

REPUBLIC OF SOMALILAND



Ministry of National Planning and Development

National Development Plan (2012-2016)

December, 2011

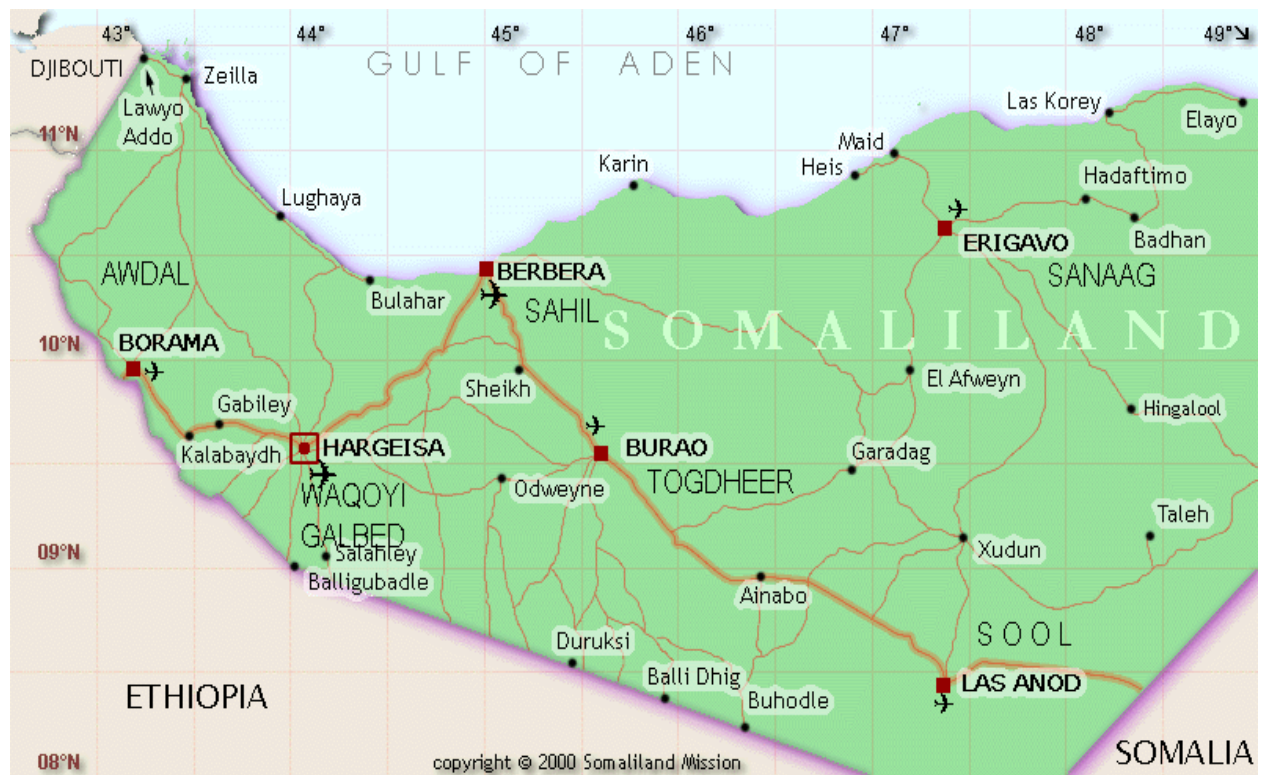


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ACRONYMS

ACP	African Caribbean and Pacific
ADK	Aronis – Drettas – Karlaftis - Consulting Engineers Ltd
AFPE	Accelerated Female Participation in Education
ART	Anti Retroviral Therapy
AU	African Union
AWEPA	Association of European Parliamentarians for Africa
Bld	Building
CBO	Community Based Organizations
CCPP	Contagious Caprine Pleuropneumonia (a disease of goats, but also sheep)
CDC	Curriculum Development Centre
CIDA	Canadian International Development Agency
COMESA	Common Market for Eastern and Southern Africa
DC	District Councils
DDF	District Development Framework
DFID	Department for International Development
DGs	Director Generals
EDC	Education Development Centre
EU	European Union
FAA	Federal Aviation Administration (FAA) of United States
FAO	Food and Agriculture Organization of the United Nations
FEC	Family Education Centre
FGM	Female Genital Mutilation
FLECs	Family Life Education Centres
FM	Frequency Modulation
FMD	Foot and Mouth Disease
GDP	Gross Domestic Product
GTZ	Gesellschaft für Technische Zusammenarbeit - German International Cooperation
H.E.	His Excellency
HE	Higher Education
HEDU	Human and Economic Development Unit of UNDP
HEIs	Higher Education Institutions
HGA	Hargeisa
HRD	Human Resource Development
HRM	Human Resource Management
ICAO	International Civil Aviation Organization
IDPs	Internally Displaced People
IPTCS	Integrated Prevention, Treatment, Care and Support
JPLG	Joint Project for Local Government
LMIS	Labour Market Information System
LNGO	Local Non-Governmental Organizations
M&E	Monitoring and Evaluation
MBs	Mega Bytes

MCH	Mother and child Health
MDG	Millennium Development Goals
MFIs	Micro-Finance Institutions
MoA	Ministry of Agriculture
MoE	Ministry of Education
MoF	Ministry of Finance
MoMEWR	Ministry of Mining, Energy and Water Resources
MRE	Mine Risk Education
NDA	National Demining Agency
NDP	National Development Plan
NERAD	National Environment Research and Disaster Preparedness Authority
OAU	Organization of African Unity
ODL	On-line Distance Learning
PFM	Public Financial Management
PLWHAs	People Living with HIV/AIDS
PPP	Public-Private Partnership
PPR	Peste Des Petits Ruminants (a disease of sheep and goats)
PWHT	Public Works, Housing and Transport
SL	Somaliland
SLG	Somaliland Government
SLSH	Somaliland Shillings
SLNDF	Somaliland National Defence Force
SNDF	Somaliland National Disabilities Forum
SNDP	Somaliland National Development Plan
STI	Sexually Transmitted Infections
SWM	Solid Waste Management
TBAs	Traditional Birth Attendants
TNA	Training Need Assessment
ToR	Terms of Reference
TVET	Technical Vocational Educational Training
UAE	United Arab Emirates
UNCTAD	United Nations Conference on Trade and Development
UNECA	United Nations Economic Commission for Africa
UNIDO	United Nations Industrial Development Organization
UNOCHA	United Nations Office for the Coordination of Humanitarian Affairs
USAID	United States Agency for International Development
UXO	Unexploded Ordnance
VCCs	Village Council Committees
VCT	Voluntary Counselling and Testing
VOA	Voice of America

FOREWORD

The Somaliland government is committed to achieving rapid economic growth and sustainable development. To this end the Ministry of National Planning and Development (MoNPD) in fulfilling its mandate has now developed, for the first time, a five year (2012-2016) National Development Plan (NDP) for Somaliland, that focuses on sustainable development and poverty reduction.

The NDP addresses structural and institutional challenges in order to achieve the public, social and economic transformations required to attain the prosperity we aspire to. The NDP aims at creating an enabling environment that is conducive to employment generation especially among the youth, human resource development, technological advancement, effective and efficient governance, increasing competitiveness and rising income levels. This requires higher and sustained Government investment in infra-structure, institutional capacity building, legal and policy reforms.

During the five-year plan period, public investment priorities will include: construction and rehabilitation of our road network, expansion of airports and ports, development of the energy and water sectors, development of agriculture and industry, human resource development, environmental protection and the promotion of science, technology and innovation. The development approach of this NDP intertwines economic growth, social development and environmental sustainability. The achievement of these goals will be pursued in cooperation with the private sector which will remain the engine of growth and development. The government will also seek to reach out to and engage the Somaliland Diaspora who are already an important source of assistance, investment and know-how.

The Government will pursue outward-oriented policies that encourage foreign investment and exports with high added value. It will also pursue sound macroeconomic policies and management practices. A “Business Approach” will be adopted to further develop and improve public service delivery and efficiency.

I call upon all the people of Somaliland to embrace and support the NDP and its principles. I urge our public institutions to adopt and implement the policies, programs and projects provided by the plan. I urge the private sector, the Somaliland Diaspora, and the civil society to combine their efforts and work with Government, and I call upon the international community to support us and align their assistance to the priorities of the NDP so that we can achieve our goals and 2030 vision aspirations.

I wish to express my appreciation to the United Nations Development Programme (UNDP) for their support in the formulation of this NDP, and all those who worked tirelessly to produce it.

.....
H.E. AHMED MOHAMED MOHAMOUD
PRESIDENT OF THE REPUBLIC OF SOMALILAND

ACKNOWLEDGMENT

The development of the National development plan has been challenging but enriching experience. The Ministry of National Planning and Development (MoNPD) is grateful to H.E. The President of the Republic of Somaliland for his leadership and foresight. We are deeply indebted to the government Ministers, officials and staff in every department and agency we covered for their cooperation and contribution.

I would like to express unreserved gratitude to the NDP team at my Ministry for the sleepless nights they endured to have this Plan researched, developed and written up. I would like to mention in particular the Macro-Economic Management Office (MEMO) head and team Leader Dr. Hassen Ibrahim Worseme, Dr.Elmi Mahmoud Nur, econometrics expert, Mr. Ahmed Gazali, public investment program expert, Mrs. Kaltun Sh. Hassan, gender expert, Mr. Abdirahman Ahmed Mohamed, macro-economic expert, Mr. Ali Aideed Farah, social policy expert, Mr. Ahmed Mohamed Diriye, M&E Expert, Mr. Said Jama, Aid Coordination Expert, Mr. Ahmed Abdillahi Nadif, Planning Department Director, and Ms. Hana Mohamed Hersi, Economist. I would also like to thank Mr. Ahmed Dalal Farah, the former Director General, Mr. Abdirashid Mohamed Guleed, the Director General and Mr. Osman Jama Abdillahi, Director of Admin and Finance, for their support.

On behalf of the Government, please also allow me to expresses my gratitude to the United Nations Development Program (UNDP) for the technical and financial support, especially by providing the technical and Advisory services of Mr. Saul KAYE in this process. This has helped us enrich the development planning process, and enhanced the work of my Ministry. I would like to recognize the invaluable technical and financial support we received from IGAD during the consultation and formulation process of the Vision 2030 which forms the foundation of this plan. I would like also to thank all Somaliland government ministries and national agencies for their cooperation and contribution to the core components of the National Development Plan. In addition, I would like to thank Dr. Mohamed Samater for his contribution, advice, guidance, and critical analysis in every step of the way, and Dr. Abdirahman Ahmed Hussein for his meticulous editing of the plan.

