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EDITOR'S NOTE

As the United States dismantles the order it once constructed, we are entering a period of profound geopolitical transition.

The danger is a return to great-power rivalry and rigid spheres of influence. Europe and Africa have too much at stake to drift into someone else's design. If they do not help shape the next order, it will be shaped without them.

In this context, a more strategic Europe–Africa partnership is emerging across the sectors that will define the coming decades: industrialisation, agriculture, artificial intelligence and critical minerals. Through a growing portfolio of initiatives under the Mattei Plan, Italy is deploying technical expertise and industrial capacity in Africa, while positioning itself as a bridge to Europe with the ambition of Europeanising the effort.

This past week alone marked perhaps the most intense moment in modern Italy's relations with Africa - certainly in my twenty years of engagement on the continent. In Nairobi, the Minister of University and Research advanced a strengthened research partnership with Kenya. The city also hosted an Italian-backed AI Forum, gathering more than 500 participants from Africa and Europe to scale digital and AI infrastructure. At the Indaba Mining Forum in Cape Town, the Deputy Minister of Industry presented a €1 billion financial instrument to support African countries in processing critical minerals domestically rather than exporting them to China. Finally, Prime Minister Giorgia Meloni travelled to Addis Ababa as guest of honour at the African Union Heads of State Assembly, announcing an initiative to convert debt into investment and setting an Italy-Africa summit to review progress on the Mattei Plan after two years.

The Mattei Plan was conceived to bring Italian added value — skills, training, applied technology — into African economies with a clear aim: to help create the conditions for prosperity that offer citizens real options beyond migration. Today, however, the initiative carries broader geopolitical weight. European strategic autonomy requires deeper engagement with the Global South, starting with Africa. For that reason, the direction set by Meloni is likely to outlast her government.

Yet it would be a mistake to believe that focus on forward-looking sectors can obscure a harsher reality. The arc from the Atlantic to the Red Sea is increasingly marked by conflict, state collapse and widening space for spoilers. This is not a distant periphery; it is the broader Mediterranean — the shared neighbourhood linking Europe and Africa. Here, political engagement and sustained resources remain indispensable.

For decades Europe invested in the African Union, which developed an advanced governance and security architectures, arguably more structured than that of the Arab League. Today, however, it faces mounting financial strain as European security budgets shift to Ukraine and African leaders capable of promoting peace are absorbed by domestic challenges. President Ruto has proposed a reform AU agenda in this sector. Meantime, however, the result is that peacemaking in our neighbourhood increasingly gravitates toward alternative centres of influence: the United States, which, despite prioritising the Western Hemisphere and Asia, still seeks the role of global broker, and the Gulf states.

The opening weeks of 2026 made this unmistakable. Israel's recognition of Somaliland broke with the AU-anchored processes that once led to the statehood of South Sudan and Eritrea. Rivalry between Saudi Arabia and the United Arab Emirates hardened in Yemen, forcing Abu Dhabi to recalibrate a decade of investments, while Riyadh sought to reassert its footprint in the Red Sea and Gulf of Aden, from Socotra to the Horn.

Having been in both Riyadh and Abu Dhabi earlier this year, I do not see this as a short-term disagreement. Even if both sides attempt to de-escalate, and even if a US strike on Iran were to create temporary alignment, the competition is structural. It has already produced competing regional coalitions with significant implications for the Horn and East Africa.

This is a profound missed opportunity. At a moment when Iran is at its weakest, a cohesive Saudi-Emirati axis could have filled the space left behind. Natural economic competition should not preclude coordination on a regional architecture.

The essential question is simple: **invest in fragmentation or in stability.**

Sudan's collapse into protracted civil war shows the price of a vacuum. And as troop movements intensify along the Ethiopia–Eritrea border, the risk of renewed conflict in Tigray is no longer hypothetical — the coming days may prove decisive.

This leaves a stark question: if not Europeans, who has the interest to bridge divisions among Gulf partners and help articulate a coherent path forward for Africa? Nowhere is this more urgent than in the Horn of Africa, where states are fragmenting before our eyes. Contributing to a durable equilibrium is not optional; it is necessary. In an era of renewed great-power rivalry, strategic hesitation will not preserve relevance. It will accelerate marginalisation.

