

U.S. STATEMENT
GCC DONORS' CONFERENCE FOR YEMEN
NOVEMBER 15-16, 2006

President Saleh, Esteemed Ministers, and Distinguished Delegates: It is my pleasure to lead the U.S. delegation to this historic conference, in this historic building, on behalf of the U.S. Secretary of State, Condoleezza Rice:

“I extend my best wishes to President Saleh, my esteemed colleagues from the Gulf, and all of the other donors present; as well as my deep appreciation to Her Majesty's government, the World Bank, and the Gulf Cooperation Council for organizing and hosting this landmark event.

The United States welcomes the strong show of regional and international support for the Government of Yemen as it continues to embark on its ambitious reform agenda. Yemen is a critical ally in the global fight against terrorism. Its stability and prosperity are vital to the security of its neighbors and the world.

In order to succeed, the political and economic reforms underway in Yemen require sustained support from the international community. I encourage you to be visionary and generous in initiating this important new phase of cooperation between Yemen and the member states of the GCC. We hope that it will lead to peace, stability, and prosperity for all the people of Yemen.”

Let me begin by congratulating the people of Yemen on their September 20th Presidential and local elections. As President Bush noted in his telephone call to President Saleh: We congratulate the people of Yemen for conducting open, contested elections that were free of widespread violence. This was a significant development in Yemen's political evolution and will set an example for the region.

The U.S – Yemen relationship is strong. At the heart of our relationship is a shared desire to strengthen democracy and weaken extremism, and provide economic opportunity for the Yemeni people. Since September 11, 2001, we have established a robust, cooperative bilateral relationship on political, economic and security issues. Yemen has worked closely with the U.S. government and other donor countries and international organizations to

introduce ground-breaking political and economic reforms, including a campaign to combat corruption.

The government of Yemen has been a valuable partner in the Global War on Terror, achieving significant counterterrorism successes, including resolute action against al-Qaida cells, and successful prosecution of the perpetrators of the January 2000 terrorist attack on the USS Cole.

American assistance has helped build the capability of the Yemeni security forces to apprehend, detain, and try terrorists as well as to defend its borders and territorial waters. It has also assisted in the professional development of the military and the Coast Guard, and has helped combat the flow of illicit arms through Yemeni territory.

We have combined this with development assistance that focuses on helping the government of Yemen to increase basic services in health, education, and agriculture, and to improve local governance. Our Middle East Partnership Initiative has provided technical assistance to the government of Yemen and its institutions. This has supported the growth of civil society, as a rising number of capable non-governmental organizations emerge to help the government bring better services to the public, and to provide Yemeni citizens with the opportunity to participate more effectively in their own government.

The United States believes that reform plays a key role in assuring Yemen's stability. U.S. assistance has supported policies designed to impact economic growth, trade capacity, anti-corruption, and the capacity of the civil service. Since 2000, the U.S. government has provided over \$330 million in assistance. We are strongly committed to a continuing investment in Yemen's future.

Political and economic reform is also critical. The government of Yemen should be commended for the significant reform efforts that it has undertaken over the past nine months. The United States has closely watched, and welcomed, Yemen's recent reforms in the areas of rule of law, fiscal policy, press freedom, and anti-corruption.

Now is the time for Yemen to begin consolidating and implementing these reforms. The U.S. is encouraged that the government of Yemen recently adopted procurement and anti-corruption legislation. We look forward to the

passage of this legislation by Parliament, and to the implementation of the new laws in a transparent and effective manner. Continuing momentum in these areas is essential to Yemen's reinstatement in the U.S. Millennium Challenge Corporation (MCC) Threshold Program, and will allow Yemen additional access to grants from other donor countries and international agencies.

We also recognize the necessity of donor coordination and the challenges presented by large increases in foreign assistance. We support the creation of an international development authority designed to harmonize assistance and address donor concerns. Implementing mechanisms, whether bilateral or international, can be instrumental in strengthening local institutions and increasing their capacity to absorb and better utilize international assistance.

We intend to continue to strengthen our partnership with Yemen, working closely with other governments and donors to promote security, stability, and a brighter future for all Yemenis.

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	PM/WRA – SPico	ok
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	S/CT – PWorman	ok
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	F – GMorrill	ok
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