

**CONSULTATIVE GROUP MEETING FOR THE  
REPUBLIC OF YEMEN  
London - UK, November 15-16, 2006**

**Welcoming/Introductory Remarks by the Chair  
November 15, 2006**

**Your Excellency the President of the Republic of Yemen,**

**Excellencies Ministers,**

**Distinguished Delegates,**

**Dear Colleagues from Multilateral Organizations,**

It is my great pleasure to welcome you to this Consultative Group meeting for Yemen in London today. I am encouraged to see the large turnout for this meeting both from delegations that have previously attended CGs for Yemen as well as from delegations which are attending a CG for Yemen for the first time. I would also like to thank the Government of the United Kingdom for hosting the CG meeting and for providing us with this historic venue of Lancaster House and to thank the Gulf Cooperation Council for sponsoring this meeting.

As many of you may be aware, I took up my current position as the World Bank's Vice-President for the Middle East and North Africa Region about two months ago. While I was familiar with the region having previously worked in it, since my appointment, I have devoted a considerable amount of time and attention to Yemen. In this regard, it was the first country that I visited in the region. In my meetings with His Excellency the President, the Prime Minister, the Minister of Planning and International Cooperation and many other Government officials, I very much appreciated the determination to implement key structural reforms in order to accelerate economic and social progress and reduce poverty in Yemen. I was impressed by the dynamism of the communities that I visited and the progress that is being made under difficult circumstances. Finally, like all visitors to Yemen, I was struck by its physical beauty and the variety of the landscape that I saw as I traveled from Sana'a to Aden.

The early attention that I have given reflects the fact that Yemen, which we consider to be the single largest development challenge in the Middle East, is a top priority for the World Bank. The high rate of poverty in a large, young and rapidly growing population is a matter of great concern not only for its impact on Yemenis but also looking at the well-known nexus between poverty, development and insecurity in the world. Yemen faces unique challenges and circumstances: declining oil resources, the need to generate non-oil growth, high population growth, poor human capital, water scarcity, poor infrastructure and limited access to social service delivery.

Clearly Yemen requires significant support to address these challenges satisfactorily. However, we believe that the three critical enabling factors are now in place to: a Government whose mandate has been re-affirmed during the recent successful elections which has a concrete plan of action both for the short and medium-term; programs of ongoing financial and technical support provided by Yemen's traditional bilateral and multilateral donors; and the potential that can be unleashed from partnership with neighboring countries and regional organizations such as the GCC. This CG meeting represents an important step in the process of enhancing the partnership between the Government, traditional donors and neighboring countries in support of Yemen.

Over the next two days, we have a rich agenda of activities for this CG. This morning, following welcoming remarks by our host country and remarks by our GCC partners, we will hear statements from H.E. the President of the Republic and from the Minister of Planning and International Cooperation who will, among other things, share with us the progress that the Government has made in the recent past, the reform activities it has undertaken over the last year in the context of the National Reform Agenda and the Government's vision for the development of Yemen in the coming years. We will then have statements from the multilateral institutions on their assessment on the progress that the Government is making and how their programs are supporting the Government's efforts.

In the afternoon, we will move to parallel working sessions – the first two parallel sessions will focus on the Government's Development Plan for Poverty Reduction and Achieving the MDGs; and on the Achievements under the National Reform Agenda and the Road Ahead. The second two parallel sessions will focus on the important topics of Donor Harmonization and Project Implementation and on Yemen's Partnership with the Gulf Cooperation Council. I would encourage you to attend the session that most interests you as we will have a final plenary session reporting back on all of the individual technical sessions.

Tomorrow morning, the Government will present its investment needs and financing requirements which will be followed by comments by the World Bank. Thereafter donors will be invited to make any formal statements they may wish, seek any clarifications and make their pledges.

This is broadly speaking the plan for the next two days, in line with the agenda you have in front of you. Please let us know of any suggestions as we proceed with this meeting.

I look forward to reporting tomorrow afternoon in the Chairperson's Summary that we had a successful meeting where the technical discussions enriched our common understanding of Yemen's development challenges and all development partners pledged to support the priorities identified in the Government's development plan and the supporting Public Investment Program.

Let me end by wishing all of us a productive meeting.

Thank you.

**Daniela Gressani**  
**Chair of the Consultative Group Meeting**  
**Vice President, MENA Region**