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Implementation Review of the Horn of Africa Strategic Framework Presented by the HR/VP

1. Summary

Since the adoption of the Horn of Africa Strategic Framework, both the political and security situation has developed favourably while the economic environment has also shown some improvement.

Political progress in Somalia has been marked by the end of the transitional arrangements and appointment of a new, more legitimate federal government. This has been supported by the progress the African Union Mission in Somalia (AMISOM) has made in reducing the area under the control of Al-Shabaab. The drastic deterioration in relations between Sudan and South Sudan early in 2012 has been halted and a negotiation process restored through the AU-brokered Addis Ababa agreements which should lead to the flow of oil and revenue being restored. Ethiopia has experienced a peaceful political transition following the unexpected death of PM Meles, thanks to relatively robust government institutions. There are indications that Eritrea may be willing to re-engage with the international community.

On the humanitarian front, the food crisis in the Horn last year was overcome with a relatively low loss of life. But the economic challenges of livelihood recovery, building resilience, generating job-creating and poverty-reducing growth in many countries of the Horn remain considerable and will be an increasing focus of attention as the political and security situation stabilizes.

The EU has played a constructive part in supporting these positive developments by applying the approach set out in the Strategic Framework.

2. Introduction

The EU adopted a Strategic Framework for the Horn of Africa on 14 November 2011, taking a regional approach to the eight countries that are members of the Intergovernmental Authority on Development (IGAD) – Djibouti, Ethiopia, Eritrea, Kenya, Somalia, Sudan, South Sudan and Uganda. As the political umbrella of EU actions in the Horn of Africa, the Strategic Framework underlines the need to address the link between insecurity, poverty and governance. The objectives are to achieve peace, security, development and accountable government by focusing on five particular areas: (i) building democratic and accountable state structures, (ii) supporting peace, security, conflict prevention and resolution, (iii) mitigating the effects of insecurity in the region, (iv) reducing poverty, supporting economic growth and prosperity and (v) strengthen regional cooperation, by making effective, consistent, coherent and complementary use of all available EU instruments and means.

An EU Special Representative (EUSR) for the Horn, working closely with the EUSR for Sudan and South Sudan, has been appointed to contribute to the implementation of the Framework. In line with his mandate, the EUSR's initial focus during the first year was primarily on Somalia and, with the end of the transition, is beginning to shift focus to the regional dimensions of the Somali conflict.

The Framework is implemented through sub-strategies and action plans, including the EU Comprehensive Approach to South Sudan, the development of Action Plans to counter Terrorism and conduct Counter-Piracy actions, discussion paper for the EU's approach in post transition Somalia and the Supporting the Horn of Africa's Resilience (SHARE) initiative to strategically build resilience to food insecurity and malnutrition. In addition, a wide range of development cooperation projects and four CSDP missions and operations (EUNAVFOR Atalanta, EUTM Somalia, EUCAP Nestor and EUAVSEC at Juba Airport), currently on-going in the Horn are contributing to achieving the objectives of the Strategic Framework. An EU Operations Centre was activated in March 2012, to support and coordinate EU CSDP action (with the exception of EUAVSEC) under the guidance of the Political and Security Committee (PSC).

The implementation of the Strategic Framework is reviewed by the PSC on a regular basis. The purpose of this paper is to initiate the first review with a report by the HR/VP to the PSC, one year after its adoption by Council. It has been prepared by the EEAS and European Commission services, in coordination with the EUSR for the Horn of Africa and the EUSR for Sudan and South Sudan.

3. The EU's regional approach

In the year since the Strategic Framework was adopted, there have been positive developments in respect to the challenges faced by the region. In Somalia, the transition is broadly on track. The political process unfolded against an improved security context with Kenyan and Ethiopian troops entering Somalia in support of AMISOM. Uganda remained the most important troop contributor to AMISOM. Progress was made on outstanding issues between South Sudan and Sudan. Ethiopia has so far managed a stable transfer of power after the death of Prime Minister Meles. These developments present opportunities for the EU engagement to assist in resolving lingering hostilities between the countries of the region.

