

South Yemen Update



Dream no small dreams for they do not have the power to move the hearts of men

A Call for Realism

The UN Special Envoy Must Recognize the South's Aspirations in Yemen's Peace

Roadmap

As Yemen stands at a crucial crossroads, the United Nations Special Envoy must take decisive steps toward a fair and inclusive peace—one that recognizes the distinct aspirations of

the South Yemeni people. Any roadmap that fails to acknowledge the South's right to determine its own future risks reigniting conflict and undermining the very foundation of a lasting settlement.



Aidarus Al-Zubaidi, President of the STC and Vice President of the Yemeni Presidential Leadership Council.

The South has repeatedly demonstrated that its people will not accept domination. Despite multiple incursions, the Houthis have been unable to impose their control over the South. This resistance is rooted not in a desire for war, but in a deep and widely shared commitment to self-determination. Southern forces have defended their land and identity with resilience and discipline, not extremism.

Unlike the Houthis, who have used violence and coercion to gain attention and leverage, the Southern Transitional Council (STC) has chosen the path of diplomacy. The STC has engaged with the Arab Coalition and the international community in good faith, advocating its vision for peace through peaceful and political channels. This strategy should be recognized and respected—not sidelined. It is increasingly troubling that international actors continue to give

disproportionate attention to the Houthis, whose tactics rely on armed aggression and ideological extremism. Rewarding such behavior undermines international norms and sends the wrong message to responsible actors like the STC. Terror should not be rewarded, and peace should not be punished.

At the heart of this movement stands the STC, which has emerged as the principal representative of southern Yemen. Supported by the majority of southerners, the STC has presented its vision in global forums and consistently emphasized the importance of justice, identity, and stability.

"The STC's primary objective is to achieve a peaceful solution to the Yemeni crisis that meets the aspirations of Southerners."

The UN and its Special Envoy must act with transparency and impartiality. The people of the South are watching closely. Marginalizing the STC at this juncture not only jeopardizes the legitimacy of any peace process but also opens the door to extremist elements who may exploit frustration and disenfranchisement.

The international community faces a clear choice: support a legitimate southern partner committed to peaceful dialogue, or risk destabilizing Yemen



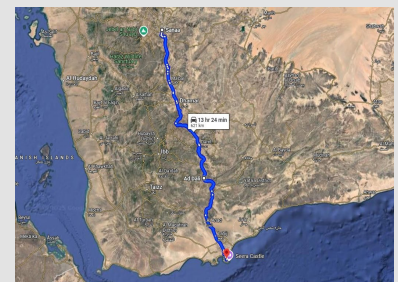
Dr. Nasser Al-khobaji

further by ignoring the deeply rooted aspirations of its southern population. Peace in Yemen is not possible without justice for all its people—and that includes those of the South.

Dr. Abdfl Galil Shaif

Aden Sanna Road Open

- 1) The shortest road linking Aden in the South to Sanaa in the North is open now to allow for the flow of the humanitarian assistance.
- 2) The Southern Transitional Council (STC) announced its commitment to keep the road safe and secure until the border point between the South and the North of Yemen.



Route from Aden to Sanaa

- 3) The STC is also committed to support the incoming humanitarian assistance and distribute it to where it is most needed under the direct supervision of the United Nations on behalf of the donors. It is hoped that Houthis will do the same on the Northern territories they control.

- 4) The opening of this road will also allow people's free movement and accessing Aden's airport to travel outside the country, especially after the destruction of Sanaa airport and Hodiedah seaports.

- 5) It is about time for the United Nations' humanitarian organizations and the foreign countries to open their offices and embassies in Aden to facilitate the delivery of humanitarian assistance in the whole territories of the Republic of Yemen.



Dr. Ahmed Atef

The Economic Crisis in Yemen

A Country at the Crossroads

Yemen today stands at a critical crossroads. It is a country torn apart by conflict, but it is also a nation divided by two distinct economic realities. In the south, in the so-called "liberated areas," the economy is on the verge of collapse, with the currency in freefall and essential services entirely absent.

In the north, the Houthis have built their own state-like structure, but this comes with its own set of severe challenges. While their grip on power in the North of Yemen remains strong, the economic and political ramifications of their actions are worsening. Yemen's future seems to lie in a harsh truth: that realities on the ground direct us to a two-state solution may be the only viable path forward.

Let's begin by looking at the economic collapse in the liberated areas controlled by the Aden-based government. This government, despite receiving international aid, has little to no revenue, trapped by corruption, mismanagement, and inefficiency. As a result, government salaries are often unpaid, and public investment has ground to a halt.



Yemeni Currency Exchange

One of the clearest indicators of economic failure is the devaluation of the Yemeni rial. In the liberated areas, the rial is drastically weaker than in the north, leading to rampant inflation. The price of food, fuel, and basic goods has skyrocketed, further pushing the Yemeni people into poverty. The cost of living has soared while the purchasing power of ordinary Yemenis has crumbled.

