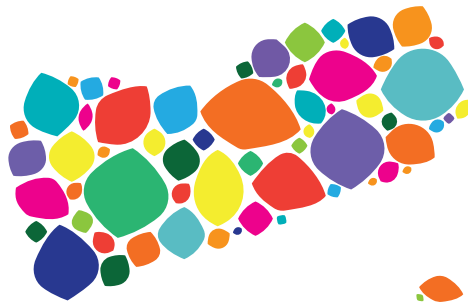




# The Gas Crisis in Taiz: War, Mismanagement and Exploitation

by Wissam Mohammed



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Cover Photo : A man carries a cooking gas cylinder in Al-Dhabab, west of Taiz city, on February 3, 2021. //Sana'a Center Photo by Ahmed Al Basha, February 3, 2021)



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## INTRODUCTION

The ongoing conflict in Yemen has resulted in protracted crises in public service provision in multiple sectors across the country. In Taiz governorate in central Yemen, the war has driven critical gas shortages, particularly in the besieged capital, Taiz city.

Taiz city has been under either total or partial blockade by the armed Houthi movement since August 2015,<sup>[1]</sup> a situation described by the UN Human Rights Council's Group of Eminent International and Regional Experts on Yemen as a form of collective punishment and a violation of international humanitarian law.<sup>[2]</sup> The city had an estimated population of 372,845 in 2019,<sup>[3]</sup> though the conflict and movement of IDPs have made the true number hard to ascertain. The blockade has caused shortages of food, water and medicine, and diminished health and education services in the city.<sup>[4]</sup> It has also contributed to a cooking gas crisis.

After years of both full and partial blockade by Houthi forces and neglect from the Yemen Gas Company (YGC) and local authorities, the supply of liquefied petroleum gas (LPG) has, at times, met less than half the demand. A thriving black market has emerged, fed by the illegal diversion of supplies and resulting in prices double those charged by official gas distributors. Taiz governorate has no central filling plant nor is there an active strategic gas depot. Although local authorities and other government entities have made attempts to alleviate the problem, each has failed. The ongoing gas crisis has had significant political, social, economic, health, environmental and security implications for all segments of Taiz society, but especially for the poorest and most vulnerable groups. It is imperative that it be rapidly addressed.

This policy paper reviews the causes and effects of the gas crisis in Taiz, identifies the parties involved, and offers recommendations to mitigate the crisis and ultimately resolve it.

[1] "Situation of Human Rights in Yemen, Including Violations and Abuses Since 2014," UN General Assembly Human Rights Council, September 3, 2019, pp. 69-90, [https://www.ohchr.org/Documents/HRBodies/HRCouncil/GEE-Yemen/A\\_HRC\\_42\\_CRP\\_1.PDF](https://www.ohchr.org/Documents/HRBodies/HRCouncil/GEE-Yemen/A_HRC_42_CRP_1.PDF)

[2] "Situation of Human Rights in Yemen, Including Violations and Abuses Since 2014," UN General Assembly Human Rights Council, September 3, 2019, pp. 69-90, [https://www.ohchr.org/Documents/HRBodies/HRCouncil/GEE-Yemen/A\\_HRC\\_42\\_CRP\\_1.PDF](https://www.ohchr.org/Documents/HRBodies/HRCouncil/GEE-Yemen/A_HRC_42_CRP_1.PDF)

[3] "Taiz City Profile," United Nations Human Settlements Programme in Yemen (UN-Habitat), 2020, [https://unhabitat.org/sites/default/files/2020/11/taiz\\_city\\_profile.pdf](https://unhabitat.org/sites/default/files/2020/11/taiz_city_profile.pdf)

[4] "A War Crime. Expert Report Presents Tragedies Caused by the Taiz Blockade and Says it is Mass Punishment and a Violation of International Law [AR]," Al-Masdar Online, September 25, 2019, <https://almasdaronline.com/articles/171942>; "Situation of Human Rights in Yemen, Including Violations and Abuses Since 2014," UN General Assembly Human Rights Council, September 3, 2019, pp. 69-90, [https://www.ohchr.org/Documents/HRBodies/HRCouncil/GEE-Yemen/A\\_HRC\\_42\\_CRP\\_1.PDF](https://www.ohchr.org/Documents/HRBodies/HRCouncil/GEE-Yemen/A_HRC_42_CRP_1.PDF)



## METHODOLOGY

This paper is based on 25 semi-structured interviews undertaken between April and June 2021. Twenty interviews were conducted with Yemeni citizens in Taiz governorate. Half of the interviewees lived in Taiz city, in areas under the control of the internationally recognized Yemeni government. The remainder lived outside Taiz city, in areas under the control of either the Yemeni government, the armed Houthi movement (Ansar Allah) or the Tareq Saleh-led National Resistance Forces. Interviewees came from different socioeconomic backgrounds and included ordinary citizens, journalists, activists and staff from the YGC office in Taiz. Interviewees were asked how they obtained cooking gas, how they were affected by gas shortages and their views on the agencies working to address the problem.

In addition, three interviews were conducted by phone or in-person with officials from relevant bodies concerned with resolving the gas shortages: Ahmed Abdulaziz al-Sabri, deputy facilities manager of the YGC in Safer, Marib governorate; Labib al-Maqrani, deputy director of the YGC's office in Taiz governorate; and Nazimal-Aqlani, chair of the Oversight Committee of the YGC's office in Taiz. Two others interviewees, a member of the Taiz Chamber of Industry and Commerce and a YGC official based in Taiz, requested not to be named. Officials spoke about the causes of gas shortages and the obstacles preventing resolution of the crisis. They also shared data, reports, studies and policy papers that informed the writing of this paper.

