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PRESS RELEASE

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FOSY calls for audit of Yemen's Central Bank in Riyadh Agreement

The Riyadh Agreement must include a long-sought after external audit of Yemen's Central Bank.

In a press statement the Chairman of the Friends of South Yemen (FOSY) Abdul Galil Shaif Kasim expressed his grave concern about corruption and called for the audit to be carried out by a reputable international company. "This audit must include a thorough examination of the revenues from oil, gas and taxation which are all strategic assets."

The Riyadh Agreement is a power sharing deal signed in November 2019 between Yemen's internationally recognised government and the Southern Transitional Council (STC) which wanted to establish an independent state in South Yemen.

Kasim believes that the current system has failed to function effectively and fuelled much suspicion and corruption. He said that the Central Bank of Yemen is responsible for millions of dollars annually in oil and gas revenues as well as foreign deposits but there are no clear lines of accountability or transparency with consecutive government failing their national responsibility.

According to Kasim this financial review will be a critical step for the new government towards improving transparency and accountability in Yemen's financial system. "A review of the current system could establish an independent mechanism to fairly distribute revenues to the long-neglected areas and deal with dodgy government expenditure."

In its 2019 report dealing with public sector corruption across the world, the Berlin-based corruption watchdog Transparency International stated that Yemen is the most corrupt country in the Gulf region. As of 2018, Transparency International's Corruption Perception Index ranks the country in 176th place out of 180 countries.

Corruption is now present throughout the public and private spheres, so much so that in the words of the World Bank, "corruption and patronage networks are running the country's public affairs." This ubiquitous corruption has resulted in weak government and "corrupt power blocs that control public resources." As a consequence of civil-service corruption, there are large numbers of so-called ghost workers. Corruption in the energy, communications, and health and education sectors has resulted in inadequate service or no service at all.

Friends of South Yemen is an independent society whose main goal is the establishment of an independent state in South Yemen. Established in June 2020, it hosted an international online conference: *The Case for Southern Statehood* on July 22nd.

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