

Technical assistance matrix

1.1 Technical assistance matrix

<i>Observations/Objectives</i>	<i>Type of action</i>	<i>Agencies responsible/external support</i>	<i>Time frame</i>
<i>Macroeconomic policy</i>			
Need to broaden revenue base to reduce dependence on oil	Review of tax system	MOF/Fiscal Affairs Department of IMF	Short-term
	Develop budget strategies to deal with revenue variability	Central Bank	Short-term
Need for better intermediation between borrowers and lenders <ul style="list-style-type: none"> ▪ financial sector reform ▪ judicial enforcement ▪ ill defined property rights 	Develop sound payment and banking system		Short-term
	Judicial reform including coordination of donor activities	Netherlands assistance	Medium-term
	Land titling and property rights development		
<i>Trade policy</i>			
WTO accession proceeding well but government resources are severely stretched	Continue ongoing assistance with Yemen's legislative reform under WTO accession	Ministry of Industry and Trade. Other Ministries. Private sector stakeholders, Chambers, industry associations, civil society	Short-term
		European Union, WTO, World Bank	
		Ministry of Planning, private sector stakeholders	Medium-term
Accession implications not well understood in private sector and hence viewed with suspicion	Ensure that training and workshops involve people inside and outside government: <ul style="list-style-type: none"> ▪ industry groups ▪ Parliament ▪ civil society 	MOIT/WTO, World Bank Institute, EU pending program	Medium-term and long-term

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TECHNICAL ASSISTANCE MATRIX

1.1 Technical assistance matrix (continued)

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WTO accession activities need to be complemented with a capacity to analyze and evaluate trade policies on their merits	Build on international and private sector consultative processes established during preparation of the MFTR and the IF Diagnostic Study process	MOIT, MOF, MOP, sectoral Ministries	Medium-term
	Establish capacities for evaluation and dissemination of impacts on wider community of different trade policy options	MOIT, MOF	Medium-term
	Establish main components of smuggling and shadow economy	Customs, MOF	Short-term
	Build capacity to analyze and explain impacts of WTO agreements - services, standards and intellectual property	MOIT	Long-term
Prospects for regional and bilateral arrangements offer considerable promise but carry some risk	Conduct detailed analysis of benefits and costs of closer integration with GCC and GAFTA	MOIT	Medium-term
Benefits from preferential access provisions not greatly exploited	Explore and expose beneficial trade arrangements by market and community	MOIT/YESC/UNCTAD	
Export development agencies not well equipped	Build up capacity to provide and interpret relevant market information	Supreme Export Council/ITC	
	Training services for exporters and marketing firms	Supreme Export Council/ITC	
<i>Investment regulation/Governance</i>			
Overriding lack of confidence in property rights, judiciary and civil service	Continue support strengthening of judicial reform	Ministry of Justice/the Netherlands	
	Continue to support strengthening of commercial courts	Ministry of Justice/World Bank	
	Strengthen capacity for land titling and cadastral surveys	Ministry of Public Works/Netherlands	
Yemen conciliation and arbitration centre a promising private sector institute	Technical assistance by way of exposure to similar centres in other countries		
Lack of confidence of investors in administration of regulation	Continue to support civil services reform	Ministry of Planning/World Bank	
Decentralization implementation needs to clarify roles and revenues between local and centre needs			
Investment law sound in many respects but tax holidays and exemptions still cause problems even following reform of July 2002	Support processes and system to build capacity in governorates	World Bank/donors	Medium-term
	Estimate investors' valuation of concession	GIA/World Bank	
Weak delivery of public services - infrastructure, utility services and human resources	Better public investment planning and review processes	MOF/Ministry of Planning	