## THE HOUTHİ BLOCKADE OF TAIZ CITY

Although shortages of petroleum products were reported in Taiz in mid-2015, the situation worsened in September after Houthi forces and troops affiliated with ex-president Ali Abdullah Saleh imposed a total blockade on the Taiz city center – a stronghold of anti-Houthi popular resistance.<sup>[5]</sup> Along with fuel, severe shortages of food and medicine were reported.<sup>[6]</sup>

During the first phase of total blockade,<sup>[7]</sup> from mid-September 2015 until mid-April 2016, Houthi forces erected checkpoints and arbitrarily closed streets. Residents were stopped for several hours and searched, and Houthi forces confiscated goods, including food.<sup>[8]</sup> The Al-Dahi checkpoint, the main point of entry to the Taiz city center, was renowned<sup>[9]</sup> for harsh treatment of civilians.<sup>[10]</sup>

Pre-war prices for a gas cylinder had never exceeded YR1,500,<sup>[11]</sup> but by late 2015 the cost of petroleum products had increased dramatically, to record levels. By December 2015, the price of a cylinder reached 10,000 Yemeni rials (YR) in Taiz, the equivalent of around US\$40. Journalist Wagdy al-Salmi, who lived in Taiz city at the time, said that even at this price it took him days to find a black market seller with gas available.

In August 2016,<sup>[12]</sup> government forces launched an attack that partly broke the blockade, opening the road from Taiz to Aden via the Al-Hujariah region.<sup>[13]</sup> However, Houthi forces continue to block the major arteries into the city from the north, east and west.

[5] Interviews conducted by the author with citizens who were in Taiz during the first months of the war, April-June 2021.

[6] Wissam Mohammed, "How does a divided Taiz tell the tragedy of Yemen? [AR]" Assafir Al-Arabi, March 15, 2021, [www.assafirarabi.com/at/36659/2021/03/15/كيف-تروي-تعز-المنقسمة-مأساة-اليمن/](http://www.assafirarabi.com/at/36659/2021/03/15/كيف-تروي-تعز-المنقسمة-مأساة-اليمن/)

[7] The initial period of the blockade lasted from September 2015 to March-April 2016, when popular resistance and army forces were able to defeat Houthi-Saleh forces at the Al-Dahi crossing and in the Bir Pasha neighborhood and open the Al-Dhabab road (the southern route out of Taiz). Soon after, Houthi forces re-imposed a blockade in this area which lasted until August 2016, when army and popular resistance forces again succeeded in breaking through along this axis.

[8] "A War Crime. Expert Report Presents Tragedies Caused by the Taiz Blockade and Says it is Mass Punishment and a Violation of International Law [AR]," Al Masdar Online, September 25, 2019, <https://almasdaronline.com/articles/171942>

[9] The Al-Dahi crossing is located on the southwestern side of Taiz. It is one of two routes linking the city center with its western outskirts, including Bir Pasha market and Taiz University in Habel Salman, and to the southern entrance of Taiz at Al-Dhabab.

[10] "A War Crime. Expert Report Presents Tragedies Caused by the Taiz Blockade and Says it is Mass Punishment and a Violation of International Law [AR]," Al Masdar Online, September 25, 2019, <https://almasdaronline.com/articles/171942>; "Situation of Human Rights in Yemen, Including Violations and Abuses Since 2014," UN General Assembly Human Rights Council, September 3, 2019, pp. 69-90, [https://www.ohchr.org/Documents/HRBodies/HRCouncil/GEE-Yemen/A\\_HRC\\_42\\_CRP\\_1.PDF](https://www.ohchr.org/Documents/HRBodies/HRCouncil/GEE-Yemen/A_HRC_42_CRP_1.PDF)

[11] Journalist Wajdi al-Salmi, telephone interview by author, June 2015.

[12] "Taiz City Profile," United Nations Human Settlements Programme In Yemen (UN-Habitat), 2018. [https://yemenportal.unhabitat.org/wp-content/uploads/2021/01/01-Taiz-City-Profile\\_02.pdf](https://yemenportal.unhabitat.org/wp-content/uploads/2021/01/01-Taiz-City-Profile_02.pdf)

[13] Mustafa Naji, "Yemen: Taiz, Martyred and Forgotten City," Orient XXI, May 14, 2019, <https://orientxxi.info/magazine/article3095>

## AN INSTITUTIONAL VOID

After fighting reached Taiz in early April 2015,<sup>[14]</sup> various levels of local government experienced institutional collapse. The capacity of local councils to provide basic services in Taiz city has been severely affected throughout the conflict,<sup>[15]</sup> and has contributed to the city's gas crisis.

Attempts to restore government institutions have proceeded slowly. Taiz Governor Shawqi Hayel Saeed resigned in 2015,<sup>[16]</sup> and the Yemeni government has since appointed three governors: parliamentarian Ali al-Ma'amari in January 2016,<sup>[17]</sup> Amin Mahmood in December 2017,<sup>[18]</sup> and Nabil Shamsan in January 2019.<sup>[19]</sup> The lack of continuity has weakened institutional capacity. Since the withdrawal of Houthi forces from the city center,<sup>[20]</sup> Taiz has witnessed infighting among anti-Houthi factions, further fragmenting state capacity.

