



SAM
Rights & Liberties



info@samrl.org

www.samrl.org

February 2025

Organized Looting

The Hidden Face of the Judicial Custodian



Organized Looting

The Hidden Face of the Judicial Custodian

A Human Rights Report Documenting the Looting of Modern
Pharmaceutical and Global Pharmaceutical Industries by the Houthi Group

February 2025



SAM
Rights & Liberties

Who are we?

SAM Organization for Rights and Liberties

SAM is an independent, non-profit Yemeni human rights organization that began its activities in January ٢٠١٦ and obtained a license to operate in December ٢٠١٧. The organization aims to document human rights violations in Yemen, work to stop violations through advocacy in partnership with local and international organizations, raise human rights awareness through societal rights development, and hold human rights violators accountable in Yemen in collaboration with international mechanisms and human rights organizations.

Contents

Executive Summary	3
Report Methodology.....	4
Confiscation of Opponents' Assets	5
Background of the Confiscation	6
Tools for Confiscating Opponents' Assets	
•The Judiciary as a Tool of Reveng.....	7
•The Central Bank	8
•The term Houthi Judicial Guardian.....	9
•Previous Reports and Incidents.....	10
The Pharmaceutical Industry... A Case of Plunder	
•The Beginning of the Story	15
•Escalating Extortion	18
•Losses in the Millions	20
•Violations Against Company Employees.....	22
Motives for Looting	29
Potential impacts	32
Legal Analysis	33
Recommendations	35

Executive Summary

Since its takeover of the capital, Sanaa, the Ansar Allah (Houthi) group has implemented a series of measures aimed at confiscating and looting the assets of Yemeni citizens, particularly targeting the wealth of political opponents or those deemed adversaries. These measures are often based on vague accusations, such as “treason” or “loyalty to the aggression,” and are “justified as targeting the so-called “corrupt former regime

The group employs various coercive tools, including the judiciary, where the Public Prosecution and Public Funds Court are used to prosecute individuals and justify the confiscation of their assets. Additionally, the Central Bank in Sanaa is utilized to impose asset freezes on opponents. A newly introduced mechanism, “the judicial custodian “ has been established, granting broad powers that enable it to seize assets without legal oversight or fair judicial procedures. This includes issuing asset freeze orders against individuals without clear charges or adherence to recognized legal standards

This report focuses on a specific case involving the Houthi group’s raid on the Modern Pharmaceutical Company and Global Pharmaceutical Industries in It details the significant economic losses suffered by the two .2024 June companies, estimated in the millions, and documents the violations against their employees, including arrests, home raids, and incidents of torture during detention

The report follows a comprehensive methodology based on monitoring and documentation, including exclusive testimonies from sources within the companies, as well as an analysis of official documents and verified statistics. It applies a human rights perspective to assess the legitimacy of these actions and their compliance with international human rights principles, particularly the right to property ownership as stipulated in international treaties

At the end of the report, a set of recommendations is presented to the Houthi group, the internationally recognized Yemeni government, and the international community, including the United Nations Security Council, to ensure the protection of fundamental rights and halt the documented violations



Report Methodology

This report follows a structured methodology to present an accurate and comprehensive picture of the looting of Yemeni assets by the Ansar Allah (Houthi) group. It relies on closed sources such as witnesses and private documents and open sources, including social media, news websites, and local and international media. Various reports and testimonies documenting relevant events have been reviewed.

The SAM team conducted multiple interviews via WhatsApp with stakeholders during June and July 2024. These interviews documented the events surrounding the takeover of the pharmaceutical companies by the so-called “judicial custodian of Ansar Allah (Houthis).” The team ensured that interviewees were informed about the purpose of the interview and how the information would be used in the report.

Additionally, the research team examined numerous legal reports and documents related to the looting and confiscation of opposition assets. Videos and audio recordings were also analyzed and verified. Experts in economics were consulted to assess the impact of these practices on the Yemeni economy and investment climate.

The research team analyzed the information based on international humanitarian law and human rights law, focusing on principles of private property protection. The credibility of the evidence was ensured, making it possible to use the findings as a basis for legal accountability against those involved in these violations.

The organization faced many challenges and difficulties while preparing the report, the most prominent of which were the security situation experienced by the stakeholders and the surrounding fear, not to mention the difficulty of communicating with the parties relevant to the report.

Confiscation of Opponents'

The confiscation of opponents' properties carried out by the Houthi group in Yemen is one of their most prominent tools for consolidating control and targeting dissidents. This policy relies on the use of politicized judiciary and the mechanism of the so-called "judicial custodian" to seize the assets of their political opponents and anyone deemed to be against or not loyal to them. The judicial custodian, an appointed position within the group, serves as a legal cover for seizing properties under the pretense of managing or securing them. However, but in reality, these funds and real estate assets are converted into direct sources of financing for their military and political activities.

The context of these confiscations reflects the Houthis' efforts to strengthen their economic and social control by impoverishing their opponents and stripping them of any means of resistance. The tools used include rulings from courts under their control, field campaigns to seize properties, and the confiscation of bank and commercial assets, all justified by media rhetoric framing these violations as part of their fight against what the group calls "aggression."

This policy resembles historical examples where authoritarian regimes have seized opponents' properties to consolidate their power, as seen in various countries during periods of internal conflict or political transitions. The primary goal is to paralyze opponents' ability to act against the group while redirecting the confiscated resources to support its war efforts, given its near-total dependence on self-financing and illicit revenues.

This practice constitutes a violation of international humanitarian law, as it exacerbates economic suffering and infringes on property rights. It is classified as an economic and political crime that warrants international accountability.

Background of the Confiscation

The Houthi group (Ansar Allah) began its campaign of confiscating opponents' assets since taking control of the capital, Sana'a. Over the years of war, the group has engaged in looting and property seizures, especially during or after military advances into new territories. They have used forced confiscation tactics against political dissidents and those they perceive as adversaries, accusing them of being "traitors and loyalists to aggression"¹ or differing with them culturally and religiously.² The group has taken control of companies, banks, institutions, associations, buildings, real estate, assets, and cash funds. Numerous reports, including one by the organization SAM titled The Judicial Custodian, confirm that the looting of private properties and funds has become an entrenched practice within Ansar Allah. To facilitate this, they established the position of the "judicial custodian," initially assigned to military leader Saleh Musfir Al-Shaer, and later to Saleh Debish. This position holds supreme authority, surpassing all judicial and executive bodies, allowing the custodian to confiscate and seize assets at will, without oversight or accountability.

According to SAM, around 23 high-ranking Houthi officials operate within this system, following direct orders to seize and manage businesses in Sana'a alone. The organization also believes that the judicial custodian has multiple operatives in other provinces, though they are less visible compared to those in the capital.

1. The leader of the Ansar Allah group (Houthis), Abdulmalik Al-Houthi, has made a habit of labeling his political and military opponents with this term. The group's leaders and media widely use it against its opponents. By "aggression," they mean the military intervention of the Arab coalition countries in Yemen, led by Saudi Arabia and the UAE, and their Western allies. See the group's leader's speeches on the Al Masirah TV website, <https://www.masirahtv.net>
2. The Baha'i community in Sana'a and the Salafi group in Damaj, Sa'dah, are examples of these groups.

SAM estimates that the total value or revenue of funds, companies, institutions, and associations seized by the judicial custodian alone exceeds \$1.7 billion, while the value of all assets confiscated by Ansar Allah, including properties, real estate, and movables, exceeds \$2³ billion. Mohammed Sameeh, the head of the Popular Authority for the Recovery of Looted Funds, estimates that the looted funds amount to tens of billions of dollars, not to mention the real estate and other tangible assets. All of these assets are capable of restoring Yemen's glory, reviving the well-being and dignity of its people, and supporting the economy and development to improve the lives of Yemenis at all levels.⁴

The report documented the names of more than 38 major companies, institutions, universities, and hospitals that have been seized, managed, or confiscated by the judicial custodian, or placed under custodianship, in the capital city of Sana'a alone. These companies and institutions have dozens of branches, centers, and units in the provinces under the group's control.