Umberto Tavolato
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A STRONG REDUCTION IN CHINESE LOANS TO AFRICA

GIUSEPPE MISTRETTA

New economic data recently published by the Boston University Global Development Policy Center show a sharp reduction in Chinese lending to African countries.

The statistics refer to 2024, when Beijing's total lending to the continent amounted to just 2.1 billion dollars. This represents around 90 percent less than in 2016, when lending peaked at more than 28 billion dollars, and almost 50 percent less than in 2023.

China has been one of Africa's main creditors in the twenty-first century, and Chinese banks have been deeply involved in the continent's debt dynamics, which remain one of the major challenges for Africa's development.

Observers primarily explain the reduction in lending, whose downward trend began in 2020, by ongoing debt restructuring processes in several countries, including Ghana, Ethiopia and Zambia.

These processes have resulted in numerous non-performing or unpaid loans, raising concerns within China's political and economic establishment as well as among major financial institutions.

Other contributing factors may include the long-term consequences of the Covid-19 pandemic, increasing volatility in the international system, and persistent conflicts and tensions affecting parts of the continent.

More generally, Chinese financial institutions appear to be moving away from multi-billion-dollar sovereign loans linked to large infrastructure projects, and are increasingly focusing on smaller and more selective programmes related to technology transfer, energy transition and training.

In 2024, Chinese loans went to Angola, which received 690 million dollars, as well as Kenya, Egypt, the Democratic Republic of Congo and Senegal. These countries are also among the main recipients of Western financing, suggesting that China applies reliability criteria similar to those used by other major creditors.

It is likely that a comparable reduction in China–Africa lending will continue in the coming years.

AT THE END OF 2025, ISRAEL FORMALLY RECOGNIZED THE INDEPENDENCE AND SOVEREIGNTY OF SOMALILAND

GIUSEPPE MISTRETTA

In the Horn of Africa, the year 2025 ended with Israel's formal recognition of Somaliland. The move may have appeared surprising in its timing, but not in its political substance.

The government in Jerusalem became the first to recognise the former British Somaliland as an independent and sovereign state. It is possible that other countries may follow. In the current context of declining multilateralism, the United Arab Emirates, Ethiopia and the United States could consider similar steps for their own strategic and economic reasons.

Nevertheless, the strong diplomatic reaction by Somalia's federal government appears to have discouraged Abu Dhabi, Addis Ababa and Washington from immediately replicating Israel's decision.

From its temporary seat on the United Nations Security Council, Mogadishu firmly rejected what it described as a deliberate attack on its sovereignty and reaffirmed its absolute and non-negotiable commitment to national unity and territorial integrity. This position is grounded in Somalia's provisional constitution, the United Nations Charter and the Constitutive Act of the African Union, all of which define Somaliland as an integral and inseparable part of Somalia. President Hassan Sheikh Mohamud's visit to Las Anood, where pro-unity SSC Khatumo forces defeated Somaliland troops in 2023, reinforced this position on the ground.

Israel's recognition of Somaliland has also been strongly criticised by a large majority of the international community, including many African states, the African Union, Türkiye, China, the European Union, the Arab League and all members of the United Nations Security Council except the United States.

Israel's initiative can be explained by its objective of strengthening its **presence along the Gulf of Aden coast.**

This includes reducing attacks on international shipping by Iran-backed Houthi rebels, countering Türkiye's growing influence in Africa and in the Bab el-Mandeb Strait, and enhancing intelligence operations related to maritime traffic and political developments in Africa. It is also worth noting that the government in Hargeisa may seek to join the Abraham Accords, potentially reviving a diplomatic process that has stalled following Israel's military operations in Gaza.

From Somaliland's perspective, the recognition represents a significant diplomatic success since its self-proclamation in 1991. As a consequence, Somaliland is likely to receive new Israeli investments in key sectors such as agriculture, health, technology, infrastructure and energy. This development is likely to intensify tensions with Somalia's federal government, which already supports pro-unity groups in the eastern and western peripheries of the separatist entity.