The effects of this fragmentation have been exacerbated by the comparative lack of priority given to the governorate in both gas infrastructure and gas quotas, despite its large population. There was no YGC branch in Taiz until October 2017, when an office representing the gas company was finally established in the city.<sup>[21]</sup> Previously its responsibilities were nominally being carried out by the Yemen Petroleum Company

[14] The fighting in Taiz broke out on April 7, 2015, according to the former commander of the 35th Armored Brigade. See: Adnan al-Hammadi, "Brigadier General Adnan Al Hammadi: Shawqi Ha'el asked me not to go to the 35th Brigade, attributes this as the secret of the fall of the camp [AR]," Interview by Rashid Mohammed and Rasha Abd al-Kafi. Originally published by the Al-Eshtiraki portal, republished by the Al-Mawqea Post, September 18, 2015, <https://almawqeaqpost.net/news/2128>

[15] "Taiz City Profile [AR]," United Nations Human Settlements Programme In Yemen (UN Habitat), 2020. [https://yemenportal.unhabitat.org/wp-content/uploads/2021/01/01-Taiz-City-Profile\\_o2.pdf](https://yemenportal.unhabitat.org/wp-content/uploads/2021/01/01-Taiz-City-Profile_o2.pdf)

[16] "Who is Parliamentarian Ali al-Ma'amari, Who Was Appointed Governor of Taiz? [AR]" Mawqat Post, January 17, 2016, <https://almawqeaqpost.net/news/4473>

[17] "Who is Parliamentarian Ali al-Ma'amari, Who Was Appointed Governor of Taiz? [AR]," Mawqat Post, January 17, 2016, <https://almawqeaqpost.net/news/4473>

[18] "Who is the new Governor of Taiz? [AR]," Al-Harf 28, December 24, 2017, <https://alharf28.com/p-1394>

[19] "Governmental Decisions to Appoint a New Governor for Taiz and Commander of the Taiz Military Axis [AR]," Al-Masdar Online, January 1, 2019, <https://almasdaronline.com/articles/162681>

[20] "Situation of Human Rights in Yemen, Including Violations and Abuses Since 2014," UN General Assembly Human Rights Council, September 3, 2019, p. 82, [https://www.ohchr.org/Documents/HRBodies/HRCouncil/HRCouncil/GEE-Yemen/A\\_HRC\\_42\\_CRP\\_1.PDF](https://www.ohchr.org/Documents/HRBodies/HRCouncil/HRCouncil/GEE-Yemen/A_HRC_42_CRP_1.PDF)

[21] Nazim al-Aqlani, chair of the Oversight Department at the YGC's office in Taiz governorate, personal interview by the author, Taiz, May 2021.



(YPC). The governorate does not have a central filling plant,<sup>[22]</sup> and the only available depot was depleted after Houthi forces shelled installations in Al-Dhabab, southwest of Taiz city, in July 2015, resulting in the explosion of 65,000 cooking gas cylinders.<sup>[23]</sup>

The gas quota allocated to Taiz by the YGC is not commensurate with the governorate's population, especially after the return of displaced residents to Taiz city in 2020-21.<sup>[24]</sup> The company justifies the allocation by pointing to the significant decline in gas production during the war years and periodic maintenance work at Safer in Marib, where much of Yemen's gas resources and the YGC headquarters are based.<sup>[25]</sup>

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[22] Ahmed Abdulaziz al-Sabri, deputy facilities manager at the YGC in Safer, personal interview by the author, Taiz, Yemen, May 2021. Al-Sabri said that there were seven central plants in Yemen affiliated with the YGC, spread over a number of governorates. However, Taiz relied on commercial stations even before the war. For this reason, a central plant was not established in Taiz.

[23] "Yemen: 65,000 gas cylinders explode by Houthi shelling in Taiz [AR]," Masr al-Arabiya, July 19, 2015, <https://masralarabia.net/العرب-والعالم-/666385-اليمن-انفجار-65-الف-اسطوانة-غاز-في-قصف-للحوثيين-بتعز>

[24] Nazim al-Aqlani, chair of the Oversight Department at the YGC's office in Taiz governorate, personal interview by the author, Taiz, May 2021.

[25] Ahmed Abdulaziz al-Sabri, deputy facilities manager at the YGC in Safer, personal interview by the author, Taiz, May 2021.



## GEOGRAPHICAL FRAGMENTATION

In addition to the institutional collapse and fragmentation in government areas, the gas crisis is further complicated by Taiz governorate's dissolution into three zones controlled by different parties to the conflict.

The first, under the control of Yemeni government forces, consists of 12 districts. These include the center of Taiz city, comprised of three districts (Al-Muzaffar, Al-Qahirah and Salh), the southern countryside (Saber al-Mawadim district and Al-Hujariah region) and part of the western countryside (Jabal Habashy district). There are five bottling facilities serving this zone, but three have suspended service due to disputes over their share of available gas and interventions by local officials and military commanders.<sup>[26]</sup> These stations receive approximately 60 percent of the YGC gas quota for the governorate.<sup>[27]</sup>

The largest bottling facility serving Taiz is Al-Farshah station in neighboring Lahj governorate.<sup>[28]</sup> For fuel to reach Taiz from Lahj it must be loaded onto small tankers capable of driving the rugged Hayjat al-Abd road. When this is closed, the Al-Saha-Karba road is used. Only four-wheel-drive vehicles can traverse this route, doubling the cost of transportation. A new road, Sharayan Taiz, is still under construction. Transportation costs increase the price of a gas cylinder by around YR1,000.<sup>[29]</sup> The official price of a gas cylinder in government-controlled parts of Taiz in April-May 2021 was YR5,000, rising to YR5,500 by November 2021.<sup>[30]</sup> The price of a cylinder on the black market reached YR8,000 in early 2021 and ran as high as YR10,800 at makeshift stations.<sup>[31]</sup>

The second zone consists of areas under the control of the armed Houthi movement. It covers seven districts, starting from the eastern part of Taiz city (Al-Hawban) and extending from parts of Hayfan district in the south to areas in Maqbanah district in the west. There are 10 gas stations serving these districts, which are allocated approximately 40 percent of Taiz governorate's gas quota. The gas comes from Marib via Ibb, Dhamar

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[26] Ahmed Abdulaziz al-Sabri, deputy facilities manager at the YGC in Safer, personal interview by the author, Taiz, May 2021.