According to a report by the Sana'a Center for Strategic Studies (a non-governmental organization), the committee in charge of confiscations has seized the assets and properties of 1,223 Yemenis opposed to the Houthis, placing them under the management of the judicial custodian.

Over the past years, SAM has documented dozens of incidents involving the confiscation and looting of private assets. However, during its work on a project to document the looting of private funds since October 2021, it investigated 49 cases of confiscation over the past seven years. The victims ranged from businessmen, politicians, academics, charities, activists, military personnel, educators, and gender-based targets such as women and members of the Baha'i community.

”

3. Feudalism of the Receiver and the Deception Machinery, Investigative Report, SAM, February 2022, <https://samrl.org/?e4375>

4. National Authority for the Recovery of Stolen Assets and Regional Tasks, Mareb Press, September 2012, <https://marebpress.org/articles.php/video/21672/articles.php%20?id=17174>

Mechanisms of Asset

The Houthi group confiscates civilian victims' assets under various justifications, primarily accusations of collaboration with the "coalition of aggression" or being members of the "corrupt former regime." The group relies on three main mechanisms to carry out these confiscations:



Judiciary as a Tool of Retaliation

- Since Ansar Allah (Houthis) took control of Sana'a in September 2014, they have dominated judicial institutions, introducing structural changes that resulted in the existence of two Supreme Judicial Councils and two Supreme Courts in Yemen. They also established the so-called "Judicial System" under the supervision of Mohammed Ali Al-Houthi, a member of the group's Political Council. According to SAM's assessments, this entity has undermined judicial independence, turning it into a tool for reinforcing the group's authority. This has led to an increase in legal violations, particularly through specialized courts that prosecute political opponents and confiscate their assets.⁵
- SAM's report (The Judicial Custodian) states that the Public Funds Prosecution and Court have been used as instruments to prosecute political opponents under allegations of "treason" and "loyalty to aggression," as frequently propagated in Houthi media outlets.⁶ These trials have resulted in the confiscation of properties belonging to numerous government officials and political opponents.
- Legal experts argue that these measures lack the minimum standards of fairness and justice, as the courts and prosecution offices involved serve to legitimize these practices without any legal basis.
- Testimonies highlight that the judicial procedures carried out by the Specialized Criminal Prosecution and the Public Funds Prosecution and Court operate outside the norms and traditions of the legal system. This demonstrates the use of the judiciary as a means to consolidate political and economic dominance at the expense of the rule of law and judicial independence.

5. No Justice, A Report Documents Human Rights Violations Related to the Right to a Fair Trial, SAM Organisation, March 2023, <https://samrl.org/?e4739>

6. See the interview with Abdul Hakim Al-Khaiwani, the Houthi Deputy Interior Minister, in an interview with Al Masirah TV, in which he called on the judiciary to implement strict legal measures against all traitors and agents to serve as an example to others. Al Masdar Online, September 2017, <https://almasdaronline.com/article/93842>



The Central Bank

- In January 2018, the Houthi group issued directives to banks operating in Yemen to disclose the balances and deposits of several political, business, and social figures. This list included relatives of former Yemeni President Ali Abdullah Saleh, leaders of the General People's Congress (GPC) party, and other prominent figures. The move was considered one of the largest systematic economic confiscations.⁷
- The Houthi directives also targeted five investment companies believed to be affiliated with GPC leaders, along with 30 bank accounts belonging to Saleh's relatives and other individuals. These measures were part of a broader financial and economic crackdown on political opponents.
- In December 2017, the head of the Financial Intelligence Unit at the Central Bank in Sana'a, Wadi' Al-Sadah, issued a circular ordering the seizure and freezing of the assets of 1,223 individuals, including political leaders associated with the internationally recognized government, as well as political activists and party figures. These measures also involved the confiscation of assets belonging to charitable institutions, media channels, and commercial companies, which were labeled as "traitors."⁸
- These actions violate international humanitarian law and human rights law, as mass confiscation of funds and attacks on private property without due legal process constitute a breach of property rights and fundamental guarantees during armed conflict.

7. Qahtan, eight years after his abduction.. Everyone should study his lessons well (The Political Editor) April 2023, alislah net, https://alislah-ye.net/news_details.php?lng=arabic&sid=10157

8. Houthi militia issues circular to seize and confiscate funds and property of 1,223 individuals, entities, charitable institutions and commercial companies, Belqis Net, December 2017, <https://www.facebook.com/belqees.tv/posts/1819628968047>



The Judicial Custodian

The so-called “Houthi Judicial Custodian” is an illegitimate entity established by the Houthis to exploit the judiciary as a tool to intimidate and seize the assets of political opponents and dissidents. Unlike the legally recognized judicial custodian in Yemeni law, this entity functions as a parallel authority with no legal oversight, issuing confiscation and asset seizure orders without judicial investigations or formal charges, in clear violation of international legal standards and due process.

Evidence suggests that the Houthi judicial custodian model is inspired by Iran’s “Execution of Imam Khomeini’s Order” (EIKO) or “Bonyad”, established after the 1979 revolution to confiscate the assets of the Shah and his supporters. This model has since evolved into a central economic tool for financial and political influence.⁹

The Judicial Custodian is led by Brigadier General Saleh Dubaish, who replaced Saleh Al-Shaer as the Houthis’ primary financial enforcer. Dubaish, a former officer in the National Security Bureau, currently oversees large-scale looting operations targeting private sector assets, with the proceeds funding various activities of the Houthi group. He was granted extensive powers to execute confiscation orders and was formally appointed by former Houthi Supreme Political Council President Saleh Al-Sammad on March 2018,¹⁵ to lead what was called the “Committee for Inventory and Seizure of Traitors’ Properties” (Judicial Custodian of Traitors’ Properties).

Reports from human rights organizations, including SAM for Rights and Liberties, have documented the confiscation of assets from 49 prominent Yemeni political figures, including members of the Islah Party and the General People’s Congress.

The Houthi judicial custodian relies on rulings from Houthi-controlled courts, such as the Specialized Criminal Court, to give a false legal appearance to its operations. These rulings are used to seize the assets of individuals, including homes, companies, and personal properties, many of which are then converted into military headquarters or detention centers.

The custodian’s practices include:

- Forcibly evicting residents from their homes
- Using confiscated properties for military or political purposes
- Freezing bank accounts and closing businesses without justification

These actions perpetuate impunity and intensify the suffering of victims, as there are no available channels for legal recourse. Such practices could amount to war crimes, necessitating international accountability mechanisms.¹⁰

9. Iran’s Political, Demographic, and Economic” See RAND Corporation, By Keith Crane, Rollie Lal, Jeffrey Martini, 2008, https://www.rand.org/content/dam/rand/pubs/monographs/2008/RAND_MG693.sum.pdf

10. Feudalism of the Receiver and the Deception Machinery, Investigative Report, SAM, February 2022, <https://samrl.org/l?e4375>





Previous Reports and Incidents

SAM Organization released an investigative report titled “Feudalism of the Receiver and the Deception Machinery,” covering widespread property confiscation between September 2014 and December 2021. The report documented mass looting of opponents’ properties under allegations of treason and collaboration with the Saudi-led coalition, with the primary goal of financing the war and rewarding Houthi leaders.

The report concluded that:

- The total value of confiscated corporate assets exceeded \$1.7 billion.
- The value of confiscated real estate and movable assets was around \$2 billion.

The report clarified that Major General Saleh Misfer Al-Shaer, appointed as the judicial guard, led these operations and was granted unlimited powers beyond judicial oversight. This enabled him to confiscate the assets of more than 1,200 opposition figures, including prominent companies such as Sabafon, the University of Science and Technology, and Ibn Al-Haytham Hospital.

The 2024 annual report of the UN Panel of Experts on Yemen confirmed that the Houthis continue to use the “Judicial Custodian” mechanism, established in 2017, to unlawfully seize properties. The report highlighted the use of armed force to implement confiscations and documented the targeting of business entities and opposition figures through asset freezes and property seizures, including:

- The home of Yemen’s Central Bank Governor in Aden
- The takeover of private companies

The UN report emphasized that these measures systematically disregard the rule of law, reinforcing the Houthis’ economic and political control through a mechanism that violates fundamental rights.



