

Summary Note
Horn of Africa (HoA) VTC, 27 April 2016

Participants: **AUC and EU were not able to connect due to technical difficulties.*

- **AfDB:** Gabriel Negatu (Nairobi); Sibry Tapsoba (Abidjan);
- **AUC:** N/A
- **EU:** N/A
- **IsDB:** N/A
- **UN:** Samba Sane, Mitonga Zongwe, Gillian Sheehan, Ljiljana Setka, Nao Kawaguchi (DPA); Rania Hadra (OCHA); Linda Maguire, Abdullah Alkulaib (UNDP); Beatrice Ngendandumwe, Nagette Belgacem, Buti Kale (UNHCR) Jago Salmon (UN-WB partnership)
- **WBG:** Aileen Marshall, Vijay Pillai (DC)

Agreed Action Points:

- Reschedule the discussion on IGAD to a future date [**EU to chair**]
- Follow-up on engagement on Eritrea via email [**All**]
- Share the “Eritrea Strategic Partnership Cooperation Framework” once available [**UNDP**]
- Share the outcome of the Valletta Summit on migration [**UNHCR**]
- Present possible approach for mapping financing mechanisms available for the Horn of Africa region [**UN**]

Discussions:

1. Following points were made during the discussion on **Eritrea** (led by AfDB):

- To start the discussion, **AfDB** highlighted the economic challenges facing Eritrea, which is primarily dependent on the mining industry as a source of foreign currency. Mining industry was noted to create an “enclave economy” which generates limited employment opportunities, leaving most of the population to rely on subsistence agriculture. The limited livelihood opportunities for the youth were noted to be creating the push factor for migration with opportunities in the European countries and beyond were seen as a pull factor.
- The **AfDB** outlined business/investment climate, skills and technology, infrastructure/energy, agriculture, and statistics as potential areas of cooperation, while raising a question on how best to utilize this multi-partner forum. The importance of not raising Government of Eritrea’s suspicion was stressed by **AfDB** and **WBG**, particularly in view of the fact that the Government prefers bilateral engagement over coordinated donor groups. In response, the **UN (UNDP)** noted that the objective of the multi-partner VTC with respect to Eritrea should be limited to information sharing and identifying areas of potential collaboration. The **WBG** also noted that as the WBG currently does not work in Eritrea, although some preliminary discussions have been held, their aim was to hear the activities of others so that they are better informed for when the conditions are in place for the engagement.

- On the current engagement with Eritrea, the **UN** shared that, from a political angle, the UN has pursued a deliberate and careful strategy of engagement with Eritrea, which has resulted in a number of positive steps including Eritrea's decision to release four Djiboutian prisoners of war as well as encouraging actions on human rights and migration. In this regard, the need to include Eritrea in the discussion on regional integration, including in the context of IGAD, was stressed. From a more programmatic perspective, the **UNDP** shared that they are in the process of negotiating an Eritrea Strategic Partnership Cooperation Framework with the Government, which includes areas such as enhancing Government's statistical capacity as well as generating employment opportunities. The **AfDB** shared that it is also developing a new country strategy for the next five years. In discussion with the Ministry of Finance, the AfDB informed that they are considering focusing their engagement with Eritrea on infrastructure development (e.g. irrigation, water and energy) in addition to ongoing projects.
- **AfDB** noted that it would be valuable for the HoA VTC participants to have a shared purpose and approach across the various available financial tools. **UN (OCHA)** noted that in respect of Eritrea, the UN Common Country Assessment provides a mapping of needs and encouraged AfDB to continue to make use of relevant structures in-country. **UN (Partnership focal point)** noted that in the case of the MENA region, a mapping of available financial instruments for the whole region had provided useful in helping partners come together around specific strategies and gaps. This could perhaps be done for the Horn region. UN undertook to follow up with its relevant offices.

2. It was agreed that in view of technical difficulties connecting with EU, AU and the IsDB, the discussion on the **engagement with IGAD** will be postponed until the next VTC, to be chaired by the EU. Furthermore, it was also agreed to continue the exchange regarding engagement with Eritrea, as well as on mapping of financing mechanisms relevant to the Horn of Africa region.

Drafted: DPA/UN, 27 April 2016