



Designation of Ansar Allah by US State Department

Briefing - January 2021

DRC DANISH
REFUGEE
COUNCIL

The Foreign Terrorist Organization (FTO) and Specially Designated Global Terrorist (SDGT) designation by the US State Department of Ansar Allah on January 10th, 2021, which came into effect on January 19th – along with the communication of 4 general licenses- will have enormous impacts on the population in Yemen, already persisting through more than 6 years of conflict.

The designation limits access to basic services and commodities, further forced displacement and fuel food insecurity, compounding and exacerbating Yemen's multitude of pre-existing challenges - rising inflation; unchecked spread of COVID-19; increasing conflict between the parties; reaching those most in need; and a massive funding gap for humanitarian assistance.

While steadfastly maintaining our independence as a humanitarian actor in Yemen and globally, DRC opposes this designation due to the severe humanitarian consequences of such an action. Ansar Allah governs most of the population in Yemen, overseeing traditional state institutions and functions, including as an interlocutor in the humanitarian response. The scope of this designation is therefore unprecedented and significantly broader than that of any other previous FTO designation by the US Government.

The US Office of Foreign Assets Control (OFAC) published four General Licenses on 19 January which provide exemptions and guidance to various actors, including NGOs, UN agencies, and covers a handover of essential imports. The licenses are broad in nature and cover a number of activities which are essential to continue humanitarian assistance and to ensure that specified essential commodities continue to flow into Yemen. However, they **fall far short of being able to adequately mitigate future detrimental impacts** on the people of Yemen and risks for humanitarian organizations.

Over 90% of Yemen's essential commodities are imported, and over 80% of Yemenis are in need of humanitarian assistance. Interagency assessments predict that close to 50,000 Yemenis will be living in catastrophic levels of food insecurity in 2021, with an additional 5 million in emergency levels of food insecurity. **The designation will put more people at risk, and the current licenses, while helpful to mitigate some of the impacts, will be unable to prevent a spike in acute needs, food insecurity and exacerbating conflict.**

Lessons learned in other contexts demonstrate that even with the broadest of licenses and exemptions granted, the impacts will still be enormous, particularly on humanitarian aid as well as the commercial and financial sectors. For Yemen, this is likely to be the same or worse. The licenses announced on January 19th do not cover commercial entities, will drive inflation, freeze the flow of international money into the country and there is a significant risk that international banks will de-risk Yemen, in other words, will decide to stop working in Yemen or freeze accounts. Already, international bank accounts tied to Yemen are reportedly being frozen. **These sectors are inexorably linked; impacts on one will affect the others.** Regardless of the licenses that are in

place to protect some commodities and actors, each specific entity will make their own interpretations and risk calculations. As the expected incoming Secretary of State Blinken noted in his U.S. Senate confirmation hearings on 19 January,

“...the problem [with licenses] is that if they don’t apply to everyone around the world, it is not going to get the job done. Most of assistance is not coming from the US but from others. We have a specific and concrete problem that we need to address very quickly.”

This will mean fewer actors will work in the country, driving up prices, furthering instability, and increasing the number of civilians in need of life-saving humanitarian assistance from agencies who are dealing with the crippling impacts of the designation themselves.

Currently, aid agencies at the country and international level are working to understand the full scope and impacts of the designation and the licenses communicated on January 19th, assessing the threat to Yemenis first and foremost, along with the threat the designation poses to their organizations’ operations and staff.

There is still an opportunity for the designation to be revoked by the Biden administration. DRC welcomes the clear-eyed view of the problem expressed in the Senate confirmation hearings of Anthony Blinken for Secretary of State, as well as with other statements made by Democratic and Republican Senators and House members alike. In DRC’s assessment of how to best respect the humanitarian principles of humanity, neutrality, impartiality and independence¹ and the protection principles², revocation appears to be the only way forward. Other mitigating measures may help, but none would allow all those caught up in years of war to access the aid they need. Revocation will not substantially improve their lives, but it will prevent further deterioration and mitigate acute risks of famine. High level engagement with all authorities across the country to ensure unimpeded access is also paramount, and ultimately, only a political resolution to the conflict can put Yemenis on a sustainable path towards dignity and safety.

DRC asks the following of international actors:

DRC encourages the Biden administration to revoke the designation at the earliest possible opportunity to prevent unnecessary suffering in line with leaders in the humanitarian community --such as UN Emergency Coordinator, Mark Lowcock, the head of World Food Program, David Beasley and UN Special Envoy to Syria Martin Griffiths. Currently this option is the only viable path for continued humanitarian assistance in Yemen. Add your voice to support President Biden’s efforts publicly and/or privately.

Scale up of political engagement and resources to ensure that resilient, yet severely impacted Yemenis who are living within the world’s worst humanitarian crisis are maintaining effective access to humanitarian assistance, as well as preventing the population’s needs from further increasing. Efforts to engage should build upon the conclusions from the Senior Officials Meeting regarding Yemen, which took place in November of 2020, calling upon international actors to increase their engagement with duty bearers and stakeholders within Yemen and abroad. The designation, regardless of licenses and exemptions, will have severe implications for Yemenis. The time is now to scale up advocacy and support in the light of this turn of events.

Support humanitarian and commercial agencies working in Yemen to understand the direct and indirect consequences of the designation. Because there is no general license for commercial sector and as such the continuation of imports of key commodities such as fuel and food will significantly impact on the delivery of humanitarian assistance. Likewise, financial transfers and remittances that are financial lifelines are at risk, regardless of the general license because banks and financial institutions generally have a far lower risk threshold, as demonstrated by the banks that have already frozen accounts tied Yemen. This must be urgently addressed.

1 https://www.unocha.org/sites/dms/Documents/OOM_HumPrinciple_English.pdf

2 <https://www.globalprotectioncluster.org/themes/protection-mainstreaming/>