Targeting Major Companies and Institutions

According to a report by “SAM” organization ,titled **“Feudalism of the Receiver and the Deception Machinery,”** a systematic pattern of targeting major companies and the properties of opposition figures in Yemen has been uncovered. This raises legal and humanitarian concerns regarding the exploitation of the judiciary to achieve political objectives. The report highlighted that Houthi authorities seized the assets and funds of more than 1,200 opposition figures, including government, political, and military leaders, as well as businessmen. These seizures were carried out under judicial orders issued by the Specialized Criminal Court, with one such order freezing the assets of 1,142 individuals.

The report detailed the Houthis' takeover of 38 major companies in Sana'a alone, among them Al-Mawared for Educational and Health Services, which operates the University and Hospital of Science and Technology. The losses incurred due to this takeover were estimated at \$108,295,834, while the annual revenues seized amounted to \$22,592,294. Additionally, the report documented the confiscation of educational and charitable institutions such as Dar Al-Kitab Association and Al-Khansa Dispensary, as well as the looting of Qariyah Al-Zoub Dispensary in Al-Bayda Governorate since 2016.

The Houthis also targeted prominent development organizations, including the Social Reform Charitable Association, which was established in 1990 and holds membership in the United Nations Economic and Social Council (ECOSOC). According to the report, the association's bank accounts were looted, amounting to \$1,058,426.39, in addition to 21,351,212 Yemeni riyals and 4,890 Saudi riyals.

The report further revealed the confiscation of assets belonging to Al-Ahmar Group, including companies specializing in oil and gas trade, tourism, telecommunications, and franchise businesses. The seized businesses included: The official franchisee of KFC in Yemen, The exclusive agent for Baskin-Robbins in Yemen, Apollo Exhibitions, Apollo Travel, an official agent for Emirates Airlines, Al-Afaq Al-Arabiya Tourism, the official agent for Qatar Airways and Syrian Airlines, Al-Salam Import & Export, the official agent for Otis Elevators, Gas Technology Company for gas exports, Al-Afaq Printing Press, Additionally, the report stated that the Houthis seized a %4 stake in the telecommunications company Sabafon and confiscated family-owned properties, including 11 houses in Sana'a and Amran.

Chapter Two:



The Pharmaceutical Company: A Model of Looting

Chapter Two

The Pharmaceutical Company: A Model of Looting

The Modern Pharmaceutical Company, founded in 1999, is the first national factory specializing in the production of antibiotics in Yemen. Over the years, the company has expanded significantly, adding new production lines for solid tablets, effervescent sachets, and antiseptics. Today, it manufactures more than 150 pharmaceutical products.

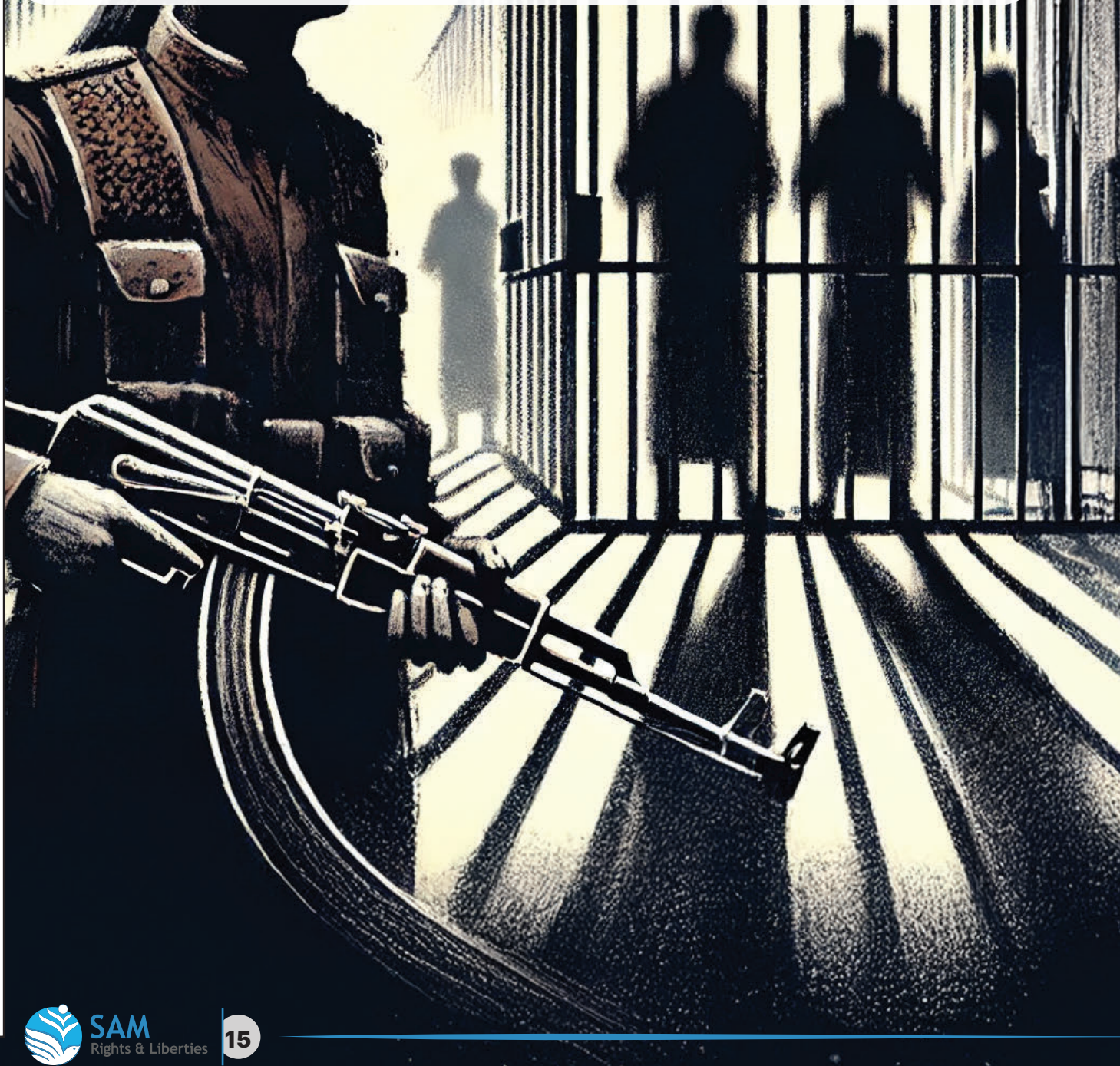


Meanwhile, the Global Pharmaceutical Company began its operations in 2004 and officially entered the local market in 2009. Within less than four years, it became one of the leading pharmaceutical manufacturers in Yemen, capturing more than %9 of the local market.

Both companies, headquartered in the capital, Sana'a, export some of their products to neighboring markets, including countries in East and North Africa. This reflects their ability to contribute to strengthening the healthcare sector both locally and regionally.

The Beginning of the Story

On Sunday, June 2024 ,9, an armed force affiliated with the so-called “Judicial Custodian,” Saleh Dubaish, raided two factories belonging to the Modern Pharmaceutical Company and the Global Pharmaceutical Company in the Bait Athran area of Sana’a. During the raid, six managers and employees of the two companies, including Fatima Aishan, were arrested and detained in an unofficial detention center under the control of the Judicial Custodian.



(تعميم الى جميع شركات ومنشآت الصرافة العاملة في الجمهورية)

المحترم

الأخ / المدير العام

شركة صرافة/منشأة:

عناية مسؤول (الامتثال)

بعمركم السخية،،،

الموضوع: تعميم بالحجز

بالإشارة إلى الموضوع أعلاه، وإلى توجيهات السلطات العليا بشأن تجميد وحجز الأرصدة أو المبالغ الخاصة بعدد (150) شخص بحسب الكشف المرفق أولهم عبدالله شرف السروري وآخرهم / أمين علي قاسم العديني

(مرفق الكشف)

وعليه يتم موافاتنا بالأرصدة المحجوزة والحسابات المالية وأرقام وكشوفات الحسابات البنكية والمصرفية وأوليات فتح الحساب من تاريخ فتح الحساب (مرفقا بها الكشوفات التفصيلية لحركة تلك الحسابات) والحوالات المالية الداخلية والخارجية المرسلة والمسلمة وذلك يومنا هذا.

