Strengthening Resilience in the Horn of Africa

Progress and Updates of Priority Projects

9th HoA Ministerial Roundtable
Oct 27th, 2021
• **Climate shocks** will continue to have huge human and economic costs in the HoA region.
• **Center-periphery tensions** persist within each country, keeping economic activities away from border areas.
• **Food insecurity** has increased, driven by drought, floods, locusts, COVID-19 & conflict.
Strengthening Resilience in the Horn

The combination of systemic shocks and the conditions they create and deepen, undermine not only resilience and human capital development but also the economic growth and regional integration goals of each country in the Horn.

The need for tackling borderless challenges through regional efforts strengthening Resilience in the HoA is more important than ever before.

‘Looming Food Insecurity Amid Triple Threat’

“The compounding impacts of COVID-19, desert locust invasion, ongoing climatic shocks (including floods), conflict and insecurity, adverse macroeconomic shocks, together with protracted food insecurity from past shocks, could lead to a food security crisis in the IGAD region”.

IGAD’s Food Security and Nutrition Response Strategy (2020)
Why we need a Regional Approach

- Resilience **threats (climate shocks, locusts, COVID-19, conflicts)** have no borders - require regional approaches. Lack of cooperation can heighten tensions and impinge on other opportunities.

- **Transboundary areas** are highly dynamic contexts – require equally dynamic and inclusive resilience approaches. Multiple shocks and stressors; interdependencies & spill-over effects; potential for economies of scale (e.g., trade, animal disease control, monitoring, shared natural resources).

- Critical role of National governments and tailored responses, but some solutions require a **regional coordinated approach** to widen development gains (e.g. IGAD’s clusters). Importance of **coordination & harmonization** for investment sustainability.

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Transboundary Threats

Large potential from transboundary aquifers.
Progress of advancing the HoA Resilience Pillar

Progress so far:

1: Agreed on priority areas and projects
   - Technical Workshop on Pillar 3 (Mar & Oct, 2020)

2: Delivering Emergency Locust Operations
   - Locust Response (WB): US$227m (Djibouti, Ethiopia, Kenya, Somalia)
   - Locust Response (EU): Euro 74m

3: Advancing Collective Project Preparation
   - Groundwater: regional workshop (Apr 2021)
   - Agro-Pastoralism (AfDB)

Priority areas in Resilience
- Build resilience against desert locust & other transboundary threats
- Build capacities for ground water management
- Promote resilience in the borderlands
- Provide support to agropastoralism & livestock trade
Design for Resilience in HoA

**TRANSBOUNDARY RESILIENCE (T-Res) FRAMEWORK**

- Multiple, inter-connected entry points to build resilience.
- Cross-scale and cross-sector actions.

**3 INTERCONNECTED PILLARS**

- Information Systems
- Institutions and Organizations
- Knowledge base for investments

Source: Invisible Bonds: Transboundary Resilience Building in the HoA, WB 2021
Regional Dialogue on Desert Locust and Transboundary Pest Threat Preparedness

- Collaboration and dialogue with IGAD member states and donors, co-led by WB, IGAD, AFD, and FAO
- Communique of June 2021 committing to 14 priority actions across:
  (a) strategies & preparedness;
  (b) regional collaboration;
  (c) governance & coordination; and
  (d) research & innovation
- Establishing an inter-regional platform to facilitate coordinated **early warning & response** in frontline and invasion countries is being funded through **ELRP Phase 3**

**World Bank ELRP Investment Program**

- **US$394m** committed in 7 countries and 1 regional organization
- Locusts controlled on 509,182 hectares
- Productivity restored on 69,134 ha of land thus far (activity is starting)
- 549,750 social safety net beneficiaries
- National preparedness plans underway
Horn of Africa De-Risking, Inclusion and Value Enhancement of Pastoral Economies (DRIVE)

Expected Project Outcomes

• Building pastoral resilience through risk finance and trade
• Creating markets around livestock value chain
• Enhancing regional cooperation

