

SEDE AICS
ADDIS ABABA

10TH ANNIVERSARY
SPECIAL EDITION



Annual Report

2025



ANNUAL REPORT 2026
By the Italian Agency for Development Cooperation- Regional Office in Addis Ababa
responsible for Ethiopia, Sudan, Eritrea, South Sudan, and Djibouti.

www.addisabeba.aics.gov.it
segreteria.addisabeba@aics.gov.it

© AICS Addis Ababa- March 2026.



February 2025, South Omo, Southern Ethiopia Regional State.
Infrastructure project to improve health conditions in the Chifra and
Hamer woredas at the Dimeka health center and the Ariya Keysa primary
school, implemented by UNOPS and funded by Italian Cooperation.

Contenuti

04	AICS ADDIS ABABA - Introduction
06	AICS ADDIS ABABA - Ten years of AICS, a story that comes from afar
08	AICS ADDIS ABABA - Consolidation, Integration, and Regional Cooperation
10	AICS ADDIS ABABA - Dati identitari
12	Ethiopia - Context
14	Ethiopia - The Italian Development Cooperation in Ethiopia
16	Ethiopia - The Italy and Ethiopia join forces for the coffee sector
18	Ethiopia - From the heart of Ethiopia to coffee cups around the world
20	Sudan - Context
22	Sudan - Italian Development Cooperation in Sudan
24	South Sudan - Context
26	South Sudan - The Italian Development Cooperation in South Sudan
28	Eritrea - Context
30	Eritrea The Italian Development Cooperation in Eritrea
32	Djibouti - Context
34	Djibouti - The Italian Development Cooperation in Djibouti
36	Stories of change and progress

AICS Addis Ababa

Introduction



”

In a global context marked by increasingly interconnected crises, Italian Cooperation renews its commitment to the Horn of Africa, working alongside local and Italian institutions and civil society organizations to contribute concretely and lastingly to the development of communities and territories.

Michele MORANA
Head of the AICS Addis Ababa Office

For the AICS Headquarters in Addis Ababa, 2025 represented a year of strategic consolidation, as well as a significant expansion of the Italian Cooperation’s activities in Ethiopia and its accredited countries. In Sudan, the Italian Cooperation continued its commitment despite the ongoing conflict, consistently providing concrete support to the affected population and ensuring operational continuity, humanitarian assistance, and resilience interventions in the most vulnerable communities. In a global context characterized by increasingly interconnected and multifactorial crises—climatic, economic, geopolitical, and health—Italy has chosen to further strengthen its role as a reliable and responsible partner, capable of combining solidarity and development. Italian Cooperation has therefore promoted increasingly integrated, innovative, and impact-oriented interventions, guided by a comprehensive and far-sighted vision for the region and an ongoing commitment to strengthening local capacities.

A decisive boost to bilateral relations came with the United Nations Food Systems Summit, hosted in Addis Ababa in July 2025. This event represented a particularly significant milestone in the dialogue between Italy and Ethiopia, reinforcing the latter’s centrality in the international debate on the global challenges of food security, environmental sustainability, and agricultural development. On that occasion, the signing of a joint declaration between the Italian Prime Minister, Giorgia Meloni, and the Ethiopian Prime Minister, Abiy Ahmed, mobilized a total of €250 million in concessional loans and grants in the strategic sectors of agriculture, industry, healthcare, and education. This commitment confirms not only the solidity but also the growing ambition of the partnership between the two countries, aimed at generating concrete and sustainable impacts in the medium and long term.

At the same time, the AICS Headquarters has made a significant leap forward in the development of European delegated cooperation, strengthening its position within Team Europe and promoting high-value initiatives in the region’s strategic sectors. Specifically, innovative projects have been developed in the fields of digital transformation, the preservation of environmental, artistic, and cultural heritage, the strengthening of sustainable agricultural supply chains— with a particular focus on the coffee sector, a symbol of Ethiopia’s economic and cultural identity—and the promotion of female entrepreneurship, contributing to the creation of employment opportunities and the growth of more resilient and inclusive local ecosystems.

In 2025, the Headquarters also engaged in ongoing monitoring and support of initiatives, ensuring that each project was consistent with the national priorities of partner countries, the Sustainable Development Goals, and international standards of transparency and accountability. This focus on the quality and effectiveness of interventions has allowed us to consolidate relationships of trust with local institutions, international partners, and beneficiary communities, further strengthening Italy’s reputation in the Horn of Africa.

These results demonstrate the central role of Italian Cooperation in promoting inclusive, resilient, and sustainable growth, based on strong partnerships, innovation, and a long-term vision. Looking to the future, the AICS Office in Addis Ababa will continue to strengthen its capacity to design and implement integrated, innovative, and strategic interventions, helping to consolidate Italy’s position as a point of reference for promoting human, economic, and social development in Ethiopia and the Horn of Africa region.

Michele MORANA
Head of the AICS Addis Ababa Office

Ten years of AICS, a story that comes from afar

In 2026, the Italian Agency for Development Cooperation (AICS) celebrates its first ten years. In this context, the Addis Ababa office retraces, including through a timeline, the main milestones of a historic relationship between Italy and Ethiopia that dates back well before the Agency's founding.

As early as the early 1960s, during a visit to Addis Ababa by Italian Foreign Trade Minister Luigi Preti, an initial economic and technical cooperation agreement was signed with Ethiopian Foreign Minister Ketema Yifru. The agreement provided a \$14 million loan to construct the Koka II dam on the Awash River, intended for hydroelectric power generation and agricultural

irrigation, marking one of Italy's first concrete commitments to supporting the country's development.

This journey reached a turning point with the first formal Agreement on Scientific and Technical Cooperation, signed on April 5, 1973, during the reign of Emperor Haile Selassie, which laid the legal foundation for a structured and lasting partnership. Field operations began in 1976 with the establishment of the Local Technical Unit (UTL) in Addis Ababa, the first permanent presence of Italian cooperation in Ethiopia.

The compound that now houses the AICS office testifies to this continuity: built between 1991 and 1992, coinciding with the collapse of the Derg regime and the profound geopolitical transformations following the end of the Cold War, it became the operational centre of a cooperation programme designed to accompany the country's transformation.

Over the course of nearly fifty years, the Italian Cooperation has consolidated its role as a historic partner in Ethiopia and the region, intervening in strategic sectors such as healthcare, water and sanitation services, environmental protection, cultural heritage enhancement, and agricultural and industrial development.

In the 2023–2025 period, Italy has allocated approximately €140 million to development initiatives as part of a renewed bilateral partnership, also within the framework of the Mattei Plan, aimed at strengthening cooperation between Italy and Africa in the sectors of energy, infrastructure, agribusiness, and vocational training.

A further boost to bilateral relations came with the United Nations Food Systems Summit, hosted in Addis Ababa in July 2025, during which a joint declaration was signed between Italy and Ethiopia, mobilising a total of €250 million, including subsidised loans and grants, in the agriculture, industry, healthcare, and education sectors.

Today, the AICS office in Addis Ababa manages a portfolio of nearly €700 million, divided into over one hundred active initiatives in Ethiopia, Sudan, Eritrea, South Sudan, and Djibouti. Following the outbreak of conflict in Sudan in April 2023, the Khartoum office was closed for security reasons; operational continuity was ensured remotely, and, starting in July 2024, activities in Sudan were formally absorbed by the Addis Ababa office.

In a complex regional context, the Italian Cooperation promotes an integrated approach that combines humanitarian aid, economic development, and

strengthening social resilience. Among its priorities is job creation, particularly for young people: Ethiopia's population growth brings over two million new entrants to the labour market each year, making it essential to strengthen vocational training and employment opportunities.

From this perspective, interventions focus on strengthening agri-food supply chains and SMEs, supporting technical, professional, and entrepreneurial training—with a particular focus on youth and women—and promoting private sector development and access to credit.

A particularly emblematic area is the coffee supply chain, a central element of Ethiopian identity. Since 2006, the Italian Cooperation has supported its strengthening through the Coffee Training Centre in Addis Ababa, a centre of excellence for advanced training in the sector.

Looking to the future, the implementation of the Mattei Plan, the expansion of European delegated cooperation, and the strengthening of public-private partnerships represent key levers for promoting innovation and inclusion. Italy's presence in Ethiopia and the Horn of Africa thus confirms a long-term commitment to supporting sustainable development, economic opportunities, and social resilience, consolidating a partnership based on mutual trust and shared responsibility.

Italy–Ethiopia: A Timeline of a Partnership

- **Early 60s**

Start of economic and technical **cooperation between Italy and Ethiopia.** During the visit to Addis Ababa of the Italian Minister for Foreign Trade **Luigi Preti**, an agreement was signed with the Ethiopian Foreign Minister Ketema Yifru. The agreement includes a loan of **14 million dollars** for the construction of the Koka II dam on the Awash River.



- **From 2006**

Italian Cooperation **sup-
ports the Ethiopian coffee
supply chain** through train-
ing and sector develop-
ment initiatives, including
the **Coffee Training Centre**.

- April 2023

Following the **outbreak of conflict in Sudan, the Khartoum office is closed for security reasons** and activities are temporarily managed remotely.

- **July 2025**

During the United Nations Food Systems Summit hosted in Addis Ababa, **Italy and Ethiopia signed a joint declaration mobilizing €250 million for initiatives** in the agriculture, industry, health, and education sectors.

- **As of December 31, 2025**

The AICS office in Addis Ababa **manages a portfolio of almost 700 million euros divided into over 108 active initiatives** in Ethiopia, Sudan, Eritrea, South Sudan and Djibouti.