The following day, June 2024 ,10, the Specialized Criminal Prosecution, a judicial body under the Houthis, issued a memorandum addressed to the Central Bank of Yemen, requesting the freezing of all accounts, funds, and financial transactions belonging to the two companies, their managers, and employees. That same day, another armed force raided the companies' headquarters and factories in Amran and Dhamar provinces, demonstrating a systematic crackdown on the private sector in areas controlled by the Houthis. The Modern Pharmaceutical Company, established in 1999 as a closed joint-stock company, operates with authorization from the Supreme Board of Drugs under the Ministry of Health. According to a company executive who requested anonymity: "We comply with all laws, pay the required taxes and zakat, and in addition, we provide an annual payment ranging between \$180,000 and \$200,000 as a share for the so-called Judicial Custodian."

Sources indicate that the Houthis forced the Global Pharmaceutical Company to pay retroactive profits to four shareholders covering the past seven years. In 2022 alone, the group seized \$240,000 from the company, equivalent to %13 of its total profits.



Escalating Extortion

According to information obtained by the SAM Organization, the Houthis have been targeting pharmaceutical companies since the appointment of the former Judicial Custodian, Saleh Al-Shaer, seven years ago. Based on a decision issued by the Public Prosecution, the company's board of directors was forced to hand over an agreed-upon percentage—verbally set at %13 of the company's profits—to avoid lengthy legal proceedings or judicial confrontation. This arrangement continued until 2022, when a new Judicial Custodian, Saleh Dubaish, was appointed.

After the appointment of the new custodian, three or four years ago, he introduced a new directive increasing the amount the company had to pay. However, the company refused, requesting any official documentation to justify the demand. In October 2022, the new Judicial Custodian, Saleh Dubaish, attempted to seize the company's server from its headquarters in Sana'a, claiming that four shareholders were under a judicial ruling from the Custodian and that their profits should be transferred directly to him. This demand came without any official court ruling or legal documents.

Despite the company having official licenses, holding annual general assembly meetings attended by representatives from the Judicial Custodian's office, the Ministry of Industry and Trade, and an external auditor, Dubaish was not satisfied and demanded a higher share without any legal basis or transparent oversight.

This incident highlights the broader context of economic and legal violations committed by the Houthis in areas under their control. The failure to provide legal documents or court rulings to support the Custodian's demands reflects a lack of transparency and accountability in managing confiscated assets, contradicting the principles of criminal justice and proper legal administration. Furthermore, the attempted seizure of the company's server poses a serious threat to data privacy and protection—rights guaranteed under international standards, including the International Covenant on Civil and Political Rights.

Widespread Damage to the Company

SAM Organization, based on testimonies from an informed source within the Modern Pharmaceutical Company, documented severe damages resulting from the shutdown of the two companies and their factories under Houthi control. According to the source, all stored medications in incubators for nearly a year have been damaged due to unsuitable environmental conditions, causing them to lose their global quality standards. This will require conducting new studies and preparing new samples, leading to significant costs for testing and development, in addition to the substantial losses incurred from previous testing processes.

The source indicated that the affected pharmaceutical products include newly developed compounds and rare raw materials that are difficult to obtain, potentially delaying their market registration for over a year. Additionally, the company's obligations to the Supreme Board of Drugs regarding previously registered products will also be impacted, disrupting the completion of studies related to the validity of these products and preventing their renewal, unlike other commercial products.

The source also warned that halting production facilities and their associated power generators would lead to the shutdown of the water treatment unit, a critical component in pharmaceutical manufacturing. If the water becomes contaminated due to the unit's shutdown, rehabilitating and sterilizing it could take weeks or even months to restore it to required standards. Commenting on this, the source stressed that water is a fundamental raw material, and any contamination would directly affect all stages of production.

Alaa Abdul Hakim, the director of the Modern Pharmaceutical Company's branch in Aden, told "Al-Mushahid Net" website that the Houthi seizure of the two companies would negatively impact hundreds of employees. Abdul Hakim called on pharmaceutical companies, local drug manufacturers, import companies, the Pharmaceutical Industry Union, and the Chamber of Commerce to condemn the actions taken by the Houthis.

This situation requires international intervention to protect healthcare infrastructure, ensure continued pharmaceutical production and supply for civilians, and hold accountable those responsible for violating economic and social rights related to this sector.

Millions in Losses

According to documents obtained by the SAM Organization, Houthi actions against the two pharmaceutical companies have resulted in massive financial losses, amounting to approximately \$55.566 million. Detailed data indicates that the Global Pharmaceutical Company suffered losses of approximately \$24.292 million, including:

- \$10.188 million in company debt.
- \$8.301 million in losses from finished product inventory.
- \$5.803 million in losses from raw material inventory.



Meanwhile, the Modern Pharmaceutical Company incurred losses of approximately \$31.274 million, distributed as follows:

- \$16.415 million in company debt.
- \$10.754 million in losses from finished product inventory.
- \$4.105 million in losses from raw material inventory.



These figures underscore the catastrophic economic impact of disrupting company operations and the continued control over them. This threatens the local pharmaceutical industry and restricts access to essential medical products. Such practices may constitute violations of citizens' right to health under Article 12 of the International Covenant on Economic, Social, and Cultural Rights and raise concerns about compliance with national and international laws regulating vital industries.

Violations Against Company Employees

- Arrests

According to a confidential source from the company who spoke to “SAM” pharmaceutical companies in June 2024 faced a large-scale arrest campaign carried out by the Houthis group. The arrests targeted several senior employees, including Dr. Fahim Al-Khalidi, Deputy General Manager; Mukhtar Al-Makhlafi, Human Resources Manager; Abdullah Sharaf, Sales Manager; Fatima Aishan, Procurement Manager; Engineer Abdulkhaleq Al-Ghouli (arrested on May 31); Dr. Safwan Al-Aghbari; Engineer Abdulmajid Qashnoun, Maintenance Manager at Al-Alamiya Company; and Mohammed Al-Maamari, Fund Manager. These violations constitute a clear breach of international human rights standards, particularly those related to personal freedom and protection from enforced disappearance, as stipulated in the International Convention for the Protection of All Persons from Enforced Disappearance. Practices such as home raids and terrorizing civilians also violate international humanitarian law and basic protection rules in times of conflict.



- Fatima Aishan, Procurement Manager, was kidnapped by an armed group affiliated with the judicial custodian. The abduction occurred after her home was raided, during which armed men terrorized women and children before forcibly taking her from her apartment to a private vehicle, without any legal justification. She was taken to the factory for interrogation and later transferred to one of the judicial custodian's prisons, where she remained under enforced disappearance before eventually being released.
- On July 2024 ,12, Abdulraqib Al-Hajri, Head of Accounts at Al-Alamiya Company, was arrested from his home shortly before Eid Al-Adha, in an operation that terrorized his family. These actions were part of an effort to consolidate control over the two companies and threaten employees to coerce them into making confessions or executing financial transactions in support of fabricated legal cases.
- On June 2024 ,30, Engineer Abdulkhaleq Al-Ghouli, the company's programmer, was kidnapped from his home and taken to an undisclosed location. The following day, the same armed elements raided his house again and searched it, terrifying the women and children who were home alone in his absence. To this day, the group has not disclosed his whereabouts or provided any details to his family or company.

Since the beginning of this campaign, armed elements have closed both companies, surrounded their premises with armed personnel, prevented employees from leaving, and kept some in detention until late at night under armed threats.



Systematic Torture

The organization documented cases in which entities affiliated with the so-called “judicial custodian” used systematic torture against employees of Al-Dawa’iya Al-Haditha and Al-Alamiya Pharmaceutical Companies. These practices included both physical and psychological torture aimed at forcing abducted workers—including doctors and engineers—to make coerced confessions justifying the takeover of the companies. These confessions, extracted under torture and at gunpoint, were then presented to the judiciary to obtain rulings that would legitimize these actions.

