

16th Ministerial Meeting of the Horn of Africa Initiative

12 April 2023: Washington DC

Communique

We, the Finance Ministers of Djibouti, Ethiopia, Kenya, Somalia, and South Sudan, and representative from Eritrea held the 16th Ministerial Meeting of the Horn of Africa Initiative (HoAI) today in the margins of the World Bank / IMF Spring Meetings. The meeting was co-chaired by H.E. Mr Ahmed Shide, Minister of Finance for Ethiopia, the new Chair of the Initiative since March 2023 and Ms. Victoria Kwakwa, Vice President, Eastern and Southern Africa, the World Bank. The objectives of the Meeting were to discuss development challenges and opportunities in the borderlands of the Horn of Africa in the four pillars of the Initiative and preparations for the next Ministerial in the margins of the 2023 African Development Bank's Annual Meetings. As requested by HoA Ministers in a previous meeting, opening remarks were limited to the co-Chairs in order to give more time for discussions of agenda items and for the Ministers to make interventions.

We expressed our appreciation of the continued high-level support and commitment of our Development Partners (DPs) — the African Development Bank, the European Union (EU) and the World Bank Group. We acknowledge the continued technical support and participation of the Intergovernmental Authority on Development (IGAD). We also welcomed as observers, representatives from Germany and Japan, as well as the Asian Infrastructure Investment Bank (AIIB) and the Saudi Fund, which reflects interest being shown by other donors in the Initiative. We look forward to their fuller involvement in the Initiative in line with the Framework for Participation for New Development Partners.

We listened with interest to the presentation on borderlands prepared jointly by DP representatives and IGAD. We noted the prevalence of development challenges encompassing 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 cross-border activity such as illegal arms and human trafficking. We emphasized the importance of adopting a multi-sectoral and cluster of opportunity approach, based on well thought out sequencing, prioritisation and coordination. We agreed on the need to continue focusing policy discussions and shift additional programmatic support on borderlands. In particular, we supported the preparation of a roadmap for borderland development and to be updated on progress in this area during our next Ministerial meeting in May 2023.

We also received an update on preparations for the 17th Ministerial scheduled for 24th May 2023, as a side event of the AfDB Annual Meeting in Sharm-el-Sheikh. We welcome this opportunity to discuss further an engagement approach to harness opportunities for private sector engagement in the Horn of Africa Initiative and leveraging opportunities provided by green investments. We look forward to the presentation to be made and operationalizing the approach.

We noted with satisfaction that the total financial resources approved have reached US\$4 billion, with an additional pipeline of projects worth US\$4.2 billion under consideration for concessional financing under the priority package. We support continued outreach efforts to other development partners to augment the current investments and increase the available resources for implementation, while preserving the country-led focus of HoAI. We also reconfirm the need to replenish the Multi-Donor Trust Fund, which provides essential resources for analytics, project preparation and the operations of the HoAI Secretariat.

During our exchanges, we agreed that the rotation of Chairmanship should from now onward be on a bi-annual basis. We also appreciated the synergistic role of IGAD in the Horn of Africa Initiative and noted that additional consultations were necessary between member states on the most appropriate engagement framework between the two regional bodies. We further proposed to mobilise additional funding to address future climate disasters, which also affect regional supply chains.

Moving forward, as per the draft work programme for 2023 presented today, we confirmed that the 17th Ministerial Meeting will be held in Sharm-el-Sheikh Egypt in May with a subsequent one to be held in or around October 2023. We also agreed to organise a Heads of State meeting towards the end of the year in Ethiopia.