However, the underlying drivers of conflict and risks to development identified in the Strategic Framework remain, and the inter-linkages between them still need to be addressed. The political, security and humanitarian situation remains fragile. Pockets of instability in the region persist. Security in Somalia is still very fragile, the questions of Abyei and South Kordofan/Blue Nile remain unresolved between Sudan and South Sudan and the elections in Kenya in March 2013 will be a determining factor for stability in the region. How the new leadership in Ethiopia will reflect on internal and regional stability remains to be seen. One of the underlying conflicts that fuel instability in the Horn, the Eritrea-Ethiopia border conflict remains frozen. For Eritrea, the border dispute remains a determining factor of both foreign and domestic policies. These risks of renewed conflict, a further deterioration of governance, as well as recurrent droughts and other natural disasters could affect future actions or impede the achievement of EU objectives and are acknowledged in the Framework.

Against this background, the EU's political engagement in and with the region has intensified since the adoption of the Strategic Framework. The EU Special Representative for the Horn of Africa has travelled extensively, seeking to address the challenges addressed in the Strategic Framework, which is now the reference document for EU actions in the region. With the peaceful end of the transition in Somalia, the EU appointed its first Ambassador to the country (EU Special Envoy based in Nairobi), who has since increased both our presence and visibility in Mogadishu and elsewhere in Somalia. The EU Delegation to South Sudan, in Juba, was opened in December 2011. Alongside the work of EU Delegations in the Horn countries, the EUSRs have reinforced the EU's role as a key interlocutor.

The launch of the HoA Strategic Framework was welcomed by the African Union as well as the Intergovernmental Authority on Development (IGAD), which has a specific Horn of Africa mandate. The EU-IGAD political dialogue in April 2012 was particularly timely in giving a clear political endorsement. The comprehensive approach of the Framework was welcomed, covering peace and security, drought resilience, counter piracy and terrorism, and infrastructure and energy. One important lesson for the future is that the Strategic Framework must be based on strong political dialogue also on a regional level, but IGAD has so far not been able to play a leading role as a body for promoting regional cooperation and stabilisation. IGAD has the potential to be a pillar of the AU's regional integration framework, were its capacity enhanced and its mandate strengthened by its Members. The EUSR for the Horn has initiated a widening network of discussions, with the encouragement of senior AU officials, including the AU Commissioner for Peace and Security, to address this.

4. State of implementation of EU objectives

With the adoption of the Strategic Framework, the EU has given itself a set of common objectives and aims in its approach to the Horn of Africa:

1. Assist all countries in the region to build robust and accountable political structures, including civil and civic institutions, allowing the people of the Horn to express their legitimate political aspirations and ensure that their basic human rights and freedoms are respected;
2. Work with the countries of the region and with international organisations (especially the United Nations and African Union) to resolve current conflicts, particularly in Somalia and Sudan, and avoid future potential conflicts between or within countries;
3. Ensure that, until that is achieved, the insecurity in the region does not threaten the security of others beyond its borders, e.g. through piracy, terrorism or irregular migration;¹
4. Support efforts to promote the economic growth of all countries and people in the region, to enable them to reduce poverty, increase prosperity and enjoy, not suffer from, the benefits globalisation can bring;
5. Support regional political and economic cooperation and bolster the role of the Regional Economic Communities (RECs) to tap into positive trends and developments across national borders.

¹ Due to its proximity to the Horn, particular attention to Yemen is due.

The mutual reinforcement of its objectives, where the achievement of one depends on the achievement of others, constitutes the key component of the Strategic Framework. Economic growth in the region will contribute to long-term mitigation of insecurity, while the provision of security is a prerequisite for development assistance and economic growth to take place. Local ownership of solutions to the region's instability is one of the key elements of the EU's comprehensive approach. Positive developments across national borders would enable the strengthening of regional economic integration, which could promote simultaneously economic growth, long-term stability and economic interdependence. Likewise, a secure and economically sustainable regional arrangement based on solid state-to-state relations is essential for state building and democratic governance in each of the Horn's countries.

One year on, the Strategic Framework has improved coherence of tools and instruments in the region. The Framework also offers the opportunity for advancing the EU's goals in the region through the combined impact of the EU's and EU Member States' actions. This implementation review focuses on core actions carried out during the first year since the adoption of the Strategic Framework to illustrate how the different EU actions implemented on a country and regional level contribute in a coherent and complementary manner to the objectives set out in the Strategic Framework.

4.1 Security

The EU engaged significantly in mitigating the region's insecurity and in tackling the roots of its instability. The EU addressed in a comprehensive manner the adverse effects of terrorism, piracy and other forms of organised crime through the range of relevant instruments.