The collapse of essential public services—water, electricity, healthcare, and education—has exacerbated the suffering. Infrastructure development is

essentially stalled, and international NGOs working to alleviate the crisis are overwhelmed and politically constrained. The humanitarian situation is dire, and the country's collapse shows no sign of reversing in the near future.



*People gather to collect water
Photo: Hind Aleryani/Oxfam*

Now, let's turn to the Houthi-controlled areas in the north. The Houthis have built a de facto state with a functioning military supported by Iran, central bank, and tax system, exercising internal sovereignty in the territories they control. However, this has come at great economic and humanitarian cost.

While the Houthis have maintained a semblance of stability, their economic situation is far from sustainable. The Houthis' control over the currency has been politically driven, pegging the value of the rial to their own political needs rather than market forces. This has caused further economic distortions, pushing inflation higher and exacerbating the economic strain on the population. 11 million people under their control are suffering hugely.



Oil Port Of Al-Dubba

Additionally, the Houthis have halted the sale of oil and gas from the south—one of Yemen's few remaining revenue sources—leading to further financial collapse. By cutting off access to these resources, they have not only harmed the south but also weakened Yemen's overall economic stability. This shutdown has had a ripple effect throughout the country and region, depriving Yemen of vital income it

desperately needs.

The Houthis' economic mismanagement is compounded by their designation as a terrorist group by several international actors, including the United States. This designation further isolates the Houthis, restricting their access to global financial systems and limiting the flow of international aid.

Their ability to engage with international markets is severely hindered, and sanctions have placed immense pressure on their economy, further deepening the crisis in areas under their control.

Furthermore, the Houthis' continued military aggression and destabilizing actions—such as attacks on vital shipping lanes in the Red Sea—have created regional security risks that extend beyond Yemen's borders. These attacks have disrupted global trade routes, raising shipping costs and causing economic ripple effects throughout the international community. The Houthis' refusal to negotiate a peace deal, combined with their hard-line stance, has only worsened the situation, ensuring continued conflict and economic stagnation.

The reality on the ground in Yemen is clear: the notion of unity is quickly becoming an illusion. The north and south are governed by entirely different systems, each with its own political, military, and economic structure. The continued push for national unity is no longer practical—it only prolongs the conflict and perpetuates the suffering of the Yemeni people.



Houthi Forces

A two-state solution has become the most realistic path forward. This would allow each region to address its own unique needs and challenges, without the constant tension and conflict that arise from trying to force unity. By allowing the north and south to govern independently, Yemen could begin to stabilize and recover in a way that is aligned with the realities of the current political landscape.

A two-state solution would also allow both regions to focus on localized economic recovery. The north could work on rebuilding its economy, despite the sanctions and isolation, while the south could begin to address its own economic challenges, particularly with oil revenues once more accessible. It would create a path for governance that reflects the needs of local populations and foster stability in both regions.

The economic development of the South with the support of their partners in the gulf state could become a beacon of hope and a successful southern state would encourage the people of the North to cite this success and bring an end to Houthi domination.

Yemen has long been treated as a unified nation in theory, but the reality on the ground speaks to a much more fragmented reality. The constant insistence on national unity has only delayed the much-needed peace process and further prolonged the suffering of the Yemeni people. It is time to accept that the way forward may not lie in trying to reunite a country already divided, but in recognizing the reality of Yemen's separation. A two-state solution is not surrender—it is a strategy for survival. It is the best chance for stability, recovery, and peace in a country that has been torn apart by conflict for far too long. The international community needs to consider a practical more creative route to a peaceful solution in Yemen.

Dr Abdul Galil Shaif

Appeal to the United Nations

To: The United Nations Security Council

Subject: **Urgent Appeal to Address the Humanitarian Crisis in Aden**

Your Excellencies,

We write to you on behalf of civil society in the interim capital, Aden, where the situation continues to deteriorate rapidly. Despite persistent efforts from unions, civil society organizations, military bodies, and protest movements—who have submitted detailed letters directly to the UN Office in Aden—no meaningful response has been seen.

Aden is now facing a severe collapse on multiple fronts: economic hardship, deteriorating public services, rising poverty and unemployment, and growing insecurity. Citizens are living without electricity, clean water, or adequate healthcare, and the absence of functioning institutions has left people vulnerable and abandoned.

Let us remind you that Yemen remains under Chapter VII of the UN Charter, which obligates the Security Council to act in defense of civilians and prevent further escalation. Importantly, we draw your attention to the Presidential Council meeting of the Southern Transitional Council (STC) held today.

The Council made it unequivocally clear that time is running out, and if the situation does not improve, they may be forced to take decisive action to protect the dignity and survival of the people.

We urge the Security Council to take immediate, direct action to support the STC in stabilizing Aden, protecting its residents, and ensuring the delivery of basic services. We also call for the deployment of an independent UN fact-finding mission to report transparently on the humanitarian and political crisis.

It is time for the United Nations to move beyond silence. The people of Aden need more than sympathy—they need real action.

With highest respect,

Signatories:
Friends of South Yemen
Aden – Date: 26 May 2025



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