

BRIEFING NOTE

Accelerating Development in HoA Borderlands: Policies, Investments, Institutions, and People

1. This note provides an overview of borderlands in the Horn of Africa, their development challenges and priorities, key elements of a “borderlands programmatic approach”, review the current HOAI portfolio of investments in the borderland, and identifies priorities. The annex details the rapid review of the portfolio.

Borderlands – what are they, why they matter and why are they often undeveloped?

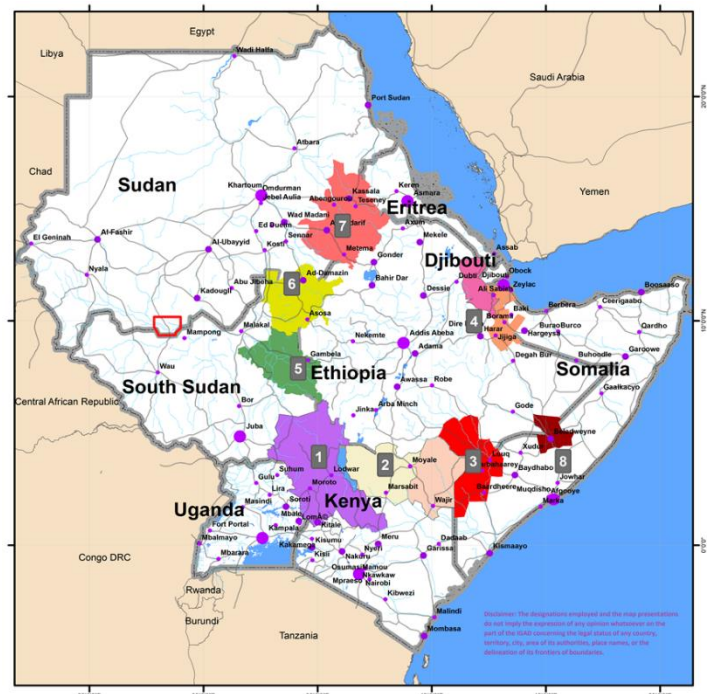
2. Borderlands are regions at the **territorial margins** of nation-states – places where the national border is a central feature of social, political and economic life. They are connected by trade and transhumance routes, socio-cultural affinities and relationships, shared natural resources, and have **complex development needs**. They are often marginalized and have been used as buffer zones between states.
3. Despite 270 million people living in borderlands in Africa, their **development is often neglected** and rarely featured in national development plans. The **institutional environment** for borderland development is often also weak at the regional and national levels, and particularly at the local government and community levels.

Borderlands in the Horn of Africa

4. IGAD had identified **eight borderland clusters in the Horn of Africa** – these regions have historically suffered from underinvestment and their challenges and vulnerabilities require action at the regional, national, subnational and community level. Many regions are also a source of fragility and base for extremism groups, e.g., Al-Shabaab, OLF, WSLF, SALF, etc.
5. Their **development challenges** encompass extreme vulnerability to climate change, low agricultural productivity and food insecurity, high population growth, finite and stressed natural resources, poor infrastructure connectivity, inadequate basic services, high levels of conflict and violence as well as illicit border activity such as arms and human trafficking.<sup>1</sup>

Borderlands Programmatic Approach

6. Tackling these development challenges in the unique social and institutional context of the borderlands requires an approach that is **programmatic**, leveraging strategic interlinked projects in the long-term; **spatial** and coordinated across borderlands as well as across the border itself; **multi-sectoral** in perspective and delivery; and **multi-level** and working with regional



<sup>1</sup> Recent reports on the HoA borderlands include World Bank (2022), *Invisible Bonds: Transboundary Resilience Building in the Horn of Africa*; World Bank (2020), *From Isolation to Integration: The Borderlands of the Horn of Africa*.

organizations, national governments, local governments, and community institutions. It is also critical to adopt a **borderlands perspective** that recognizes the uniqueness of the borderlands themselves, people and their challenges. Specific priorities:

- a. Implementing **borderland policies** as well as national policies with important implications for borderland development, including trade and mobility, transboundary water, land and natural resource sharing and management, and cross-border development planning and accountability.
  - b. Increasing **borderland investments** including in infrastructure connectivity (roads, energy, digital and trade), basic services (water, health, education, etc.), climate change and resilience (both empowering borderland communities to understand the climate risks they face and take adaptation action), as well as both traditional and alternative livelihoods, particularly for women and youth.
  - c. Strengthening **borderland institutions** through investments in regional collaboration (e.g., IGAD), national governments, local governments (cross-border planning, etc.) as well as community and informal institutions (e.g., social accountability).
7. Working together is critical to realizing the programmatic approach and the HOAI is well positioned to convene and realize the power of partnerships.



## HOAI Portfolio Profile: Existing Programming & Opportunities

8. The HOAI portfolio is already beginning to work programmatically across the four pillars with a rapid review (see annex for details) identifying existing investment in borderlands as well as additional opportunities:
- a. **Pillar 1: Regional Infrastructure Networks** – significant active and pipeline investments in road connectivity, last mile digital connections, particularly on the eastern borderlands; opportunities to leverage economic corridor investments and to go beyond infrastructure to close the digital gap.
  - b. **Pillar 2: Trade and Economic Integration** – investments in financial inclusion and trade facilitation, with opportunities to ensure these cross-border programs tackle the policy and needs of borderlands, including women, small traders, and pastoralists.
  - c. **Pillar 3: Strengthening Resilience** – large complex portfolio of investments across multiple sectors and regions; opportunities to expand in clusters in the west and established a platform for cross-border coordination, planning and citizen engagement and locally-led climate action.
  - d. **Pillar 4: Strengthening Human Capital** – small portfolio with little focus on borderlands, a critical investment gap and potential for investment in basic services, including focus on women and youth.

## Gaps and Opportunities

9. Six gaps and priority actions are proposed: (a) leveraging existing and pipeline **connectivity and economic integration investments** in borderlands (pillars 1 & 2); (b) expanding investments in **basic social services** (pillar 3); (c) **investing in regional, national, local and community institutions** for cross-border coordination, planning, and social risk management as well as (d) strengthening social cohesion and renewing the social contract through a **multi-sectoral, multi-agency platform for citizen engagement and participation** (pillars 3 & 4); e) increasing investment in **“western borderlands” of the Horn** (i.e. Ethiopia, Sudan and South Sudan); and f) strengthening **feedback loops, statistical platforms and data systems** for improved monitoring and evaluation systems, e.g., IGAD regional program, UNDP data encyclopedia.