On counter-terrorism, the EU adopted a specific Action Plan for the Horn of Africa and Yemen. The document insists on the crucial nexus between development and security, the internal and external dimensions, as well as on the critical connection between the Horn of Africa and Yemen. To constitute a knowledge base on past and present practices with recommendations for evidence based policy making and action planning, the Instrument for Stability (IfS) Counter Terrorism actions amounts to €2 million in the wider Horn of Africa region. For 2013, a planned action should focus on law enforcement capacity building and Counter Terrorist Finance (CTF). The EU continues promoting regional and international counter-terrorism measures, in particular through the Horn of Africa working group of the Global Counter-Terrorism Forum (GCTF), which it co-chairs together with Turkey. Following an introductory meeting of the working group in Tanzania in February 2012, a decision was taken to focus efforts on border management and terrorism financing. Countering radicalisation, notably through the development of links between internal and external security policies, has been another important focus of the EU's efforts towards the region.

Maritime piracy constitutes a major threat for regional stability. The EU remains at the forefront in fighting against piracy and structuring judicial international cooperation to end impunity and establish long-term security in Somalia, and by extension, to the overall region. Set up to improve maritime security off the Coast of Somalia, EUNAVFOR Atalanta has successfully contributed to reduce piracy attacks during the first semester in 2012. In addition to military actions at sea, EUNAVFOR Atalanta is able to disrupt pirates' logistic dumps on Somali shores from March 2012. In addition, the EU contributes to a wide range of actions against piracy through partnerships with the UN, the International Contact Group on Piracy and the International Maritime Organisation. At a high level Regional Ministerial meeting on Piracy in October 2010, held on the initiative of the HR/VP, a regional strategy and action plan against piracy and for promoting maritime security in the Eastern and Southern Africa – Indian Ocean (ESA-IO) region was adopted as part of the wider Action Plan for the EU fight against piracy off the Horn of Africa and in the Western Indian Ocean. EEAS and Commission services are leading internal coordination efforts for the successful implementation of these initiatives.

Prosecution and detention of piracy suspects is a key component of the overall fight against piracy. Over 1,000 suspects are currently being prosecuted in 21 countries, including EU Member States. The EU is assisting the United Nations Development Programme (UNDP) and the United Nations Office for Drugs and Crime (UNODC) in their work to establish sufficient conditions to allow fair and efficient piracy trials in Somalia. However, this is only a medium and long term solution. In the short term, transfers for trial from EUNAVFOR ships to countries suffering from piracy - and ready to prosecute suspects - remain necessary to put an end to impunity in the Indian Ocean. The EU has therefore signed transfer agreements with countries in the region – Kenya² (2009), the Seychelles (2009), Mauritius (2011) and provides support to judicial structures in these countries. In addition to this, the EU tackles the issue of financial flows. Investigations on piracy suspects are ongoing in a number of EU Member States and coordination between prosecutors and law enforcement staff has already shown encouraging examples of success. Hosted by Europol, a Dutch-German Joint Investigation Team for following financial flows started work in January 2012. Europol and Interpol are closely cooperating in collecting and analysing data on piracy cases and modalities are worked on to improve their ability to receive relevant information from EUNAVFOR.

However, the progress seen in 2012 is reversible. Even if the EU contributed to major progresses in reducing piracy attempts at sea, continued engagement is needed. To address maritime piracy in the long term, the EU encourages and promotes an active regional involvement. The waters of the Indian Ocean should be secured by the region itself and not by international forces. The EU is therefore keen to assist in developing regional capacities to ensure maritime security.

² The Kenyan authorities suspended this agreement and currently accept transfers on a case-by-case basis.