The successful completion of this NDP would not have been possible without the unreserved and fervent support of the people of Somaliland. In presenting this NDP to the country, The President of the Republic of Somaliland H.E. Ahmed Mohamed Mohamoud Silanyo and my Ministry, fully understand the arduous task that lays ahead to ensure that the plan is successfully implemented.

.....

DR. SAAD ALI SHIRE

MINISTER OF NATIONAL PLANNING AND DEVELOPMENT (MoNPD)

EXECUTIVE SUMMARY

Somaliland's National Development Plan (NDP) provides a medium term framework for achieving the country's long term development aspirations as embodied in Somaliland Vision 2030, and the Millennium Development Goals. The plan is built on five main pillars:

- Economic
- Infra-structure
- Governance
- Social
- Environmental

The total capital investment requirement for the NDP programs is USD 1190.03 million; as shown in the following table:

Table 1.1: Investment Requirements by Pillar

No.	Pillar	USD millions
1	Economy	174.55
2	Infrastructure	486.99
3	Governance	191.13
4	Social	294.53
5	Environment	42.83
Total		1190.03

Each pillar consists of several sectors. Each sector is in turn analyzed under the following six headings:

- Situation Analysis
- Challenges and opportunities
- Priorities and strategies
- Policy, legal and Institutional Reform
- Projects and programs; and
- Budget and implementation matrix

ECONOMIC PILLAR

The Economic Pillar consists of nine sectors. These are Macro-Economy & Finance, Planning, Agriculture, Livestock, Fisheries, Industry (including Commerce and Tourism), Mining, Private Sector, and the Diaspora.

Macro-Economy Sector

Emphasis will be given to creating the right macroeconomic environment for accelerated development by:

(i) Reforming the Central Bank of Somaliland, (ii) Improving the regulatory framework for commercial banks and other financial institutions, (iii) Improving the exchange rate regime, (iv) Regulating the money exchange and remittance services owing to their importance to the economy and poverty reduction, (v) Enhancing the capacity of the Ministry of Finance, (vi) Transforming the fiscal policy unit into a fully-fledged Macroeconomics office of the Ministry of Finance.

Finance Sector

The Ministry of Finance is responsible for fiscal policy, taxation, and revenue collection as well as budgeting. The success of the plan depends on the resources made available for its execution, which in turn depends on the ability and performance of the Ministry of Finance. The NDP aims at reforming the Ministry of Finance by:

(i) Improving and strengthening current government revenue policies and systems, (ii) Reviewing and updating all procedures related to the customs/inland Revenue act, (iii) Upgrading customs/inland facilities and equipment, (iv) Introducing and enforcing VAT (value added tax), (v) Enhancing the skills of the staff by establishing a training centre for the Ministry, (vi) Setting up a data bank & ICT centre, (vii) Establishing a tax management information system, (viii) Carrying out a country-wide tax payer survey, and (ix) and undertaking a tax education public campaign.

Agricultural Sector

In order to accelerate the development of the agricultural sector, the following five broad priority areas will be the focus of the National Development Plan:

(i) Building the institutional capacity of MoA, (ii) Establishing research centres, (iii) Developing training and extension programs, (iv) Improving agricultural support services, (v) Promoting sustainable agricultural and land management methods, (vi) Promoting commercial farming, and (vii) Improving the coordination of the sector programs and activities.

Livestock Sector

The strategies pursued by the National Development Plan for the livestock sector seek to tackle the main obstacles hampering its development. In line with this, the priority areas for intervention and investment in the next five years will include:

(i) Strengthening institutional capacity of the Ministry in terms of facilities, equipment and human resource development, (ii) Establishing research and training centres, (iii) Introducing extension programs, (iv) Improving veterinary service delivery systems (v) Developing livestock export infrastructure, and (vi) Strengthening monitoring and evaluation of program.

Fishery Sector

The private sector is expected to take the lead in the development of the sector, but the government will be actively involved in providing leadership, promoting the sector, investing in infra-structure, and developing the right policy and regulatory framework. The main priorities and strategies for the sector can be summarized as:

(i) Developing appropriate fisheries policies and regulations for the industry, (ii) Strengthening the institutional capacity of the Ministry of fisheries, (iii) Establishing cold chain facilities from producing ports to consuming markets, (vi) Building fish markets in the main urban centres to promote consumption, (v) Setting up training and research facilities, (vi) Promoting fish exports to key importing markets, (vii) Supporting and promoting the fish processing and canning industry, (viii) Promoting fish farming and aqua culture, (ix) Rehabilitating local fishing ports, (x) Establishing marine sanctuaries and fish restocking programs.

Industry, Commerce and Tourism Sector

The NDP aims at achieving sustainable growth in Job creation opportunities and Exports. This will be driven by an ambitious, public investment programme which will systematically reduce the operational cost of doing business in Somaliland, raising productivity, and developing a vibrant Financial Sector. This means heavy investment in “hard infrastructure” by the SLG which is a key factor in attracting private investment. The main programs and projects to be implemented within the Industry, Commerce and Tourism sector under the current NDP include:

(i) Building the capacities of Ministry of Industry, Commerce and Tourism (MoICT), (ii) Formulating business laws and policies that are competitive and meet international standards, (iii) Improving access of local produce to international markets, (iv) Encouraging investment in manufacturing, (v) Rehabilitating the cement factory, and (vi) Promoting tourism.

The Mining Sector

Mining is very much underdeveloped in Somaliland; but has the potential to be the driving force behind rapid economic development. The priority areas of the sector include:

(i) Extraction and development of the country’s large coal deposits, (ii) Revising and updating the mining code, (iii) Carrying out a comprehensive cartographic and seismic survey of the country, (iv) Establishment of a modern national laboratory, and (v) Building the capacity of the Ministry of Mining, Energy and Water Resources.

Private Sector

The private sector is very important accounting for over 90% of the GDP. Somalilanders are generally very enterprising people. Urban centred commercial business has experienced phenomenal growth in the last twenty years, yet the sector faces serious obstacles to realizing its potential growth. The government is committed to improving the business climate and creating an environment that is conducive to the sector's development by:

(i) Providing tax incentives to foreign investors, (ii) Streamlining business registration and formation processes, (iii) Proving the regulatory framework required for the development of a strong financial sector, (iii) Encouraging the manufacturing sector with tax concessions, providing technical support and the establishing industrial zones, (iv) Introducing credit schemes and support services for start-ups and small businesses, (v) Developing free trade zones, (vi) Improving infrastructure, (vii) Supporting the chamber of commerce and other business associations, (viii) Expanding the market for domestic products through trade agreements and customs union with neighbouring countries, (ix) promoting exports, (x) providing training and advisory services to private businesses, and (xi) strengthening peace, law and order.

The Diaspora

The Somaliland Diaspora is an important resource for the country contributing to its social, economic, technological and political development. The Diaspora remits to the country up to \$400 million a year, and there are large numbers of Diaspora professionals and entrepreneurs already in the country creating employment and sharing their expertise. But there are still challenges in the way of maximizing Diaspora contribution. The government has recognized that and established a special commission for the Diaspora. To further facilitate the flow of Diaspora capital and know-how, the government will encourage Diaspora engagement by:

(i) Establishing National Diaspora development trust fund, (ii) Developing Private investment funds that target the Diaspora, (iii) offering special tax exempt savings accounts for the Diaspora, (iv) Supporting Diaspora community development organizations, (v) Initiating Diaspora youth and professionals volunteers exchange and placement schemes, and (vi) Promoting Diaspora cultural tourism.

Table 1.2 Economic Pillar: Capital Investment Requirement by Sector

No.	Sector	USD millions
1	Finance	15.30
2	Banking	3.63
3	National Planning	16.31
4	Agriculture	24.09
5	Livestock	25.24
6	Fisheries	5.82
7	Tourism, Industry and Trade	78.60
8	Mining	0.41
9	Private Sector	2.00
10	The Diaspora	3.15
Total Development Budget for the Pillar		174.55

INFRASTRUCTURE PILLAR

Roads Sector

Presently Somaliland road network consists of nearly 770 km, and 8,025km of paved and unpaved roads respectively. However, the condition of the road network is considered to be in a state of disrepair due to constant deterioration, limited investment, and lack of maintenance for a long period. With the absence of inter-regional air, rail, and sea transport, these extremely rough land roads are vital for the movement of 99% of goods and people within the Somaliland regions. Somaliland Roads Authority (SRA) has set the following priorities for development Somaliland road network in the coming five years:

(i) Maintenance, feasibility and full reconstruction of Berbera corridor road, Rehabilitate rural and feeder roads (ii) Establish and enforce road safety standards (iii) Develop transport policies and laws, (iv) Review the financing system for the maintenance of roads (v) Create an enabling environment for the participation of the private sector in road investment.

Public Works, Housing and Transport Sector

Housing: The total stock of government-owned houses is 1,044. Of these, 835 houses need repairing/rehabilitation or total replacement. Public Works is responsible for the construction, maintenance and management of public houses and buildings. However, due to limited resources and capacity, its role is more limited to the management of the existing housing stock. The small number of new additions has been generally financed by international organizations and built by private contractors.

Transport: The government owns a fleet of about 1140 vehicles, excluding belonging to the armed force. In the past, the Ministry of Public works was responsible for the overall control of

government vehicles and their maintenance, but presently every Ministry and public agency is responsible for its own vehicles. Based on the current situation of housing and transport systems, the priorities for the sector during the NDP period include:

(i) Improving the physical and the human resource capacity, (ii) Developing national housing, and transport policies, (iii) Rehabilitating government properties (iv) Introducing new initiatives of low-cost construction programs in the area of public housing and other forms of public buildings, (v) Promoting investment by private national/international firms or individuals in low cost housing and in social and cultural facilities in the country, (vi) Reviewing current standards and codes for health and safety and certification of construction and transport companies, (vii) Rehabilitating and improving drainage systems nationwide (viii) Reviewing the current policy and developing standards for certifying and/or issuing licenses to companies in the construction and transportation industries.

Post and Telecommunication: Somaliland has made a good start in developing a competitive telecommunications sector. There are six mobile telecom operators in the country, with strong competition among them which has led to the availability of relatively cheap telecom services in the region. These operators provide a wide range of services such as landline and mobile telephone services, internet services (DSL, GPRS, 3G, Edge Modem and video-conferencing). Internet and telephone services are now available in most of the country. The Postal service is in the process of revival. Currently, there are a number of private courier services in operation such DHL and HILAAC.