- **April 5, 1973**

Signing of the first formal **agreement on scientific and technical cooperation** between Italy and Ethiopia during the reign of Emperor **Haile Selassie**, establishing the legal framework for structured collaboration between the two countries.

- 1976

Establishment of the **Local Technical Unit (UTL)** in Addis Ababa, the first permanent presence of Italian cooperation in the country and the basis for the office's future activities.

- **1991-1992**

Construction of the compound that now houses the headquarters of the Italian Cooperation, during a period of profound political change following the fall of the Derg regime.

- 2016

The Italian Agency for Development Cooperation (AICS) has **launched its operations, inheriting and strengthening the historic presence of Italian development cooperation** in Ethiopia and the Horn of Africa.

- **July 2024**

The **AICS office in Addis Ababa** formally **assumes management** of Italian cooperation activities **in Sudan**.

— • **2023-2025**

Italy is **allocating approximately €140 million for development initiatives under the Mattei Plan**, strengthening its partnership with Africa in the sectors of energy, infrastructure, agribusiness, and vocational training.



February 2025- Addis Ababa: Deputy Mayor Wondimu Seta Datemo chairs a meeting on disaster preparedness for Addis Ababa with representatives of the Italian Development Cooperation. Discussions focused on urgent shortcomings in responding to fires and floods, including the shortage of fire stations and equipment. The city seeks international support to build a more resilient emergency management system.

AICS Addis Ababa

Consolidation, Integration and Regional Cooperation

2025 marked a year of consolidation and revitalization for the Italian Agency for Development Cooperation (AICS) Headquarters in Addis Ababa. Following the profound organizational reorganization initiated in 2024, the Headquarters successfully completed the operational and strategic integration of the Addis Ababa and Khartoum offices, strengthening the effectiveness of Italian Cooperation's work in a complex, strategic, and priority region.

This process significantly strengthened the Office's capacity to operate in a coordinated manner across an area that includes Ethiopia and Sudan, in particular, as well as other accredited countries in the Horn of Africa. Unified management allowed for the optimization of resources, skills, and tools, improving planning and timely response in contexts characterized by protracted crises, political instability, and significant socioeconomic vulnerabilities. At the same time, integration fostered an increasingly regional and systemic vision of interventions, strengthening the connection between humanitarian action, development, and building resilience.

In November 2025, after a twelve-month transition phase, responsibility for Eritrea was transferred to the AICS Headquarters in Cairo, allowing the Addis Ababa Office to further focus its intervention on Ethiopia and Sudan, as well as South Sudan and Djibouti.

The Headquarters continued to operate in a regional context marked by persistent fragility, humanitarian crises, and growing climate and economic pressures. At the same time, 2025 presented significant opportunities to strengthen bilateral and multilateral partnerships, particularly with Ethiopia and Sudan. A significant boost came from the United Nations Food Systems Summit hosted in Addis Ababa in July 2025, during which Prime Minister Giorgia Meloni and Ethiopian Prime Minister Abiy Ahmed signed a joint declaration mobilizing a total of €250 million in concessional loans and grants in the agriculture, industry, healthcare, and education sectors.

The strategic framework within which the Headquarters' activities are implemented has been further strengthened by the Mattei Plan for Africa, which directs Italian cooperation towards shared priorities with partner countries, including food security, sustainable development, health, education, governance, and digital transformation. The initiative aims to strengthen economic and strategic partnerships, promoting investments and initiatives capable of addressing the structural causes of fragility and migration through an approach based on collaboration, co-development, and integration between public and private actors.

In this context, AICS Addis Ababa has consolidated its role as a regional platform for Italian Cooperation, strengthening coordination with local institutions, European partners, and international organizations. 2025 also saw significant development in delegated cooperation and Team Europe initiatives, which have contributed to expanding the Headquarters' operational capacity and strategic reach in the Horn of Africa.

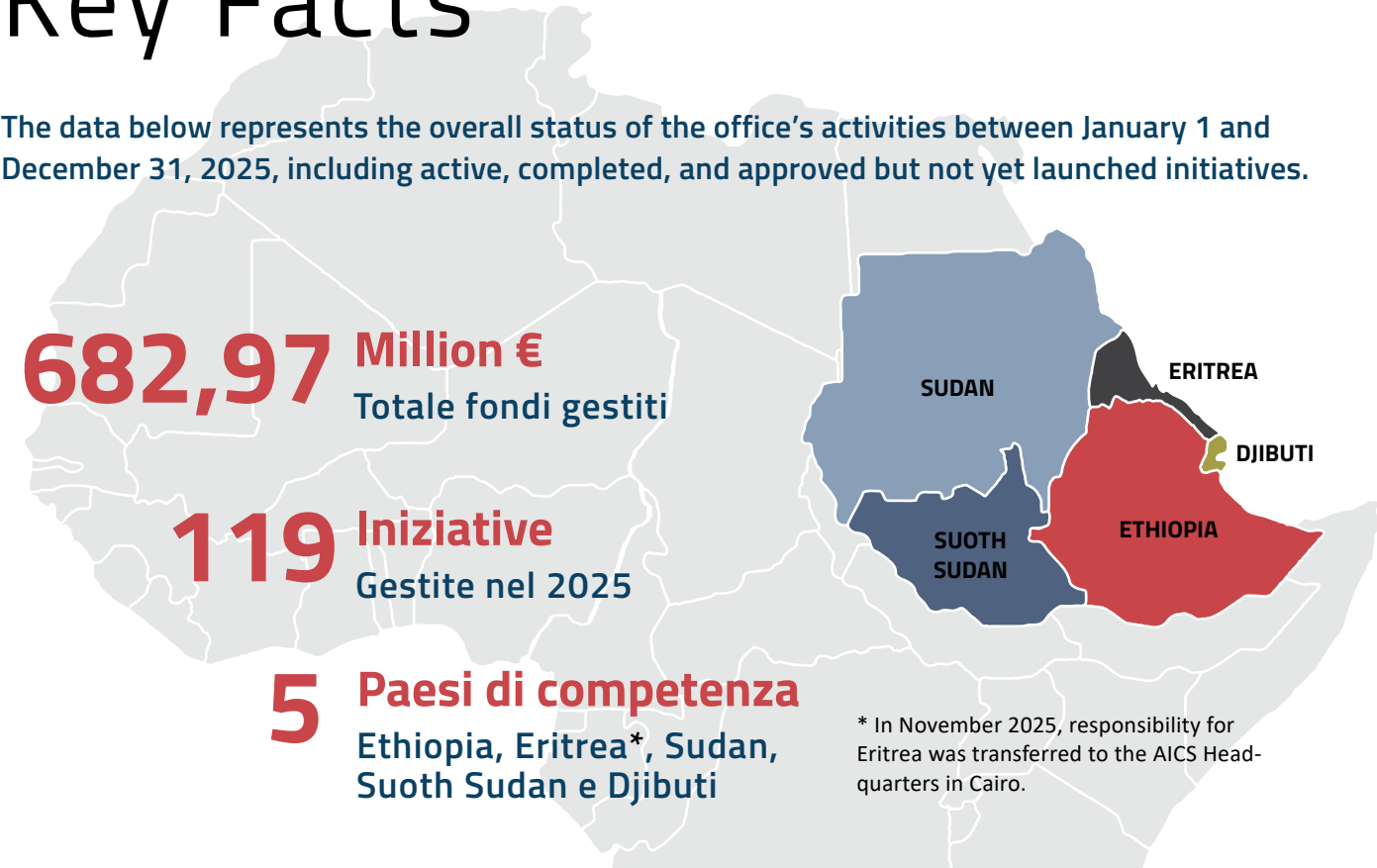
Over the course of the year, the strengthening of the Headquarters' mandate allowed for increased support to populations affected by conflict, climate shocks, and economic crises in Ethiopia, Sudan, Eritrea, Djibouti, and South Sudan. Interventions focused on key sectors such as food security, access to essential services, health, education, and economic empowerment, helping to promote stability and sustainable development in a region of great strategic importance.

This report presents an overview of the main activities carried out in 2025, highlighting achievements, innovations, and future prospects for Italian Cooperation in the Horn of Africa and the broader region.