To strengthen the sea-going maritime capacities of Djibouti, Kenya, Tanzania and the Seychelles, and the rule of law sector, initially in the Somali regions of Puntland and Somaliland, notably by supporting the development of a Coastal Police Force, a new CSDP mission on Regional Capacity Building in the Horn of Africa (EUCAP Nestor) was launched in July 2012. EUCAP Nestor has an initial geographic focus on Djibouti, Kenya, the Seychelles and Somalia. It shall be deployed in Tanzania once the EU receives an invitation from the Tanzanian authorities. The participation of Yemen is also being explored. In parallel, to support the implementation of the ESA-IO regional strategy and action plan against piracy and for promoting maritime security, a start-up phase of the EDF-funded programme to promote regional maritime security (MASE) started in January 2012. The IfS Critical Maritime Routes programme, launched in 2009, continues to focus on the security and the safety of maritime routes, notably by enhancing information sharing and training on maritime capacities (MARSIC project). Subsequently, the implementation of the regional Djibouti Code of Conduct is supported by the setting-up of the Djibouti Maritime Training Centre, and the network of Information Sharing Centres in Sana'a (Yemen), Mombasa (Kenya) and Dar Es Salaam (Tanzania). Additionally the EU, through the IfS, continues its support to Interpol in their law enforcement initiatives both locally and regionally.

In addition to enhancing maritime security, the EU is committed to support Somalia to develop its own security forces. The EU continues to train Somali Security Forces through its military mission EUTM Somalia based in Uganda. Until now, the EU has contributed to the training of around 3000 Somali soldiers. Its current mandate ends in March 2013 and the future mandate is under review. The EU has also supported the African Union Mission in Somalia (AMISOM) financially since its launch in March 2007, mainly through the African Peace Facility (APF). The total contracted APF contribution to AMISOM amounts to €411 million, for peacekeepers' allowances and running costs of the mission office in Nairobi. The AMISOM's contribution to Somalia's security has been very successful until now and remains vital on the ground until the Somali Security Forces will be able to take over AMISOM's tasks.

Moreover, to strengthen the rule of law and security through capacity building and institutional strengthening of the Somali judiciary, civilian police and custodial services, the EU finances Rule of Law and Security projects which also include the payment of stipends for the Somali Police Force (SPF) officers. The provision of security and civilian protection by a disciplined police force is a crucial complement to the joint AMISOM and Somali National Forces (SNF) operations. It also contributes to mainstream human rights and gender issues understanding by Somali soldiers through the different training modules of the CSDP EU Training Mission.

Finally, the EU continues to support the fight against the proliferation of and trafficking in Small Arms and Light Weapons (SALW) under the Instrument for Stability through the Regional Centre on Small Arms (RECSA) located in Kenya. Progress has been made in developing the institutional framework responsible for SALW management in the eight countries forming the Horn of Africa.

Enhancing maritime capacities and building up Somali security forces will open the economic potential of the region and build economic growth. Providing security would allow the development of business activities along the coast, such as fishing activities, and on land, such as pastoral activities. In that respect, the development-security nexus is crucial.

Apart from the above mentioned efforts, the EU continues to implement a number of good governance, security sector and justice programmes, pre-dominantly financed through the EDF. In mid 2012, the value of on-going programmes amounted to more than €550 million.

4.2 Relief and development

In 2011, severe drought in the some countries of the Horn of Africa – Ethiopia, Kenya, Djibouti and Somalia – caused a dramatic humanitarian crisis. More than 13 million people were in need of humanitarian assistance. The EU and EU Member States combined have provided €935 million to the region since 2011. The EU alone assisted 6.5 million vulnerable people by providing food assistance, nutritional support, medical care and water and sanitation worth €321 million humanitarian assistance over the same period of time. The EU is also supporting the first steps in the recovery process, for instance through the provision of seeds and tools, improved water management, and restocking of herds. Particular attention has been given to the massive displacement crisis in the region, with more than 5 million displaced people (including 1.5 million refugees) as of January 2013.

The EU also emphasises food security, agriculture and rural development in its development assistance to all countries of the region. Since 2008, the EU has committed over €400 million in development assistance to Djibouti, Ethiopia, Kenya and Somalia; helping to feed the most vulnerable, improve nutrition and support sustainable agriculture. The EU is supporting measures to increase resilience through linking relief, rehabilitation and development (LRRD). It has been particularly successful in Ethiopia where the support of nationally owned social protection systems has helped reducing the impact of the drought of 2011.

Faced with the consequences of the 2011 drought, the EU developed the 'Supporting Horn of Africa Resilience' (SHARE) initiative (€250 million) to assist the affected countries and communities in recovering from the drought, to enhance countries' and people's resilience to shocks and to ensure better linkages between humanitarian and development assistance. Nearly half of the funds consist of recent allocations and decisions, while the EU is developing additional interventions of up to €120 million. Out of the latter, SHARE humanitarian funds (€22 million) have been committed; SHARE actions in Ethiopia (€50 million) and Kenya (€40 million) are being formulated, while an action in Djibouti is in the identification phase. All actions aim to support initiatives in the area of nutrition, expansion of safety nets, livestock development, resource management and alternative livelihood development.