[27] Ahmed Abdulaziz al-Sabri, deputy facilities manager at the YGC in Safer, personal interview by the author, Taiz, May 2021.

[28] Employee at the YGC office in Taiz, telephone interview by the author, April 29, 2021.

[29] Employee at the YGC office in Taiz, telephone interview by the author, April 29, 2021.

[30] Labib al-Maqrami, deputy director of the YGC office in Taiz governorate, personal interview by the author in Taiz, May 3, 2021.

[31] Citizens living in the city center of Taiz, telephone interviews by the author, April 25-29, 2021.

and Sana'a governorates.<sup>[32]</sup> The price of a cylinder in the Houthi zone was between YR5,000 and YR6,500 in May 2021, although the Yemeni rial in Houthi-controlled areas was valued 40 percent higher than in Yemeni government-controlled areas, meaning Houthi authorities made greater profits on these sales. When there were shortages, gas could be obtained on the black market in Houthi-held areas for prices as high as YR14,000 per cylinder.<sup>[33]</sup>

The third zone consists of the four districts of Mokha, Dhubab, Mawza and Al-Wazi'iyā on Taiz governorate's west coast, which are controlled by Tareq Saleh's National Resistance Forces. This zone is served by one station, Al-Noor in Mokha. However, Al-Noor ceased operation at the onset of hostilities in 2015, and until recently, its share of gas was directed toward stations located within Houthi-controlled areas. The station restarted operations in April 2021, before closing again one month later due to interference from military commanders. This prompted the YGC to hold meetings with communities in the four coastal districts to decide whether to direct the station's share of gas to Al-Khawkhah district in Hudaydah governorate.<sup>[34]</sup>

Gas is transported to the third zone from Marib via the Aden, Abyan and Shabwa governorates. Communities in this zone rely mainly on black market gas, where the price of a cylinder can reach YR8,000, and on commercial stations, where prices run as high as YR10,000. Rarely is gas available from retail agents at the official price, and the cost of gas from Aden and the southern governorates remains volatile.<sup>[35]</sup>

Some districts in Taiz, such as Same'a, are not under the de facto control of any party, as no faction maintains a military presence. By contrast, districts such as Maqbanah, Jabal Habashy and Hayfan are sites of armed conflict and overlapping areas of control. Their communities are most affected by the cooking gas crisis

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[32] Ahmed Abdulaziz al-Sabri, deputy facilities manager at the YCG in Safer, personal interview by the author, Taiz, May 2021.

[33] A citizen living in Houthi-controlled Taiz, telephone interview by the author, May 1, 2021.

[34] Ahmed Abdulaziz al-Sabri, deputy facilities manager at the YCG in Safer, personal interview by the author, Taiz, May 2021.

[35] A citizen living in the Mokha district, telephone interview by the author, April 30, 2021.

## THE BLACK MARKET: SUPPLY DIVERSION AND BROKERS

A large black market has become a prominent feature of gas distribution in Taiz. The amount of gas reaching the governorate satisfies less than 50 percent of local demand, in part due to increased demand resulting from the high price of other fuels. The number of cooking gas cylinders that flow into the city of Taiz every day is estimated to be between 8,000 and 10,000. However, disruptions to this supply are frequent. When they do arrive, the cylinders are not appropriately distributed – a large fraction is hidden and sold to vehicle owners and large consumers such as restaurants, factories and poultry farms.<sup>[36]</sup>

Even if there were no disruptions to supply, the gas crisis will remain so long as there are no fixed allocations for vehicles and larger consumers. At the very least, Taiz city needs 15,000 cylinders per day: 10,000 for household consumption and a further 5,000 to alleviate this additional demand.<sup>[37]</sup>

After petroleum prices rose above YR10,000 per cylinder, many vehicles and buses modified their engines to run on LPG, and even some bakeries have switched due to the high price of diesel.<sup>[38]</sup> The service sector, which receives no official allocation from the YGC, is estimated to consume more than 2,500 gas cylinders per day.<sup>[39]</sup>

This high demand has driven up the price of gas, incentivizing supply diversion and causing shortages for domestic consumers. Dealers hoard the bulk of the quota allocated for household consumption in order to sell it on to brokers, who then charge higher prices on the black market.<sup>[40]</sup> Brokers selling to vehicle owners even stand in queues to purchase gas cylinders that have been allocated for domestic use.<sup>[41]</sup> Cylinders

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[36] Nazim al-Aqlani, chair of the Oversight Department at the YGC's office in Taiz governorate, personal interview by the author, Taiz, May 2021.

[37] Estimates compiled by the author.

[38] Wi'am al-Sufi, "Taiz... The Cooking Gas Crisis is Worsening and the Black Market is Flourishing [AR]," Al-Mawqea Post, November 17, 2018, <https://almawqeaqpost.net/reports/35807>

[39] Nazim al-Aqlani, chair of Oversight Department at the YGC office in Taiz governorate, personal interview by the author, Taiz, May 2021.

[40] Nazim al-Aqlani, chair of the Oversight Department at the YGC office in Taiz governorate, personal interview by the author, Taiz, May 2021.

[41] Wi'am al-Sufi, "Taiz... The Cooking Gas Crisis is Worsening and the Black Market is Flourishing [AR]," Al-Mawqea Post, November 17, 2018, <https://almawqeaqpost.net/reports/35807>; Nazim Al-Aqlani, chair of the Oversight Department at the YGC office in Taiz governorate, personal interview by the author, Taiz, Yemen, May 2021.

intended for household consumption are then sold on to bus owners for an additional YR1,000 to YR2,000 per cylinder.<sup>[42]</sup>

## **Black Market Stations**

Another important node in the black market is the network of makeshift or “commercial” gas stations. These stations are only supposed to provide fuel for vehicles. At such stations, a cylinder is sold for twice what it is at gas selling agents. The higher prices stations charge for 18 to 20-liter cylinders push car owners and major consumers to purchase supplies earmarked for domestic consumption, contributing to widespread shortages. Citizens who run out of gas are then forced to resort to the makeshift stations and their inflated prices.