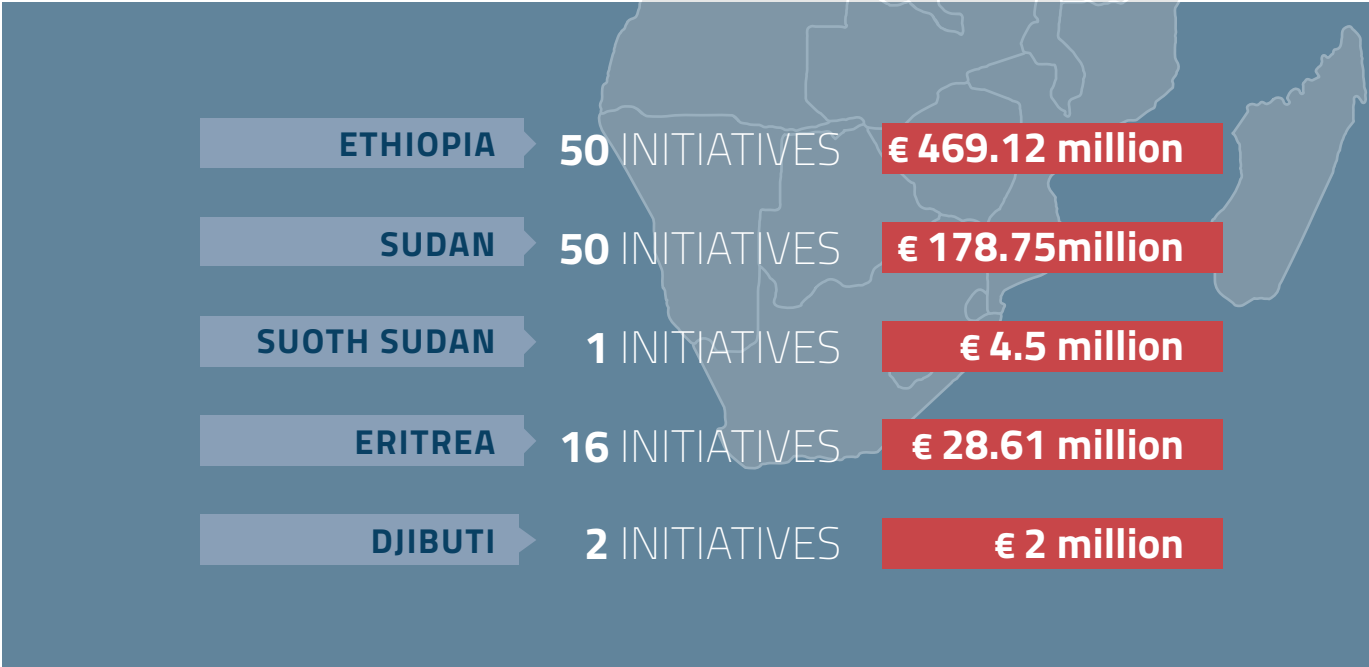
AICS Addis Ababa

Key Facts

The data below represents the overall status of the office’s activities between January 1 and December 31, 2025, including active, completed, and approved but not yet launched initiatives.



PORTFOLIO BY COUNTRY



PORFOLIO PER I PRINCIPALI SETTORI D’INTERVENTO

BASIC SERVICES

59 initiatives | € 210.33 million

- Focus on:
- » Access to health, nutrition, education, and social protection
 - » Women’s empowerment and child protection
 - » Focus on emerging regions
 - » One Stop Center in Djibouti
 - » Healthcare strengthening in Tigray (Shire)

ECONOMIC DEVELOPMENT

28 initiatives | € 173.31 million

- Focus on:
- » Rural development and agri-food supply chains
 - » Support for SMEs, cooperatives, and startups
 - » Training and employment for young people and women
 - » Access to credit and light manufacturing
 - » Enhancement of cultural heritage (Gheralta)

WASH, ENERGY AND ENVIRONMENT

10 initiatives | € 194.32 million

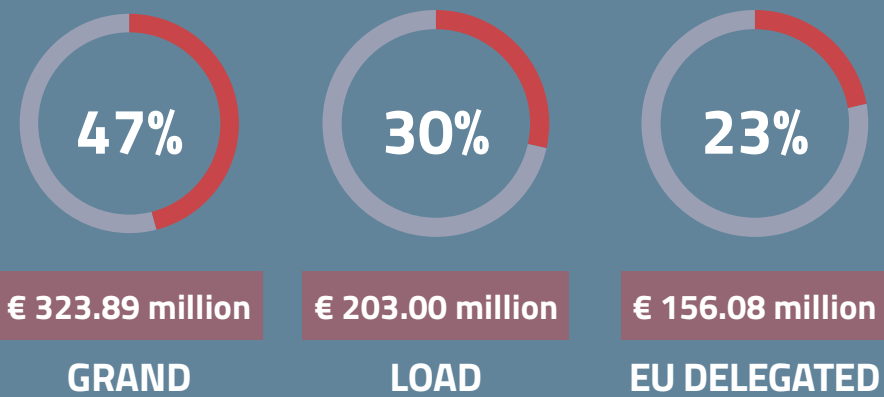
- Focus on:
- » Water infrastructure and sustainable management
 - » Renewable energy and environmental protection
 - » Urban redevelopment (Addis Ababa, Kebena River)
 - » EU cooperation and partnership with CNR and CIMA

EMERGENCY AND HUMANITARIAN AID

21 initiatives | € 105.00 million

- Focus on:
- » Response to crises and conflicts
 - » Support for vulnerable communities
 - » Assistance to refugees and displaced persons
 - » Interventions with CSOs and UN agencies

BUDGET MANAGED BY TYPE OF INTERVENTION



The budget’s composition reflects a diversified financial approach, capable of expanding available resources and strengthening the effectiveness of interventions.

Ethiopia

Population:
135.5 million (UNFPA) ¹

Human Development Index:
180 su 193 (UNDP) ²

GDP per capita:
1.100 USD (UNFPA) ³



¹ <https://www.unfpa.org/data/world-population/et>

² <https://hdr.undp.org/data-center/specific-country-data#/countries/ETH>

³ <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=ET>



Context

With a **population estimated to exceed 135 million in 2025** (UN DESA, World Population Prospects 2024), Ethiopia remains Africa's second most populous country and among the top ten globally. Population growth, exceeding 3.5% annually, continues to exert significant pressure on economic and social systems, and basic services. Its demographic structure, characterized by an extremely young population (median age ~19 years), represents both a potential demographic dividend and a critical challenge in terms of job creation and economic inclusion.

The Ethiopian economy has enjoyed some of the highest growth rates on the continent over the past two decades, supported by public investment in infrastructure and state-led development policies. However, in recent years, multiple shocks—including internal conflicts, inflationary pressures, currency constraints, and climate shocks—have contributed to slowing growth and accentuating macroeconomic vulnerabilities. Although the country remains among Africa's leading economies in terms of overall GDP, structural imbalances persist, including a high trade deficit and heavy import dependence.

In 2025, exports reached approximately USD 8.3 billion, driven primarily by coffee and gold, which represent the main sources of foreign exchange. However, imports—at approximately USD 18.8 billion—continue to significantly exceed exports, contributing to balance of payments pressures. In response, the government has launched a macroeconomic reform agenda, including exchange rate liberalization measures, openness to foreign investment, and export promotion policies.

The agricultural sector remains central, employing approximately 70% of the workforce and contributing significantly to GDP. However, productivity remains limited by structural factors such as land fragmentation, limited mechanization, and high exposure to climate shocks. At the same time, the process of industrialization, although expanding, remains in its early stages, and the manufacturing sector's contribution to GDP remains limited.

Urbanization, still relatively limited (less than 25% of the population lives in urban areas), is rapidly increasing and poses growing challenges in terms of urban planning, access to services, and the creation of employment opportunities. Geographical disparities remain marked, with higher poverty levels in rural areas than in urban centers, where investments and economic opportunities are most concentrated.

From a social perspective, despite progress made over the past two decades, a significant portion of the population continues to live in conditions of multi-dimensional vulnerability. Ethiopia has a Human Development Index (HDI) of 0.497, placing it in the low human development bracket. Food insecurity remains widespread, exacerbated by a combination of climate shocks, economic instability, and local tensions.

The political and security environment remains complex. Although the 2022 peace agreement formally ended the conflict in Tigray, instability and violence persist in several areas of the country, including Amhara and Oromia, impacting humanitarian access and the continuity of services.

At the regional level, the geopolitical context continues to influence the country's development prospects. **Management of the Nile's water resources, including the operation of the Grand Ethiopian Renaissance Dam (GERD), is a key element in relations with neighboring countries.** At the same time, Ethiopia's landlocked status continues to impact logistics costs and trade competitiveness.

Overall, Ethiopia is in a complex transition phase, characterized by **significant opportunities related to economic reforms and demographic potential**, but also by high risks associated with structural fragilities, macroeconomic pressures, and internal instability. The ability to translate this demographic dividend into inclusive and sustainable growth will be a key factor in future development trajectories.



November 2025 – Jimma: Coffee selection activities, a key sector for the local economy. Italian Cooperation supports its development and quality throughout the supply chain.



October 2025 – Addis Ababa: Second edition of “Water and Energy Week”, dedicated to the theme “Harnessing clean water and energy for sustainable growth”.

The Italian Development Cooperation in Ethiopia

Ethiopia has been a priority country for Italian Development Cooperation for decades, given its demographic, political, and economic importance in Africa and the long-standing collaborative relationship between the two countries.

Italy's commitment is aligned with Ethiopia's national development strategy and the goals of the 2030 Agenda for Sustainable Development, adopting an approach aimed at promoting inclusive growth, strengthening the resilience of vulnerable communities, and supporting private sector development.

The priorities of Italian Development Cooperation in Ethiopia are defined in the Three-Year Programming and Guidance Document of Italian Development Cooperation (2024–2026) and focus on several strategic sectors, including:

- Agricultural development and food security,
- Private sector development and job creation,
- Technical and vocational education and training,
- Basic services and territorial development,
- Support for social stability and the resilience of vulnerable communities.

Italy's presence in the country is characterized by an integrated approach that combines bilateral cooperation, multilateral initiatives, European Union delegated cooperation, and partnerships with international organizations and NGOs. The Italian Agency for Development Cooperation (AICS), through its office in Addis Ababa, coordinates the implementation of programs in collaboration with Ethiopian institutions, United Nations agencies, international financial institutions, and civil society actors.

In recent years, Italy's commitment has also gained renewed importance within the framework of the Mattei Plan for Africa, the strategic initiative promoted by the Italian government to strengthen economic and development relations with African countries through equal partnerships and high-impact projects in sectors such as energy, agriculture, infrastructure, and training. Ethiopia is considered one of the priority countries for the implementation of this strategy.

In the agricultural sector, Italian cooperation supports initiatives aimed at improving the productivity of agricultural supply chains, promoting sustainable practices, and strengthening small-scale producers' access to markets. Special attention is paid to the coffee supply chain, which represents one of the country's main exports and a key source of income for millions of small farmers. Programs supported by Italian Cooperation aim to improve production quality, strengthen agricultural cooperatives, and promote fair and sustainable trade models.

