

## **Economic information on the Republic of Yemen**

population: 2431649 inhabitants (census of 2004)

The Area: it is estimated at 527 970 km<sup>2</sup>

A glance at the economy of Yemen

Yemen occupies the 173 rank among 229 countries listed by the index of human development of UN issued in 2011 with a domestic product per capita of 2500 \$ per year .It is one of the poorest countries in the world due to its fragile economic situation and increasing of its population .

Yemen is one of the poorest countries as its gross domestic product per capita does not exceed 260 \$ .It is heavily indebted and depends on international aids and assistance from its oil-rich neighboring countries as well as remittance from its expatriate workers .

Oil and gas

Oil exploitation in the country is concentrated on two oil fields Ma'rib and Massila. According to statistics issued by international agency for energy , the country's oil production peaked in 2001 and in 2002 to 440,000 barrels per day. After 2010, it was slightly less than 250,000 barrels per day. This decline has severely impacted the country's budget. In addition to oil, the country began in 2009 to export liquefied natural gas through a liquefaction plant operated by the company Total.

The agricultural sector forms 21% of gross national product and employs 62% of the workforce.

Key figures on Yemen's economy

- The gross national product of \$ 9.7 billion in 2003.
- Annual growth in gross domestic product was 3.2% in 2003.
- The gross national product is \$ 510 per capita in 2003.
- The inflation rate is near 12.2%.
- The structure of gross domestic product as a percentage:
  - Agriculture represents 15, 2%, industry 40.4% and service sector 44.4%. of gross domestic product .
- The amount of exports is estimated at \$ 3.8 billion in 2002.
- The amount of imports is estimated at \$ 3.9 billion in 2002.

The investment in the country:

Investments in Yemen are governed by the new investment law No. 22 published in 2002.

This law aims to encourage foreign investment in industry, agriculture, fishing, tourism ... etc.. To benefit from the advantages offered by this law, the investor must obtain an investment license from the concerned authority within 15 days from the date of receiving the file. Of the project of investment

The law stipulates that the investor shall recruit and train Yemeni employment.

The foreign investor can employ non-Yemeni only within the limits of the number specified in the agreement with the General Authority for Investment.

The main advantages of investment in Yemen:

Foreign companies are treated as companies Yemeni on an equal basis.

Arab and foreign investors are allowed to lease or buy land or buildings as part of the implementation of their project.

imports of goods for projects intended for breeding livestock and fishing are exempted from customs duties and taxes , while capital equipments for other projects are exempted of 50% of customs duties and taxes.

profits of investment projects are exempted from taxes for a period of seven years.

the tax exemption is applied to property taxes, stamp duties and capital taxes.

royalties are exempt from taxes for a period of 5 years.

there are no restrictions on the transfer of capital and profits as well as there is no restriction imposed on currency exchange .

**Income of property investment will be guaranteed against nationalization expropriation**