The main priorities and strategies of the sector are to; (i) implement the telecommunications Act; (ii) establish telecom spectrum management and telecom interconnections; (iii) construct a new building for the Ministry of Posts & Telecommunications; (iv) rehabilitate the ministry's regional buildings; (v) establish a telecommunications college; (vi) put in place a national telecom network coverage;(vii) create a cable and broadband national network.

Aviation Sector

Somaliland has seven airports in the six regions of the country. Private airlines have flourished since 1990s transporting passengers and goods within the country and to and from neighbouring countries. About half a dozen private airlines including Dallo, Jubba, East Africa, and African Express offer serves in Somaliland. Similarly, UN flights operate from Hargeisa to shuttle UN personnel to and from Nairobi. The priorities and strategies of the Civil Aviation Ministry during the NDP term can be summarized as follows:

(i) Re-surface Hargeisa runway to accommodate heavy aircraft; (ii) improvement of the runways at Burao, Borama, and Kala Baydh airports; (iii) construction of terminal buildings at Berbera, Burao, Borama, and Kala Baydh airports; (iv) Installation of security fences as essential safety requirements in all airports; (v) Improvement of the infrastructure of Erigavo airport; (vi) Provision of fire fighting trucks and ambulances at Hargeisa, Berbera, Burao, Borama, Kala Baydh, Erigavo, and Las Anod airports; (vii) Installation of a water supply system at Berbera and

Burao airports; (viii) Provision of electric power for Egal Int'l Airport; (ix) Improvement of airport security, ground-clearing, maintenance, and air traffic services;(x) Building a training centre for pilots and engineers (xi) Providing rescue and emergency services.

Information and Media Sector

Somaliland has only one public radio station, Radio Hargeisa, which can be listened around Hargeisa on FM frequencies. Radio Hargeisa programs are also available over the internet. The government owns one TV station out of three TV stations; Somaliland National TV (SLNTV) which can be viewed using a satellite dish by a normal TV antenna or through internet. There is a Government owned daily newspaper called Dawan among eleven newspapers published in Somali and English languages. The Government regulates newspapers in accordance with the law that governs the media. This wide range of newspapers provides up to date and diverse news from different sources.

In terms of priorities and strategies, there is a need to: (i) Ensure access to quality, affordable broadcasting services across the country (ii) Develop broadcasting infrastructure (iii) Migrate from analogue to digital broadcasting technology (iv) Enact and implement laws to manage the broadcastings services (v) Support Public-Private Partnership (PPP) arrangements to extend coverage of the broadcasting services across the country (vi) Develop and implement a policy, legal, and regulatory framework for the media (vii) Formulate and harmonize policies and laws governing private channels, (viii) Develop policy guidelines for the establishment of broadcasting infrastructure to create more equitable access to quality program services.

Information and Communication Technology (ICT) Sector

ICT penetration and its use by households and businesses in Somaliland are still very low. Access to ICT services is mainly available to those who live in urban centres where in rural areas ICT services are very much limited. The efficient management of civil service affairs and the effective provision of public services are hampered by the absence of appropriate ICT applications. Investment in ICT infrastructure will help stimulate economic growth, raise living standards and contribute to peace, stability and good governance in Somaliland, therefore, the sector will focus on the following priorities;

(i) Development of a National ICT Policy (ii) Provision of a secure Government common host to accommodate ministries and agencies domains/websites; (iii) Creation of an effective Government-wide network for sharing information (iv) Promotion of public awareness of the benefits of e-Government, e-Economy, e-Commerce, e-Learning, and e-Libraries (v) Provision of ICT solutions and application systems to the Government ministries and autonomous agencies; (vi) Development and deployment of a public assets registry database (vii) Provision of an Integrated Financial Management Systems (IFMS) to facilitate revenue collection, treasury, budgeting, auditing, and accounting functions.

Maritime Sector (Berbera Port)

Berbera port is 9-12m deep, which is strategically located on the southern coast of the Gulf of Aden, is the main seaport of Somaliland and has emerged as an important regional port. The current port was first built by the Soviet Union (USSR) in 1968. It was later extended by the United States (US) in 1984. The port has the potential to: (1) Establishing itself as the main shipping outlet for land locked East African countries – Ethiopia, South Sudan, Uganda; (2) Developing mega commercial and industrial Free zones; (3) Becoming an international container shipment hub connecting Europe, Middle East, Asia and Africa; (4) Becoming a major international shipping supply and maintenance centre.

The priorities and strategies for Berbera Port include the following: (i) Expansion of the port (ii) Development of free zones (iii) Establishment of a container terminal (iv) Dredging to accommodate large loaded vessels (v) Improvement of the infrastructure (vi) Acquisition of essential marine and handling equipment (vii) Restoration of the original drainage system (viii) Provision of necessary civil works and security systems (ix) Installation of navigation aids.

Las Qoray Jetty Re-Development Project

Las Qoray is located in Sanaag region and was historically important coastal trading centre, which was used as port for export of livestock, frankincense and myrrh in addition to import of goods and provided services to large hinterland area including Sanaag, Sool and the Somali Region of Ethiopia.

In line with this, the NDP envisages; (i) conducting a technical feasibility study; (ii) building a 125 m jetty; (iii) developing minor and principle berths; and (iv) building breakwater barriers.

The Energy Sector

Energy plays a vital role in every aspect of the people's livelihood. It is critical to increasing production as it is to social development. The main aim in the NDP, hence, is to increase access to modern, affordable and reliable energy in Somaliland by:

(i) Encouraging investment in power generation, (ii) Consolidating power generation to take advantage of economies of scale in the production, transmission and distribution of electricity, and (iii) Promoting alternative energy sources such coal and wind to reduce pressure on trees as source of fuel.

Somaliland Electricity

Somaliland Electricity Agency (SEA) is an autonomous body which has the overall mandate of managing and developing electricity in the country. The Agency (SEA) generators currently supply 3MW in Hargeisa, and 1.5MW in Berbera. Before the civil war, all the major regional cities of Somaliland: Hargeisa, Burao, Erigavo, Berbera, Borama, and Las-Anod, had electricity

generators and distribution network. After the establishment of the office for rural electrification, generators were also installed in the district level towns including Wajale, Arabsiyo, Sayla, Lawyado, Sheikh, and Dayaha. All the generators were looted during the civil war except those in Hargeisa Power House. The strategy for the coming five years is to:

(i) Install new generators; (ii) build distribution grid lines; (iii) build coal fired power stations; (iv) develop industry and safety regulations; (v) build the capacity of staff; and (iv) introduce computerized billing systems.

The Water Sector

Access to clean water is the right of every citizen. Unfortunately less than 25% of the total population are able to access safe drinking water. Hence, the thrust of sector development will be to ensure the availability of good quality water for everyone not just for drinking, but also for sanitation, agriculture and industrial use by:

(i) Building earth dams, (ii) Constructing reservoirs, (iii) Drilling a network of bore holes, (iv) Building communal Berkads (tanks) (v) Promoting rooftop rain water harvesting, (vi) establishing a network of weather stations, (vii) Building water quality testing laboratories, and (viii) Introducing national water policy.

Hargeisa Water

Hargeisa Water Agency (HWA), which is a public company, is responsible for supplying water to the inhabitants of Hargeisa. The population of Hargeisa metropolitan area is currently estimated at over 900,000 inhabitants. The current system was designed during the seventies when the population of Hargeisa was less than 180,000. Thus, the priority and strategy of the Government in the five year NDP is to:

(i) provide affordable clean water to the growing population of Hargeisa; (ii) develop new wells in several fields; (iii) Increase pumping and transmission line capacities; (iv) Increase water storage capacities; (v) Expand and improve distribution network; (vi) Improve and implement flood protection schemes; (vii) construct satellite reservoirs

National Printing Press

Somaliland National Printing Agency (SNPA) was founded in 1997. The printing work started with few machines and limited staff. The objective of creating a printing agency was to satisfy the government's demand for printing services. In line with this, the priorities of Somaliland National Printing Press during the current NDP period are to:

(i) Expand printing services to other major cities like Burao, Berbera, Erigavo, Gabilay, Borama, Odweine, Aynaba etc.; (ii) acquire modern printing machines; (iii) improve the billing system by using modern billing technology; (iv) establish customer database; (v) build the Agency's

technical and administrative capacity; (vi) improve health and safety safeguards; (vii) build the human resource capacity of the Agency.

Table 1.3 Infrastructure Pillar: Capital Investment Requirement by Sector

No.	Sector	USD millions
1	Roads	245.65
2	Housing and transport	11.03
3	Post and telecommunication	9.32
4	Civil aviation	44.40
5	Information	10.05
6	ICT	7.88
7	Berbera Port	18.63
8	Las Qoray Port	14.00
9	Energy Sector	15.17
10	Somaliland Electricity	24.75
11	Water Sector	48.34
12	Hargeisa Water	32.06
13	National Printing	5.71
Total Development Budget for the Pillar		486.99

GOVERNANCE PILLAR

Justice Sector

Somaliland has established a hybrid system of good governance under the Constitution of Somaliland, combining traditional values and conventional western-style democratic principles. This crossbreed system of the modern state and communal consensus has served well Somaliland and created a stable, sustainable, democratic system with an elected president, elected House of Representatives and independent judiciary. To this end the main areas of development priorities in this sector for the coming five years are:

(i) Law reform, (ii) Capacity Building, (iii) Stemming out corruption, (iv) Legal empowerment, (v) Legal education, (vi) access to justice, (vii) Alternative dispute resolution systems, (viii) Rule of law, (ix) Improving service delivery and speed, (x) Increasing public confidence in the judiciary, and (xi) Increasing women participation in the justice sector.

Human Rights Sector

The Constitution of the Republic of Somaliland states clearly that “the Republic of Somaliland shall act in conformity with the United Nations Charter, International Law, and shall respect the Universal Declaration of Human Rights”. To ensure compliance with this the government of Somaliland issued a presidential degree which established the Somaliland National Human

Rights Commission (SLNHRC) in April 2006, whose core mandate is to further the protection and promotion of fundamental human rights and freedoms in Somaliland. Priorities and Strategic development of the sector for the NDP period can be summarized as follows:

(i) Physical and human resources capacity building; (ii) Promotion and public awareness of the human rights enshrined in the constitution; (iii) Research into the human rights condition of vulnerable people – IDPs, women, children, elders, migrants, minorities, disabled people, refugees and asylum seekers; (iv) Protection of human rights; (v) Networking, working in close cooperation with civil society human rights groups in Somaliland and counter parts in other countries.