At the same time, Italy supports initiatives to foster the development of the local private sector, with a particular focus on micro, small, and medium-sized enterprises (MSMEs) and youth and female entrepreneurship. These interventions aim to facilitate access to credit, strengthen entrepreneurial skills, and promote the creation of new employment opportunities, thus helping to address one of the country's major challenges: youth integration into the labor market.



December 2025. Third EU-IM3 Steering Committee in Addis Ababa: partners and institutions review the program. AICS confirms its commitment to the Afar region.

Another priority area is strengthening technical and vocational education and training (TVET) systems, considered essential to supporting the country's industrialization process and closing the skills gap in the labor market. In this context, programs supported by Italian Cooperation aim to improve the quality of vocational training and strengthen links between training institutions and the productive sector.

Italian Cooperation also supports initiatives aimed at improving access to basic services, particularly in the areas of water, energy, and urban development, with the aim of improving the living conditions of vulnerable populations in both urban and rural areas.

Another area of intervention involves strengthening the resilience of communities exposed to climate shocks and humanitarian crises, through integrated programs that combine development interventions and humanitarian assistance. In a context characterized by recurrent droughts, local conflicts, and population movements, these programs aim to support sustainable livelihoods and strengthen communities' capacity to cope with crises.

Italian Cooperation also works in close synergy with the main multilateral initiatives in the country, contributing to the financing and implementation of programs implemented by international organizations and development finance institutions. This approach allows for the expansion of interventions' impact and fosters better coordination among development partners.

Overall, Italy's commitment to Ethiopia aims to support a sustainable and inclusive development path, while strengthening the strategic partnership between Italy and Ethiopia and contributing to global development goals.



December 2025 - AICS monitoring mission in Afar: concrete results on livelihoods, WASH and training, with partners and communities at the heart of the intervention.



October 2025. Opening of the AICS Addis Ababa panel at the Africa Climate Summit 2, dedicated to integrated water resources management for climate action.



December 2025. AICS Addis Ababa meets with CSOs for the Emergency Call 2025: participatory discussion on needs, priorities, and areas of intervention to strengthen a shared humanitarian response in Ethiopia.

Italy and Ethiopia join forces for the coffee sector: a partnership focused on the market of tomorrow.

Contribution by Dr. Adugna Debele, Director General of Ethiopian Coffee and Tea Authority (ECTA)

The Cooperation between Ethiopia and Italy in the coffee sector is deeply rooted in time and tells a story of shared vision, mutual respect, and long-term commitment. Coffee is not only Ethiopia's main agricultural export and a major source of foreign exchange, but also a pillar of national identity, deeply rooted in culture, livelihoods, and economic development. Over nearly two decades, Italy has established itself as one of Ethiopia's most consistent and strategic partners in supporting the transformation of this vital sector.

The partnership began in the mid-2000s with pioneering initiatives aimed at supporting smallholder producers and preserving the unique ecosystems of Ethiopia's coffee forests. Early interventions, such as the project in the Dello Mena forest area, focused on conservation-based production models, demonstrating how environmental protection and economic opportunities can go hand in hand. These experiences laid the foundation for a more structured commitment that soon extended throughout the coffee supply chain, thanks to the passion and expertise of the Italian Cooperation Office in Addis Ababa.

In the 2010s, cooperation evolved significantly. Programs implemented between 2011 and 2016 strengthened agricultural supply chains in Oromia, improving productivity, organization, and market access for thousands of farmers. Since 2014, the partnership has focused on value addition, innovation, and the integration of small-scale producers into global markets.

Public-private collaborations, involving international partners, technical agencies, and local institutions, have supported improved post-harvest quality, the adoption of more climate-resilient practices, and greater competitiveness of Ethiopian coffee in international markets. One of the most significant milestones was the establishment of the Coffee Training Center (CTC) in Addis Ababa, the first center of its kind in Ethiopia and a continental benchmark.

Developed with Ethiopian institutions, international organizations, and Italian expertise, the Center is now a national center of excellence for training, quality control, innovation in processing, and sensory evaluation.

The creation of the CTC was made possible thanks to the commitment of key partners, including the Ethiopian Coffee and Tea Authority, international organizations, and major Italian industry players such as the Ernesto Illy Foundation and Lavazza. Their contributions have brought world-class technical expertise, industry standards, and a strong culture of quality and innovation.

By strengthening skills throughout the supply chain and fostering connections between local stakeholders and international expertise, the CTC has increased Ethiopia's ability to compete in increasingly demanding global markets, while consolidating a long-term vision based on quality, innovation, and added value.

In recent years, the partnership has entered a broader strategic phase, moving beyond simple production support and focusing on the systemic transformation of the coffee economy. The initiative, launched in 2023, introduced tools to reduce financial risks and facilitate investment, addressing one of the sector's main barriers: access to finance. Working closely with Ethiopian financial institutions, regulatory authorities, and industry players, the initiative has created favorable conditions for investment, greater private sector involvement, and supply chain modernization.

Today, the Ethiopia-Italy coffee partnership is a model of integrated cooperation, bringing together public institutions, private companies, research centers, financial players, and producer organizations around a common goal: ensuring that Ethiopian coffee continues to generate prosperity, international recognition, and concrete opportunities for communities. Looking ahead, the collaboration will enter an even more ambitious phase, strengthened by European and international partnerships.

New European Union delegated cooperation initiatives aim to improve market access, quality standards, and climate innovation along the coffee supply chain. Questi sforzi si allineano con priorità globali emergenti, tra cui la tracciabilità responsabile delle materie prime e la transizione verde. Allo stesso tempo, l'Italia conferma il proprio impegno strategico nel continente africano, promuovendo filiere produttive più solide e mercati competitivi. L'agricoltura, e in particolare il caffè, resta un motore fondamentale per occupazione, stabilità rurale e sicurezza alimentare.

In this scenario, Italy remains a key partner for Ethiopia, both due to the historical depth of cooperation and the strategic importance of the coffee sector at the regional and global levels. The Italian approach aims to promote systemic transformation through responsible finance, value creation, climate-smart practices, and stronger producer integration into international markets.

More generally, cooperation in the coffee sector is part of a broader continental vision. Through regional initiatives, knowledge exchange platforms, and EU delegated cooperation programs, Italy contributes to strengthening African coffee supply chains by promoting quality standards, youth entrepreneurship, digital traceability systems, and responsible investments. Ethiopia represents a scalable model from which other producing countries can benefit.

This journey demonstrates that long-term partnerships, based on trust, knowledge exchange, and shared investments, can generate a lasting impact in the coffee sector, transforming a premium product into a driver of economic and social development.



Adugna Debele
Director General of the Ethiopian Coffee and Tea Authority (ECTA)

Adugna Debele is an Ethiopian scientist specializing in horticulture, an academic, and a public sector executive. He is currently the director general of the Ethiopian Coffee and Tea Authority, the government body responsible for regulating and developing the country's coffee, tea, and spice sectors. He holds a PhD in crop ecophysiology from Wageningen University & Research in the Netherlands, as well as MSc and BSc degrees in agricultural sciences.

Before holding senior government positions, he built a long academic career as a lecturer and associate professor in horticulture and plant sciences at several Ethiopian universities, including Jimma, Ambo, Hawassa, and Arsi. His research focuses on crop physiology and horticultural systems; he has authored over two dozen peer-reviewed scientific publications and has served as a reviewer and member of international scientific networks in the field of horticulture.

Dr. Debele subsequently moved to leadership roles in the national agricultural sector, serving as Deputy CEO and CEO of the Ethiopian Horticulture and Agriculture Investment Authority. Since heading the Ethiopian Coffee and Tea Authority (circa 2021–2022), he has overseen major sector reforms aimed at improving quality systems, expanding export markets, strengthening certification infrastructure, and enabling more direct producer participation in the international coffee trade—contributing to record export revenues for the Ethiopian coffee sector.

From the heart of Ethiopia to coffee cups around the world

Twenty years of Italian cooperation in the coffee sector

On the tenth anniversary of the establishment of the Italian Agency for Development Cooperation (AICS), the history of coffee-related projects in Ethiopia offers a clear example of what it means to cooperate in a structural and long-term manner, accompanying a country along a development path built on shared perspectives for the future. This journey began well before the Agency's creation and reflects the essential characteristics of the Italian Cooperation's method of action. Today, it represents one of the most solid examples of partnership between Italy and Ethiopia.

As is widely known, Ethiopia is considered the cradle of coffee, the place where humanity's long relationship with this dark beverage began. Coffee thus plays a central role in Ethiopian history, economy, and culture. Since 2006, Italian Cooperation has been actively engaged in promoting this product as a driving force for sustainable and inclusive development. The first intervention, launched in the Dello Mena forest, aimed to support the adoption of wild coffee conservation techniques through the protection of the forest ecosystem, combining environmental protection and income generation for local communities.

In subsequent years, this approach gradually expanded and became more structured. Through the "Development of Agricultural Value Chains in Oromia" project (2011–2016, €1.4 million) and its subsequent phase (2014–2021, €4 million), implemented with the support of UNIDO, the Italian Agency for Development Cooperation supported the coffee supply chain towards higher quality, higher added value, sustainability, and inclusion. This was achieved through public-private partnerships in the Dello Mena and Aleta Wondo areas of Sidama.

A major step forward came in 2023 with the launch of the most ambitious initiative to date: €12.5 million to reduce investment risks, addressing all segments of the supply chain and creating a favorable environment for the development of the Ethiopian coffee industry. The project was designed in partnership with the Ethiopian Coffee and Tea Authority, UNIDO, and the Commercial Bank of Ethiopia, and is built around ongoing dialogue, improved access to credit, compliance with environmental and social standards, and strengthening technical capacity.