While these makeshift stations are known as “commercial” gas stations – a term that did not previously exist – the reality is that they are black market stations. They acquire gas illegally and are not subject to the authority of the YGC office, as they are not supplied by it.<sup>[43]</sup>

According to the deputy manager of the YGC office in Taiz, the gas at makeshift stations does not come from official allocations to Taiz; rather, it is smuggled in from other governorates.<sup>[44]</sup> The deputy director of the Taiz Chamber of Commerce and Industry echoed this point, noting that much of the black market gas comes to Taiz from southern governorates.<sup>[45]</sup>

While the prevalence of makeshift stations contributes to the crisis, their presence could have also helped mitigate it. If these stations had been forced to institute a price ceiling of 20 percent over that offered in official dealerships, they might have helped head off the price speculation that has ensued. However, these stations seem to be operating outside the purview of any authority. They are established haphazardly, in close proximity to busy streets and neighborhoods. There is no control over the way they operate and attempts to regulate them have so far failed.

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[42] Sami No'man, journalist, telephone interview conducted by the author, June 2021.

[43] Nazim al-Aqlani, chair of the Oversight Department at the YGC office in Taiz governorate, personal interview by the author, Taiz, Yemen, May 2021.

[44] Labib al-Maqrani, deputy director of the YGC office in Taiz, personal interview by the author, Taiz, May 3, 2021.

[45] A member of the Taiz Chamber of Commerce and Industry, telephone interview by the author, May 3, 2021.

In mid-December 2019, a campaign was launched to close makeshift gas stations that lacked minimum safety standards and posed a fire hazard.<sup>[46]</sup> Gas shortages were then reported, despite daily shipments of gas continuing to arrive in the city.<sup>[47]</sup> The shortages occurred because cooking gas distributors had set aside extra gas made available by the closures, in order to sell it at a higher price to the bus owners normally supplied by the makeshift stations. The inaction of local officials prompted residents to accuse members of the local authorities and the YGC of taking advantage of the crisis. Allegations were made that some officials might even own the makeshift stations in question,<sup>[48]</sup> which soon became operational again. More recently, a gas distribution agent in Taiz city was accused of diverting cylinders to the black market during a severe gas shortage in October and November 2021,<sup>[49]</sup> when the price of a cylinder on the black market reached YR30,000.

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[46] "Campaign to eliminate makeshift gas stations in Taiz [AR]," Yemen Press, December 17, 2019, <https://www.yemeres.com/yemenpress/108795>

[47] Akhbar Taiz, "Taiz: Who Benefits from the Gas Crisis ...? [AR]," Facebook, December 22, 2019, <https://www.facebook.com/Akhbartaz1/posts/492546541383329/>

[48] Akhbar Taiz, "Taiz: Who Benefits from the Gas Crisis ...? [AR]," Facebook, December 22, 2019, <https://www.facebook.com/Akhbartaz1/posts/492546541383329/>

[49] "Gas agent in Al-Huda sells the neighborhood's entire share on the black market [AR]," Al-Harf 28, November 29, 2021, <https://alharf28.com/p-70371>

## POOR REGULATION

The prevalence of the black market in Taiz has been exacerbated by local authorities' poor regulation of gas distribution and their failure to build a unified mechanism to supply gas to consumers. It is difficult for local authorities and the YGC office to regulate the distribution of cooking gas, especially in regions under the control of the Houthi movement. The current system is based on sending fixed daily quotas of cooking gas to distributors – but these often no longer correspond to the number of people living in an area. In some cases, distributors in densely populated areas receive relatively small quotas of gas, causing shortages, while distributors in sparsely populated areas receive large quotas, with the surplus funneled into the black market. In extreme cases, gas is allocated to distributors who no longer sell to the public, with their entire quota going to the black market instead.<sup>[50]</sup>

For the average resident of Taiz, obtaining gas cylinders through official distribution networks is a difficult and capricious affair. First, they need to register through an aqil, a neighborhood representative who supervises gas distribution in their respective areas. They can then deliver an empty gas cylinder to the distributor, with no more than one cylinder allowed per visit, and must wait between a week and 20 days — sometimes a month — for the distributor to fill it. While some dealers distribute gas cylinders to consumers through the neighborhood aqil, others register anyone who comes with an empty gas cylinder, even if they are residents of another neighborhood.<sup>[51]</sup>

Based on interviews conducted by the author with residents of Taiz city, registration and delivery take place at different times depending on the dealer. There are some who conduct registration and delivery between 6 am and 7 am, while others conduct it at midday, or even at night. This often happens twice a week without prior announcement, forcing consumers to constantly monitor the situation. If a consumer misses registration or delivery, they must wait another week to register again or receive a refilled gas cylinder.<sup>[52]</sup> If they do make it to the distributor in time, consumers are often forced

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[50] Wi'am al-Sufi, "Taiz. The cooking Gas Crisis is Worsening and the Black Market is Flourishing [AR]," Al-Mawqea Post, November 17, 2018, <https://almawqea.com/reports/35807>

[51] A citizen living in Taiz, personal interview by the author, April 26, 2021.