Security and Internal Affairs Sector

Security and rule of law are now well established in Somaliland. The country has made significant progress during the past 20 years in developing the necessary institutions and procedures of government. However, the active presence of extremists, insurgents, and pirates operating in neighbouring countries poses potential security threat to Somaliland as well as to the region. Somaliland has built its capacity to counter these destabilizing forces over time and it is now in a position to neutralizing them effectively. The government is committed to vigorously strengthening the sector within the frame work of the National Development Plan. In conjunction with these objectives, the development priorities of the sector are;

(i) Reforming security sector laws and regulations; (ii) Capacity building of security infrastructures; (iii) capacity building of the professional skills of staff; (iv) Enhancing community participation and creating public awareness and vigilance; (v) Strengthening border controls, preventing illegal immigrants and developing border conflict resolution mechanisms; Strengthening democracy and protection of human rights; (vi) Establishing strategic security plans and programs for local governments; (vii) Promoting effective demobilization and reintegration initiatives for ex-combatants; and (viii) Clearing remaining land mine fields.

Local Governance Sector

Somaliland has opted for a decentralized governance system where the constitution gives districts the primary responsibility for service delivery. However, the process of decentralization is in early stages and central government ministries are still in control of most of the public service provisions at the local level. But the government is fully committed to decentralization and devolution of authority and operations. Strategic priorities during the current development plan include:

(i) Promotion of public dialogue over the decentralization process; (ii) stepping up fiscal and functional decentralization; (iii) improving public expenditure management at local level; (iv) promoting public private partnership (PPP) in service delivery; (v) strengthening land management policies and laws; (vi) establishing and enforcing building codes and standards.

Foreign Relations Sector

The government of Somaliland strives to building relations with foreign governments and international organizations, in order to promote international commercial, cultural, security and political cooperation. The ministry of foreign affairs has a network of representatives in many countries and maintains four offices that carry out consular functions in London, Washington DC, Addis Ababa, Djibouti, and Nairobi. The first priority for Somaliland in the area of foreign affairs is international recognition. Other priorities include:

(i) Preservation of national integrity and sovereignty within secure borders; (ii) strengthening of regional and international security cooperation; (iii) creation of a favourable environment for international trade and investment; (iv) developing good neighbourly relations; (v) raising the profile and image of Somaliland in the international arena; (vi) protecting and representing the rights and interests of Somaliland citizens; (vii) establishing formal relations with states and regional bodies; (viii) building the capacity of the Ministry and representative offices in foreign countries

Good Governance and Anti-corruption Sector

There is an increasing awareness throughout Somaliland society that corruption and bad governance pose a serious threat to the creation and institutionalization of an effective government, economic growth, and socio-political stability. There is a need for a system that ensures good governance and prevents corruptive behaviour and practices. For this purpose the current Government has created the Good Governance and Anti-corruption Commission whose priorities during the current plan are to:

(i) Develop anti-corruption legal framework and policies; (ii) assist institutions adopt principles of good governance; (iii) investigating corruption cases and taking the necessary steps to deal with them; (iv) building the capacity of the commission; (v) establishing a quality assurance system, and (vi) promoting good governance

Standardization and Quality Control Sector

Somaliland does not have the capacity for testing consumer goods and ensuring the health and safety of its people. This opens the door for unregulated imports of all goods; consequently, the markets are flooded with low quality products some of which are not safe for consumption. The rights of consumers can no longer be ignored, hence, The Standardization and Quality Control Commission (SQCC) has been set up. Its mission for the plan period is to:

(i) Develop legal framework for maintaining QC methods and practices; (ii) establish standard specifications for products; (iii) cooperate with counter parts in neighbouring countries; (iv) carry out quality assurance checks; (v) raise public awareness of product safety, and (vi) build the institutional capacity of the commission.

Civil Service Sector

The constitution of Somaliland mandates the Civil Service Commission (CSC) with the responsibility to establish an efficient and effective civil service that is transparent and accountable, in order to ensure effective, appropriate and accessible public service delivery. The President of the Republic of Somaliland in a presidential decree confirmed the commitment of SLG to the civil service reform by establishing Civil Service Reform Committee (CSRC) at cabinet level. The Committee assisted by a technical team will support the Civil Service Commission (CSC) whose priorities and strategies for the plan period are to:

(i) Carry out a headcount of civil servants; (ii) right-size and consolidate staff in public institutions; (iii) establish the competence and qualification of civil servants; (iv) build the capacity of civil servants; (v) develop a human strategic plan for ministries and public agencies; (vi) develop pension and welfare systems for retirees and disabled people, and (vii) the institutional capacity of the commission.

Civil Service Institute

Civil Service Institute is an autonomous human resource development institution that offer training in public administration, management and modern technology. It is headed by a director general and has a board of advisors. Its priorities and strategies for the current NDP are to:

(i) Build the capacity of the institute; (ii) train civil servants to improve public service performance; (iii) offer degree courses; (iv) improve leadership skills of senior managers; (v) enhance public financial management skills; (vi) establish links with international counter parts.

Somaliland Parliament

Somaliland has a bicameral parliament. The House of Representatives is elected and is the main legislative body of the republic. Members of the House of Elders (Guurti, in Somali) are currently appointed to represent the various communities and regions of the country. The House of Guurti performs the functions of a revising chamber for legislation (other than acts relating to financial matters), but it is more like the UK House of Lords in that it cannot block legislation which the Representatives are determined to pass. The priorities within the plan period are to:

(i) Carry out constitutional reform; (ii) build the institutional capacity of parliament; (iii) enhance linkages between elected members of the parliament and their constituencies; (iv) strengthen the capacity of the selected parliamentary committees and House staff; (v) improve the system of reviewing and approving laws and regulations proposed by the executive; (vi) build research and information generation and dissemination capacity; (vii) address gender imbalance in Parliament; (viii) hold the government to account.

Non-Governmental Organizations Sector

Civil society is made up of institutions, organizations and individuals. The forms of civil society are many and varied and range from formal institutions and private sector bodies to informal associations and networks and faith based groups. In the new, free, democratic and stable environment created in Somaliland since the mid 90s, civil societies flourished and their numbers increased tremendously. Key priorities and strategies for the sector include:

(i) Ensuring better coordination among NGOs and the government to avoid unnecessary duplication and waste of resources; (ii) ensuring alignment between the priorities of the National Development Plan and international recovery and development programs; (iii) ensuring the implementation of the NGO Act; (iv) undertaking the necessary reforms to enhance transparency and accountability in the use of donor resources; (v) carrying out regular program monitoring and evaluation to establish performance; (vi) building the capacity of local NGOs; (vii) improving coordination among international NGOs, UN agencies, local NGOs and government institutions.

Table 1.4 Governance Pillar: Capital Investment Requirement by Sector

No.	Sector	USD millions
1	Justice	25.83
2	Attorney General Office	1.98
3	Human rights	3.94
4	Internal Affairs	21.93
5	Mine Action Development	3.58
6	National defence	4.85
7	National demobilization	13.39
8	Local Governance Sector	75.53
9	Foreign relations and International cooperation	5.99
10	Good governance and anti-corruption	12.25
11	Auditing General	5.25
12	Standardization and Quality Control	3.75
13	Civil Service Sector	6.43
14	Civil Service Institute	0.78
15	Parliament	4.06
16	Civil Society(NGOs)	1.50
Total Development Budget for the Pillar		191.13

SOCIAL PILLAR

Social Protection

It is imperative upon every society to protect and support the vulnerable among its community. In Somaliland people rely mainly on traditional social protection structures. During the course of the National Development Plan these structures will be bolstered by:

(i) Strengthening existing institutions such as orphanages, and community based support services, (ii) Institutionalizing child protection services, (iii) Establishing family centres, (iv) Setting up a national social security fund, and (v) Introducing a pension scheme for public and private workers.

Health

Access to affordable health care is a right, but that is a privilege beyond the reach of many citizens in Somaliland. The National Development Plan aims at improving health care services by:

(i) Building the institutional capacity of the Ministry, (ii) Introducing District Health Care Management Systems to six selected Districts, (iii) Establishing basic health-care facilities in rural areas, (iv) Rehabilitating and upgrading existing referral hospitals, (v) Extending Antiretroviral Treatment (ART) and Voluntary Counselling and Testing (VCT) services, (vi) Expanding and improving access to nutrition counselling for pregnant and lactating women through community based health service structures, (vii) Undertaking a systematic training and human resource needs assessment of the health sector for the next 10 to 15 years, (viii) Introducing a drug quality control system, (ix) Establishing a health information database, and (x) Carrying out health promotion and awareness campaigns.

Education

Since 1991, the country has taken great strides in the development of education. Yet literacy and primary enrolment rates are very low. The plan aims at expanding and raising the quality of education by:

(i) Building the institutional capacity of the Ministry, (ii) Developing appropriate education policies, (iii) Initiating teacher training programs, (iv) Expanding capacity by building more classrooms and schools, (v) Building boarding schools in rural areas, (vi) Increasing primary and secondary school enrolment rates, (vii) Revising and upgrading school curriculum, (viii) Establishing commission for higher education, (ix) Introducing accreditation and quality control systems for higher education, (x) Expanding women's education, (xi) Increasing the number of technical vocational training institutions (TVET), and (xii) providing policy guidelines for privately-run TVET centres.

Youth Development

Special attention is given, in the NDP, to the challenges and opportunities facing young people. In order to strengthen youth participation in the social, cultural, economic and civic development of Somaliland, the government will put emphasis on:

(i) Providing youth employment training, (ii) supporting youth business start ups, (iii) Creating sports and recreational facilities, (iv) Establishing youth and cultural centres, and (d) developing youth volunteering programs.

Table 1.5 Social Pillar: Capital Investment Requirement by Sector

No.	Sector	USD millions
1	Health	117.49
2	Aids commission	15.84
3	Primary and secondary education	46.03
4	Higher education	22.97
5	Labour and Employment Sector	9.39
6	Social affairs Sector	15.86
7	Youth and sports	27.83
8	IDPs and Refugees Sector	33.70
9	Religious affairs	5.42
Total Development Budget for the Pillar		294.53

ENVIRONMENTAL PILLAR

Given the numerous and severe challenges facing the natural environment of Somaliland, decisive measures are urgently required before the problem goes out of hand. Hence, taking into consideration the importance of conserving the environment for national development and the well-being of the society, the following programs and interventions will be undertaken:

(i) Substitution of charcoal as the main source of energy with other sources such as coal, gas, solar and wind, (ii) Enforcement of ban on charcoal exports, (iii) Improvement of rangeland utilization and environmental conservation, (iv) Empowerment of rural communities to look after their environment (v) Registration of land and adoption of appropriate land tenure systems, (vi) Conservation of soil and water, (vii) Reforestation, (viii) Preservation of biological diversity (ix) Rehabilitation of degraded areas, (x) Managing new settlements in line with rural and urban land use and environmental protection, (xi) Development of strategies for disaster preparedness and management, (xii) Formulation of appropriate environmental policies, and (xiii) Building the institutional capacity of Ministry of Environment and Rural Development.