One of the most emblematic results of this journey is the Coffee Training Center in Addis Ababa. The first center of excellence of its kind in the country and on the African continent, established with the technical support of UNIDO and Illy Caffè, the CTC has become a reference point for training, innovation, and the promotion of Ethiopian coffee. The center houses laboratories for analysis, roasting, and tasting, as well as facilities dedicated to advanced training for professionals from across the coffee sector.

Over the course of nearly twenty years, Italian Cooperation has engaged institutions, producers, universities, NGOs, and private companies, while strengthening a historic bond with the Italian production system. Thanks in part to this work, leading companies like Illy Caffè continue to source some of the finest Ethiopian coffee. This is a concrete example of how investing in quality, training, and partnerships can generate lasting benefits, both for the Ethiopian economy and for a cooperation model that looks decisively to the future.



November 2025 – Jimma: Joint mission by AICS, the EU Delegation, and the Ethiopian Coffee and Tea Authority (ECTA) to assess Ethiopia's preparedness for the implementation of the EU Zero Deforestation Regulation (EUDR) in the coffee sector.



Sudan

Population:
50.4 million (World Bank) ⁴

Human Development Index:
170 su 193 (UNDP) ⁵

GDP per capita:
985 USD (World Bank) ⁶



⁴ <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=SD>
⁵ <https://hdr.undp.org/data-center/human-development-index#/indicies/HDI>
⁶ <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=SD>



Context

More than two years after the conflict began (April 2023), Sudan is facing one of the most serious and complex crises globally. Clashes between the Sudanese Armed Forces (SAF) and the Rapid Support Forces (RSF) have led to the progressive collapse of state institutions, a widespread deterioration in security conditions, and a large-scale humanitarian crisis, with no concrete prospect of a cessation of hostilities in the near future.

According to the most recent estimates, over 24 million people are experiencing acute food insecurity, with areas already classified as famine-prone (IPC Phase 5), particularly in North Darfur and South Kordofan, and numerous others at imminent risk. Mortality levels associated with the conflict and food crisis are extremely high: despite limited official data, independent estimates indicate a potential death toll of over 150,000, including a high incidence of child mortality linked to malnutrition.

The national healthcare system is severely compromised, with over 70% of healthcare facilities in conflict-affected areas non-functional. The spread of epidemics, including cholera, is further aggravating the situation: since 2024, over 113,000 cases and approximately 3,000 deaths have been recorded. Access to essential healthcare and nutrition services remains severely limited, also due to restrictions on humanitarian access.

The displacement crisis has reached unprecedented proportions, with over 12 million people forced to flee their homes, including approximately 9.5 million internally displaced persons and over 3 million refugees in neighboring countries, constituting the largest displacement crisis globally.

Militarily, the conflict escalated further in 2025. The RSF consolidated control over large portions of Darfur and advanced into the Kordofan region, seizing control of strategic assets, including oil production sites, with direct impacts on state revenues and economic stability. Several urban areas, including Kadugli and Dilling, remain under siege, with trapped civilian populations and critical levels of food insecurity. Indiscriminate attacks on civilian infrastructure, including hospitals and schools, have been documented, highlighting serious violations of international humanitarian law and a high-risk operational environment.

Human rights violations and ethnic-based violence are widespread, particularly in the Darfur region. Numerous cases of sexual and gender-based violence, used as a tool of conflict, have been documented. Despite international diplomatic efforts, including ceasefire attempts and the imposition of sanctions, hostilities persist, with the parties involved focused on consolidating territorial control.

The Sudanese crisis also has significant regional implications, contributing to the destabilization of neighboring countries and exacerbating insecurity dynamics in the Horn of Africa and the Sahel. Growing financial constraints are negatively impacting humanitarian response capacity: agencies such as the World Food Programme (WFP) are reporting concrete risks of supply disruptions and reduced food rations without a significant increase in funding.

In this highly volatile context, humanitarian actors operate in extremely complex conditions, characterized by access constraints, security risks, and limited resource availability. In this context, AICS continues to ensure the continuity of its interventions, adopting flexible approaches and coordinating with local and international partners to respond to the population's priority needs, particularly in the areas of food security, health, and protection.



December 2025 – Alshikh Mustafa Alameen IDPs Center: Food assistance aimed at women-headed households, families with children under five, people with disabilities, and elderly people living alone, among the most vulnerable groups in the community.



November 2025 – Red Sea State: The Italian Ambassador to Sudan, Michele Tommasi, and the Head of the AICS Office, Michele Morana, during the programmatic visit to the agricultural communities of Sawakin.

The Italian Development Cooperation in Sudan

For over forty years, Italy has supported Sudan through programs in the areas of health, food security, access to water, and education. Since the 1980s, these interventions have helped build a stable collaborative relationship with the country. Through the Italian Agency for Development Cooperation, this commitment has gradually expanded, developing in close coordination with local institutions, international organizations, and the main humanitarian actors on the ground. Italian action is based on in-depth knowledge of the context and targeted interventions, capable of adapting to Sudan’s political and social transformations and responding to the needs of the most vulnerable communities.

Despite the prolonged crisis, Italy has resolutely confirmed its support for the Sudanese population, maintaining active programs that integrate humanitarian assistance and development initiatives. These interventions focus particularly on strategic areas such as healthcare, social protection, combating poverty, and supporting women’s economic independence, contributing to the strengthening of essential services and community stability.

In a context marked by conflict, institutional fragility, and profound economic hardship, the Italian Cooperation’s approach stands out for its ability to combine timely emergency responses with a medium- and long-term perspective. This operational continuity allows it not only to address the immediate needs of the war-affected population, but also to support the strengthening of local capacities and promote long-term development.

Within the context of regional challenges, Italy’s action in Sudan represents a significant component of Italy’s broader commitment to the Horn of Africa, a region of strategic political, economic, and humanitarian importance. In this context, the Italian Cooperation continues to operate as a reliable partner, contributing with concrete interventions and a long-term vision to the stability and development of the region.

Humanitarian interventions

In the context of the ongoing crisis, Italy is supporting displaced populations, refugees, and host communities through interventions aimed at the most urgent needs, implemented in collaboration with Italian civil society organizations and local partners. These initiatives are also inspired by the principles of Disaster Risk Reduction (DRR) and emphasize a community-based approach.

Activities focus on priority areas. In the health sector, Italian support contributes to the functioning of essential services through support for hospitals, the activation of mobile clinics, and epidemic prevention initiatives. At the same time, interventions in the Wash&H sector promote improved access to drinking water and sanitation, particularly in camps for displaced persons and in the areas most affected by the crisis. Specific attention is paid to education, through the rehabilitation of school facilities and the distribution of teaching materials, with the aim of ensuring educational continuity even in emergency situations. These actions are complemented by economic support programs based on cash transfers for the most



Novembre 2025 – Port Sudan: Missione di coordinamento AICS per avviare la programmazione 2026 nei settori prioritari della Cooperazione italiana in Sudan: emergenza, protezione, salute e agricoltura.

vulnerable families, enabling a rapid and flexible response to immediate needs.

Humanitarian activities are primarily concentrated in the eastern states of the country—including Port Sudan, Kassala, and Gedaref—where the presence of local personnel and relatively more stable security conditions allow for operational continuity and assistance to communities affected by the crisis.

Development initiatives

Alongside emergency interventions, Italy promotes initiatives aimed at strengthening basic services and economic opportunities for the population. These programs focus on healthcare, nutrition, social protection, and poverty reduction, contributing to improving the living conditions of local communities.

Key activities include the construction and rehabilitation of hospitals and health centers, the installation of water points and sanitation services for the most vulnerable communities, and support for agricultural development to strengthen food security. At the same time, initiatives are promoted to support women’s entrepreneurship and local cooperatives, along with vocational training and economic inclusion programs, especially for young people and the most vulnerable segments of the population. This approach integrates humanitarian interventions and development initiatives, aiming to address the immediate needs of the population while simultaneously strengthening local capacities. The model leverages the contribution of the entire Italian system, involving institutions, universities—including the “G. d’Annunzio” University of Chieti-Pescara and the University of Sassari—the private sector, and civil society organizations. Over the years, we have consolidated our collaboration with Sudanese institutions and communities, building on decades of joint work in areas such as food security, healthcare, and rural



October 2025 – Kassala State: Distribution of 1,200 goats in Dordeib and Haya to 500 families, as part of the REST-EAST rural development project.

development. In the current complex context, the combination of humanitarian and development interventions allows Italy to continue working alongside the Sudanese people, contributing to the stability of the country and the region.



November 2025 – Kassala State: Delivery of laboratory supplies and reagents to the histopathology and immunology laboratories of the Diagnostic Center at Kassala Health Citadel.

South Sudan

Population:
12.2 million (UNCTAD) ⁷

Human Development Index:
193 su 193 (UNDP) ⁸

GDP per capita:
313 USD (IMF) ⁹



⁷ <https://unctadstat.unctad.org/CountryProfile/GeneralProfile/en-GB/728/GeneralProfile728.pdf>

⁸ https://hdr.undp.org/sites/default/files/2025_HDR/HDR25_Statistical_Annex_HDI_Table.pdf

⁹ <https://www.imf.org/en/countries/ssd>



Context

Since independence in July 2011, South Sudan continues to exhibit characteristics of structural fragility typical of FCV (Fragility, Conflict, and Violence) contexts. Persistent conflict dynamics, both at the national and subnational levels, combined with limited institutional capacity, continue to hinder progress in political stabilization, economic development, and the provision of basic services.