Israel's move may contribute to the emergence of a new security architecture in the Horn of Africa that reflects evolving coalitions in the Middle East. The United Arab Emirates could facilitate cooperation between Israel and its African partners, including Ethiopia, Sudan's Rapid Support Forces and Somaliland. By contrast, Saudi Arabia, Türkiye, Egypt, Qatar and Pakistan, all opposed to Somaliland's independence, are likely to support a rival grouping that includes Eritrea, Sudan's government and Somalia.

The United Arab Emirates has been particularly active in Somaliland since 2017 and 2018, when DP World invested more than 400 million dollars in the port of Berbera for both commercial and military purposes. Abu Dhabi aims to strengthen its presence along the Gulf of Aden, although not necessarily through formal diplomatic recognition, which would conflict with broader Arab sentiment.

Two years ago, Ethiopia proposed amemorandum to then Somaliland president Muse Bihi Abdi, offering recognition in exchange for access to a strip of coastline near Berbera. This would have provided Addis Ababa with a strategic maritime outlet and possibly a future military base. The initiative was abandoned following strong opposition from Mogadishu and Asmara, as well as mediation efforts led by Turkish President Recep Tayyip Erdoğan. Israel's recent move could encourage Ethiopia to reconsider the issue.

Donald Trump stated that the United States would examine all aspects of the initiative before taking any decision. One month after Israel's announcement, no further international recognition of Somaliland has taken place.

A NEW GULF RIVALRY STIRS THE RED SEA

CORRADO ČOK

The Red Sea is today a hazardous mix of multipolarity and global lawlessness. Left without a committed and coherent hegemon, regional powers jostle for influence and position unrestrained, while local actors pursue their support against their rivals, fuelling cycles of instability.

The latest events show how this trend is accelerating The December offensive of the UAE-backed Southern Transitional Council (STC) in Yemen triggered a series of events that are reshaping Red Sea power dynamics. The STC offensive in al-Mahra and Hadhramaut prompted a military intervention by Saudi Arabia that peaked with the bombing of Emirati vessels suspected of delivering weapons to the separatist group. In a matter of days, the Saudi-led alliance in Yemen chased the STC out of its territories and pressured other UAE-backed actors in Yemen, like the Giant Brigades, to surrender to the authority of the officially-recognised government, which eventually obliged Emirati forces to leave the country.

The Saudi pushback against the UAE quickly spilled from Yemen into the Horn of Africa. In early January, Saudi Arabia and Egypt began to close their airspace to Emirati cargoes suspected of carrying weapons to the Sudanese Rapid Support Forces (RSF) and pressured Libyan general Khalifa Haftar to block UAE's supply routes to Sudan via the al-Kufra airport. Again in Sudan, Saudi Arabia and Pakistan are increasingly coordinating on defence support to the Sudanese Armed Forces (SAF) as battles intensify in the centre-south.

Somalia saw similar dynamics. Israel's recognition of Somaliland and the use of Somali soil to exfiltrate the former STC president from Yemen to the UAE sparked a harsh diplomatic reaction from Mogadishu. On January 12, tensions culminated in the cancellation of all cooperation agreements with the UAE, considered the mastermind of the Israel-Somaliland deal by the Somali government. Soon after that, Somalia signed defence pacts with Qatar and then with Saudi Arabia to receive military training, equipment and, possibly, contributions to army salaries in the pursuit of an alternative to Abu Dhabi's security and financial support.

The Saudi multifront pushback is the result of a tactical recalibration in its near abroad. Around 2020, the setbacks against the Houthi rebels in Yemen prompted Saudi Arabia to scale back its military commitments across the broader Red Sea. The UAE then filled that partial vacuum by expanding its engagement with allies in Libya, Sudan, Somalia and Yemen. This spread fears of encirclement in the Saudi leadership that reached a tipping point with the STC offensive. Against this backdrop, Riyadh is now rebuilding its politico-military status across the region and stepping up its confrontation with the UAE and Israel, in growing coordination with Türkiye, Egypt, Qatar and Pakistan, as seen from Libya to Somaliland.