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<i>Trade facilitation</i>			
Yemen Customs Authority making substantial improvements in performance but more support needed		YCA, DFID, UNCTAD	Short-term
	Continue to support capacity building in Yemen Customs Authority especially involving extension of ASYCUDA	YCA	Short-term
	Reduce paper transaction requirements	YCA	Short-term
	Restructure to reflect electronic data processing	YCA	Long-term
	Expand capacity to inspect before and after goods cross the border	YCA, MOF	Medium-term
Unnecessary barriers applied to enforce import and export standards		YSMQCO	Medium-term
	Formalize risk analysis based on inspection	YCA, YSMQCO	Medium-term
Unnecessary barriers to entry in provision of trade related services	Remove unnecessary duplication with YCA, YSMQCO and Ministry of Interior		Medium-term
	Assess impact of barriers to entry in insurance related services		Medium-term
	Assess impact of barriers to entry in domestic and international air freight services		Medium-term
Free Trade Zone in Aden developing slowly	Assess impact of regulation of road freight		Medium-term
		Ministry of Transport, Ministry of Fishweath, World Bank with DHRD Grant	Short-term
Other Industrial and Free Zones being contemplated	Clarify roles and responsibilities of various agencies involved and establish clear lines of conduct and reporting	Yemen Public Free Zone Authority, EU project being prepared	Short-term
	Test reasons why an industrial zone configuration would attract investment over existing land and infrastructure services	Ministry of Planning, World Bank supporting feasibility design work with PHRD assistance	
Assess role of industrial zones as a means of demonstrating best practice regulation			
<i>Poverty analysis</i>			
Considerable resources devoted to measuring poverty indicate high levels of poverty			
Poor people vulnerable to unsustainable water management and unsustainable fisheries management	Assess impact of diesel pricing on water use. Explore other methods of water management.	Ministry of Water Resources	Short-term
	Assess impact of input and infrastructure support on fishing effort, fish supply and domestic prices	Ministry of Fishweath	Short-term

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<i>Observations/Objectives</i>	<i>Type of action</i>	<i>Agencies responsible/external support</i>	<i>Time frame</i>
<i>Sector studies - Fisheries</i>			
Managing fisheries. Evaluating and monitoring the storage.	Making surveys on the main four kinds: pen fish, lobster, tuna and shrimp. Making study to find out the way to develop the domestic capacity in fisheries researches. Numbering and permitting traditional fishing boats. Reporting data of traditional fishing production. Increasing fees of industrial fishing.	Ministry of Fisheries. Hadhramout University. Ministry of Planning and International Cooperation. Donors.	Short and long term (two years)
Transportation and quality monitoring: sea and air transportation and quality monitoring.	Studying the options in coordination with the Supreme Council of Exports. Making study on the high coasts (freightage coasts). Appointing an expert in airfreight by the council of exporting fisheries companies in coordination with civil air navigation authorities. Supporting the activities of the technical bodies of the Supreme Council for Development Exports. Making a study that drafts a long strategy with the Ministry of Industry and Trade to complete the effectuation of the second stage of the quality laboratory concerning airfreights that are liable to damage. The Ministry should give a design of a big location in unloading frozen and fresh fisheries. Searching for a financing source for the study of UNIDO.	Ministry of Fisheries. Ministry of Industry and Trade. The Supreme Council for Export Donors.	Short term
Trade and managing the sector	Drafting a work program for developing this sector and reconstructing the strategy of trade that locates the objects of reconstructing this sector. Rehabilitating the program of reconstructing with a contribution concerning management and organisation, and another contribution concerning the presentation of consultations in fishery companies field.	Ministry of Fisheries. Donors.	Short term
Institutions	Performing researches and making a plan by organising expert team to develop and reconstruct the Ministry. Establishing a National Council for fisheries.	Ministry of Fisheries. Cooperative Union. Donors.	Medium term
The infrastructure and technology	Preparing a project for collecting essential data and making environment evaluation, and preparing an evaluation continual social and economic study for the infrastructure utilities.	Ministry of Fisheries. Donors	Medium term
Fisheries exports important and expanding raising concerns about sustainability of resources	Establish capacity to collect and analyze information on fisheries stocks (by fishery) and impact of fishing effort at current levels Assess impact of input support on fishing effort Assess resource stock and impact of industrial fishing boats as inputs into the design of a transparent method of selling licences Assess structure of Ministry of Fishwealth services for extension and research	Ministry of Fishwealth Ministry of Fishwealth Ministry of Fishwealth	Medium-term
Traditional management systems at local level weakened by technology change, diminishing role of cooperatives and interventions from the centre	Explore ways of strengthening the role of local agencies such as cooperatives in management and marketing	Association of Cooperatives/FAO	