## Annex: HOAI Portfolio Rapid Review

### HoAI Pillar 1: Regional Infrastructure Networks (Economic Corridors)

| Project  | Dev. Partner | Status   | Total (\$m in USD) | Partner countries                | Borderlands   |
|--|--------------|----------|--------------------|----------------------------------|---|
| HoA Gateway Development Project<br>(Kenya: Isiolo – Wajir – El Wak - Mandera)                              | World Bank   | Active   | 750                | Regional                         | <b>Yes</b> – connecting borderlands                         |
| Djibouti-Addis Road Corridor Project<br>(Djibouti: Djibouti Port- Arta, RN5 &RN19)                         | World Bank   | Active   | 70                 | Regional                         | <b>Yes</b> – connecting borderlands                         |
| Somalia HoA Infrastructure Integration Project   | World Bank   | Active   | 63                 | Regional                         | TBD   |
| Pre-feasibility study (Economic Corridors)   | EU           | Active   | 0.32               | Regional                         | N/A   |
| Horn of Africa Kismayo, Lamu and Mogadishu Corridor: (Kenya)<br>Elwak-Rhamu-Mandera Road Upgrading Project | AfDB         | Active   | 206.55             | Kenya, Ethiopia,<br>Somalia      | <b>Yes</b> – connecting borderlands                         |
| Multinational: Kenya – South-Sudan Road Section (Lesseru-Kitale<br>& Morpus Lokichar)                      | AfDB         | Active   | 170.1              | Kenya, South<br>Sudan            | <b>Yes</b> – connecting borderlands                         |
| Regional Economic Corridor Project (Ethiopia: Awash-Mieso-<br>Diredawa)                                    | World Bank   | Pipeline | 600                | Regional                         | <b>Opportunity</b> – connecting<br>borderlands              |
| Trade and transport facilitation measures for Strategic Corridors in<br>Africa                             | EU           | Pipeline | 45                 | Regional                         | <b>Opportunity</b> – borderland trade<br>barriers           |
| Horn of Africa Djibouti - Somalia Regional Transport Project   | AfDB         | Pipeline | 64                 | Somalia, Djibouti                | <b>Yes</b> – connecting borderlands of<br>the two countries |
| Ethiopia-South Sudan-Djibouti Transport Corridor   | AfDB         | Pipeline | TBC                | Ethiopia, Sth<br>Sudan, Djibouti | <b>Opportunity</b> – connecting<br>borderlands              |
| Road Infrastructure Programme Phase II (several roads)   | AfDB         | Pipeline | TBC                | Somalia                          | TBD   |
| <b>Sub-Total (Pillar 1.1 Economic Corridors)</b>   |              |          | <b>1,968.97</b>    |                                  |   |

## HoAI Pillar 1: Regional Infrastructure Networks (Energy Trade and Single Digital Market)

| Project  | Dev. Partner | Status   | Total (\$m in USD)     | Partner countries  | Borderlands  |
|--|--------------|----------|------------------------|--------------------|--|
| 2nd Ethiopia-Djibouti Power System Interconnection Project                           | World Bank   | Active   | 55                     | Regional           | <b>No</b> – inter-state connections                      |
| Pre-feasibility study (Regional Energy Trade)  | EU           | Active   | 0.32                   | Regional           | N/A  |
| 2nd Ethiopia- Djibouti Power System Interconnection Project                          | AfDB         | Active   | 81                     | Ethiopia, Djibouti | <b>No</b> – inter-state connections                      |
| HoA Regional Integration for Sustainable Energy Supply Ph 2                          | World Bank   | Pipeline | 700                    | Regional           | <b>Yes</b> – borderlands of Ethiopia, Djibouti and Kenya |
| HoA Regional Integration for Sustainable Energy Supply Ph 1                          | World Bank   | Pipeline | 590                    | Regional           | <b>Yes</b> – borderlands of Ethiopia, Djibouti and Kenya |
| Kenya: Isiolo-Mandera  | World Bank   | Active   | (included in HoA GWDP) | Regional           | <b>Yes</b> – facilitating trade in borderlands           |
| D4D Collaboration for the Horn of Africa Initiative on Digital Government - Now IDGC | EU           | Active   | 10.6                   | Regional           | <b>No</b> – no specific focus on borderlands             |
| Pre-feasibility study (Single Digital Market)  | EU           | Active   | 0.32                   | Regional           | N/A  |
| Human-Centered Digitalization #TeamEuropeKenya                                       | EU           | Approved | 29.68                  | Kenya              | <b>No</b> – no specific focus on borderlands             |
| HoA Digital market integration phase I project                                       | AfDB         | Active   | 8.3                    | Regional           | <b>Yes</b> - facilitating digital markets in Borderlands |
| East Africa Regional Digital Integration   | World Bank   | Pipeline | 172                    | Regional           | <b>Yes</b> – last mile connections in borderlands        |
| Eastern Africa Regional Digital Integration Project SOP-II                           | World Bank   | Pipeline | 100.00                 | Regional           | <b>Yes</b> – last mile connections in borderlands        |
| Digital component "Gouvernance pour le développement"                                | EU           | Pipeline | 1.38                   | Djibouti           | TBD  |
| <b>Total</b>   |              |          | <b>1,748.60</b>        |                    |  |