Additionally, the judicial custodian previously issued court orders to freeze all personal assets of the abducted individuals, even though these assets were unrelated to their work. Such measures constitute a flagrant violation of the Convention Against Torture and other relevant international treaties.



Home Raids and Property Seizures

On the morning of Wednesday, June 2024 ,12, elements affiliated with the judicial custodian Saleh Dubaish raided the home of Engineer Abdulmajid Qashnoun, Maintenance Manager at Al-Dawa'iya Al-Haditha Company. The operation occurred after he was forcibly removed from detention and taken to his home, without regard for the sanctity of his residence or family.

During the raid, the home's contents were ransacked and seized before Qashnoun was returned to an undisclosed detention site. These acts are a blatant violation of the right to housing privacy, as enshrined in Article 17 of the International Covenant on Civil and Political Rights.



Freezing Employees' Accounts and Restricting Economic Rights

On June 2024 ,13, just two days before Eid Al-Adha, the judicial custodian ordered the freezing of 150 employees' accounts at Al-Kuraimi Bank, preventing them from accessing their financial entitlements.

This action is a direct violation of economic and social rights protected under Article 6 of the International Covenant on Economic, Social, and Cultural Rights. It also restricts employees' ability to meet their basic needs

Deaths Linked to Violations

Deaths Linked to Violations

The organization documented three deaths linked to the pressure and violations suffered by employees of the two companies:

- On June 2024 ,10, Dr. Muneef Al-Koshab, an employee in the research and development center of both companies, died as a result of torture during his detention following the raid on the companies. He was subjected to severe interrogations and intense psychological pressure by the Houthis after their incursion into the companies on June 2024 ,9. According to a close source, Dr. Al-Koshab had no prior health issues before his abduction.
- On September 2024 ,14, Engineer Mohammed Ali Saif Al-Absi, an employee in the engineering department, died from a heart attack caused by psychological stress related to the takeover of the companies.¹¹
- Hamza Al-Abbasi, a company fund manager, died under suspicious circumstances after being summoned by a Houthi-affiliated intelligence unit in Al-Hudaydah. According to information obtained by the organization, Al-Abbasi had traveled as part of a group heading to Al-Hudaydah. On the second day of his arrival, the company's branch manager received a call from the intelligence office informing him that Al-Abbasi had drowned in Al-Hudaydah, without providing further details. Notably, Al-Abbasi was related to Abdullah Al-Abbasi, the technical manager responsible for the company's system, who successfully smuggled the company's central server in October 2022 when the Houthis attempted to seize it.

These incidents raise serious concerns about repeated human rights violations in areas under Houthi control, including arbitrary detention, torture, mistreatment, and unexplained deaths—clear breaches of international human rights standards.

Engineer Mohammed Al-Absi dies of a heart attack in Sana'a amid Houthi pressure on pharmaceutical company employees, Al-Sahil website, September, 2024, <https://alsahil.net/news33422.html>

Death Threats

According to informed sources, officials in one of the companies received death threats from the judicial custodian overseeing its management. This occurred after company officials refused to hand over raw materials intended for production. The source indicated that the company relied on importing raw materials through the port of Aden, but the takeover had disrupted these imports.

The source added: “We managed to get a shipment of raw materials to Aden and requested Aden Customs to transfer it to our new company headquarters in the city. However, once the judicial custodian learned about it, he sent intermediaries demanding the goods be handed over to him. When we refused, we received direct threats stating that they had individuals in Aden willing to assassinate us for \$50,000.”

SAM reviewed a copy of an official memorandum from the head of the Customs Authority instructing all customs directors in the provinces to adopt new forms and stamps designated for Al-Dawa’iya Al-Haditha and Al-Alamiya Pharmaceutical Companies to facilitate the receipt of raw materials.

These developments raise concerns about the safety of officials and employees in the pharmaceutical sector, particularly in the absence of legal safeguards protecting commercial operations and individual rights in the face of contested asset management. This situation highlights the challenges facing the pharmaceutical industry in Yemen amid administrative divisions and unlawful control over institutions.



Forcing Employees to Attend Ideological Courses

On August 2024 ,10, the Houthi group forced employees of Al-Dawa'iya and Al-Alamiya Pharmaceutical Companies in Sana'a to participate in ideological indoctrination sessions. These measures disregarded individual freedom of choice and thought, constituting a violation of fundamental rights protected under international human rights standards, including Article 18 of the Universal Declaration of Human Rights, which guarantees freedom of thought, conscience, and religion.

Additionally, on September 2024 ,14, employees were forced to attend a "Mawlid" (Prophet's Birthday) event near the Moroccan Hospital, further demonstrating policies of coercion and the imposition of religious activities on individuals against their will. These actions violate international law, as they fall under forms of coercion prohibited by international agreements and treaties. Compelling individuals to participate in religious or ideological events against their will restricts fundamental freedoms and contradicts the obligations of all parties to uphold human rights in areas under their control.



Motives Behind the Looting

The policy of looting the wealth of opponents began after the fall of the capital, Sana'a, under the pretext of recovering public funds allegedly plundered by the former regime. However, after the appointment of Saleh Al-Shaer as a judicial custodian, this practice evolved into a systematic looting campaign targeting anyone who opposed the group, including political party leaders, public figures, and business owners. Al-Shaer exploited his position to extort political leaders and merchants, seizing their lands and properties in exchange for money or forcing them to sell at drastically low prices to Houthi-affiliated leaders. He became responsible for managing and investing the confiscated properties, lands, and wealth for the benefit of the Houthi militia.

One of the primary motives behind this looting is to support battlefronts and fund military manufacturing, particularly in the production of missiles and drones. The Houthis assemble Iranian ballistic missile components and present them as domestically manufactured weapons. Additionally, some confiscated companies serve as fronts for purchasing military and security equipment from abroad. Furthermore, the looted assets provide personal financial support to militia leaders and facilitate the establishment of investment enterprises in real estate and fuel sectors.



Motives Behind the Looting

In an exclusive statement, financial expert Abdulwahid Al-Obali confirmed that the looting and confiscation of opponents' assets by terrorist groups like the Houthis serve crucial strategic and operational objectives. These groups require vast financial resources to fund their



Abdulwahid Al-Obali

operations, including purchasing weapons, paying fighter salaries, and ensuring financial stability by looting opponents instead of relying on external support. Moreover, asset confiscation is a tool to economically weaken opponents, reducing their ability to resist Houthi influence and solidifying the group's dominance over controlled territories. The looting also serves as a means of intimidation, sending strong messages about the consequences of opposition, thus reinforcing control through fear.

The group justifies these actions as a form of “taxation” or punitive measures against dissidents, giving their violent rule a semblance of legitimacy. Confiscated assets are redistributed among loyal members and fighters, strengthening internal cohesion and creating a patronage network. Additionally, targeting opponents' wealth disrupts the local economy, fostering economic chaos that the Houthis exploit to tighten their grip, making the population increasingly dependent on them for resources and services

Economic Implications of the Looting Strategy

”

In an in-depth analysis, economic journalist Wafiq Saleh argues that the Houthis group seeks to achieve multiple strategic goals by dominating opponents' properties. One of the most prominent objectives is restructuring Yemen's economic and commercial landscape to align with their interests. According to Saleh, the Houthis follow a policy of exclusion, systematically seizing the wealth and assets of those outside their circle, believing this will ensure

”



Wafiq Saleh

sustained control over their territories and eliminate potential threats.

Saleh further explains that the Houthis aim to diminish the role of Yemen's traditional economic class, which has long been the backbone of the national economy, and replace it with a new class loyal to their ideology. This new class, he asserts, will wield absolute power over citizens' economic destinies, facilitating the Houthis' social and political domination of the regions under their control.

Additionally, Saleh highlights the Houthis' focus on controlling the private sector, which is the backbone of Yemen's national economy. By monopolizing financial and commercial resources, the group seeks to establish new centers of influence. However, an often-overlooked aspect of this strategy is its sectarian dimension—he notes that the Houthis believe they have the right to collect a “khums” (one-fifth) tax from the wealth of the Yemeni people, further reinforcing their economic and social superiority over other segments of society.