The operating environment is further exacerbated by the convergence of multiple risk factors, including widespread insecurity, recurrent climate shocks—particularly seasonal and prolonged flooding—high price volatility, and limited market access. These factors significantly impact agro-pastoral production systems, compromising the food security and livelihood resilience of vulnerable communities.

According to IPC (Integrated Food Security Phase Classification) projections updated to mid-2025, approximately 7.7 million people (over 60% of the population) are acutely food insecure (IPC Phase 3 or higher), with pockets of population experiencing famine (IPC Phase 5) in specific counties experiencing high levels of conflict and geographic isolation. Global acute malnutrition (GAM) levels consistently remain above emergency thresholds in several areas of the country.

The humanitarian situation remains critical, with a high number of internally displaced persons (IDPs) and refugees, both leaving and returning from neighboring countries. Humanitarian access continues to be severely impacted by security constraints, logistical limitations, and funding gaps, directly impacting the continuity and coverage of lifesaving interventions, particularly in the areas of food security, nutrition, and health.

At the institutional level, the political transition process remains incomplete and is characterized by significant delays in the implementation of the peace agreements. The postponement of national elections, currently scheduled for 2026, and recurring tensions between political actors contribute to maintaining high levels of uncertainty, negatively impacting governance and the state's ability to guarantee essential services and the rule of law.



October 2025 – Adior: Mothers at the Health Center participate in a program to prevent maternal and infant mortality. Thanks to the Italian Cooperation's emergency health interventions, the facility is now able to handle major emergencies.



October 2025 – Rumbek: Support for vulnerable populations facing severe food insecurity, where over 57% of the population suffers from nutritional deficiencies.

The Italian Development Cooperation in South Sudan

Over the years, Italian Development Cooperation has built a solid and on-going presence in South Sudan, encompassing humanitarian assistance, health, food security, and strengthening the resilience of the most vulnerable communities. These interventions are based on an integrated approach that combines life-saving actions with medium- to long-term initiatives, in line with the Triple Nexus paradigm (humanitarian-development-peace).

Italian civil society organizations have been operating in the country since the late 1980s, initially focusing on basic health services, nutrition, emergency food assistance, and health infrastructure development, with a particular focus on maternal and child health. Over time, their activities have gradually expanded to include strengthening local systems through training healthcare personnel, technical support to authorities, and the development of sectoral policies, as well as tropical disease control programs.

The consolidated presence on the ground, particularly in Juba and other priority areas, has fostered the creation of operational partnerships with local institutions, communities, and international actors. This has helped improve the capacity to respond to humanitarian needs and strengthen protection mechanisms, with a specific focus on women, minors, and persons with disabilities.

In a context marked by a prolonged crisis and significant operational volatility, Italy’s commitment has enabled us to build relationships of trust with institutional counterparts and civil society, ensuring continuity of interventions and operational readiness even in highly complex conditions.



April 2025 – Tonj East County: Prevention and treatment of malnutrition and maternal and child health, with nutritional screening of patients for early identification of cases.



April 2025 – Tonj East County: Check-up on a mother to check her nutritional status.



April 2025 – Juba: Strengthen the management of obstetric emergencies and antenatal care, with support for the national system for monitoring maternal mortality and implementing preventive measures.



May 2025 – Assisting a patient during labor at the camp health center to ensure a safe delivery.



November 2025 – Healthcare professionals visit a patient’s home in the postpartum period to ensure continuity of care and monitoring after delivery.

Eritrea

Population:
12.2 milioni (UNCTAD) ¹⁰

Human Development Index:
193 su 193 (UNDP) ¹¹

GDP per capita:
313 USD (IMF) ¹²



¹⁰ <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=ER>

¹¹ <https://data.undp.org/countries-and-territories/ERI>

¹² <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=ER>



Context

Following the conflict with Ethiopia (1998–2000), Eritrea endured a prolonged period of political and economic isolation, characterized by a “no peace, no war” stance and the imposition of international sanctions for over a decade. The regional normalization process initiated in 2018, along with the lifting of sanctions, contributed to a partial improvement in the macropolitical environment; however, the country continues to experience high levels of structural fragility and limited integration into regional and global economic systems.

With an estimated population of approximately 3.6 million and an annual growth rate of 2.35% (UN DESA), Eritrea has a young demographic structure, with significant implications for demand for basic services and employment opportunities. Despite some progress in social indicators—including increased life expectancy (approximately 67 years) and a reduction in infant mortality—the country remains in the low human development bracket, ranking among the lowest globally (HDI rank 178/189, UNDP) and classified as a low-income economy (World Bank).

The national economy is characterized by a limited and poorly diversified production base, with a heavy dependence on subsistence agriculture and the extractive sector (particularly gold and other minerals). Remittances from the diaspora represent a significant component of external income and a primary source of livelihood for many families. However, significant macroeconomic rigidities persist, including currency and financial restrictions, which limit the country’s attractiveness to foreign investment and affect its growth potential.

Agro-climatic conditions, characterized by structural aridity and recurrent droughts, significantly impact food security and livelihood resilience, particularly in rural areas. Access to basic services, including healthcare and nutrition, remains limited, especially in remote regions.

From a migration perspective, Eritrea continues to be a major country of origin for irregular migration flows along the Central Mediterranean route. Migration movements are driven by a combination of economic, social, and structural factors, and contribute to a significant presence of the Eritrean diaspora globally.

The operational context is further complex due to limited access to the international community, which impacts the availability and reliability of data. The lack of a Humanitarian Response Plan formally agreed with the United Nations system limits the capacity to plan and coordinate interventions. However, recent estimates indicate that approximately 1.1 million people are in need of humanitarian assistance, including approximately 745,600 children, highlighting significant needs in a context classified as high humanitarian risk.

In this context, the Triple Nexus approach (humanitarian-development-peace) is particularly relevant, in order to address structural vulnerabilities in an integrated manner and promote sustainable resilience paths in the medium to long term.



March 2025 – Asmara.



March 2025 – Asmara.

The Italian Development Cooperation in Eritrea

Italian Development Cooperation has been active in Eritrea since the early years following independence (1993), with a long-term commitment to supporting socioeconomic development through both humanitarian and development interventions. Priority sectors have historically included healthcare, food security, education, and rural development, with a focus on strengthening essential services and local capacity.

During the 1990s and 2000s, interventions focused on strengthening social infrastructure and vocational training, contributing to improved access to basic services and community resilience. The Eritrean-Ethiopian conflict and the subsequent phase of regional tension, however, led to a reduction in operational scope, requiring a gradual adaptation of intervention methods. In this context, Italian Development Cooperation has maintained a dialogue with national authorities, prioritizing targeted, high-impact initiatives, particularly in the healthcare and food security sectors.

In recent years, efforts have shifted toward multilateral programs and interventions implemented through civil society organizations, with a growing focus on health, WaSH, and agricultural development, consistent with the Strategic Partnership Cooperation Framework (SPCF) 2017–2021. The regional normalization process initiated in 2018 has contributed to expanding, albeit limited, opportunities for collaboration, despite persistent operational and institutional constraints.

In June 2024, the institutional mission of the Minister of Enterprise and Made in Italy represented a further step in revitalizing bilateral dialogue, with the aim of exploring new cooperation opportunities in the sectors of healthcare, infrastructure, renewable energy, transport, and agriculture, including through the involvement of the Italian private sector.

Currently, Italian Cooperation is recognized for its technical expertise in the country, particularly in the healthcare and WaSH sectors, which represent over 60% of the active portfolio (approximately €5.8 million). Interventions are aimed at improving access to essential health services, strengthening the skills of healthcare workers, and promoting sustainable water management practices. At the same time, there is a growing focus on supporting livelihoods and creating economic opportunities for the most vulnerable segments of the population.

In 2025, operational responsibility for Eritrea was transferred to the AICS Office in Cairo, with a view to streamlining and optimizing the management of activities in the country.



January 2025 – Debub Region: Training of medical staff at the Mendefera Referral Hospital's cardiology clinic on the monitoring and prescription of anticoagulant therapy, with consultation, diagnosis, and follow-up services for patients of all ages, often from rural areas.



March 2025 – Asmara: Italian Cooperation supports the activities of the Cardiology Outpatient Clinic at the Orotta Medical Surgical National Referral Hospital in Asmara.



June 2025 – Asmara: AICS mission to strengthen dialogue with Eritrean institutional counterparts and meet with Italian Civil Society Organizations (CSOs) active in the country.



June 2025 – Asmara: Cardiac Treatment Clinic at the Orotta National Medical-Surgical Referral Hospital, the country's main public facility, supported by Italian Cooperation.

Djibuti

Population:
1,18 milioni (UN) ¹³

Human Development Index:
171 su 193 (UNDP) ¹⁴

GDP per capita:
4,369 USD (IMF) ¹⁵



¹³ <https://srv1.worldometers.info/world-population/djibouti-population/>

¹⁴ <https://hdr.undp.org/data-center/specific-country-data#/countries/DJI>

¹⁵ <https://www.worldometers.info/gdp/djibouti-gdp/>



Context

Following the conflict with Ethiopia (1998–2000), Eritrea endured a prolonged period of political and economic isolation, characterized by a “no peace, no war” stance and the imposition of international sanctions for over a decade. The regional normalization process initiated in 2018, along with the lifting of sanctions, contributed to a partial improvement in the macro-political environment; however, the country continues to experience high levels of structural fragility and limited integration into regional and global economic systems.