Table 1.6 Environmental Pillar: Capital Investment Requirement by Sector

No.	Sector	USD millions
1	Environmental protection and Rural Development	36.92
2	Disaster Preparedness and Management	5.91
Total Development Budget for the Pillar		42.83

NDP Financing

Somaliland NDP is essentially a public investment program (PIP) that stretches over a five year period (2012-2016) and organized under five-pillar headings. The aggregate capital investment requirement of all sectors for the five year National development plan timeframe is estimated as USD 1190.03 million. This total capital investment requirement is based on the projections provided by 49 public sector entities (ministries, agencies, commissions etc.) through which the government conducts its business, as well as the private and Diaspora sector investment needs. Comparing pillar requirements, infrastructure accounts for the biggest share of the total (40.9%), followed by the Social pillar accounting for 24.7%, the governance pillar claiming 16.1%, the economic pillar with 14.7% share, and the environment pillar accounting for 3.6%.

Source of NDP Finance

The average annual budget requirement of the NDP amounts to US\$238 million or about 23% of GDP. This is quite reasonable figure given the small base of the GDP and the decades of neglect in public investment in Somaliland. 7-10% of GDP in public Investment Programs is often recommended on annual basis to achieve sustainable economic growth in a country. These capital requirements are beyond the means of the Somaliland government whose total annual budget in 2011 was less than US\$90 million which is equivalent to about 8% of the GDP and had no capital investment component in it. Thus most of the projected budget of the National Development Plan is expected to come from external sources and international donors, whose commitment and support for the plan is considered to be absolutely critical.

The NDP envisages around 7% of the projected budget in 2012 to come from the government of Somaliland. That share is anticipated to increase to 10% by 2016. The private sector is expected to contribute substantively to the five year investment program, particularly in the productive sectors and public utilities, where it is projected to invest up to US\$132.12 million, or one third of the total investment required in these sectors (see table 6.1.4). Contributions from the Diaspora are predicted to amount to US\$0.45 million in the first year of the NDP and to rise to US\$1.17 by the year 2016. Given the meagre resources available to the government from its budget, and the absence of credit facilities, the bulk, i.e. US\$979.86 million of the capital investment required for the National Development Plan is expected to come from external sources including UN agencies, the EU, individual countries, international NGOs, trust funds, regional organisations, international financial institutions, and related companies.

NDP Implementation

The implementation process of the NDP (2012-2016) and Vision 2030 will be overseen by Somaliland National Planning Commission (SNPC). The SNPC is lead by the Minister of National Planning and Development and consists of 16 members representing various government institutions, the private sector, and CBOs. The Commission will be supported by a secretariat based in the Ministry of National Planning and Development.

Financing of the plan, as discussed above, leans heavily on international aid. Therefore, the government of Somaliland keenly requests the international community and its development partners to reinvigorate their support for country and thereby contribute to peace, stability, democracy and development in Somaliland and the region at large.

NDP Monitoring and Evaluation

The implementation process of the five year NDP of Somaliland encompasses both sectoral and national level monitoring and evaluation program in order to promote transparency and accountability, and above all ensure the plan's success. The M&E process will be participatory, and rigorous, and will have quantitative as well as qualitative dimensions to capture the essence and measure the performance of projects and programs.

Assumptions and Underlying Risks

The achievement of Somaliland Vision 2030 depends on the successful execution of the five year NDP. This, however, requires the realization of the under-listed assumptions whose failure to materialize will pose serious risk to the success of the plan and the long term attainment of the country's vision. These assumptions are:

- Existence of sustainable peace and political stability
- Existence of strong public support and political will/commitment from the political leadership
- Strong cooperation and coordination within public institutions, and with the private sector and international development partners
- Availability of funding; and especially the commitment and support of the international donor community from which most of the NDP funding is expected to come

It is incumbent upon the government, the national leadership, the people of Somaliland and the international community to ensure that these conditions are met and prevail.

OBJECTIVE OF THE SNDP

The overall objective of the SNDP is to address and overcome structural and institutional development constraints which Somaliland faces and achieve social and economic transformation to attain national prosperity.

1. INTRODUCTION/BACKGROUND

Since declaring its independence in May 1991, Somaliland was committed and engaged in effective state building process that has now been largely realized in a relatively secure and peaceful environment. This remarkable progress was in fact made possible through reconciliation processes, social cohesion, institutional building, and the creation and implementation of fully functioning government machinery and judiciary system. Somaliland's mature democratization process has led to multiparty legislative system through free and fair elections. These incredible achievements have, hence, created sustainable peace and secure environment for international cooperation and effective implementation of support programs targeting the reconstruction and development of the country.

However, most government institutions still suffer from capacity limitations including lack of skilled and professional manpower, inadequate infrastructure, and lack of specified targeted strategies and policies in almost all ministries and government agencies; which all together constitute a major impediment for the provision of adequate quality services to the citizen to meet their needs and aspirations. The National Development Plan has been developed within the context of that background. It aims to build the foundations for creating a virtuous cycle of high performing, strong public Institutions, well developed infrastructure, skilled labour force and expanding opportunity that will lead to the realization of people's aspirations.

The National Development Plan (NDP) covers the five year period from 2012 to 2016, and was structured in line with Somaliland's Vision 2030. It specifies the country's strategic development direction for the coming five years. It outlines priorities, programs, implementation modalities, and identifies untapped opportunities for potential economic growth, as well as potential impediments. Its main objective is to accelerate socio-economic transformation to reduce and eventually eliminate the plight of poverty.

The process adopted to develop the NDP involved various intensive consultations with the government ministries, agencies, regional representatives, Civil Society Organizations and international community representatives. On the onset of this process, a National Development Plan write-up team, comprising senior experts from the Macro-Economic Management Office (MEMO) of the Ministry, was established in September 2010 within MoNPD to shoulder the huge task of developing the NDP; under the guidance of H.E. the Minister of MoNPD. Moreover, academicians from the University of Hargeisa, and local and UNDP consultants have made significant contribution in finalizing the NDP.

Thus, Ministry of National Planning and Development, on the basis of its national mandate and responsibility, took the lead in mobilizing and organizing innovative ideas throughout the country for producing this comprehensive NDP, which is the first in its kind since the beginning of Somaliland's statehood.

During this process, a series of meetings and intensive discussions were held with government ministries and agencies regarding the NDP preparation process, including data and information requirements, and technicalities of compiling its components in line with the various sectors contained in the plan. Standard templates were, hence, developed and demonstrated in trainings and workshops for aiding the data and information collection process in various sectors.

This process assisted government ministries and agencies to provide the required data from their respective sectors and contribute to the development of the National Plan. Consequently, the NDP team deliberated on the write-up process very intensively and produced the preliminary draft of the NDP in June 2011. This zero draft document was then taken back to government ministries and agencies for further consultation and subsequent validation at specific sector levels. This process of sitting down with each and every government ministry and agency for fine-tuning the NDP took more than two months (July – August 2011) of full time engagement for the NDP write-up team, led by H.E. the Minister of MoNPD, to complete the process.

Incorporating the above primary validation process comments and suggestions made by officials and ministers at the sectoral and institutional level, the second draft NDP was produced and disseminated to all stakeholders including government institutions, donor representatives, national and international NGOs/CBOs, and multi-lateral organizations such as UN agencies. The purpose of this exercise was to submit the plan to scrutiny from wider audience before the final NDP validation workshop, which was held in Mansoor Hotel from October 26 – 27, 2011 and opened by H.E., Mr. Ahmed Mohammed Mahamuud Silaanyo – President of Republic of Somaliland. During the two days of intensive deliberations and discussions, the participants of the workshop commented on and enriched the form and content of NDP. Moreover, some of the participants requested for some extra days for further deliberation. Their request was granted and the delegates were given two more weeks until November 10 , 2011, during which they were able to send their well thought comments and feedback to MoNPD.

Finally, all the comments and suggestions received were incorporated into the NDP, and after more than a month of deliberation this final NDP document was produced.

2. SOMALILAND VISION 2030

The Vision

“A Stable, Democratic and Prosperous Country Where the People Enjoy a High Quality of Life”

The government is determined to achieve economic prosperity and social well being for its people while consolidating the nation’s accomplishments in building stability, maintaining security and developing democratic institutions. Our aim is to create an empowering environment where all citizens can feel that they have a stake and a role to play in national development. To achieve the nation’s aspirations, the government has drawn up a National Vision for 2030. This was developed by asking:

Where are we coming from?

Where are we today?

Where are we going to?

What kind of society we would like Somaliland to be by the year 2030?

Somaliland Vision 2030 is built on an in-depth analysis of the country’s strengths and weaknesses, the opportunities it has and the threats it faces. The vision emerged from intensive consultations with a wide spectrum of the society and it reflects the aspirations of all Somalilanders and the mission of their political leadership.

Vision 2030 inspires Somalilanders to focus on commonly owned goals concerning their future, shared values and principles around which they could rally to build a prosperous nation. The vision maps out the route which the country will take to achieve sustainable development while balancing the interests of the present and future generations. It will:

- Enable the country to take ownership of its development agenda
- Inspire the nation and its leadership to mobilize resources, and overcome development challenges to attain higher standard of living
- Guide development partners to align their assistance with national priorities and aspirations
- Provide a framework upon which national strategies and implementation plans will be anchored

Guiding Principles

Seven principles were established as the guiding principles in achieving Vision 2030.