Riyadh and Abu Dhabi are keen to avoid direct confrontations, but their hostile competition is set to last long and spread deep across the Horn of Africa. In recent years, virtually all regional actors have moved closer to Saudi Arabia and its allies – like Djibouti, Eritrea, Somalia and Sudan's SAF – or the UAE – such as Ethiopia, South Sudan and Sudan's RSF, Somaliland and the Somali states of Jubaland and Puntland. Like in Sudan, many of these players have feuds that rival Gulf support could exacerbate, such as Ethiopia and Eritrea or Somalia and Somaliland. Rival military agreements suggest that the Gulf of Aden and Somaliland might become areas of contention between the two coalitions in the making.

As a result, the Horn of Africa is entering a phase of enhanced instability, **with Gulf-driven proxy rivalries taking centre-stage.**

CHINA'S RENEWED PUSH INTO AFRICAN GOLD STRATEGIC HEDGING AMID GLOBAL UNCERTAINTY

LUCIANO POLLICHIENI

Fewer loans and greater emphasis on gold capture the essence of China's evolving strategy in Africa.

The recent acquisition by Zijin Mining of the Canadian firm Allied Gold, valued at approximately 3.4 billion euros, highlights a significant escalation of Chinese engagement in Africa's gold sector.

The deal grants Zijin control over producing mines in Mali and Côte d'Ivoire, as well as a major development project in Ethiopia scheduled to enter production in 2026. This move takes place amid record gold prices, heightened geopolitical uncertainty and a broader shift of global capital toward safe-haven assets.

At first glance, the transaction appears cyclical, driven by rising gold prices linked to inflationary pressures and geopolitical conflict. However, interpreting it solely as an opportunistic move would be incomplete.

China is reinforcing long-term access to strategic resources in Africa as part of a broader effort to **hedge against economic fragmentation.**

Gold plays a dual role as both a commercially valuable commodity and a monetary asset that can support financial resilience in a more contested international system. Timing is also significant, as Western governments have increased scrutiny of foreign investment in critical minerals, while Chinese firms remain willing to deploy capital aggressively.

For African producers, the implications are mixed. On one hand, Chinese investment brings capital, infrastructure and operational capacity that many domestic actors cannot easily mobilise. On the other, it risks reinforcing structural dependence on external partners for resource extraction, revenue generation and technological expertise. Environmental and social governance concerns remain particularly relevant in politically unstable contexts, where mining revenues intersect with security challenges and questions of state legitimacy.

From a geopolitical perspective, the deal underlines Africa's growing importance in global competition over strategic resources. China's assertiveness in the gold sector signals confidence in long-term demand and a willingness to accept political and reputational risks in pursuit of strategic depth. For Western actors, it highlights the limitations of regulatory deterrence in a global market where alternative sources of capital remain available.

The central question for African states is whether they can use renewed interest in gold to diversify their economies and strengthen governance, or whether the current boom will once again entrench asymmetric dependencies with long-term geopolitical consequences.

SOUTH SUDAN'S PERPETUAL TRANSITION

ADI GUYO

South Sudan is once again approaching a familiar and dangerous moment. Renewed violence in Upper Nile reflects deeper political dysfunction.

Fragmented armed groups, unresolved command structures and the failure to unify forces under a national army have turned violence into both a bargaining tool and a means of political pressure. As fighting intensifies, civilians are displaced, humanitarian access is restricted and local grievances risk being absorbed into broader elite rivalries.

The core problem is not the absence of agreements, but the lack of **sustained political will to implement them.**

The main pillars of the Revitalized Agreement on the Resolution of the Conflict in the Republic of South Sudan, signed in 2018, include security sector unification, constitutional reform and preparations for credible elections. These commitments remain only partially implemented. Yet the agreement continues to be the only recognised framework underpinning the country's transition. The challenge is therefore not whether to preserve it, but how to restore its central objectives of ending violence, rebuilding legitimacy and enabling a credible political process.