The Council issued Conclusions on Strengthening Resilience to Food Crises in the Horn of Africa in May 2012. The European Commission also issued a Communication on "The EU approach to resilience: Learning from food security crises"³ in October 2012, making specific reference to the Horn. IGAD also made progress in 2012 in setting up the IGAD Drought Disaster Resilience and Sustainability Initiative to end the recurring drought emergencies through increased funding of sustainable development in arid and semi-arid lands. It aims as well for an enhanced partnership with development partners to support long-term investments to end drought emergencies in the IGAD region.

Under the ESA-IO regional programmes, a specific project for improving animal disease surveillance in IGAD Member States aims to reduce the risk of trans-boundary animal diseases and their negative impact on trade and food security in the Horn. To strengthen regional and national capacities in the sustainable management of water resources, peace and security, stability, integration and improved water governance, the EU is funding an "Inland Water Resources Management (IWRM)" programme for the IGAD region. With this support, IGAD is in the process of setting up a Water Dialogue Forum as a mechanism to integrate efforts on water resources management.

Climate change is addressed as a cross cutting issue and mainstreamed in development cooperation programming whenever appropriate. Particularly relevant are EU-funded actions in the framework of the Global Climate Change Alliance. In addition, specific EDF-funded actions directly target climate change: IGAD is formulating an action on coping with drought and climate change to strengthen livestock management strategies at local, national and regional level and to formulate livestock policy responses to climate extremes and threats of climate change in arid and semi-arid lands; the EU is supporting the setting up of the newly established IGAD Centre for Pastoral Areas and Livestock Development (ICPALD); IGAD's disaster risk management work receives EU support and the recently approved IGAD action on biodiversity in the Horn will contribute to conservation and sustainable management of selected Horn ecosystems.

³ COM(2012)586 final of 03.10.2012.

At bilateral level, the EU engages significantly in development cooperation with the majority of the countries of the region⁴ under the European Development Fund (both 9th and 10th EDF) notably on infrastructures, food security, and good governance.⁵ The EU, in cooperation with EU Member States, contributed to the streamlining of local EU development assistance.

4.3 Political

The EU has undertaken diplomatic and political action in Sudan/South Sudan, Somalia, Ethiopia and Eritrea with a view to promoting peace and security, as well as conflict prevention and conflict resolution. In the case of Sudan/South Sudan, the EUSR for Sudan and South Sudan has actively supported the AU's mediation efforts between the two countries, which resulted in the signing of nine agreements in September 2012. The EUSR has also been involved in international efforts to end the conflict in Southern Kordofan and Blue Nile as well as to promote peace efforts in Darfur. In addition, the EUSR has promoted an inclusive national dialogue and a constitutional review process in Sudan in order to address the root causes of conflicts in the country. The EUSR has also liaised with the UN and other actors on the inter-tribal clashes in South Sudan. Similarly, the EUSR for the Horn of Africa has taken steps towards engaging in exploratory talks with Ethiopia and Eritrea respectively, and also with the region and Egypt with regards to the Nile. Root causes of conflict, such as inter-state rivalry over disputed borders and use of resources, are also addressed at a local level mainly through the Instrument for Stability.

⁴ Sudan is not a signatory to the Cotonou Agreement. Concerning Somalia, development cooperation takes place under Article 93 of the Cotonou Agreement.

⁵ A large number of EDF-funded actions target poverty reduction and inclusive growth in the Horn countries. Programming for the 11th EDF is expected to result in a higher focus on the underlying causes of poverty in the Horn.

As Somalia is at the core of the region's instability, the EU is particularly active in the Somalia political transition and contributed to important recent successes. A Provisional Constitution was adopted by the National Constituent Assembly in August 2012. The Federal Somali Parliament was inaugurated and 275 MPs elected. Moreover, the Parliament elected a new President as well as a new Parliament speaker. In October, the President nominated a new Prime Minister who was endorsed by the Parliament as well as his government. Another positive sign of Somalia's turn point is the nomination of two women at prominent portfolios as deputy Prime Minister/Foreign Affairs Minister as well as Development and Social Affairs Minister.

