.

As it ostensibly announces, the Houthi group aims in the first phase to inventory and correct the status of community committees and the numbers of the poor and needy. In the second phase, it seeks to create a valid database that includes only cases that meet the criteria for entitlement to zakat in accordance with the legitimate channels specified in the Holy Qur'an.

Contrary to the amendments and legislations it passed, which allowed it to obtain 20 percent of the wealth of Yemenis under the designation of zakat al-khums (one fifth), the Houthi authorities raised the individual's zakat by 550 percent, from 100 to 550 Yemeni rials. It also raised the list of major taxpayers from 1300 rials to about 25 thousand rials.

This was followed by a wide field campaign since the beginning of the holy month of Ramadan, this year, targeting all merchants, companies, private sector institutions, and shops. The Houthi group deployed 6,200 community committees in Sana'a and all areas under its control to collect zakat from merchants and prevented them from distributing zakat individually, as usual.

The Houthi measures were condemned by the private sector. In a press statement, the Chamber of Commerce and Industry in Sana'a denounced the arbitrary measures launched by the Houthi Zakat Authority against the private sector, and considered them "contrary to the provisions of the Sharia and valid laws."

The Houthi group spread its armed patrols and security and intelligence elements to demand the private sector to hand over databases or close their stores.

More than 600 commercial enterprises were closed in Sana'a, as the owners of these businesses refused to hand over a copy of their accounting systems, which the Houthi group sought to obtain, and according to which the amount of zakat was estimated.

The Chamber of Commerce and Industry in the Capital Municipality rejected these practices. It stated that private sector institutions "paid their zakat and are committed to the law and order," noting that this procedure caused great harm to them due to the closure of their stores.

The Chamber of Commerce and Industry then called for a press conference, to expose the abuses against merchants and the private sector under the name of zakat, but the conference was hindered by influential Houthi leaders.

During that period, the head of the General Authority for Zakat of the Houthi group, Shamsan Abu Nashtan, acknowledged that part of the zakat funds collected was spent to establish hundreds of companies, shops and economic agricultural projects.

Abu Nashtan added that the Houthi group had another commercial project in the garments trade. The number of traders involved in this trade exceeds 1,200 running family commercial projects covering more than 100 families in the market in Sana'a.

After that, the Chamber of Commerce and Industry in the Capital Municipality reached a temporary truce, according to which the security campaign against traders was suspended, In return, all traders handed over all their data, and business and financial statements, including bad and non-bad debts. Moreover, traders had to use accounting systems to save the Houthi group the effort of estimating zakat, in return for temporary suspension of a Houthi campaign in which the Houthi police, intelligence, popular committees, and preventive security participated, and more than 600 closed companies were reopened.

The agreement also stipulated that traders had to pay zakat on debts and other intangible assets, including what is known as non-commercial debt. The agreement also obligated company owners to pay 25% as 2020 taxes, provided that the two parties review through the judiciary the 2018 and 2019 data.

Effects and Repercussions

- The growth of the process of random and dual customs and tax levies has a significant impact on the rise of prices of goods and merchandise, and the high rate of inflation in various consumer goods and service prices.
- Unlawful levies and fees imposed on traders and the private sector result in the rise of prices of goods. Original prices of goods in the countries of origin are doubled. It also seriously affects supplies to the local market, and helps put multiple obstacles in front of the supply process, which may lead to a process of extensive disruption in the local food markets.
- Persistence of the process of collecting customs and tax revenues in this way will lead to a deterioration in the revenues of the state public treasury, and its inability to fulfill its financial obligations towards citizens and pay the salaries of employees.
- The national economy pays a heavy price for the unabated collection of customs and tax revenues by the various parties, especially as these revenues do not go to the state public treasury. Citizens do not benefit from such levies which are not spent on services and development projects.
- The Houthi group relies increasingly on collecting all financial levies. At the same time, it has suspended all spending on service sectors. It also suspended the salaries of employees in its areas of control since September 2016, even though the tax

resources collected in its areas of control are sufficient to pay government employees in different regions of the republic and on a regular basis.

- These practices lead to hindering commercial activity, placing significant obstacles to the development process, deteriorating business opportunities and the investment environment, and raising the rate of unemployment and poverty.
- The continued failure to supply tax and customs revenues to the public treasury and its legal outlets has negative social and economic repercussions. Poverty increases, especially in light of the continued deprivation of more than one million employees in Houthi-controlled areas of their salaries, since late 2016.
- The catastrophic effects and consequences of the war on the Yemeni economy grow persistently. The need to put an end to tampering with the state resources of all kinds, including tax and customs revenues grows accordingly. It is crucially needed to adopt flexibility and transparency in collecting taxes and depositing these revenues to the state public treasury, and stop all illegal outlets that currently collect these revenues.
- Tax and customs resources represent the sovereign resources of the state, protecting the country from sliding into bankruptcy and starvation. Therefore, these revenues should be directed to their correct outlets, and spent on service sectors and on paying public employees, to reduce the scope of the famine, and to avoid a humanitarian catastrophe that evidently grows day by day.

Proposed Solutions

- Unifying customs and tax laws, putting an end to customs duplication, and removing all obstacles that contribute to obstructing commercial and economic activity.
- Neutralizing the economic aspect from the war, and ensuring that it is not used by all parties as a tool in the conflict.
- Stopping all new procedures and obstacles for traders, and cancelling recent measures that obstruct the flow of goods and the supply of food markets in the country.
- The Houthi group has to lift all new customs centers that have led to obstructing the flow of goods, and doubled their prices in local markets.
- The need to work on combating customs corruption, and applying the principle of reward and punishment to curb corrupt practices and deal fairly with workers in the customs sector, especially with regard to the issue of appointments that should be made according to professional standards and competence.
- The need to work on building a real partnership with the private sector, in order to facilitate the flow of goods and merchandise, advance development, and overcome all problems facing the Yemeni economy.
- Updating the customs and tax system, in line with the new developments, and ensuring the removal of all obstacles that obstruct shipments and commercial goods by applying information technology. Technical and administrative skills of members of work teams in all customs departments and offices shall be developed according to specific approaches and plans that contribute to achieving customs goals and achieving a distinguished customs performance that puts Yemeni customs in the rank of international customs.
- Taking measures to address the problems related to customs performance, increasing revenues, providing operational expenses, a permanent headquarters to head the department, and paying attention to training, and improving and updating the database.

- Putting an end to the interference of security authorities and any other party with the tasks and responsibilities of customs authority, in accordance with the laws, decisions, and regulations regulating the roles and responsibilities of the customs authority.
- Taking measures to improve the economic environment, taking into account the measures represented in economic diversification, strengthening tax and customs management and collection, investing in infrastructure, providing basic services, creating a better working environment for companies, and expanding access to financial services.
- Abolishing the discriminatory imposition of the one-fifth law, cancelling it, and stopping all collection campaigns against citizens, merchants and the private sector.
- Adopting a flexible mechanism in enacting legislative laws and practical procedures to ensure that all obstacles facing commercial activity are removed, and an investment-friendly environment is created.

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