The Tumaini Initiative aims to support this framework by recognising that South Sudan's crisis is fundamentally political rather than technical. From the outset, the initiative has sought to treat all participants equally in order to reduce zero-sum calculations that have historically undermined peace efforts. According to officials involved in the process, Tumaini prioritises immediate stabilisation measures, including cessation of hostilities, civilian protection and humanitarian access, while also addressing unresolved political questions directly.

South Sudan's crisis is also shaped by a broader regional context. The country's stability is closely linked to the war in Sudan, particularly because its oil exports depend on pipelines that run through Sudanese territory. As a result, Juba must carefully manage its relations with both the Sudanese Armed Forces and the Rapid Support Forces. As highlighted in this report, dynamics originating in the Middle East have increasingly affected the region. Over the past two years, South Sudan has strengthened its relationship with the United Arab Emirates and maintained long-standing ties with Israel dating back to its independence struggle.

The convergence of regional and international interests demonstrates that South Sudan's crisis is not an isolated national issue, but a shared challenge for regional stability. Addressing it will require coordinated efforts that are regionally grounded and supported by the international community in order to prevent further deterioration and restore a credible path toward peace and recovery.

A NEW AI REVOLUTION IN AFRICA

CARLOTTA RIDOLFI

Artificial Intelligence is set to be the most transformative technology of our era, and its benefits must be accessible to all. In Africa, the AI discourse is currently undergoing a paradigm shift from 'falling behind' to purpose-driven implementation and 'leapfrogging'.

With Africa's favourable demographics – representing 20% of the global population, 60% of which are under 25 - AI presents a unique opportunity to leapfrog traditional development growth - delivering innovative and impactful solutions in key sectors.

According to reports from the African Development Bank (2025) and UNDP (2026), AI is projected to add up to $1 trillion to the continent's GDP by 2035 - equivalent to nearly one-third of the continent's current economic outputs. However, significant structural barriers are creating major challenges – for example, Africa hosts less than one per cent of the world's data centre capacity, 90 percent of which is concentrated in just two countries, the United States and China. Data scarcity, lack of computing infrastructure, power-availability and access to internet represent some of the biggest obstacles for AI adoption in Africa.

To tackle this, African-based tech and AI companies and start-ups, are pioneering an innovative approach to AI implementation on the continent: rather than follow the global trend of 'hyperscale' projects, which are capital intensive and speculative, they believe Africa can build its own model for an AI revolution, adapted to African realities and contexts. Kate Kallot, founder of African-based Amini.ai, is a pioneer in this revolution, arguing that Africa must focus on modular and custom-sized AI ecosystems. A 'right-sized' approach can ensure that AI growth is aligned with local energy availability, leveraging the important renewable energy potential on the continent, and responding to the actual demand.

Realizing Africa's AI potential hinges on a strategic alignment of five interconnected enablers: **data, compute capacity, skills, trust, and capital.**

When synchronized, these pillars shift the continent from a consumer of global tech to a sovereign innovator and boosting economic growth. Importantly, building sovereign AI capacity is about strategic independence, to ensure democratic accountability and decision-making capacity. African nations must own a critical mass of their AI "stack" - from data pipelines/micro data centres to decision-making algorithms, and localized AI talent so that countries can store and process data locally.

Italy has also been active in the space - through its G7 Presidency and the Mattei Plan, Italy launched the AI Hub for Sustainable Development, based in Rome, to support ecosystems of equal partnerships for AI. The hub aims to connect African innovators with private sector leaders from the market, ensuring innovation is anchored in real-world implementation. The AI Hub, which is aligned with the African Union's AI Strategy, is aiming to catalyse transformation across six key sectors including energy, agriculture, health, water, education & training, and infrastructure, as well as connect African innovators with G7 and EU markets.

The Nairobi AI Forum 'Road to Nairobi' (9-10 February 2026), builds on the momentum of the AI Hub for Sustainable Development, acting as a fundamental precursor to the AI Impact Summit in New Delhi this February —the first major global AI gathering hosted in the Global South. The "Road to Nairobi" served as a series of high-level working sessions and diplomatic precursors designed to shift the global AI debate from the Global North to the Global South. It is bridging the gap between the G7 Summit in 2024 and the AI Impact Summit in New Delhi, ensuring that African infrastructure and sovereignty are at the centre of the global agenda.