This approach has had devastating consequences on Yemen's economy. The looting policies have led to a decline in commercial activities and a shrinking private sector GDP. Furthermore, these practices have exacerbated unemployment rates and deepened the humanitarian crisis, particularly in Houthi-controlled areas where salaries for public employees remain unpaid. As a result, business owners and investors are increasingly seeking safe havens abroad, further accelerating economic collapse and pushing Yemen toward further deterioration.

Potential Consequences

The Houthi group's socio-political project follows a consistent three-pronged strategy against its opponents:

1. Retaliatory persecution and abuse of adversaries.
2. Seizing opponents' wealth and properties to establish financial strongholds.
3. Eliminating existing financial centers and replacing them with new ones under their control, fostering widespread poverty and dependency, forcing citizens to rely solely on Houthi-supervised economic structures.

To achieve these objectives, the Houthis manipulate black markets and bend official legislation to serve their interests. The looting of opponents' wealth is merely one aspect of a broader strategy imposed on the market and business sector.

Moreover, direct asset seizures through the so-called judicial custodian and property confiscations under accusations of espionage for "aggressors" have led to capital flight and the collapse of numerous small and medium-sized enterprises. This has resulted in mass layoffs, with tens of thousands of workers from major companies and institutions losing their jobs, creating a vast unemployed workforce.

The events of recent years have laid bare the catastrophic impact of the Houthis' economic policies. Their actions have caused severe economic instability, undermining both the national and local economies. The private sector, which remains one of the last bastions of resistance against the Houthis' secessionist agenda, continues to struggle. However, if the group persists with its looting and confiscation strategies, even this last line of defense against their economic domination may ultimately collapse.



Legal Analysis

International human rights law strictly prohibits arbitrary looting, plundering, and confiscation of private property. Article 17 of the Universal Declaration of Human Rights explicitly affirms the right to property and prohibits arbitrary deprivation of it. Similarly, Article 25 of the Arab Charter on Human Rights (2004) guarantees the right to property and prohibits confiscation of assets arbitrarily or unlawfully under any circumstances. Furthermore, international humanitarian law considers the confiscation of property a violation of ownership rights. Article (2)4(g) of the Additional Protocol II to the Geneva Conventions, which pertains to victims of non-international armed conflicts, explicitly prohibits “pillage directed against persons at any time and in any place.” Additionally, Rules 50 and 52 of the ICRC’s Customary International Humanitarian Law Study prohibit the destruction, seizure, or looting of enemy property unless required by military necessity.¹³ Under the Rome Statute of the International Criminal Court, “pillage of a town or place, even when taken by assault,” constitutes a war crime in non-international armed conflicts.¹⁴

13. Customary International Humanitarian Law - Pillage is prohibited under international humanitarian law. Rule 52 of the ICRC Study on Customary International Humanitarian Law states that “Pillage is prohibited.” https://ihl-databases.icrc.org/ar/customary-ihl/v1/rule52?utm_source=chatgpt.com

14. See Article (8) Paragraph (e)/5 of the Court’s Statute, <https://www.ohchr.org/en/instruments-mechanisms/instruments/rome-statute-international-criminal-court>

Legal Analysis

When comparing this international prohibition against arbitrary confiscation and looting with Yemeni law, it is evident that the ban on looting aligns with the general legal principle that prohibits theft. This principle is enshrined in Yemeni legislation and in the national laws of most countries, where theft is punishable under criminal and military law.

The Universal Declaration of Human Rights is regarded as a set of ethical norms that states are expected to uphold. Additionally, Yemen has ratified Additional Protocol II to the Geneva Conventions, which pertains to victims of non-international armed conflicts. The customary rules of international humanitarian law are binding on all states and cannot be violated. Their consistent implementation by states establishes them as part of the customary law applicable to non-international armed conflicts.

SAM Organization for Rights and Liberties considers the arbitrary looting and seizure of property carried out by Ansar Allah (the Houthis) to be a war crime under international humanitarian law, equivalent to the crime of theft under Yemeni legislation. The organization asserts that these acts were conducted without any military necessity, and in most cases, the looting occurs within cities under Houthi control. These actions appear to follow a systematic approach to retaliate against opponents, particularly those who have been displaced or forced to flee Yemen.

Over the past three years, the group has institutionalized looting through orders issued by the so-called “judicial custodian” appointed by the Supreme Political Council. This individual was later endorsed by the Specialized Criminal Court, whose legitimacy remains questionable,¹⁶ as the head of the Committee for Listing and Seizing the Properties of “Traitors.” The Houthis attempt to falsely legitimize their actions by utilizing this court, along with the Public Funds Court and the broader judicial system, which remains under their influence.

15. Yemen ratified the Protocol on 1990/17/4

16. See the judicial decision to transfer the jurisdiction of the Sana'a Criminal Court to the court established in Ma'rib, issued by the Supreme Judicial Council of the internationally recognized government, Al-Mawqea Post, April 2018, 30. <https://almawqeaapost.net/news/30228>



Recommendations

To Ansar Allah (the Houthis):

- Immediately cease all acts of looting and confiscation of private property, particularly targeting opponents and civilians.
- Return all looted properties, including those of pharmaceutical and global companies in Sana'a and other governorates, as well as seized companies, banks, residences, associations, and institutions, to their rightful owners.
- Annul all asset freeze and confiscation orders issued by the judicial custodian and Houthi-controlled courts.
- End all judicial interference and manipulation of justice, particularly by halting the operations of the Specialized Criminal Court in Sana'a, whose jurisdiction became invalid after its relocation to Marib.
- Ensure that the Central Bank in Sana'a adheres to legal financial regulations and halts its money-laundering activities against banks, companies, and institutions.
- Commit to international humanitarian law and human rights law regarding the protection of property during and after military operations and territorial control. Halt the targeted confiscation of opponents' assets in Houthi-controlled areas.



Recommendations

To the Internationally Recognized Government of Yemen:

- Establish a special unit to track and document the assets and properties looted by Ansar Allah and closely monitor all money-laundering activities.
- Identify and document all individuals involved in overseeing, managing, or confiscating looted assets in Houthi-controlled areas to ensure accountability and include them on lists of individuals obstructing Yemen's political transition.
- Form a specialized task force to document all properties confiscated or looted by the Houthis.

To the United Nations Security Council and the International Community:

- Intensify scrutiny of the financial activities conducted by Ansar Allah within Yemen and their transactions with affiliated individuals and companies abroad.
- Closely monitor money-laundering activities and financial transfers between the Houthis and foreign entities or individuals.
- Include all individuals mentioned in this report on the UN sanctions list, in accordance with Security Council resolutions on Yemen.
- Establish an international task force to monitor and trace the assets looted by the Houthis, compile evidence, and ensure the restitution of these assets while holding those responsible accountable.

Document Annex

Document No. (1): This document confirms the appointment of Saleh Al-Shaer as the Judicial Custodian by the President of the Supreme Political Council of the Houthis on March 15, 2018.

لجنة حصر واستلام
ممتلكات الخونة
القاضي
الرقم التتبعي: ١١ / ٧ / ٢٠١٨
التاريخ: ١٥ / ٣ / ٢٠١٨
الموقع: صنعاء

لجنة حصر واستلام
ممتلكات الخونة
الحارس القضائي

تكليف

بالإشارة إلى الموضوع أعلاه. وبناء على توجيه رئيس المجلس السياسي الأعلى رقم (١٩٢) بتاريخ ٢٠١٨/٣/١٥ والقاضي بتكليف اللواء/ صالح مسفر الشاعر رئيساً للجنة حصر واستلام ممتلكات الخونة وبناء على تعييننا من قبل المحكمة الجزائية الابتدائية المتخصصة حارساً قضائياً على أموال وممتلكات الخونة.