In this peaceful handover of power, all Somali stakeholders respected their commitments agreed in the different agreements within the framework of the Roadmap. Nevertheless a number of Roadmap tasks remain to be implemented. The new Somali leadership has committed to implementing these and other tasks, including in relation to the fight against piracy and the EU continues both to urge and support the Somali authorities to fully implement them.

The Strategic Framework aims to contribute to human security and empowerment through the development of democratic processes and institutions. Political dialogue under Article 8 of the Cotonou Agreement has been reinforced to include a regional dimension, notably on Somalia and Sudan with Ethiopia. Dialogue remains however a challenge throughout the Horn, due to sometimes strong divergences in approach between the countries and the EU, which limits the space available to the EU to work and dialogue on democratic and accountable structures. An integral part of the political dialogue is the EU's support to Public Finance Management (PFM) reforms and anti-corruption through its development programmes in most countries of the Horn. In Ethiopia alone, three multi-donor programmes address these issues: the 'Protection of Basic Services (PBS)' programme, the 'Public Sector Capacity Building programme (PSCAP)' and the 'Democratic Institutions Programme (DIP)'. Moreover, the EU is following up the recommendations of the Election Observation Mission (EOM) to promote the strengthening of democracy and in particular to improve the institutional environment for elections in Uganda. One of the concrete issues addressed is the reform of the Electoral Commission in order to increase the population's trust into it. In Sudan, the Instrument for Stability is funding follow-up to EOM recommendations since

April 2010. In Kenya, the EU contributes to the pool fund supporting the new Independent Electoral and Boundaries Commission.

Alongside bilateral political dialogues, the EU adopted human rights strategies for Ethiopia, Eritrea, and Djibouti and is in the process of adopting them for Somalia, Sudan, and Uganda. In addition, funding from the EIDHR for Human Rights Defenders has been mobilised where other support proved impossible. The EU is also actively contributing to women's participation in society in Ethiopia, Eritrea, Somalia and Sudan. For instance, the EU supports Somali women's groups and encouraged the formation of the Somali Women's Agenda (SWA), a Somali advocacy movement for gender equality and women's empowerment that has opened space for women's engagement in crucial legislative and policy processes. Under the EIDHR, the EU has supported projects aimed at enhancing political representation and participation in the election of marginalised indigenous rural people, especially women, in the South Kordofan State of Sudan.

The EU actively engages with civil society. Projects funded under EIDHR, the thematic budget line "Non-State Actors" as well as under the EDF contribute to progress in the area of governance and security in Horn countries. In Ethiopia, the EU provides support through the Civil Society Fund (CSF). In the restrictive Ethiopian environment for civil society organisations, particularly with respect to governance and advocacy, the CSF makes maximum use of the available legal space as it has been considered 'national funding', following negotiations between EU and the Ethiopian authorities. In Kenya, the EU contributes to the pool fund supporting civil society. In Somalia, the EU supports the development and capacity building of Non-State Actors' platforms to enable their participation in decision-making on peace, security and development. Moreover, the EU promotes inter-ethnic understanding and transitional justice institutions. For instance, in Somalia, the EU strengthens the role of youth and community groups in peace-building processes and promotes reconciliation through extensive public consultations, workshops, forums and stakeholder dialogues.

4.4 Regional

The EU's comprehensive approach recognises the fact that Somalia's political reconstruction is key to regional stability. Consequently, the EU firmly believes that it is necessary to involve regional organisations as well as neighbouring countries in designing appropriate responses to regional problems such as Somalia's situation. For instance, the African Union, IGAD, Ethiopia, Kenya and Uganda undertook decisive actions for the achievement of today's progresses in Somalia. Implementing and advocating this approach, the European Union High Representative for Foreign Affairs and Security Policy, Catherine Ashton, travelled in August to both Somalia and Kenya to reiterate the EU's support to democracy, security and economic growth in the region.

The EU has also worked with IGAD as the main Horn regional organisation on a variety of issues. An EU-IGAD ministerial meeting took place in Addis Ababa in April 2012, which was an opportunity to share information on regional issues and to convey EU views and positions. Moreover, regional issues are also tackled as part of the Article 8 dialogue with the Governments of the region. In July 2012, IGAD was officially charged by its member states to champion various thematic areas, such as maritime security, regional infrastructure, drought resilience, trade harmonization, and peace and security, which should structure national and regional political dialogues better. An additional political officer has been appointed to the Djibouti Delegation to reinforce the EU capacity to work on regional political issues.