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<i>Sector studies - Transport</i>			
Facilitating the arrival into the rural areas.	Widening the road net, repairing and promoting the existed roads.	Ministry of Constructions. Donors.	Long Term
Preventing monopoly in goods transportation.	Issuing legislation and laws in order to facilitate trade movement.	Ministry of Transportation.	Short Term
Increasing the ability of transporting people.	Merging the private sector. Evaluating the constraints facing the merging process of the private sector in providing transportation services.	Ministry of Transportation.	Short Term
Providing auxiliary services for transportation.	Preparing relevant studies, such as locating places of trucks gathering outside cities.	Ministry of Transportation. Traffic Authority.	Short Term
Promoting civil transportation.	Making a study about civil transportation in the main cities.	Traffic Authority.	Short Term
Promoting the products transporting process, from producing centers to consumption and exporting centers.	Making relevant studies.	Ministry of Transportation. Ministry of Agriculture and Irrigation. Ministry of Fisheries.	Short Term.
Replacing old vehicles and trucks new ones to be used in transporting goods and people.	Preventing the importing of old and second hand vehicles. Searching for financing sources for the replacement process.	Ministry of Transportation. Ministry of The Interior. Custom Authority.	Short Term
Allowing and attracting the private sector to merge and invest in air transportation.	Permitting the establishment of new airlines companies for both goods and travelers.	Ministry of Transportation	Medium Term
Promoting land services in airports.	Issuing laws and rules to reduce the charges of land services.	Ministry of Transportation. General Authority of Civil Air and Meteorology.	Short Term
Developing services in seaports.	Reviewing services' charges.	Ministry of Transportation	Short Term
Encouraging the private sector to invest in seaports.	Issuing legislation and offering facilities.	Ministry of Transportation. General Investment Authority.	Short Term
Many obstacles to a modern accessible transport system which would enable people in isolated and usually poor communities to join the wider economy and society	Develop rural access roads	Ministry of Public Works and Urban Development, World Bank	Short-term
	Identify sources of barriers to road freight transport including the Ferzah and mandatory pricing regulations of MOT	MOT, Supreme Export Promotion Council	Short-term
	Assess sources of barriers into public road transport provision		
	Assess sources of barriers into the provision of road freight		Short-term
	Explore applications of freight logistics system		

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Air freight services out of Yemen unreliable and passenger focussed	Test regulations and barriers to entry for international freight services		Medium-term
Public passenger services adequate for local taxi services but barriers to entry in long distance bus transport	Identify barriers to entry and propose alternative regulatory arrangements which allow for greater competitive	MOT	
<i>Sector studies - Telecommunications</i>			
Developing telecommunications and information technique sector.	Supporting the Ministry of Telecommunications and Information Technique in establishing independent systematic authority of telecommunications and information technique and regulating the use of frequency.	The Ministry of Telecommunications and Information Technique. - Donors.	Short Term
Strengthening the spread of internet use and its utilization.	Supporting the use of the internet means in the education sector, and the programs for establishing the electronic government. Supporting the qualification and training of cadres in this respect.	The National Committee of Information Technique. The Ministry of Telecommunications and Information Technique. Donors.	Medium Term.
<i>Sector studies - labor services</i>			
Decreasing the aggravation of worklessness, particularly among graduated from training institutes.	Overcoming the obstructions facing domestic and international investment. Establishing projects for youths financed by facilitated loans. Removing the restraints upon importing raw materials used in small industrial projects. Developing public and private employment offices. Making bilateral agreement between Yemen and neighboring countries to engage Yemeni labor.	Most of the bodies including the Ministry of Planning and International Cooperation, Ministry of Labor and Social Affairs.	
Fitting between education and technical, vocational training outputs on one hand, and the requirements of the labor market on the other.	Reconstructing the recent training centers, and expanding the existence of such centers.	The Ministry of Technical Education and Vocational Training. Ministry of Education.	
Amending the labor law to fit the social and economic variables and the requirements of joining Yemen into the World Trade Organization.	Removing restraints in the labor law that are limiting the domestic, regional and international investment process.	Ministry of Labor and Social Affairs.	
Reducing the inflating administrative body.	Preparing alteration training programs to equality the overflow labor to establish its own programs.	Ministry of Civil Service. The Ministry of Technical Education and Vocational Training	
Concerning the displacement process of labor in place of dead and retired cases.	Pensioning off all workers who reach the retirement age, and encouraging early retirement.	Ministry of Civil Service	
The maximum benefiting by the immigrants remittances.	adopting steps that guarantees the use of these remittances in productivity fields which support the national economy.	Ministry of Immigrants. Relative bodies.	