وعليه

يكلف الأخ / أسامة حسن صاري مندوباً للحارس القضائي لدى كلاً من الشركات المبينة بالكشف التالي :-

م	الاسم	م	الاسم	م	الاسم	م	الاسم
١	شركة لينك إن تايم	٣	شركة إجر سيمس	٥	شركة مينا فاز	٧	شركة الما
٢	شركة اينسيمو	٤	شركة فلكس تراك	٦	شركة إن تو كاست	٨	إذاعة ابرام أف أم

ويتم التعاون معه وتمهيد مهامه ، ولما فيه الصالح العام .

رئيس اللجنة والتوقيع...

اللواء /
صالح مسفر الشاعر
رئيس لجنة حصر واستلام ممتلكات الخونة
الحارس القضائي لممتلكات الخونة

صورة طبق الأصل
مدير مكتب اللجنة

Document Annex

Document No. (2): A directive issued by the so-called Judicial Custodian to a currency exchange company, ordering the freezing of accounts belonging to 150 employees of two pharmaceutical companies.

(تعميم الى جميع شركات ومنشآت الصرافة العاملة في الجمهورية)

الأخ / المدير العام
شركة صرافة/منشأة:
مناينة مسؤول (الامتثال)
بعمركم السعيدة ،،،

الموضوع: تعميم بالحجز

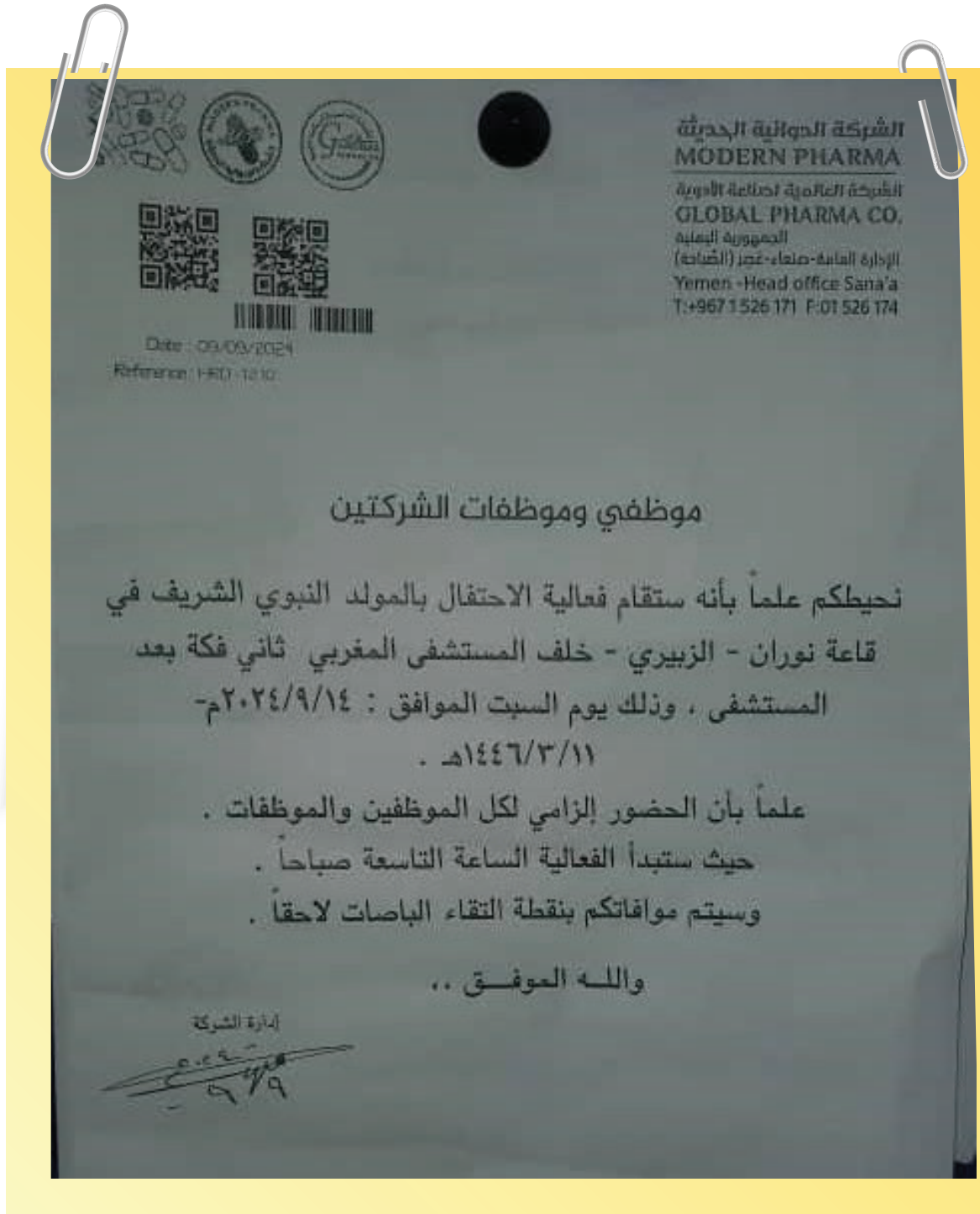
بالإشارة إلى الموضوع أعلاه، وإلى توجيهات السلطات العليا بشأن تجميد وحجز الأرصدة أو المبالغ الخاصة بعدد (150) شخص بحسب الكشف المرفق أولهم عبدالله شرف السروري وآخرهم / أمين علي قاسم العديني

(مرفق الكشف)

وعليه يتم موافقتنا بالأرصدة المحجوزة والحسابات المالية وأرقام وكشوفات الحسابات البنكية والمصرفية وأوليات فتح الحساب من تاريخ فتح الحساب (مرفقا بها الكشوفات التفصيلية لحركة تلك الحسابات) والحوالات المالية الداخلية والخارجية المرسلة والمستلمة وذلك يومنا هذا.