Under the 10th EDF, IGAD has received substantial funding (approximately €100 million). Some of the programmes such as the inland water resources management, or the Berbera corridor study have been promoted under the European Commission's Horn of Africa Initiative (HOAI) that existed prior to the Strategic Framework. These programmes aim at effective cross-border cooperation across the whole IGAD region and in principle are to include Eritrea. While for practical reasons, IGAD has been chosen as a vehicle for the cooperation among the Horn countries, the effort has been spearheaded by regular meetings of the Horn Ambassadors in Brussels to build effective multilateral cooperation in the Horn without regard for institutional/organisational affiliations and differences. In order to assist IGAD to face its commitments, technical assistance and capacity building to the IGAD

secretariat has continued under donor-funded (including EDF) institutional strengthening programmes.

The EU is also working closely with the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC) and the Southern African Development Community (SADC) to better structure its support to their 'tripartite' political and trade integration process. The EU is funding a number of regional actions that target as well the Horn: the Regional Integration Support Programme (RISP) contributes to the integration process of the RECs (IGAD, COMESA, EAC, IOC); the Regional Integration Support Mechanism (RISM) supports COMESA Member States to implement their regional integration commitments and support the associated revenue loss; the Regional Multi-Disciplinary Centre of Excellence (RMCE) of COMESA improves knowledge, managerial skills and competences in regional economic integration; the Regional Fisheries Strategy contributes to an increased level of socio-economic development, environmental protection and deeper regional integration in the ESA-IO region through the sustainable exploitation of fisheries resources.

The countries of the Horn are negotiating Economic Partnership Agreements (EPA) in two distinct regional configurations, one is the Eastern and Southern African (ESA) region (Ethiopia, Eritrea, Djibouti and Sudan) and the second is the East African Community (Kenya and Uganda⁶). The EU has supported countries in EPA negotiations and trade capacity building. The EU pursues negotiations with both regions, in view of completing a full comprehensive EPA⁷. Discussions with EAC are in an advanced stage and its completion is foreseen within 2013. Since the Least Developed Countries (including all Horn countries except Kenya) have duty free, quota free access to the EU under the Everything But Arms scheme of the Generalised System of Preferences, the EPAs (considered wrongly as a pure substitute to the Cotonou tariff regime) do not look so attractive.

⁶ And potentially South-Sudan in the future.

⁷ Four countries of the ESA group (outside the Horn) signed an interim EPA which has been provisionally applied since May 2012.

The EU also tries to reinforce the link with the African Union (AU) and the Eastern African Standby Force Coordination Mechanism (EASF.COM). IGAD, EAC, COMESA and the EASF.COM have signed a Memorandum of Understanding in the area of Peace and Security with the African Union. EASF.COM is the Regional Mechanism in charge of preparing and providing a Regional Force (Eastern Standby Brigade) to the African Standby Force. The signatories take the commitment to contribute to the full implementation and effective functioning of the African Peace and Security Architecture (APSA). The EU is supporting the operationalisation of the APSA through a €40 million support programme, funded by the African Peace Facility. EAC, COMESA, IGAD, and EASF.COM have deployed liaison offices to the AU in Addis Ababa, thus improving exchange of information, and coordination.

Finally, actions undertaken by the EU seek to encourage donors and investors conferences to increase the international focus on the Horn of Africa. In March 2012, IGAD, with financial support from the EU, organised a conference on Infrastructure and Investment in the Horn of Africa. The high level participation was considered a sign of commitment of the region to enhance cross-border infrastructure in the Horn. Several EU-funded infrastructure projects are being implemented in the Horn. In addition, the EU-Africa Infrastructure Trust Fund, which blends European donor funds (grants and loans), continues to support the development of essential infrastructure in the Horn. A matrix of cross-border projects will serve as a basis for possible future support under national and regional 11th EDF programmes. Specifically, regional links (electricity and transport) target South Sudan (Juba).