Project Preparation Status

• **PDO:** To de-risk pastoralists in the Horn of Africa by (i) protecting them against drought with enhanced financial access and risk transfer; and (ii) better links to markets through trade facilitation and the mobilization of private capital in the livestock value chain.
• **Key results:** ~1 million pastoralists protected against drought through financial services; $500 million private capital mobilized through risk transfer and private investment in the value chain.
• **Sustainability** through focus on competitiveness and building capacity of private sector and insurers to provide services to pastoralists
• **Components:** Risk Finance (C1) and Livestock Value Chains and Trade Facilitation (C2)
• **Participating countries & financing amounts (TBD):** Djibouti US$12m – Ethiopia US$115m – Kenya US$140m – Somalia US$70m
• **Timeline for delivery:** WBG Board date March 2022

Request to Ministers/governments

• Importance of regional approach and instruments to address climate shocks
• Areas for further regional collaboration on the livestock trade: quality infrastructure to meet export standards; digitization of all SPS export certificates; common HoA branding for livestock products?
Expected Project Outcomes

• New beneficiaries provided with access to improved water supply as a result of the project (2 million in phase I for Ethiopia, Somalia and Kenya)
• 11 New policies, bylaws, regulations, guidelines or regional agreements prepared or adopted for sustainable groundwater management and use in participating countries
• Regional groundwater information sharing platform functioning among participating countries

Project Preparation Status

• **PDO:** To increase the sustainable use and management of groundwater by beneficiary groups in the Horn of Africa.
• **Components:** 1) Delivery of inclusive groundwater services to priority areas, and 2) Generating groundwater information and strengthening of regional and national groundwater institutions
• **Participating countries & financing amounts (TBD):** Phase I: US$265m (IGAD, Ethiopia, Kenya, Somalia) Phase II: Sudan and Djibouti – US$105m
• **Timeline for delivery:** Phase I: FY22 (Board Date March 29 2022). Phase II inFY23

Request to Ministers/governments

• Highlight the benefits of regional collaboration in GW and key role of regional institution IGAD in adding value
• Countries generate data and IGAD returns high value Transboundary Aquifer Assessments that help facilitate transboundary dialogue about groundwater development. Essential to build resilience.
1. **Expected Project Outcomes**
   - Making Agropastoral Production Systems More Resilient
   - Increasing Income from Agropastoral Value Chains
   - Improving Populations’ Capacity to Manage and Adapt to Climate Change Risks

2. **Project preparation status**
   - **PDO:** Build resilience to food and nutrition insecurity and climate change in the Horn of Africa
   - **Components:** (i) increase agropastoral productivity and production systems in cross-border areas in the IGAD region (the regional clusters); (ii) support agribusiness development in pastoral communities; and (iii) enhance populations’ adaptive capacity to climate change, climate risks, and climate variations.
   - **Financing amount and participating countries:** US$ 225m (Djibouti, Ethiopia, Kenya, Somalia, South Sudan, Sudan, and IGAD)
   - **Timeline for delivery:** 24 Nov. 2021 (Board Presentation)

3. **Request to Ministers/governments**
   - Highlight Role of IGAD & its specialized institutions in the implementation of the regional activities of the program
Concluding Remarks

1. Projects worth over US$1.3bn have either been approved or will be approved in the next 12 months for all five HoA countries and IGAD under the HoAI Resilience Pillar.

2. The HoAI Resilience Pillar can transform lives - and it can do so by bolstering groundwater access, enhancing access to financial services, improving livelihoods, social safety mechanisms, fostering gender inclusion and empowerment, and by offering new entry points for communities to innovate, and for the private sector to create jobs and engage youth.

3. Building resilience in multi-shock, fragile and highly marginalized contexts such as the HoA borderlands, is about finding new solutions, and about identifying new pathways towards transformation. But it is also about combining proven ideas in a creative, functional, practical, and agile way.

4. The proposed investments have a strong cross-scale nature and use a holistic resilience lens, meaning they cut across the local, sub-national, national and regional levels.

5. Communities are at the core of resilience building, and we need to get better at ‘hearing their voices’ - for example, through an effective engagement with formal and informal local institutions, as a critical foundation to ensure that resilience investments contribute to their priorities.
Thank you