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<i>Sector studies - Agriculture</i>			
Strengthening the institutional structure of the bodies concerning the development of agricultural exports, and providing these bodies with the technical and material prospects.	Preparing an exhaustive strategy for developing agricultural exports.	Ministry of Agriculture and Irrigation. Supreme Council for Export in coordination with relative bodies.	One Year.
Overcoming the obstructions that limit the exporting process.	Improving the quality and standards of the Yemeni agricultural exports.	YSMO in coordination with the Ministry of Agriculture and Irrigation.	Two Years
Developing the agricultural marketing and increasing the domestic and international distribution capacities of agricultural products.	Completing the infrastructure of the agricultural marketing, strengthening the guidance and information of marketing services and decreasing the wasted after harvest.	Ministry of Agriculture and Irrigation in coordination with the institutions of agricultural researches, guidance and scientific, agricultural services.	Three Years
Decreasing the risks relating to the non-standing management of water sources, and which are threatening poor people.	Improving the irrigation practices taking into consideration the use of required inputs.	Ministry of Agriculture and Irrigation in coordination with the Ministry of Water Supplies and Environment and relative bodies.	Two Years and half.
Developing and reforming the system agriculture that depends on raining.	Strengthening and improving the agricultural researches and guidance services, and increasing the services provided for irrigation.	Ministry of Agriculture and Irrigation through the General Authority for Agricultural Researches and Irrigation Sector.	Two Years
Strengthening the administrative aspects, reinforcing the rule of the agricultural, social associations and reducing the impact of the central interventions.	Improving the performance of the agricultural, social associations in the administrative and servicing aspects through training and institutional support.	The Agricultural Cooperative Union in coordination with the Ministry of Agriculture and Irrigation.	Two Years and half.
Exploiting the benefits resulting from the priority dealings regulations.	Adopting measures and arrangements, and making studies required for making use of advantages given to less developing countries.	Supreme Council for Export. Ministry of Agriculture and Irrigation in coordination with the Ministry of Industry and Trade, the Agricultural Cooperative Union and scientific institutions.	One Year
Strengthening the capacity of offering agricultural services, and improving the infrastructure of human resources.	Improving the planning and reviewing processes of agriculture investments in the infrastructure and the agricultural services.	Ministry of Agriculture and Irrigation in coordination with the Agricultural Cooperative Union and relative bodies.	Two Years and half
Bracing the rule of women in the agricultural development process.	Training and qualifying working women in agricultural activities and improving the working environment for rural women.	Ministry of Agriculture and Irrigation. Ministry of Planning and International Cooperation. The Agricultural Cooperative Union.	Two Years and half
Reinforcing agricultural productivity and marketing services for small farmers and cooperative associations	Inserting works incubator system in order to strengthen the service demands of targeted parties from small farmers, particularly programs directed towards rural women.	- Ministry of Agriculture and Irrigation. The Agricultural Cooperative Union.	Two Years

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<i>Sector studies - Agriculture</i>			
Subsidies to irrigated agriculture adding to strain on common property water resources	Assess impact of subsidies on incentives to produce different crops	MOF/MAI	Short-term
	Work with local groups to establish water user groups	MAI	Short-term
Traditional rain fed agriculture systems in disrepair	Examine implications of shifting of research and extension emphasis to rain fed systems	MAI	
Weak delivery of agriculture services such as R&D and extension	Restructuring within MAI	MAI/Netherlands (pending)	Long-term
Much of the work done by women but support services tend to go to male dominated sectors - irrigated crops	Support for rural women's department	MAI/Netherlands (ongoing)	Short-term

REPUBLIC OF YEMEN
National Workshop Report
Yemen Diagnostic Trade Integration Study
Trade Integration in Development Plans and Poverty Reduction Strategy

23 June 2003

Introduction

The Integrated Framework Program has been established during the High Level Meeting from 27-28 October 1997, for technical assistance relating to trade after the announcement of the First Ministerial Conference of WTO in Singapore in 1996 with the aim of enhancing the capacity of the Less Developing Countries to integrate in the global economy. The Integrated Framework also aims to increase the benefit rate for the Less Developing Countries through the technical assistance relating to trade, which is offered through the six international organizations (ITC, IMF, UNCTAD, UNDP, WB, WTO), and also the technical assistance offered by multilateral, regional, and different bilateral sources.