With an estimated population of approximately 3.6 million and an annual growth rate of 2.35% (UN DESA), Eritrea has a young demographic structure, with significant implications for demand for basic services and employment opportunities. Despite some progress in social indicators—including increased life expectancy (approximately 67 years) and a reduction in infant mortality—the country remains in the low human development bracket, ranking among the lowest globally (HDI rank 178/189, UNDP) and classified as a low-income economy (World Bank).

The national economy is characterized by a limited and poorly diversified production base, with a heavy dependence on subsistence agriculture and the extractive sector (particularly gold and other minerals). Remittances from the diaspora represent a significant component of external income and a primary source of livelihood for many families. However, significant macroeconomic rigidities persist, including currency and financial restrictions, which limit the country’s attractiveness to foreign investment and affect its growth potential.

Agro-climatic conditions, characterized by structural aridity and recurrent droughts, significantly impact food security and livelihood resilience, particularly in rural areas. Access to basic services, including healthcare and nutrition, remains limited, especially in remote regions.

From a migration perspective, Eritrea continues to be a major country of origin for irregular migration flows along the Central Mediterranean route. Migration movements are driven by a combination of economic, social, and structural factors, and contribute to a significant presence of the Eritrean diaspora globally.

The operational context is further complex due to limited access to the international community, which impacts the availability and reliability of data. The lack of a Humanitarian Response Plan formally agreed with the United Nations system limits the capacity to plan and coordinate interventions. However, recent estimates indicate that approximately 1.1 million people are in need of humanitarian assistance, including approximately 745,600 children, highlighting significant needs in a context classified as high humanitarian risk.

In this context, the Triple Nexus approach (humanitarian-development-peace) is particularly relevant, in order to address structural vulnerabilities in an integrated manner and promote sustainable resilience paths in the medium to long term.



May 2025 – Djibouti: In a context marked by water scarcity and extreme climate conditions, the importance of access to safe water resources for the health and resilience of local communities is highlighted.



Maggio 2025 – Djibouti.

The Italian Development Cooperation in Djibouti

Italian Development Cooperation has been active in Djibouti since 1985, with a consolidated commitment to the healthcare sector, particularly in the Balbala area, one of the most populous and vulnerable areas of the capital. The first intervention, implemented through the Italian Aid Fund (FAI), led to the construction of a maternal and child health center, which later evolved into the Balbala Hospital (“Cheiko”), now a national reference facility.

Over time, Italian support has focused on strengthening the local healthcare system through integrated infrastructure upgrades, equipment provision, and staff training, with a particular focus on maternal, child, and pediatric healthcare services.

In 2001, the Government of Djibouti officially recognized the facility as a General Hospital, consolidating its role in the national healthcare system. To meet the growing demand for services, the “Support to the decentralization and development of health services in the Municipality of Balbalà” program (€856,500) was launched in 2003, aimed at improving access to primary care.

Faced with the progressive deterioration of infrastructure, Italian Cooperation subsequently promoted the “New Balbalà Hospital” project, financed through a World Bank trust fund. The project involved the rehabilitation of existing facilities, the construction of new buildings for emergency and clinical services, and the strengthening of general medicine, surgery, and outpatient units, as well as the provision of equipment and training programs. The new complex was inaugurated in January 2016.

Between 2017 and 2021, a technical assistance project was also implemented in partnership with UNFPA (€380,000), aimed at strengthening maternal and child health services and improving the quality of services.

More recently, in April 2025, the M.I.D.A. project, promoted by CIFA ETS with Doctors with Africa CUAMM, concluded in Balbala. This project helped strengthen healthcare services and promote socioeconomic inclusion for women, with particular attention to the most vulnerable.

Overall, all initiatives supported by Italian Cooperation in the area concluded in 2025, leaving behind a lasting and structural strengthening of the local healthcare system and consolidating a long-term partnership with Djiboutian institutions.



May 2025 – Djibouti: The management team of the initiative “Strengthening the health and protection system for women in Balbala” during the monitoring visit to Balbala, engaged in coordinating activities and engaging with the community.



September 2025 – Djibouti: Completion of the course on trauma, domestic violence, and psychopathology, conducted as part of the initiative “Strengthening the Healthcare and Women’s Protection System in Balbala.” The program also included sessions dedicated to supporting and caring for staff, promoting self-awareness and preventing burnout.



February 2025 – Djibouti: Monitoring visit to one of the “Community Relays—Women’s Groups,” supported by the “Strengthening the Health and Protection System for Women in Balbala” initiative. Led by women’s groups, these spaces play a key role in promoting social change, improving access to health services, and fostering autonomy and economic empowerment, particularly in the most vulnerable areas.



February 2025 – Djibouti: Two beneficiaries at the “Community Relays—Women’s Groups” during the practical trials of professional makeup training, a concrete opportunity to develop skills and launch paths to economic independence.



Stories of change and progress

The second chance

The project that changed the destiny of Medina Yesuf

Ethiopia - In the context of the initiative - AID 12882 "Promoting protection and access to health and nutrition services for internally displaced persons and vulnerable communities in emergency situations."



In Debre Berhan, in the North Shewa area (Amhara region), thousands of displaced people live in extremely fragile conditions. In the China, Woynshet, and Bakelo camps, there are over 29,000 internally displaced people, mainly from Western Oromia. In addition, there are thousands of people welcomed by host communities, in a context where resources are increasingly limited and humanitarian assistance is declining.

Access to health services is often patchy: facilities are under pressure, medicines are in short supply, and essential nutritional supplies are not always guaranteed. Vulnerabilities accumulate, making daily life a constant challenge.

Doctors with Africa CUAMM and CIFA are working in this context, with the support of the Italian Cooperation. The project aims to strengthen protection and access to health and nutritional services for displaced people and the most vulnerable communities, offering medical care, psychosocial support, and targeted economic assistance.

She first met the CUAMM team after undergoing surgery for pulmonary tuberculosis. Thanks to the mobile health and nutrition unit, she was able to follow her treatment and receive constant monitoring.

Medina Yesuf is 26 years old. She was displaced from East Wellega with her husband and child and now lives in the China camp.

Medina first met the CUAMM team after undergoing surgery for pulmonary tuberculosis. Thanks to the mobile health and nutrition unit, she was able to follow her treatment and receive constant monitoring.

But as her health improved, her concern for her son grew.

Since birth, the child had swelling on his back which, over time, increased until he began to leak fluid. At ten months old, Medina turned to the camp's mobile clinic. From there a complex journey began: the referral to the Debre Berhan hospital, then to the Hakim Gizaw hospital and finally the recommendation for further tests in Addis Ababa.

“Thank God, I’m about to finish my treatment. My husband was also tested for tuberculosis: he’s fine now”.

A necessary path, but economically impossible for the family.

With no alternative, Medina returned to the camp, fearing she wouldn’t be able to save her son.

That’s when a second chance comes.

Through the project, CIFA activated financial support for the most vulnerable families. Medina was selected and received a grant of 10,000 birr.

“With that help I was able to take my son to Addis Ababa for his exams”.

After the tests, the child underwent successful surgery at Hakim Gizaw Hospital. The procedure changed the course of his life, significantly improving his health.

Today, Medina and her son continue to receive care and follow-up at CUAMM’s mobile clinic. Their journey isn’t over, but they’re no longer alone.

“They take care of us. Without the support of the medical team, my son would not have survived”.

A new opportunity

Entrepreneurship and Resilience: Raghda and Mohamed's Journey

Sudan - As part of the initiative - AID 12303 "WE-RISE! - Women's Empowerment for Resilience, Inclusion, Sustainability and Environment."



In the Red Sea and Kassala States in eastern Sudan, the economic and social environment has become increasingly fragile due to conflict and instability. Under these conditions, young people, women, and internally displaced persons face enormous daily obstacles in accessing employment and starting sustainable businesses.

The WE-RISE! program, funded by the European Union and implemented by AICS in partnership with UN Women, was created with the aim of promoting a more inclusive entrepreneurial ecosystem by strengthening skills and market access for the most vulnerable groups, particularly women and youth.

Initially launched between Khartoum and Kassala, the project quickly adapted to the outbreak of conflict, reorienting its activities towards the Red Sea and Kassala States to continue supporting entrepreneurs even in a profoundly changed context.

The program reached 196 beneficiaries, offering training, technical support, and access to financing. Special attention was given to women, youth, and internally displaced persons, who represent approximately half of the participants.

Among the stories born from this journey is that of Raghda and Mohamed, founders of the small ice cream shop "Mexicano Corner" in the village of Halfa, in the state of Kassala.

Their business began with enthusiasm, but soon encountered concrete limitations. The ice cream was produced manually, slowing down the work and making it impossible to meet growing customer demand.



"We faced many challenges in growing our business, Manual production methods limited our ability to increase sales and improve income", Raghda says.

This is where the WE-RISE! program made a difference.

Through the Recovery Fund, Raghda and Mohamed received a €2,500 grant, which allowed them to purchase a professional ice cream machine. But the support didn't stop with financing.

Thanks to the program, they participated in entrepreneurial training courses and received mentoring, acquiring key skills to improve their business management.

"In addition to financial support, training and mentoring have given us the tools to make production more efficient and manage the increase in sales", explains Mohamed.

Today, "Mexicano Corner" is a growing business, more structured and able to respond to the needs of the local market. Their story demonstrates how, even in contexts marked by crisis and instability, investing in people can generate concrete change.

Even after the program concludes, the entrepreneurs' journey continues. Participants maintain access to the spaces and opportunities offered by Savannah Innovation Lab, participate in networking events, and develop new collaborations.

This ongoing support strengthens the results achieved, helping to build a more resilient and inclusive economic fabric.