The Nairobi AI Forum convened over 500 global leaders, including Italian Minister Anna Maria Bernini and Kenyan Minister William Kabogo, to transition the "Mattei Plan" into a concrete "Intelligence Economy" through the launch of the $10 billion "AI 10 Billion" initiative and a €50 million venture fund for the continent's first Italian incubator - the Harmonic Startup Accelerator. Other key milestones included a landmark space-enabled AI partnership for food security involving the Malindi Space Center and an open call for cybersecurity readiness with Cisco. By prioritizing modular and localised infrastructure and AI models, and a "Nairobi-Italy-India-San Francisco" innovation triangle, the forum established a democratic, inclusive framework for Africa to lead the Global South in sovereign AI development.

Today, Africa can lead the Global South in defining what human-centric AI looks like. By prioritizing modular systems, sovereign data, and market-based partnerships, the continent is doing more than just adopting technology—it's building a foundation for inclusive, sustainable, and autonomous development.

WHERE DOES AFRICA FALL IN THE U.S. MINERAL TRADING BLOCK?

CORRADO ČOK

The Trump administration is fast-tracking the delivery of its critical minerals agenda but turning to a surprising tool: multilateralism.

On Wednesday 4th February, the U.S. government convened high-level representatives from 54 countries, including African states, plus the European Union, for the launch of the Critical Minerals Ministerial in Washington.

Officially, the U.S. government has poured more than $30 billion in mining projects over the past six months to reduce its dependence on China. As the U.S. has become conscious that minerals require scale and scale requires partners, the forum sought to coordinate international efforts to develop new mineral value chains not tied to China under a U.S. umbrella. The export control measures on crucial rare earth materials adopted by Beijing from mid-April 2025 forced the U.S. to back down on tariffs and chip bans. This confirmed China's leverage over global value chains in key industries, like semiconductors, energy, automobile and defence, and increased pressure on the U.S. and Europe to build new, diversified supplies.

The Ministerial's main outcome was the launch of a preferential trading block for minerals that sets prices, coordinates policies and fosters mineral partnerships. The goal is not only to build protectionist barriers against highly-competitive mineral products from China, but also to stabilise a typically volatile market, where price fluctuations discourage necessary long-term investments from the private sector unless backed by significant state funding. While negotiations are still ongoing, several countries have already signed up to the U.S.-led mineral block, including the Democratic Republic of Congo (DRC). The potential impact of the initiative on Africa could be dual. Price predictability would help attract investments in more stable African jurisdictions but hinder opportunities for countries perceived as risky, where investments flow in mainly when commodity prices spike up. Moreover, price caps would also give more stability to state budgets.

Besides the possible trading bloc, the selection of African participants was quite telling. At the Ministerial's table were sitting Angola, the DRC and Zambia - which are part of the Lobito Corridor - as well as Guinea and Sierra Leone - that fall within the Liberty Corridor, a new U.S.-backed infrastructural to develop Guinea's iron ore reserves. Washington is apparently limiting its Africa engagement on minerals to countries that have already embarked into Western-sponsored infrastructural projects. Among them, Kinshasa is reaping the fruits of its year-long push to attract American investments in its mining industry and rebalance China's predominant position in the country; it also signed the only deal relevant to Africa at the conference.

Outside the Lobito and Liberty corridors, the only other country from sub-Saharan Africa at the table was Kenya. This confirms the strong prospects of its developing mining sector and testifies how Nairobi has maintained its diplomatic capital in Washington despite the transition from the Biden to the Trump administration.

Overall, the Ministerial in Washington brought mixed results overall for Africa. The small number of African participants confirmed Washington's limited interest in the continent and the partial shift of the mining industry's focus from Africa to Latin America, driven by risk perceptions. However, some African countries are positioning themselves to benefit from growing American and western efforts to develop new mineral value chains. The challenge for them will remain securing investments that do not limit to extraction but partly localise the processing value chain.

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