These are:

1. Citizen participation

All citizens must participate in the development and political process, and the government will ensure and facilitate such participation

2. Self-reliance

We must rely on our resources and resourcefulness for our development

3. Sustainability

Our development must be sustainable environmentally and economically

4. Competitiveness

We should adopt new technologies to raise our productivity and competitiveness

5. Fairness

Citizens should be equal before the law and should have equal access to opportunities

6. Good governance

The government should be democratic, transparent, accountable, and efficient

7. Preservation

We should preserve our cultural heritage and religious values

Somaliland Vision 2030 rests on the following five pillars:

1- Economic Development

2- Infrastructure Development

3- Governance and rule of law

4- Social Development

5- Environmental Protection

Each pillar represents a major area which supports the national Vision 2030. The vision pillars and their corresponding sectors are summarized in the following table:

Table 2.1: Vision by Sector

	Vision 2030: A Stable, Democratic and Prosperous Country Where the People Enjoy a High Quality of Life		
Pillar	Vision	Sector	vision
Economic Development	A nation whose citizens enjoy sustained economic growth and a reduced poverty level	Agriculture, livestock and fisheries	A country with an efficient, advanced agricultural sector (including livestock and fisheries) that ensures food security and self sufficiency
		Trade and Financial Services	A state with a vibrant free market economy and efficient financial institutions that contribute to economic growth and higher living standards
		Tourism	A county with a thriving tourist industry that is culturally and environmentally friendly
		Manufacturing	A country with an advanced manufacturing sector that contributes to job creation and wealth generation
		Mining and drilling	A nation with a strong and growing mining sector which exploits the rich mineral seams of the country and contributes significantly to national income and employment
		Private Sector	A nation with a well developed private sector that creates employment, and provides sustained livelihoods
		Diaspora	A country where the Diaspora contributes to the long term economic development of the country.
		Civil Society	A state with strong and active Civil society organizations
Infra-structure	A Nation with an advanced infrastructure network that facilitates economic and social development	Transport	A nation interconnected and linked to neighbouring countries through a network of roads, railways, airports and seaports
		Communication & ICT	A nation with an advanced telecommunication and ICT system by 2030
		Energy	A state where all citizens have access to affordable energy from local and renewable sources
		Water	A nation which is water secure, where every citizen has access to clean affordable water throughout the year
		Solid waste	A nation with an advanced waste disposal system which is sustainable and environmentally friendly
Governance and Rule of Law	A cohesive society enjoying good governance, stability, peace and security	Democracy and Good Governance	A politically stable democratic Somaliland that adheres to principles of good governance
		Justice	A nation where justice and the rule of law prevail
		Security and Defence	A country where people live in a safe, secure, and stable environment, and where security institutions are accountable
		International Cooperation	A state guided by sound foreign policy based on mutual respect and cooperation
		Public Sector Administration	A nation with an effective, efficient, transparent and accountable public sector that guarantees Inclusiveness and equity

Social Development	A caring society upholding shared values and aspirations for equitable social development	Education	A nation whose citizens enjoy equitable quality education
		Health	A nation whose citizens enjoy quality health care and social well being
		Housing/Shelter	A nation whose citizens have access to adequate and affordable housing
		Religion and Culture	A nation whose citizens uphold their Islamic and cultural values and are tolerant with others
		Social Protection	A nation with an effective social protection system that cares for vulnerable and marginalized groups
		Water and Sanitation	A society whose citizens enjoy access to safe and sufficient water
		Youth and Sports	A nation whose youth are secure, confident, development-oriented and empowered to their potentials.
Environmental Protection	A State with a healthy and well managed environment that provides the necessary goods and services	Land Resources	A state ensuring a balanced stewardship of its public lands and resources
		Coastal and Marine Resources	A State able to sustainably utilize costal and marine resources to provide maximum benefits to its people
		Forests and Woodlands	A State with productive and ecologically robust forests and woodlands that provide the necessary goods and services;
		Biodiversity and wildlife	A State with fully mapped (inventoried) and well managed biodiversity and wildlife resources

Realizing the vision is by no means an easy task. It is very challenging and requires the sustained and combined effort of the government, the private sector and the citizenry. It will also require the sustained support of Somaliland's development partners.

There will be a national conference to review the vision every two years in order to allow more stakeholder participation, and review progress.

3. CROSS-CUTTING THEMES

Overview

Given the importance and the role of government institutions in national development, the priorities for the medium-term will include the establishment and strengthening of the organs of state and public administration. A firm foundation will be laid for good governance, ensuring popular and community participation, as well as appropriate legal and regulatory framework. Focus will be also on building human resources capacity for policy formulation and execution, strengthening oversight institutions, and safeguarding human rights and freedom of expression.

The development of effective administrative and governance structures that respond to and meet the needs of the people is one of the most critical national priorities. Decentralization and public participation are crucial to mobilizing government institutions and civil societies at regional and district levels.

The importance of a legislative reform agenda cannot be overstated as vital to the nation's ability to establish a society based on the rule of law, foster domestic and foreign investment, and protect the rights and interests of the citizenry and private enterprises. Appropriate policies for each sector will be drawn up in the next five years to restore and nurture public confidence in government and its ability to manage public finances. The government will ensure that the requisite legislation is passed and necessary public sector reforms are effected.

The following cross cutting themes will apply in the implementation of all the programmes and projects in each of the five pillars of the plan. In the longer-term, rapid development can be achieved only on the basis of these cross cutting issues, which include:

- Appropriate policies and the right legal framework;
- Capacity building and institutional strengthening;
- Research, technology and innovation.

Appropriate Policies and the Right Legal Framework

At the present time there are gaps and weaknesses in policies and legal framework in all sectors. But sound policies, clear rules and regulations are fundamental for the speedy and efficient implementation of sector programmes.

The attainment of vision 2030 goals and the *NDP targets* depend to a large extent on public sector institutions playing their central role in the delivery of social services, the provision of necessary infra-structure and the creation of an enabling environment for the private sector to realize its full potential. Thus, public sector performance is an important factor in the realization of vision aspirations and programme objectives. The cardinal challenge facing the government

is the successful introduction and implementation of critical national policies at the macro and micro-sector levels.

Cognizant of the need to provide efficient and effective public services capable of meeting the high aspirations of the people, the government has already initiated reform programs in key areas such as the civil service, public finance and the legal system.

Capacity Building and Institutional Strengthening

The limited capacity of public institutions is a major obstacle that stands in the way of implementing the national development plan and the realization of Vision 2030. The national capacity in terms of the effectiveness of institutions, and the quality of human resources available is low and must be addressed strategically. The strategy must aim at building the capacity of central government institutions, local governments, private sector enterprises and community organisations. There have been many capacity building projects supported by international organizations over the years. Unfortunately, these have been fragmented, ineffective and often non-aligned with national development priorities.

Research, Technology and Innovation

Research, technology and innovation are vital for development and play a critical role in addressing the country's pressing economic, social and environmental challenges. Lack of capacity to develop, access and utilize science and technology is a major obstacle to benefiting from the enormous advances made in these fields which lifted many countries out of poverty in just the last four decades. To follow suit, we need to:

- promote science and technology
- build national research and development capabilities
- increase public and private sector participation in research, development and innovative activities;
- build a competitive, skilled, entrepreneurial workforce

Many of the appropriate technologies required to reduce poverty, add value to our natural resources, and upgrade the proficiency of local industries have already been developed. They have been adopted by all the rapidly industrializing countries. To adopt the same strategy, we need to build our capacity to discern, test, adapt and absorb new technologies. This will require investing in education and training, research and development, supporting industrial innovation, promoting lifelong learning, and fostering policies that provide incentives to the private sector to invest in science, research and innovation.

The education system must instil a science and technology culture right from the start. Basic sciences and mathematics must be accorded significant importance in keeping with the demands of the modern technological age. Awareness about the applications of Science and

technology in all facets of life and their role in development should be raised through continuous public education process.

4. DEVELOPMENT STRATEGY

Overview

Somaliland is a low income country with clear disparities between regions, urban and rural communities, the poorest and the relatively rich classes. Such disparities can only be addressed through an integrated and inclusive approach to economic development which seeks to strike a balance between economic growth, social equity and environmental sustainability. Thus, strategies to stimulate economic development must be pursued in a manner that ensures poverty reduction, balanced growth, and environmental sustainability.

Poverty can be reduced rapidly by skilling people and creating an enabling environment for entrepreneurs and investors to generate wealth, while ensuring that all geographic, ethnic and economic groups are able to participate and benefit from the development process. This can be best achieved by investing in infrastructure, human resource development, rural development, agriculture, industry, tourism and mining. The public sector will provide a conducive environment for investment, while the private sector will be the main engine of growth.

The two over riding strategic goals are to:

- Promote rapid sustainable economic growth, and
- Reduce poverty in all sections of society and regions to achieve MDG goals

The following table summarizes the two sets, in terms of sectors and interventions, which will drive economic growth and poverty reduction.

Table 3.1: Growth and Poverty Reduction Poles- NDP 2012-2016

Economic Growth Poles:- Sectors that will drive the growth process	Poverty Reduction Poles:- Public sector action areas that will reduce poverty
❖ Macroeconomic policies/fiscal framework ❖ Infrastructure ❖ Agriculture, Livestock and Fisheries ❖ Industry and Tourism ❖ Financial Services ❖ Trade and services ❖ Mining and minerals ❖ Private sector	❖ Rural development ❖ Local government/decentralization ❖ Social services ▪ Health ▪ Education ▪ Water and sanitation ▪ Social protection ▪ Housing and shelter ❖ Employment ❖ Food security, and ❖ Disaster Risk Management

Economic growth

Economic growth is the foundation on which Somaliland's prosperity and steady improvement in livelihoods will be built upon. This will require the adoption and maintenance of prudent economic policies coupled with transparent and efficient management of the economy and public finances.

Fiscal and Monetary Framework

Fiscal and financial management policy issues are equally important for the successful implementation of the National Development Plan. The government will pursue medium term fiscal and monetary policies that ensure stability and induce strong private sector growth. To this end, the focus will be on:

- Maintaining sound fiscal and monetary policies built on public finance discipline and timely monetary policy decision-making.
- Reforming tax collection and administration systems
- Balancing government finances,
- Broadening and deepening the tax base to increase revenue. The government should account for at least 10% of the GDP to meet its social service obligations and finance the National Development Plan.
- Rendering public expenditure more transparent and reflective of government priorities;
- Achieving a growth rate that is sufficient to support the objectives outlined in NDP;
- Identifying the sectors that will drive the growth process; and
- Implementing the appropriate public policy measures that are necessary to ensure the success of the lead sectors

Agriculture, livestock and fisheries

The agricultural sector, including livestock, is top priority since the majority of the population derive their livelihoods from it. The key position of agriculture in the economy means that there remains a strong imperative to develop the sector to ensure food security, employment, income generation, and increased export of agricultural produce. Agriculture has the potential to spur growth, reduce poverty, and enhance food security. The development of agriculture is vital for meeting the Millennium Development Goals.

