



U.S. TRADE AND DEVELOPMENT AGENCY

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USTDA SUPPORTS THE ESTABLISHMENT OF A NATIONAL RURAL ELECTRIFICATION PROGRAM IN YEMEN

SANAA, YEMEN – (September 19, 2007) Increasing access to electricity in rural parts of Yemen is the goal of a USTDA grant awarded today to the Ministry of Electricity and Energy (MoEE) in Yemen. The grant will be used to partially fund the cost of technical assistance to MoEE in establishing a National Rural Electrification Program.

A signing ceremony was held at the Yemeni Ministry of Planning and International Cooperation to officially confer the \$515,214 grant. U.S. Ambassador to Yemen Stephen Seche and Deputy Prime Minister for Economic Affairs Abdul-Karim al-Arhabi signed the grant agreement on behalf of the U.S. and Yemeni governments, respectively.

Yemen is the least electrified country in the Middle East and North Africa Region, with only about 40 percent of the total population having access to electricity. In rural areas, only 20 percent of households are electrified, and most receive only a few hours of service per day. The low access rate and absence of reliable electricity supply in the country, particularly in rural areas, has been recognized as severe constraints to economic growth and to the achievement of the Government of Yemen's poverty alleviation strategies.

The objective of the USTDA-funded technical assistance is to design the legal and regulatory framework to support rural electrification, establish a new rural electrification agency, and support the formation of local electric cooperatives. The technical assistance will culminate in the demonstration of a model electric cooperative to be formed in the Ibb Governorate of Yemen.

MoEE has selected National Rural Electrification Cooperative Association International, Ltd. (NRECA) of Arlington, Virginia, to perform the USTDA-funded technical assistance. In addition to the USTDA grant awarded today, NRECA and MoEE will each contribute additional resources toward the cost of this technical assistance.

(More)

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.

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