[52] Citizens living in Taiz, telephone and personal interviews by the author, April and May 2021.

to wait for hours in long lines, sometimes having to take time off work to do so. The disorganized and taxing nature of gas distribution has meant gas queues have become a common site for disputes, with arguments escalating into deadly violence.<sup>[53]</sup>

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[53] A man was killed in front of a cooking gas dealership in the Al-Dhaboua neighborhood, in the Taiz city center, in November 2018. Witnesses said this was caused by a quarrel between two men over a cooking gas cylinder, due to a lack of supplies and long queues, which degenerated into a gunfight. See "Taiz..A citizen was killed because of a gas cylinder [AR]," Al Mogared, November 11, 2018, <https://mogared.net/press/تعرز-مقتل-مواطن-بسبب-اسطوانة-غاز/>



## RESPONSIBLE PARTIES

### *Yemen Gas Company*

The party most responsible for perpetuating the cooking gas crisis in Taiz is the YGC, headquartered in Safer, Marib governorate.

The responsibilities of the YGC include receiving, processing, liquidating, filling, storing, transporting and marketing gas, either solely or in partnership with others, to meet the gas needs of local society and industry. The company is also responsible for monitoring and controlling the prices and weights of gas cylinders in coordination with the relevant authorities, developing industrial security and occupational safety systems, carrying out on-site inspection programs for various gas facilities and implementing environmental protection regulations.<sup>[54]</sup>

None of these duties are being fulfilled in Taiz. The community's need for cooking gas is not being met due to insufficient gas quotas,<sup>[55]</sup> prices and weights are not being monitored and environmental protection systems are not being implemented.<sup>[56]</sup> Whenever there is an acute cooking gas shortage, consumers use firewood as an alternative,<sup>[57]</sup> causing environmental harm and posing direct health risks to households. The company's failure to carry out regular maintenance of gas cylinders risks consumer safety.

The YGC has well-equipped offices in several governorates, but only established an office in Taiz in late 2017. It has no central filling facility, no showrooms and no strategic reserves to serve the population, leaving residents reliant on private dealers.<sup>[58]</sup>

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[54] "Yemeni Gas Company's mission statement," YGC, [www.mom-ye.com/site-ar/الفاز/](http://www.mom-ye.com/site-ar/الفاز/)

[55] Inas al-Hamiri, "The Cooking Gas Crisis in Taiz [AR]," Al-Masdar Online, May 30, 2021, <https://almasdaronline.com/articles/226072>

[56] Inas al-Hamiri, "The Cooking Gas Crisis in Taiz [AR]," Al-Masdar Online, May 30, 2021, <https://almasdaronline.com/articles/226072>

[57] Citizens living in Taiz, telephone and personal interviews with the author, April and May 2021.

[58] Nazim al-Aqlani, chair of the Oversight Department at the YGC office in Taiz governorate, personal interview by the author, Taiz, Yemen, May 2021.

## Local Authorities

The local authorities in Taiz are also responsible for the gas crisis. In recent years they have not worked to increase Taiz's share of cooking gas from the YGC, nor have they tried to establish fair and equitable means of gas distribution. Moreover, what little action local authorities have attempted has been marked by indecisiveness and failure.

The majority of citizens interviewed (15 out of 20) said they held the local authorities in Taiz responsible for the cooking gas crisis. They noted the authorities' lack of oversight of the sector, their complacency in handling dealers and their failure to find ways to mitigate the crisis. Some suggested that certain officials might be complicit in black market deals.<sup>[59]</sup>

Local authorities have failed to establish a fair distribution mechanism for cooking gas, or to control it through local councils. These councils are inactive,<sup>[60]</sup> and recourse is currently sought through neighborhood aqils and other ad hoc mechanisms. Indeed, every decision and action taken to regulate the distribution of gas has been ad hoc and temporary, focusing on only particular aspects of the problem, and leading to repeated systemic failure.

If the local authorities ever resolve to take on black market profiteering, there are a number of legal provisions at their disposal. Article 8, paragraph 2 of Act No. 46/2008 on Consumer Protection obliges service providers "not to refrain from selling any commodity nor hoard it for the purpose of manipulating the market price," explicitly prohibiting the price gouging undertaken by prominent black market gas dealers. Article 34 continues, "Any person who contravenes this shall be punished with imprisonment for at least one year, unless a more severe penalty is considered. In the event of a recurrence of such violation, the penalty shall be doubled."<sup>[61]</sup> The full application of this law might be sufficient to deter manipulators. Furthermore, in accordance with articles 43 and 44 of the same act, the right of consumers to sue for damages is imprescriptible. In addition, issues relating to consumer rights are considered urgent by the judiciary, in accordance with the rules and procedures for summary courts set out in the Procedural Law.

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[59] Citizens living in Taiz, telephone and personal interviews with the author, April and May 2021.

[60] Nazim al-Aqlani, chair of the Oversight Department at the YGC office in Taiz governorate, personal interview by the author, Taiz, May 2021.

[61] Law No. 46 of 2008, regarding consumer protection, <http://yemenparliament.gov.ye/uploads/posts/documents/2019/10/1014201962730468.pdf>

Under current conditions, it is highly unlikely that individuals will go to court to seek redress for the price manipulations of black market gas dealers. Addressing the black market requires a comprehensive strategy, including access to justice and coordination between local authorities, the YGC and other local stakeholders.

## IMPLICATIONS AND RISKS

### *Economic and Social Implications*

The persistent failure of authorities to resolve the gas crisis has caused a loss of confidence in local administrations. High prices and shortages have weighed most heavily on the poorest segments of society, who already face significant economic hardship due to business disruption and the declining value of the Yemeni rial. The increasing price of cooking gas, the difficulty of obtaining it and the time wasted to secure it has made many believe that there is a deliberate, punitive policy being exercised, intended to trap them into a vicious, continuous search for basic necessities.<sup>[62]</sup>

Although it affects every household, the impact of the Taiz cooking gas crisis varies according to residents' socioeconomic situation. Economically advantaged households have access to cooking gas from commercial stations and the black market,<sup>[63]</sup> while poorer households have no choice but to look for distributors and wait in long queues.<sup>[64]</sup>

During the war years, Yemen has experienced a shift in the nature of the social roles played by women.<sup>[65]</sup> Many have become breadwinners, replacing men who left to fight, and taken on other roles that had been within the purview of male family members. It is now common to see large gatherings of men and women in front of gas dealerships, waiting to register and hand over empty gas cylinders, or to receive full ones, whereas before the war these tasks were typically performed by men alone.<sup>[66]</sup>

### *Health and Environmental Risks*

The cooking gas crisis has presented health and environmental risks to Taiz's population, especially to women and children. When they do not have access to cooking gas,

[62] Citizens residing in Taiz, telephone and personal interviews conducted by the author between April and May 2021.