## HoAI Pillar 2: Trade and Economic Integration

| Project  | Dev. Partner | Status   | Total (\$m in USD) | Partner countries | Borderlands  |
|--|--------------|----------|--------------------|-------------------|--|
| De-Risking, Inclusion and Value Enhancement of Rural Economies Project | World Bank   | Active   | 327.5              | Regional          | <b>Yes</b> - trade corridors connecting borderlands in Ethiopia, Djibouti, Kenya & Somalia |
| Development of the Djibouti Corridor                                   | EU           | Active   | 33.92              | Djibouti-Ethiopia | <b>Yes</b> – inclusive trade in Ethiopia-Djibouti borderland                               |
| COMESA Trade Facilitation Program                                      | EU           | Active   | 5.94               | Regional          | <b>No</b> – not specifically focused on borderland trade                                   |
| AFE Regional Trade Facilitation Project                                | World Bank   | Pipeline | 325                | Regional          | <b>Opportunity</b> – to include focus on borderland trade priorities                       |
| Africa GREEN Housing Finance Facility (Kenya)                          | World Bank   | Pipeline | 80                 | Regional          | TBD  |
| Towards free movement and labor mobility in the IGAD region, phase II  | EU           | Pipeline | 15.9               | Regional          | <b>Opportunity</b> – to include focus on borderland movement                               |
| Promote and Invest in Circular Economy in Eastern and Southern Africa  | EU           | Pipeline | 10                 | Kenya, Ethiopia   | TBD  |
| Horn of Africa trade facilitation and value chains                     | AfDB         | Pipeline | 12                 | Regional          | <b>Opportunity</b> – to include focus on borderland trade priorities                       |
| EAC and Horn of Africa capital markets integration project             | AfDB         | Pipeline | 10                 | Regional          | <b>Opportunity</b> – to include focus on borderland finance priorities                     |
| <b>Total</b>   |              |          | <b>820.26</b>      |                   |  |

### HoAI Pillar 3: Resilience

| Project  | Dev. Partner | Status   | Total (\$m in USD) | Partner countries | Borderlands  |
|--|--------------|----------|--------------------|-------------------|--|
| Groundwater for Resilience   | World Bank   | Active   | 385                | Regional          | <b>Yes</b> – multiple borderlands                      |
| Development Response to Displacement Impacts Project AF (Ethiopia)                         | World Bank   | Active   | 180                | Regional          | <b>Yes</b> – multiple borderlands                      |
| Food Systems Resilience Program for Eastern and Southern Africa                            | World Bank   | Active   | 600                | Regional          | <b>No</b> – no specific focus on borderlands           |
| Locust Response (Djibouti, Kenya, Ethiopia)  | World Bank   | Active   | 230                | Regional          | <b>Yes</b> – covers infestation in eastern borderlands |
| Locust Response (South Sudan)  | World Bank   | Active   | 50.7               | Regional          | <b>Yes</b> – covers infestation in eastern borderlands |
| Development Response to Displacement Impacts Project in the HoA                            | World Bank   | Active   | 130                | Regional          | <b>Yes</b> – multiple borderlands                      |
| Development Response to Displacement Impacts Project (DRDIP) in the Horn of Africa (Kenya) | World Bank   | Active   | 100                | Regional          | <b>Yes</b> – multiple borderlands                      |
| Africa Environmental Health and Pollution Management Program                               | World Bank   | Active   | 8                  | Regional          | <b>No</b> – no specific focus on borderlands           |
| Food Systems Resilience Program (Somalia) Phase 3  | World Bank   | Pipeline | 300                | Regional          | <b>Opportunity</b> –to include focus on borderlands    |
| Regional Climate Resilience Program (South Sudan)  | World Bank   | Pipeline | 240                | Regional          | TBD  |
| Groundwater for Resilience Phase II (Djibouti and South Sudan)                             | World Bank   | Pipeline | 70                 | Regional          | <b>Yes</b> – multiple borderlands                      |
| <b>Sub-total (active and approved projects)</b>  |              |          | <b>2380.58</b>     |                   |  |