Adaptation and determination are constants throughout this story. It also proves that, when projects evolve with the context, they can continue to generate concrete and lasting opportunities over time.

Dal sogno all'impresa

La storia di Mesgana con il progetto WEDP

Etiopia - In ambito dell'iniziativa - AID 10632 "WEDP - Women Entrepreneurship Development Project."



Mesgana Gebre Egziabher is the founder and manager of Mesgana Shoes Enterprise, a family-run leather goods business based in Addis Ababa. The business was founded about ten years ago by three family members with a starting capital of just 2,000 ETB. After graduating from a technical-vocational school, Mesgana decided to dedicate herself to leather shoemaking, transforming a passion for craftsmanship into a business venture destined to grow over time.

Seven years ago, she came across the Women Entrepreneurship Development Project (WEDP) through the story of a colleague who had already benefited from the program. At the time, her business was going through a difficult period: workspace was limited, production capacity was limited, and the technical skills were still insufficient to compete in a larger market.

"Before WEDP, I was working in a very small space, with limited production capacity and little confidence in the future of my business", she says.

Convinced that the program could represent a turning point, Mesgana decided to enroll. Through the WEDP, she accessed technical and entrepreneurial training, management development programs, networking opportunities, and financial tools to support her business growth.

"Thanks to WEDP, I've participated in numerous training courses that have transformed the way I work. In the leather industry, design is fundamental, and I had a lot of difficulties at the beginning. The technical courses helped me improve my design skills and increase the quality of my products."

The program also offered significant opportunities for commercial visibility. Participation in bazaars and promotional initiatives allowed the company to build new market relationships, while its presence at an international trade fair in Italy was a decisive step in broadening the company's perspective.



"That experience allowed me to connect with international companies, learn about new technologies, and observe advanced leather processing machinery."

The impact on the company's development has been significant. The initial capital of 2,000 ETB has grown to over 10 million ETB, and the small family business has transformed into a company capable of generating employment.

Today, Mesgana Shoes Enterprise has grown from three family members to 22 workers, over 80% of whom are women. Production capacity has also increased significantly: from the initial production of five pairs of shoes per day, the company is now able to produce up to 150 pairs per day. At the same time, the workspace has grown from a few square meters to a facility spanning over 200 square meters.

The company now supplies wholesalers, supermarkets, and points of sale at the airports of Addis Ababa and other cities, maintaining a strong presence in the local market while also launching its first exports to countries such as Japan and Ireland.

A distinctive feature of the company is its focus on environmental sustainability. Production integrates recycling practices that allow the reuse of materials considered waste.

"We adopt a zero-waste approach: for example, we combine old jeans with leather to make original footwear and we recycle used tires to produce durable soles."

Thanks to its growth and innovation over the years, the company has received several awards and has been visited by high-level international delegations, a testament to its impact and visibility.

Looking to the future, Mesgana continues to invest in company development and production modernization, including through new equipment that it plans to purchase with the support of a WEDP loan.

I didn't stop

The story of Hassan Ibrahim, a young soap entrepreneur in Sudan

Sudan - As part of the initiative - AID 12303 “WE-RISE!- Women’s Empowerment for Resilience, Inclusion, Sustainability and Environment.”



Nel cuore dello Stato di Kassala, in Sudan, tra le difficoltà di un contesto segnato dal conflitto, Hassan ha trasformato una passione in un’opportunità concreta di riscatto.

Durante gli anni universitari, la sua attività era semplice ma significativa: produceva sapone artigianale durante le vacanze e lo vendeva a vicini, amici di sua madre. Quel piccolo reddito gli permetteva di contribuire alle spese degli studi. Tuttavia, la produzione intermittente e le risorse limitate rendevano difficile far crescere il business.

“I made soap when I could. It wasn’t much, but it helped me continue studying and believe in my project.”

With the outbreak of war, everything came to a halt. Raw materials, mainly sourced from Khartoum, were no longer accessible. Faced with this crisis, Hassan sought new solutions, even sourcing from Egypt to restart production.

“When I couldn’t find the raw materials anymore, I thought it was over. Then I realized I just had to find another way.”

It was during this period that Hassan discovered the “Ghaith Resilience Fund” (GRF), an initiative designed to support the growth of small businesses, start-ups, and farmers in Sudan, with a particular focus on recovery in conflict-affected contexts. Through this tool, an integral part of the WE-RISE! Program, funded by the European Union and implemented by AICS and UN Women, Hassan received not only financial support but also a structured program to strengthen his entrepreneurial skills. After initial hesitation, he decided to apply at the end of 2023. He was selected and, in early 2024, began intensive training, marking a turning point in his journey.

“At first, I ignored the opportunity. Then I realized it was what I needed to make the leap.”

The training, including online sessions and in-person meetings, provided him with essential tools to structure his business.

The training, which included online sessions and in-person meetings, provided him with essential tools to structure his business. For the first time, he learned to identify target customers and develop an effective marketing strategy. This step was crucial in transforming informal production into a more organized and market-oriented business.

The journey was not without obstacles. A collaboration with a small factory suddenly ended, forcing him to move all production to his home. Financial difficulties and daily grind also tested his resolve, but Hassan continued to work to avoid losing what he had built.

With commitment and perseverance, he managed to sell all his stock, recovering his initial capital and laying the foundation for future growth.

“Selling everything was the moment I realized I could really do it.”

Thanks to the support of the Ghaith Resilience Fund and the WE-RISE! Program, his business is now stronger. Production has increased and the number of customers has expanded, reaching not only the local but also the regional market.

Hassan’s story demonstrates that, even in the most fragile contexts, the right support—combined with determination and vision—can transform a difficult situation into a new beginning.

I want to build my future

The testimony of Nestanet, a young agro-processing student in Batu

Ethiopia - As part of the initiative - AID 10632 “WEDP- Women Entrepreneurship Development Project.”



In the city of Batu, in the Oromia region of Ethiopia, Nestanet Ashagre is only 20 years old, but she already has a clear idea of what she wants to build for her future.

Raised in Meki, in Kebele 03, she lives with her family and contributes to the household chores every day. Her education led her to enroll in the Batu TVET, where she is currently in the second level of the agri-food and plant sector program, specializing in horticulture.

Her choice, however, wasn’t immediate.

“I initially wanted to study hotel management, but the program never started. I had to rethink my career path.”

Faced with this change, Nestanet has adapted pragmatically, choosing a sector with greater market opportunities and concrete job prospects.

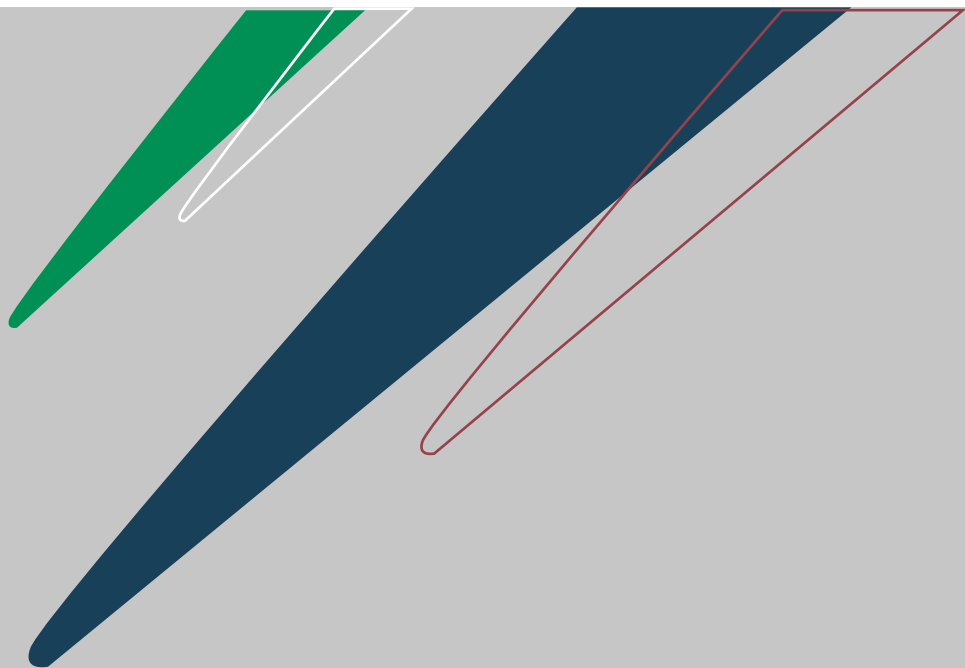
Thanks to the support of Edukans, she accessed an apprenticeship program that allowed her to apply her theoretical knowledge in a real-world context. Today, she is involved in the Meki Batu cooperative federation, specializing in fruit and vegetable processing, where she is developing key technical skills.

During this experience, she acquired practical knowledge of quality control, packaging, and the added value of processed products in terms of efficiency and preservation.

“I have acquired the skills necessary to provide high-quality service to customers.”

This journey has had a tangible impact not only on her education, but also on her vision for the future. Nestanet looks forward with determination: her goal is to start her own juice and smoothie business, building her financial independence step by step.

Her story demonstrates how access to quality technical training and hands-on experience can open new perspectives for young people, transforming initially forced choices into real opportunities for personal and professional growth.



@AICSAddisAbaba

Following AICS Addis Ababa's social media channels allows you to stay up-to-date on Italian Cooperation's activities, projects, and stories from the field in Ethiopia and the region.

ANNUAL REPORT 2025

Italian Agency for Development Cooperation (AICS)
Regional Headquarters in Addis Ababa.

www.addisabeba.aics.gov.it
segreteria.addisabeba@aics.gov.it

© AICS Addis Abeba - March 2026.