[63] Personal interviews conducted by the author with citizens who enjoy good economic status, or who are newly married and consume one gas cylinder per month, April and May 2021.

[64] Citizens living in Taiz, telephone and personal interviews by the author, April and May 2021.

[65] Samiha Ahmed, "The Impact of the Collapse of the Yemeni Riyal on Women and Children [AR]," Sheba Youth Foundation for Development, August 2019, [www.shebayouth.org/wp-content/uploads/2020/10/المرأة\\_على\\_المرأة.pdf](http://www.shebayouth.org/wp-content/uploads/2020/10/المرأة_على_المرأة.pdf)

[66] Citizens living in Taiz, telephone and personal interviews by the author, April and May 2021.

poor families burn firewood and cardboard, or even plastic containers, to cook food.<sup>[67]</sup> The use of these alternatives presents a number of health risks, including the risk of poisoning from carbon monoxide or other toxic fumes.<sup>[68]</sup> Recent studies have shown that air pollution from cooking on charcoal and firewood during pregnancy is harmful to the development of a fetus, and toxic air has been shown to affect a child's brain development.<sup>[69]</sup>

Environmentally, the use of firewood as an alternative to cooking gas has resulted in the uprooting of trees in both rural and urban areas. Even some bakeries have shifted to using wood instead of gas or kerosene.<sup>[70]</sup> Yemen's Environmental Protection Authority has warned of the long-term damage of illegal logging undertaken as a result of the fuel crisis.<sup>[71]</sup>

## Security Risks

There are multiple security risks associated with the gas crisis, including shootings in the disorganized queues for gas and threats against owners and distributors.<sup>[72]</sup> The widespread circulation of faulty gas cylinders from unregulated, makeshift gas stations presents a major risk of explosion and fire. There are more than 12 million cooking gas cylinders in Yemen that are unfit for use, according to estimates from the YGC.<sup>[73]</sup> Numerous explosions have been reported at makeshift gas stations in recent years – an explosion in Taiz city in early May 2021 killed two people and injured several others.<sup>[74]</sup>

[67] Citizens living in Taiz, telephone and personal interviews by the author, April and May 2021.

[68] Kristal al-Nawar, "Can you Imagine that Burning Firewood Can Cause Intoxication?! [AR]," Sohati Website, December 11, 2020, [www.sohati.com/Article/أخبار-الصحة-والطب-هل-تتصوّرون-أن-أشعال-الخطب-يمكن-أن-يسبب-التسمم](http://www.sohati.com/Article/أخبار-الصحة-والطب-هل-تتصوّرون-أن-أشعال-الخطب-يمكن-أن-يسبب-التسمم)

[69] "Air pollution from cooking on charcoal and firewood can harm newborns' brains [AR]," Al-Arabiya, December 6, 2019, [www.alarabiya.net/medicine-and-health/2019/12/06/تلوث-الهواء-من-الطهي-على-الفحم-والخشب-يؤثر-على-الأطفال](http://www.alarabiya.net/medicine-and-health/2019/12/06/تلوث-الهواء-من-الطهي-على-الفحم-والخشب-يؤثر-على-الأطفال)

[70] Adel al-Daghabashi, "Yemen: Logging Affects Vegetation Cover [AR]," Holm Akhdar, May 15, 2019, <https://holmakhdar.org/reports/455/>; Khaled Abdullah, "With Fuel Scarce, Yemen's Forests are the Next Casualty of War," Reuters, August 11, 2021, <https://www.reuters.com/business/environment/wider-image-with-fuel-scarce-yemens-forests-are-next-casualty-war-2021-08-11/>; "Air pollution from cooking on charcoal and firewood can harm newborns' brains [AR]," Al-Arabiya, December 6, 2019, [www.alarabiya.net/medicine-and-health/2019/12/06/تلوث-الهواء-من-الطهي-على-الفحم-والخشب-يؤثر-على-الأطفال](http://www.alarabiya.net/medicine-and-health/2019/12/06/تلوث-الهواء-من-الطهي-على-الفحم-والخشب-يؤثر-على-الأطفال)

[71] Adel al-Daghabashi, "Excessive logging depletes vegetation cover in Yemen [AR]," Sci Dev Net, April 22, 2019, <https://www.scidev.net/mena/news/excessive-logging-depletes-vegetation-yemen/>

[72] "A citizen killed in a shooting in front of a store that sells domestic gas in Taiz [AR]," Al-Harf 28, November 11, 2018, <https://alharf28.com/p-14092>

[73] Moeen al-Najri, "Gas cylinders: 12 million time bombs in Yemeni homes [AR]," Al-Araby Al-Jadeed, July 10, 2016, [www.alaraby.co.uk/أسطوانات-الغاز-12-مليون-قنبلة-موقوتة-في-بيوت-اليمنيين](https://www.alaraby.co.uk/أسطوانات-الغاز-12-مليون-قنبلة-موقوتة-في-بيوت-اليمنيين)

[74] "Two Dead and a Number Injured as a Result of the Explosion of a Cooking Gas Station in Taiz [AR]," Ejaz Press, May 5, 2021, <https://ejazpress.com/news1358.html>

## RECOMMENDATIONS

### **To the internationally recognized Yemeni government and the Yemen Gas Company:**

- Establish a well-supported YGC branch in Taiz governorate to rebuild the governorate's cooking gas stock, and establish a central refilling plant in the governorate.
- Reevaluate Taiz governorate's allocation of cooking gas, with a view to increasing it if necessary.
- Allocate a fixed gas quota for buses, major consumers and the service sector.
- Reconsider the allocation of quotas to neighborhoods and regions based on population.
- Develop a standardized mechanism for delivering gas to consumers.
- Take measures to regulate informal gas stations that operate on the black market and establish which large stations have been supplying them.
- Address the problem of inactive stations in cooperation with local authorities.
- Show flexibility in the redistribution of gas quotas to areas where military action is taking place.
- Maintain or replace damaged gas cylinders.