### HoAI Pillar 3: Resilience

| Project   | Dev. Partner | Status   | Total (\$m in USD)          | Partner countries | Borderlands                                 |
|---|--------------|----------|-----------------------------|-------------------|---|
| Locust Response   | EU           | Active   | 81.62                       | Regional          | <b>Yes</b> – some borderland clusters       |
| Promoting stability and strengthening basic service delivery for host communities, refugees and other displaced people in Gambella Regional State of Ethiopia | EU           | Active   | 5.30                        | Ethiopia          | <b>Yes</b> – IGAD borderland cluster        |
| Collaboration in Cross-Border Areas of the Horn of Africa Region – top up   | EU           | Active   | 5.30                        | Regional          | <b>Yes</b> – IGAD borderland clusters       |
| Building Resilience to Impacts of El Nino through Integrated Complementary Actions to the EU Resilience Building Programme in Ethiopia (RESET PLUS)           | EU           | Active   | 5.30                        | Ethiopia          | <b>Yes</b> – IGAD borderland clusters       |
| RESTORE Building Resilience in Northern Somalia   | EU           | Active   | 3.18 (EUR 11.8m total proj) | Somalia           | <b>Yes</b> – some borderland clusters       |
| RESTORE II Building Resilience in Northern Somalia  | EU           | Active   | 8.48                        | Somalia           | <b>Yes</b> – some borderland clusters       |
| Enhancing self-reliance for refugees and host communities in Kenya  | EU           | Active   | 8.34                        | Kenya             | <b>Yes</b> – IGAD borderland clusters       |
| Digital Land Governance   | EU           | Active   | 21.20                       | Kenya             | <b>Yes</b> – some Kenya border counties     |
| Peaceful and resilient borderlands in the Horn of Africa  | EU           | Approved | 42.40                       | Regional          | <b>Yes</b> – IGAD borderland clusters       |
| Individual measures - food security actions   | EU           | Approved | 79.50                       | Ethiopia          | TBD   |
| BREACH - Boosting Resilience and Adaptation to Climate Change   | EU           | Approved | 37.10                       | Somalia           | <b>No</b> – not current locations           |
| Green Deal #TeamEuropeKenya   | EU           | Approved | 13.78                       | Kenya             | No  |
| Building Opportunities for Refugee and Host Community Self-Reliance   | EU           | Approved | 13.78                       | Kenya             | <b>Yes</b> – some borderland clusters       |
| Strengthening local governance and resilience in South Sudan  | EU           | Approved | 18.02                       | South Sudan       | TBD   |
| Green and resilient economy in South Sudan  | EU           | Pipeline | 84                          | South Sudan       | TBD   |
| Horn of Africa – Livestock and pastoralism  | EU           | Pipeline | 42.4                        | Regional          | <b>Yes</b> – some IGAD borderland clusters  |
| Regional support to the Great Green Wall  | EU           | Pipeline | 5.30                        | Regional          | <b>Potential</b> – some borderland clusters |
| Enhancing Food Security and Resilience of Rural Communities in Sudan  | EU           | Pipeline | 95.4                        | Sudan             | TBD   |
| Primary Health Care provision for vulnerable populations affected by food insecurity and malnutrition - Sudan   | EU           | Pipeline | 42.4                        | Sudan             | TBD   |

