

Introduction

Yemen is a country located in the Middle East bordering the Arabian Sea, Gulf of Aden, and the Red Sea. Yemen has a strategic location on the Bab el-Mandeb, the strait linking the Red Sea and the Gulf of Aden, one of world's most active shipping lanes. Neighboring countries include Oman and Saudi Arabia. The government system is a republic; the chief of state is the president, and the head of government is the prime minister. Yemen has a mixed economy in which there is limited private freedom, but the economy remains highly controlled by the government. Yemen is a member of the League of Arab States (Arab League).



Location: Western Asia

Capital City: Sanaa (+3 GMT)

Chief of State: President Abd Rabuh Mansur Hadi

Head of Govt.: Prime Minister Ahmed Obeid bin Daghr

Currency: Rial (YER)

Major Languages: <p>Arabic (official)</p>

Primary Religions: <p>Muslim 99.1% (official; virtually all are citizens, an estimated 65% are Sunni and 35% are Shia), other 0.9% (includes Jewish, Baha'i, Hindu, and Christian; many are refugees or temporary foreign residents) (2010 est.)</p>

Calling Code: 967

Voltage: 220/230

Key Websites

Commerce Ministry: moit.gov.ye

Investment Promotion Agency: snono.net

Key Economic Facts

Income Level (by per capita GNI):	Lower Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$73.48 billion (2017)
GDP growth (annual %):	-5.94% (2017)
GDP per capita, PPP (current international \$):	\$2,600.87 (2017)
External debt stocks, total (DOD, current US\$):	\$7,186,164,286.80 (2017)
Manufacturing, value added (% of GDP):	5.72% (2017)
Current account balance (BoP, current US\$):	-\$2.42 billion (2016)
Inflation, consumer prices (annual %):	8.10% (2014)
Labor force, total:	6,617,841 (2018)
Unemployment, total (% of total labor force) (modeled ILO estimate):	14.17% (2018)
Imports of goods and services (current US\$):	\$5.46 billion (2016)
Exports of goods and services (current US\$):	\$0.65 billion (2016)

GDP Composition %

Agriculture Services Industry Manufacturing

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**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	173 / 178
Global Competitiveness Index	138 / 139
Global Enabling Trade Index	134 / 136
International Logistics Performance Index (LPI)	140 / 160
Inward FDI Potential Index	103 / 139
KOF Index of Globalization	151 / 185
Open Budget Index	110 / 115

Risk Assessment (Provided by Coface)

Country rating: E - The highest-risk political and economic situation and the most difficult business environment. Corporate default is likely.

Business Climate rating: E - The highest possible risk in terms of business climate. Due to a lack of available financial information and an unpredictable legal system, doing business in this country is extremely difficult.

Strengths

- International humanitarian and financial support
- Geostrategic importance of Yemen at the entrance of the Red Sea
- Architectural and cultural heritage
- Gas reserves
- Youthful profile of the population

Weaknesses

- Civil war accompanied by a humanitarian and economic crisis, as well as the division of the country
- Poorest country in the Arabian Peninsula
- Heavy reliance on international aid
- Poor business environment (bureaucracy, corruption, destroyed or non-existent infrastructure)
- Explosion of the underground economy

U.S. Embassy

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