Industry and Tourism

Currently, Somaliland's manufacturing sector is very small, dominated by bottling plants. There are many small metal and furniture workshops mainly in the informal sector. The primary objective of a national industrial policy will be to establish the conditions required by the

private sector to invest in industry in order to add value to our exports and produce import substitutes using local inputs and labour.

The tourist industry in Somaliland is at its infancy though the country is endowed with many tourist attractions that are yet to be exploited. Developing a master plan will be the first step in developing the sector and realizing its potential to create significant employment opportunities.

Such a master plan will include the:

- Development of human resource base for the tourist industry;
- Promotion of investment in the sector by both foreign and local investors

Trade

Somaliland considers regional economic integration as an important factor in achieving Vision 2030. To this end, it will be necessary to pursue policies that will facilitate cross border trade and attract foreign direct investment in the infrastructure required to serve and link regional markets. The key to a vibrant balanced regional trade will be the establishment of strong industrial base that produces quality exportable products, the development of port facilities and free zone areas, and the construction of good road and rail network.

Infrastructure

Good infrastructure contributes to socio-economic and technological progress and thus is an issue of overarching importance to development. Having a modern physical and social services infrastructure is critical to increased agricultural productivity, poverty reduction, business investment, human development, and private sector growth.

Facilities at Berbera, the main port of the country, and the telecommunications industry are considered good by regional standards, further expansion and technological improvements are required to accommodate increased flow of goods and services. Financing of the infrastructure projects scheduled for implementation under the NDP 2012-2016 is expected to come, in part, from the private sector in the form of public private partnership (PPP). To encourage joint investment, the government will develop a national policy on Public Private Partnerships (PPPs) and modalities for its implementation.

Mining and mineral resources

Somaliland is rich in mineral resources. It has one of the largest gypsum deposits in the world. There are also deposits of coal, quartz, iron, gold, gems, heavy minerals and oil. There is huge potential for the development of the mining sector which if realized could catapult Somaliland into middle income country in a relatively short period. The key to the development of the sector is the formulation of appropriate policies and mining codes that meet international standards and are attractive to foreign mining companies. The current mining code is

essentially the 1984 mining code of former Somali Republic. The government will be reviewing and upgrading existing policies and codes with the assistance of specialized legal firms.

Private sector

Micro-enterprises constitute the smallest and the most prolific business establishments in Somaliland providing employment for many people with limited means. Small and medium enterprises (SMEs) are fewer in number but account for a larger proportion of the sector's turnover. There are only few large firms that employ more than 50 people. Micro-enterprises and small and medium enterprises hold great potential for growth and employment generation. The government recognises that and will provide an enabling environment for them to prosper. Training and advice will be provided, and start up financial support will be made available.

Access to finance is one of the main problems businesses at all levels face today in Somaliland as there are no official commercial banks or lending institutions. The government intends to change this situation by introducing the necessary legislation for licensing commercial banks.

Poverty Reduction Strategy

Somaliland is one of the least developed countries, but aspires to become a middle income country by 2030. The problem of underdevelopment can be tackled only through an integrated and inclusive approach to economic development which provides a balance between economic growth, social equity and environmental sustainability.

In the medium term, Somaliland poverty reduction strategy will be focused on improving the productivity of key sectors such as agriculture and the provision of accessible social services. The principal objective is to achieve a sustainable rate of economic growth that will yield significant increase in income per capita by the end of the first NDP in 2016. The Government will develop appropriate macroeconomic and sectoral policies and ensure that they are targeted specifically at reducing poverty.

The resources available to government to deal with poverty are limited; hence it has to prioritize its actions. The following priority areas have been identified for action. The government will:

Rural development and agricultural transformation

Embark on actions that most directly affect rural communities' ability to raise their incomes, involving agriculture, livestock and fisheries, environment, water, off-farm employment, rural infrastructure and public works.

Food Security

Ensure the availability and the affordability of stable food commodities particularly for the poor

by pursuing policies that encourage production and higher productivity of staple foods such as sorghum, maize and beans.

Reducing vulnerability

Develop disaster management and recovery programs such as early warning system and emergency fund etc. designed to mitigate the impact of environmental changes. Rural communities in particular are vulnerable to changes (recurrent droughts, diseases, pests, conflict etc) in their external environment. Their ability to cope with these changes and recover from disasters is usually limited.

Employment

Develop employment programmes that target women's and youth enterprises in urban and rural areas, including skills training and non-formal education. Provide support services to young people, including counselling and vocational guidance in and out of school; financial assistance for business start-ups; capacity building training especially in management and business skills;

Human development

Take actions which most directly influence the quality of life of the poor in terms of health, education, skill development, water and other social services. Ensure social protection for vulnerable groups such as children with special needs, disabled people, the elderly, refugees and displaced persons.

Infrastructure

Develop roads, energy, communications, ports and airports to support economic development both in urban and rural areas and achieve regional economic integration.

Governance

Ensure security, democracy, good governance, accountability, transparency, justice, and carry out public sector administration reforms.

Institutional Capacity building

Build the capacity of public, private and not for profit institutions to meet the needs of citizens – poor and rich – effectively and efficiently.

Macroeconomic policies

Develop appropriate macroeconomic policies that are pro-growth and pro-poverty reduction.

Private Sector Development

Promote the private sector's role in expanding and diversifying national output by improving the institutional, regulatory, and legal framework for businesses.

The Diaspora

Facilitate Diaspora contribution to the country's social, economic, technological and political development by addressing the challenges they face in the process.

Local governance and decentralization

Develop and implement a coherent approach to decentralizing the delivery of public services by bringing public institutions closer to the people and encouraging their participation in the decision making process.

Growth Strategy

Within these broad strategies, priorities will be identified and action plans and programs will be developed to meet critical needs. The sector strategies and the Medium Term Expenditure Framework (MTEF) for the budget will be the main instruments for prioritization and program implementation. The role of ministries as implementing agencies will diminish as decentralization takes effect and actual implementation is devolved to the regions and districts. Their main role will be the development of sector strategies, policies and regulations as well as monitoring and evaluation. The development of the sector strategies will be open and participatory, consistent with the framework of Vision 2030.

5. DEVELOPMENT PILLARS

5.1. ECONOMIC PILLAR

5.1.1. Macro-economy and Finance Sector

Situation Analysis

GDP and Sector Contributions

With the absence of macroeconomic data it is extremely difficult to pin down the Gross Domestic Product (GDP) of Somaliland. However, there are various estimations, based on statistical projections, of the GDP of Somalia provided in different reports which can be used as a reference in determining the GDP of Somaliland. For instance, the World Bank's socio-economic survey of 2002 gives the figure US\$1.6 billion as the GDP of Somalia. In another report (2006), the World Bank estimated the GDP at \$1.3 billion. Most of the international institutions use these reports as a source. But according to the latest CIA Fact Book figures for Somalia GDP in PPP prices is given as \$5.896 billion, and the per capita income as \$600. The nominal GDP at the official exchange rate is estimated at \$2.372 billion which implies a GDP per capita of about \$240.

According to the World Bank report (2002), Somaliland's income per capita is relatively higher compared to that of Somalia due to peace and political stability achieved which enabled faster economic growth. Across Somaliland regions income per capita ranges from \$250 to \$350. Assuming an average nominal per capita income \$300, and \$600 at purchasing parity price (PPP), and a population of 3.5 million, Somaliland's GDP would be about \$1.05 billion in nominal prices and \$2.10 billion in PPP terms. Again due to dearth of reliable macroeconomic data, we can only go by estimates about the contribution of agriculture, industry and service to GDP, and according to the most common figures Agriculture (including livestock) accounts for 65%, services 25% and industry 10% of the GDP.

Labour Force and Employment

People in the age group 15 to 64 who are working or are available for work are considered to be the economically active population. According to World Bank figures, this group constitutes 56.4 percent of the total population. Based on Somaliland's estimated population of 3.5 million, this implies a national labour force of 1.6 million (table 5.1.1).

Total employment (comprising self employment, salaried employment) among the economically active population is estimated as 38.5% and 59.3% for urban and rural areas respectively. The weighted average national employment rate is estimated at 52.6%. Therefore, unemployment rates amount to 65.5% and 40.7% in urban and rural areas respectively, and 47.4% for the whole country. These figures are only indicative, as they do not take into account

the extent of under-employment, seasonal unemployment etc. More detailed surveys are needed to estimate the age and gender- specific labour force participation rates and the magnitude of unemployment and under-employment. In terms of sectoral distribution, agriculture (including fishing, forestry and livestock) accounts for 67 percent, industry (including construction and utilities) 12 percent and services 21 percent of total employment.

Table 5.1.1: Distribution of Population by Employment Status and Sector (%)

Population by labour force (%)			
Economic Status	Urban	Rural and Nomadic	Total
Economically Active	53.6	56.7	56.4
Not in the labour Force	46.4	43.3	43.6
Economically active population by employment status (%)			
Employment Status	Urban	Rural and Nomadic	Total
Employed	38.5	59.3	52.6
Unemployed	61.5	40.7	47.4
Total labour Force	100	100	100
Employment by major sectors (%)			
Sector	Urban	Rural and nomadic	Total
Agriculture	25.1	80.1	66.9
Industry	25.5	7.8	12.0
Services	49.4	12.1	21.1
Total	100	100	100

WB development survey, 2002

Exports and Imports

Somaliland economy is a pastoral economy. Livestock contributes to over 65% of the GDP. Hence livestock constitutes the principal export from Somaliland. The main destination of Somaliland's livestock exports is Saudi Arabia. Yemen is the second most important market. Livestock exports were seriously affected by a 9-year long ban by Saudi Arabia on Livestock imports from Somaliland and Somalia imposed on September 2000. The ban was lifted in November 2009. This resulted in a surge in the number of livestock exports. The figure for 2010 was 2,747,120 (see Table 5.1.2). The second biggest export is hides and skins. Approximately 4.8 million pieces were exported in 2010. Frankincense and other natural gums and resins constitute the third largest export commodity after Livestock, hides and skins. These are harvested from wild trees controlled by customary rights which have protected this resource from over exploitation. 307.01 tons of Frankincense and natural gums were exported in 2010 (see table below).