### HoAI Pillar 3: Resilience

| Project   | Dev. Partner | Status   | Total (\$m in USD) | Partner countries    | Borderlands  |
|---|--------------|----------|--------------------|----------------------|--|
| MULTINATIONAL - East and Horn of Africa Desert Locust Crisis: Emergency assistance to fight the desert locust invasion in 9 regional member countries - Special Relief Fund (SRF) | AfDB         | Active   | 1.49               | Regional             | <b>Yes</b> – covers infestation in borderlands         |
| Program to build resilience for food and nutrition security in in the Horn of Africa  | AfDB         | Active   | 176.85             | Regional             | <b>Yes</b> – operates in five IGAD borderland clusters |
| African Emergency Food Production Facility (K-AEFPF)  | AfDB         | Active   | 66.56              | Kenya                | <b>No</b> – no specific focus on borderland clusters   |
| African Emergency Food Production Project-1 (SSEFPF-1) - (AEFPF)  | AfDB         | Active   | 8.1                | South Sudan          | <b>No</b> – no specific focus on borderland clusters   |
| African Emergency Food Production Facility Project (AEFPF)  | AfDB         | Active   | 5.4                | Somalia              | <b>No</b> – no specific focus on borderland clusters   |
| African Emergency Food Production Facility Project (AEFPF)  | AfDB         | Active   | 76.68              | Sudan                | <b>No</b> – no specific focus on borderland clusters   |
| African Emergency Food Production Facility Project (AEFPF)  | AfDB         | Active   | 10.8               | Somalia, Sudan       | <b>No</b> – no specific focus on borderland clusters   |
| Multinational Emergency Response (South Sudan and Sudan) – Proposal for an Emergency Humanitarian Assistance to Populations Affected by Floods - Special Relief Fund (SRF)        | AfDB         | Active   | 0.41               | South Sudan, Sudan   | <b>No</b> – no specific focus on borderland clusters   |
| Skills for Employability, Inclusion and Productivity Project  | AfDB         | Approved | 7.29               | Somalia              | <b>No</b> – no specific focus on borderland clusters   |
| Multinational - (Burundi, Comoros, Somalia & South Sudan and FAO) REGIONAL -Strengthening Emergency Preparedness and Response to Food Crisis Project (SEPAREF)- (AEFPF)           | AfDB         | Pipeline | 10.2               | Somalia, South Sudan | <b>No</b> – no specific focus on borderland clusters   |



## HoAI Pillar 4: Human Capital Development

| Project  | Dev. Partner | Status   | Total (\$m in USD) | Partner countries | Borderlands  |
|--|--------------|----------|--------------------|-------------------|--|
| Africa CDC Regional Investment Financing Project (Ethiopia)  | World Bank   | Active   | 150                | Regional          | <b>No</b> – no borderland focus  |
| East Africa Skills for Transformation and Regional Integration Project (EASTRIP)   | World Bank   | Active   | 210                | Regional          | <b>No</b> – no borderland focus  |
| First Africa Higher Education Centers of Excellence for Development Impact Project   | World Bank   | Active   | 57                 | Regional          | <b>No</b> – no borderland focus  |
| Eastern Africa Regional Statistics Program-for-Results   | World Bank   | Active   | 120                | Regional          | <b>Limited</b> – one relevant result on informal cross-border trade analysis |
| Disease surveillance for the HoA   | EU           | Active   | 7.42               | Regional          | <b>No</b> – no borderland focus  |
| Inclusive quality education for the most vulnerable children in Sudan  | EU           | Active   | 31.8               | Sudan             | <b>No</b> – no borderland focus  |
| AFE Health Emergency Preparedness, Response and Resilience MPA (Ethiopia)  | World Bank   | Pipeline | 330                | Regional          | <b>No</b> – no borderland focus  |
| Improving health in South Sudan with a special focus on pregnant women and children under five along with other vulnerable populations | EU           | Pipeline | 25.9               | South Sudan       | <b>Opportunity</b> – vulnerable populations in borderlands                   |
| <b>Total</b>   |              |          | <b>932.12</b>      |                   |  |