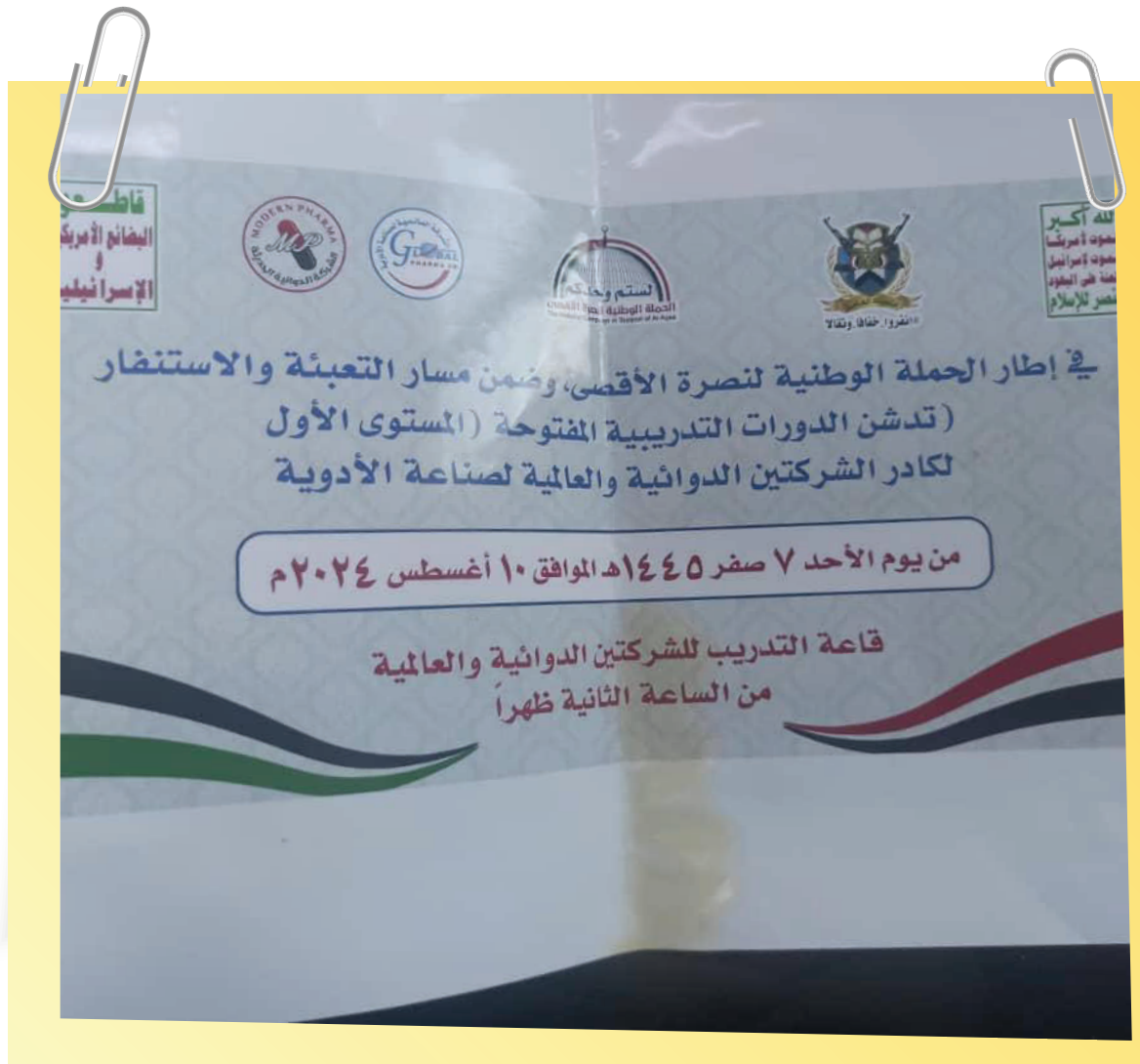
Document Annex

Document No. (3): A mandatory circular issued by the Judicial Custodian to company employees, requiring them to attend Mawlid celebrations after the company was seized



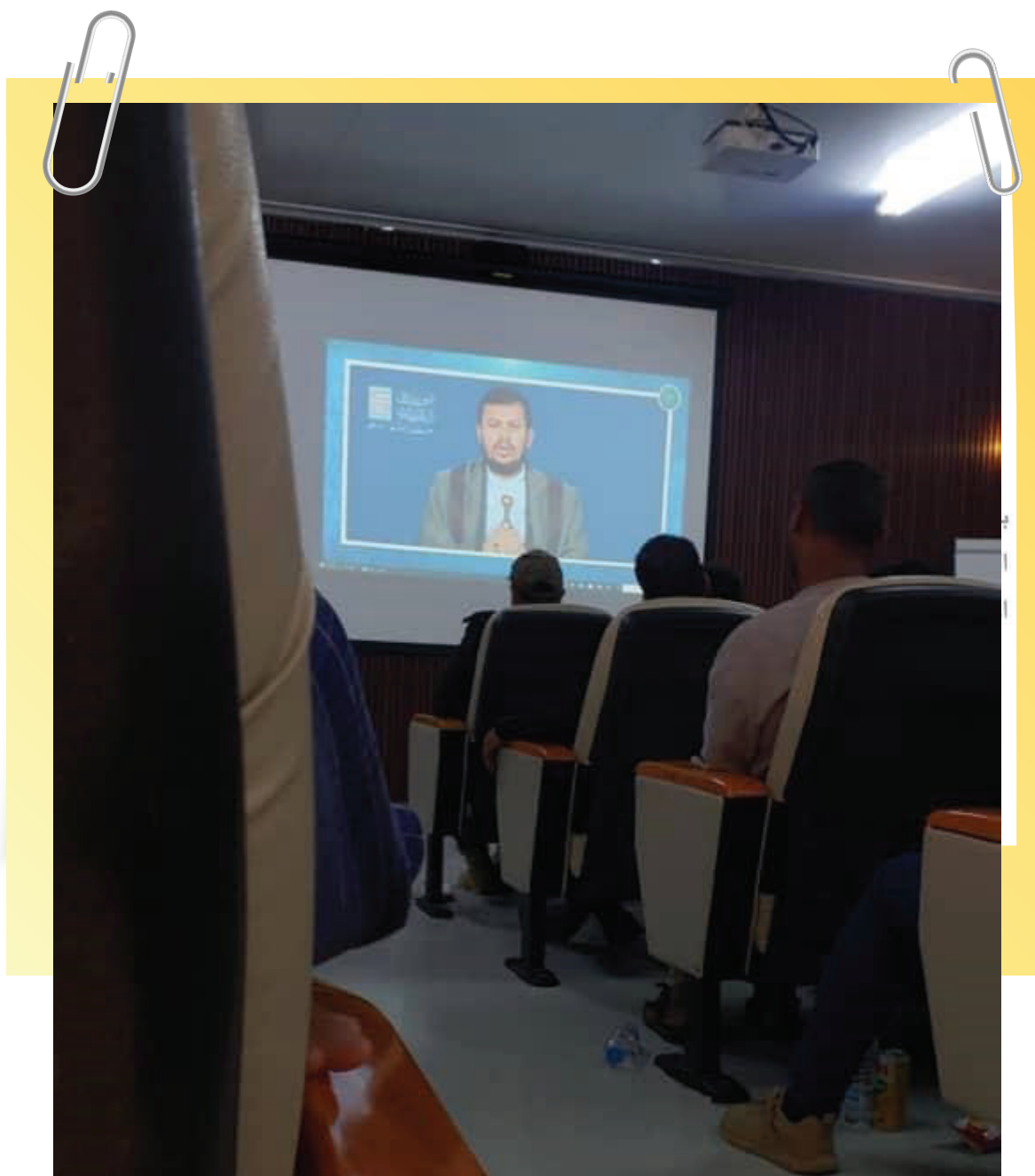
Document Annex

Document No. (4): An announcement directed at company employees, mandating their participation in a mobilization and combat training course



Document Annex

Document No. (5): A leaked document related to a compulsory mobilization course for employees of the pharmaceutical company



Document Annex

Document No. (6): A personal data form for what is called the “Al-Aqsa Flood Mobilization and Readiness Campaign,” issued by the Houthi-controlled Ministry of Defense, under the Committee .for Seizure, Inventory, and General Mobilization



الجمهورية التونسية
وزارة الزراعة
مديرية المصايد والحفظ
لجنة الحجز والحصر
التعبئة العامة

الصورة

رقم الاستمارة :
 اسم الجهة :
 اسم المركز :
 التاريخ :

رقم الاستمارة :

استمارة البيانات الشخصية

حالة طوفان الأنتص للجمعية والاستثمار

الاسم العائلي		اللقب		الدرجة والمسمى الوظيفي	
الإدارة العامة		القطاع/الدائرة		جهة العمل	
تاريخ ومكان الميلاد		تفاصيل السكن الحالي			
التاريخ	المحافظة	المدينة	العزلة/الحي	تقريباً الحارة	جوار
رقم البطاقة الشخصية		فئة الدم	الحالة الاجتماعية	عدد الأبناء	عدد من يعمل
رقم هاتف الرب شخص		رقم الهاتف المحمول		رقم هاتف الأب / الأخ	

الحالة الصحية:

الحالة الصحية	أعراض مزمنة / إعاقة

الموئل الطبي:

أخر موئل طبي	تخصص الموئل	المعدل % ١٠٠	مكان التخرج أو الدراسة	تاريخ التخرج

الخبرات والمهارات المكتسبة:

الخبرات والمهارات	مدة الممارسة	نسبة الاتقان	هل ترغب بالعمل فيها

الدورات الحاصل عليها بأنواعها:

نوع الدورة	مكان تأتمنها	مذتها	تاريخها

بيانات السلاح:

نوعه	رقمه	ملكته

نسبة الاستعداد في أي عمل وفي أي مكان خارج الجهة:

اسم المتدرب:	التوقيع:

خاصة بالمركز

ت. ح. ح	ت. ح. ح	ت. ح. ح	ت. ح. ح	ت. ح. ح

خاصة بالتشكيل

ت. ح. ح	م	اسم المسؤول م	فد	اسم المسؤول ف	س	اسم المسؤول س



Organized Looting

The Hidden Face of the Judicial Custodian

A Human Rights Report Documenting the Looting of Modern Pharmaceutical and Global Pharmaceutical Industries by the Houthi Group