### **To Taiz local authorities:**

- Secure and diversify the routes through which gas tankers pass.
- Standardize procedures and decisions relating to the gas crisis, in coordination with various stakeholders.
- Regulate black market commercial gas stations, perhaps with a cap on prices of YR1,000 over the official price of a gas cylinder, to prevent speculation and arbitrage.
- Impose safety standards on makeshift gas stations.
- Revitalize the role of local councils and entrust them with monitoring gas distribution in coordination with the YGC office.
- Recalculate transport costs, adopt flat rates and stabilize pricing for gas cylinders.
- Enforce laws relating to the trafficking and black market sale of cooking gas.

### **To United Nations agencies:**

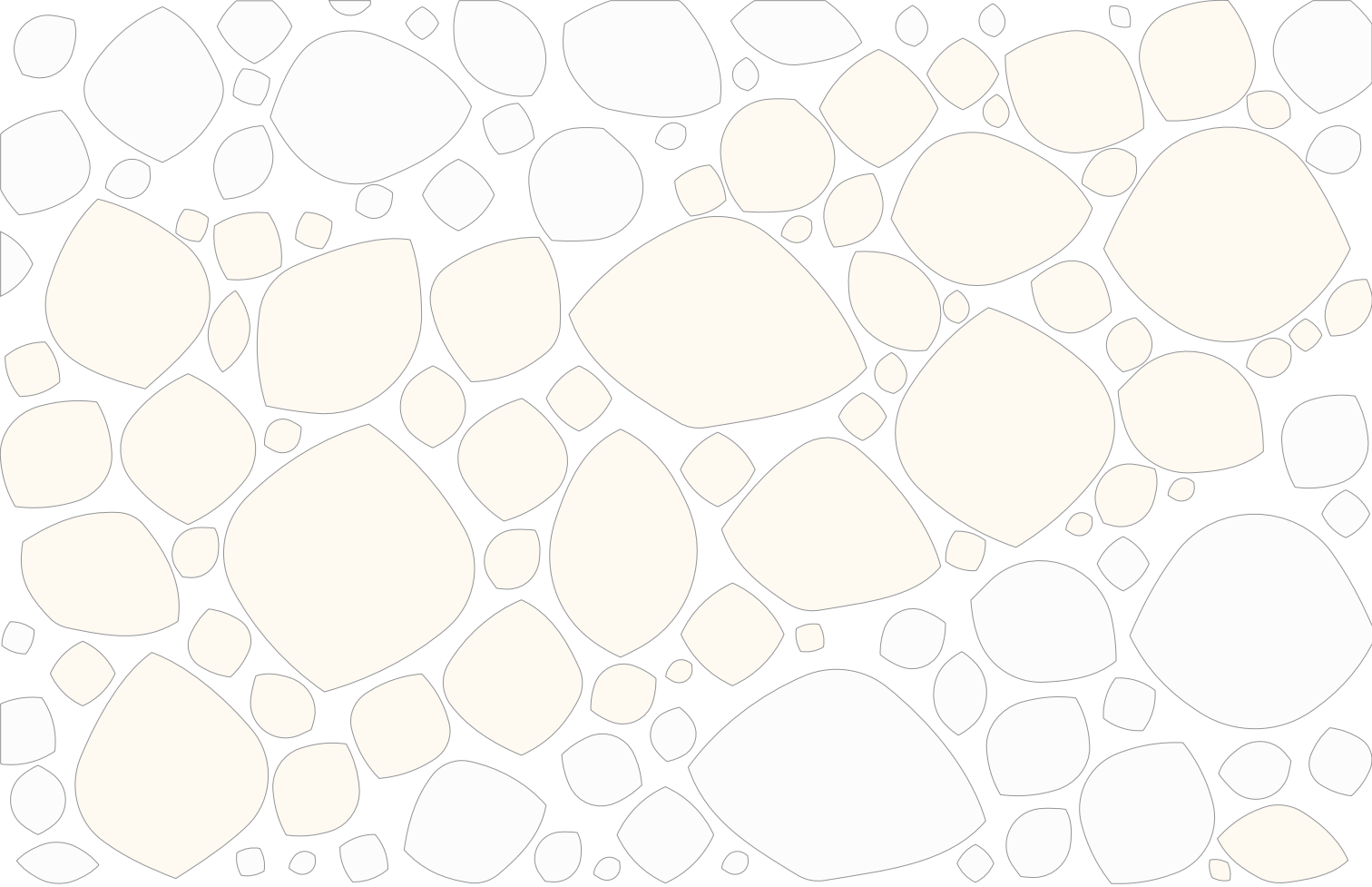
- Continue to pressure the Houthi movement to open roads, in order to allow the flow of basic commodities into Taiz city.

## ABOUT THE AUTHOR

**Wissam Mohammed** is a journalist and public policy author. He has been working in journalism since 2011 and has written articles for local and Arabic newspapers and news websites. His narrative book, *Early Details*, was published in December 2019.

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