5. Conclusions and recommendations/Next steps

With the adoption of the Strategic Framework, the EU's political engagement in the region has intensified. The EU and its member states undertake a wide range of activities and investments in the region. The EU has every interest to help consolidate the positive developments of the last year with the ambition to remain a key actor in line with our investments and to build a strategic alliance with the countries of the region, but also as a region, to produce more gains for Europe and the Horn in both security, developmental and political terms.

In this, significant EU support to Somalia will remain key for the years to come. The EU will adapt its support to the post transition realities on the ground and reflect the need for a Somali led process, gradually increasing a permanent EU presence in Somalia to mirror its lead in the political, security and development spheres. In this context, the proposed EUTM mandate reflects the new needs and realities in Somalia, in particular aligning to Somali strategies and to maintain our key role in the security sector in Somalia.

Stability in Somalia increases the sense of security among its neighbours. But Somalia will not reach stability unless the root causes of instability in the Horn are addressed. While implementing a comprehensive approach on Somalia, the EU sees Somalia in the regional context of the Horn of Africa.

The regional approach to the Horn put forward by the Strategic Framework calls for a regional partner to work with. IGAD is not yet in a position to adequately enhance regional cooperation, integration and security but offers the potential to become a stronger actor. This cannot be achieved without the agreement of IGAD's member states, but the EU can take advantage of the coherence offered by the Strategic Framework to work towards increased capacity and political clout of the organisation. The IGAD partner forum could be a vehicle to provide EU leadership.

The regional approach proposed by the Strategic Framework is particularly useful also for neighbouring countries; the Counter Terrorism action plan for the Horn and Yemen is a good example on how the regional approach reaches out and can be further developed. The important role of other partners in the Horn is acknowledged and the EU will pursue its objectives in the region through strengthening a series of existing partnerships and through building new partnerships.

The existence of the Strategic Framework and the associated EUSR(s) has contributed to giving the EU greater visibility, and has reinforced it as a key partner for any major initiative in the Horn. In the next period, there is the opportunity to consolidate the momentum of positive dynamics in the Horn of Africa by building a more secure and economically sustainable regional arrangement based on solid state-to-state relations. A regional security system that works is an essential dimension, without which it will be difficult to have state-building and promotion of democracy in each of the Horn's countries.

This is an area on which the EUSR for the Horn of Africa will intensify work, in particular by fostering a deeper regional reflection based on the shared key long-term political challenges that all countries in the Horn share:

(i) *The lack of a regional security system* able to make states feel secure with each other. There are three main poles of instability in addition to Somalia: a) The Ethiopia-Eritrea tension; b) The relations between Sudan and South Sudan; (c) and the management of the Nile waters. These three poles of instability, combined with weak governance, produce a regional security and political landscape dominated by borders' dispute, States interferences in each other affairs, porous borders, forced migrations, and alternative centre of powers that weaken the state apparatus.

(ii) *The rise of radical Islam* in parts of the Muslim community is the most recent of the security and governance challenges with several consequences: (a) the continued presence of terrorist groups in the region; (b) tensions between governments and sections of their Muslim communities (as in Ethiopia and Kenya); (c) the risk that religion will not only be a divisive factor in internal politics, but that it will also have significant ramifications in state-to-state relations.

(iii) *The competition between (and within) states for resources* is a potential obstacle for building effective regional economic integration and also a threat to stability. The region's main two resources, water and oil, are both disputed. Ethiopia, the most populous country at the centre of the region, is landlocked and has no oil resources, but has significant water and hydro-power potential. Its dam building projects, particularly in the Blue Nile and Omo rivers, will have an impact on downstream countries. Because of its frozen relations with Eritrea and no access to its ports, Ethiopia has to import and export through Djibouti at high costs. With the recent oil discoveries in Uganda, Tanzania, Kenya, and Somalia continental shelf, the centre of gravity of the region's resources – to date centred only on Sudan - is now moving towards East Africa. But there is no regional framework to guarantee the security and a cost-efficient exploitation of such resources. As a consequence, the region is unable to attract the sufficient level of foreign investments to build the necessary regional infrastructures.

In conclusion, the Strategic Framework remains relevant one year on. It continues to provide the framework for sub-strategies and policies that translate into concrete actions such as the Counter Terrorism Action Plan and the SHARE initiative, and allows for the necessary adjustment on the policy action level, for example on Somalia (i.e. with a Somalia Discussion Paper developed in parallel to this implementation review).
