

## **20<sup>th</sup> Ministerial Meeting of the Horn of Africa Initiative 17 April 2024, Washington DC: Communique**

We, the Finance Ministers of Djibouti, Ethiopia, Kenya, Somalia, and South Sudan, held the 20<sup>th</sup> Ministerial Meeting of the Horn of Africa Initiative (HoAI) today in Washington, DC, United States on 17 April 2024. The meeting was co-chaired by H.E. Mr Ahmed Shide, Minister of Finance for Ethiopia and Ms. Victoria Kwakwa, Vice President, Eastern and Southern Africa, The World Bank.

We expressed our appreciation for the continued high-level support and commitment of our Development Partners (DPs) — the African Development Bank (AfDB), the European Union (EU), the Federal Ministry of Cooperation and Development (BMZ, Germany), the Foreign, Commonwealth & Development Office (UK, FCDO) and the World Bank Group. This support is reflected in close to US\$10 billion having been already mobilised towards implementation of the HoAI strategic pillars. We look forward to successful continued mobilisation efforts, including expected forthcoming contributions to the Multi-Donor Trust Fund (MDTF) supporting preparatory and analytical work underpinning the Initiative, notably by DPs that joined the Initiative during 2023. We expressed our appreciation of the continued support and participation of the Intergovernmental Authority on Development (IGAD).

We also noted with satisfaction the continued interest of other development partners, notably through participation in the meeting as observers by representatives of the Arab Bank for Economic Development in Africa (BADEA), the Saudi Fund for Development, Japan and United States. We appreciated their supportive comments, notably highlighting their ongoing involvement in the region. We noted that these partners had participated in previous meetings and look forward to them formally join and fund the Initiative through one of the windows provided in the HoAI Participation Framework (<https://www.hoainitiative.org/partnership-framework-for-new-development-partners-dps/>).

Building on discussions from previous meetings during 2023, and subsequent deepening of the analysis in collaboration with national and regional counterparts and partners, as we had requested the objectives of the Meeting were to be updated on: (i) development of the energy trade market and improved regional access; and (ii) progress on trade integration in the region. The initial presentations were followed by vibrant exchanges and subsequent guidance, as summarised below.

We listened with interest to an update on energy, a topic last discussed in March 2022. We appreciated the broadening of the coverage to cover topics other than energy trade. We noted progress in the implementation of the East Africa Power Pool (EAPP) action plan, which needs to be brought to conclusion. The coverage of last mile connection, renewable opportunities, financing alternatives, and related topics helped frame the challenge of extending energy access to poorly served areas, notably borderlands, while also simultaneously meeting COP28 commitments on reducing carbon emissions while also taking advantage of funding expected to be available. The analysis and subsequent discussions highlighted the need to further consider access by the population living in borderlands, which was especially highlighted as a priority.

Two years have passed since we adopted the Trade Facilitation Roadmap and the closely related private sector engagement roadmap, which we endorsed in October 2023. We were pleased with the progress achieved so far, especially studies that will provide analytical underpinning for a comprehensive and ambitious trade and investment programme under development. We support the broader programme as highlighted during the meeting, which is expected to be funded and rolled out during 2025. The interest showed by various DPs in this area, as reflected in ongoing and planned support is encouraging, and will require inter-DP coordination to ensure efficiency and effectiveness of the actions. In addition,

we highlighted the need to maintain the momentum generated during the past two years by ensuring that funding is provided to continue implementing short-term actions during 2024, including analytical work, as well as regular engagement with technical working groups and associated capacity building. Such actions would help improve readiness for implementation of the aforementioned comprehensive programme.

Mobilisation efforts are also continuing. We welcomed continued progress reflected in the total financial resources approved reaching US\$9.9 billion with an additional pipeline of US\$1.8 billion under preparation. There is continued need to strengthen the lending pipeline, including to integrate specific projects proposed by South Sudan. The specific funding needs of regional projects and funding gaps are expected to be discussed with DPs in the next few months. As we requested in December 2023, we learnt that a regional HoAI portfolio review had been initiated and look forward to discussing the outcome of this review at the May 2024 Ministerial Meeting. These exchanges would cover endorsement of specific actions and decisions that need to be taken to enhance the impact of the funding that has been secured.

In conclusion to the meeting:

- (a) Expressed continued solidarity with the people of Sudan and called for all parties to seek a peaceful solution to the conflict.
- (b) Congratulated the Somali Federal Government on its successful completion of negotiations with the Paris club, post HIPC completion point on 13 December 2023.
- (c) Confirmed that the next Ministerial Meeting should be focused on the review of the portfolio as well as an update of progress in advancing the Borderlands Roadmap approved in October 2023.
- (d) Encouraged continued resource mobilization efforts, including to top-up the MDTF, notably with Gulf States and observers who attended the present and previous meetings.

Moving forward, we confirmed that the next Ministerial Meeting, co-chaired by the AfDB will be held on 28 May 2024 Nairobi (side event at the AfDB Annual Meeting).