Table 5.1.2: Exports through Berbera Port (2005-2010)

Year	livestock(No)	hides & skins(pieces)	Gums (Beeyo) (KG)
2005	1183225	3123723	272720
2006	1321107	2090620	423011
2007	1452442	2609375	614706
2008	1332077	4041121	883677
2009	1675410	3522565	-
2010	2747120	4784041	307005

Source: Somaliland in Figures 2010 and MOF

Somaliland relies heavily on imports for food and manufactured goods. In 2009, total food imports were 440,968 Tons (see Table 5.1.2), and non-food import items were 358,467 Tons Table 5.1.2: Food imports (see Table 5.1.3). The main trading partners are Ethiopia, Yemen, Brazil, Thailand, China, Oman, Kenya, Saudi Arabia, Egypt, Malaysia, India, Pakistan, Turkey, UAE, Japan, Malta, and Italy. A major import, which does not feature in the tables, is Qat, a mild narcotic, from Ethiopia. Official total imports in 2010 were approximately 16,173 tons, accounting for about 1/3 of total imports in value.

Table 5.1.3: Food Imports (Metric Tons) through Berbera Port (2005-2009)

Year	Sugar	Rice	Wheat & W flour	cooking oil/beans	Past	Dates	Biscuits	Total
2005	129441	50555	48927	28031	14114	2305	2842	276215
2006	126037	87996	51319	22571	19544	3045	3666	314178
2007	174076	89762	50228	33388	19033	3866	3548	373901
2008	194523	61288	63105	38538	18903	3474	5575	385406
2009	155965	59645	169187	30148	18776	3015	4232	440968

Source: Somaliland in figures 2010

Table 5.1.4: Imports of Non-Food Items (MT) through Berbera (2005-2009)

Year	Clothes	Cars/Spares	Cigarettes	Soap	Bld/material	Fuel	Other	Total
2005	11731	6449	3107	9492	152636	48519	42586	274520
2006	16685	8310	3475	12478	138152	43732	59532	282364
2007	16222	9406	7329	10331	38152	20443	79367	181250
2008	16976	9964	7363	12721	140200	17723	88745	293692
2009	16290	14500	6447	10886	133396	58742	118206	358467

Source: Somaliland in Figures 2010

Remittances

Somaliland economy is highly dependent on remittance, which is a significant contributor to family income and investment, with implications for poverty reduction. Especially in times of

economic downturns and external shocks, remittances have been extremely important to the economy because they tend to make up for losses, smooth out consumption and thus create a “buffer” against shocks. Studies on remittances in Hargeisa, and Burco cities indicate that remittances constitute nearly 40 percent of the income of urban households, and account for roughly 14 percent of average rural consumption (Gundel 2002). Somaliland, in terms of per capita remittance received (\$105), and contribution to gross domestic product (GDP) (20%), ranks fourth among remittance dependent economies after Togo (38.6%), Lesotho (28.7%) and Jordan (23%) (Dr. Saad Shire 2005).

Dahabshil is the largest of about a dozen Somali money transfer operators (MTO) active in Somaliland. Between them they handle about \$500-600 million annually. This is the money that pays for the imports listed in the tables above.

Fiscal policy

The Ministry of Finance is responsible for budgeting and fiscal affairs of the government. In Somaliland, the preparation and submission of annual budgets were introduced in 1995.

Government Revenue

Domestic revenues have grown significantly over the years. In 2006, they were about SLSh68 billion, by 2008 they reached SLSH262 billion (See table 3). Customs duties accounting for nearly 50% of total revenue constitute the largest source of income for Somaliland government. These are followed by sales taxes which contribute up to 16% of total revenues in 2011. Unlike most of the other countries, income and corporation taxes account for less than 10% of the government’s income. Somaliland has currently a complex taxation system based on estimated commodity import values at customs and estimated turnover for businesses. Over 93% of total tax revenues are collected by the central government. Municipalities account for the remaining 7%. Local taxes include taxes on real estate (rental tax and a levy on property supposed to cover the cost of sanitation services), license fees and various levies on contracts, property deeds, land sales etc.

Table 5.1.5: Actual Government Revenue (2005-2009)

Year	Actual Revenue in SLSh(000,000) 5,500-6,000=1US\$)
2005	164,417.2
2006	175,288.6
2007	209,665.8
2008	233,103.9
2009	261,993.7

Source: Somaliland in Figures 2010

Table 5.1.6: Projected Sources of Tax Revenue for 2011 Budget

Description	Percentage %
Tax on international trade and transactions	46.38
Sales tax	16.08
income and corporation tax	9.36
Other taxes (leases and royalties)	8.07
Income from licenses and services	7.12
income from sales of goods and services	4.48
Other income	3.26
Tax on income from properties	3.03
Income from other government units	2.08
Fines, penalties and forfeits	0.13
Total	100

Sources: Ministry of finance Somaliland (MOF)

Public Expenditure

The budget appropriations are predominantly for staff salaries and recurrent administrative costs based on annual expenditure plans submitted by ministries as the following table for the 2011 budget shows:

Table 5.1.7: Break Down of Government Expenses in 2011 Budget

Description	Percentage %
Staff expenses (salaries & bonuses)	56.71
Operational cost (admin expenses)	19.53
Equipment	17.21
Maintenance	3.68
Fixed assets (including new buildings)	1.99
General support	0.89
Total (about \$90 million)	100

Source: Ministry of Finance

Total budgetary expenditure, in nominal terms, jumped from SLSH146, 557.6 million in the year 2005 to SLSH258, 496.2 in 2009, an increase of 76.5% over five years (See table 5.1.8). Security dominates public expenditure accounting for 49.67% of the total in the 2011 budget. Social services and production sector were allocated 12.36% and 3.17% of the budget respectively (See table 5.1.9). These figures are low compared to the allocations for security and governance. But the actual expenditure in these two categories is much higher than the budget entails, because most of the projects supported by international organisations and donors focus on education, health and water, which all come under the social services. They also support agriculture and the livestock sector, though to a lesser extent.

Table 5.1.8: Actual Government Expenditure (2005-2009)

Year	B. Actual Expenditure in SLSH (000,000)(5,500-6,000=1US\$)
2005	146,557.6
2006	162,682.2
2007	198,647.4
2008	247,711.2
2009	258,496.2

Sources: Ministry of finance Somaliland

Table 5.1.9: Budgeted Expenditure for 2011 by Sector

Description	Percentage %
Security	49.67
Governance	29.22
Social services	12.36
Production	3.17
Other	5.59

The government has shown remarkable discipline over the years in spending only what it has. As the following Table 5.1.10 shows, over the five year period from 2005 to 2009, the government spent more than it has collected in only one instance, i.e. in 2008. In all the other years the government spent less than the planned expenditure in the budget and less than the actual revenue.

Table 5.1.10: Actual Budget Surplus/ Deficit (2005-2009)

	Actual Revenue SLSH (000,000)	Actual Expenditure SLSH (000,000)	Budget Surplus/deficit SLSH (000,000)
2005	164,417.2	146,557.6	17,859.6
2006	175,288.6	162,682.2	12,606.5
2007	209,665.8	198,647.4	11,018.5
2008	233,103.9	247,711.2	(14,607.3)
2009	261,993.7	258,496.2	3,497.5

Source: Ministry of Finance

Monetary policy

The Bank of Somaliland or the central bank, established in 1994, is responsible for monetary policy. It acts as a central bank and a commercial bank at the same time. It has a board of seven members chaired by the Governor. The bank's stated objectives are to:

- Maintain price and exchange rate stability
- Promote credit and trade conditions which support balanced economic growth
- Support the economic and financial policies of the government where possible

Under normal circumstances the bank would have used the following instruments to conduct monetary policy:

- Reserve Requirement or the percentage of total deposits commercial banks are required to deposit with the central bank
- Open market operations where the central bank or the monetary authority sells and buys government securities
- Credit facilities to commercial banks

In Somaliland none of these standard instruments for effecting monetary policy are available to the central bank because there are no commercial banks to comply with reserve requirements or lend to, and there are neither government securities nor a bond market. However, the central bank does have two instruments for influencing money supply and ensuring stability in prices and exchange rates. These are:

- Printing money and
- Buying and selling US Dollars in the market

It has used these two instruments effectively over the years as demonstrated by the following table. Both the Forex and price indices show remarkable stability, a testimony of a prudent monetary policy.

Table 5.1.11: Average Exchange Rate and Price Index (2007-2011)

year	Foreign exchange (Price of a Dollar in SLSH)	Forex Index	General consumer price (The cost of a basket in SLSH)	Price index
2007	6288	100	69878	100
2008	6168	98	72258	103
2009	6749	107	86093	123
2010	6422	102	84618	121
2011	5747	91	72449	116

Source: Ministry of planning

In Somaliland, the financial system is highly dollarized due to substantial presence of US Dollars in the economy. Given this widespread dollarization of the economy, the overall money supply cannot be strictly controlled. But containing the supply of local currency will still be important for government in maintaining stable local currency prices. The introduction of ZAD services, the mobile money transfer/banking service, has introduced another factor in the money supply equation to contend with by the central bank.

Challenges and Opportunities

There are a number of challenges that must be addressed to put the economy on higher sustainable path. These are:

- Weak central Bank
- Absence of financial institutions –commercial & investment banks, insurance Co. etc.
- Inability to use monetary instruments to achieve price stability and economic growth
- Failure to use remittance for investment in the productive sector.
- Inability to mobilize more domestic revenues
- Limited external assistance to finance development and recurrent budgets
- Lack of a development budget
- Poor tax collection system
- Narrow tax base
- Inadequate salaries to attract and retain qualified staff
- Lack of skilled workforce
- Dominance of informal hard-to-tax sector in the economy
- Capacity constraints hindering tax collection
- Lack of reliable data for policy making and planning purposes

Priorities and Strategies

The priorities for NDP period include:

- Reviewing existing governmental revenue policies and procedures
- Upgrading processes and systems
- Transforming the existing fiscal policy unit into the full-fledged macroeconomics office of the MoF
- Reforming the customs/inland revenue act
- Reviewing and streamlining the current tax exemption and duty-free policy
- Strengthening monitoring and data collection capacity
- Imposing VAT (value added tax) on all transactions exempting basic essential items
- Establishing a development budget alongside the usual operational budget
- Developing and implementing an open, transparent public information strategy on the national budget
- Developing the physical infrastructure of the Ministry
- Training staff and upgrading their skills
- Strengthening the central bank
- Promoting the formation of commercial banks and other financial institutions

Polices, Legal and institutional reform

The following policy, legal and institutional reviews and reforms will be carried out during the NDP period:

- Enactment of the central bank law (in process)
- Introduction of commercial banking laws
- Development of insurance, pension, leasing and other financial laws
- Introduction of prudent fiscal and monetary policy
- Development and implementation of a comprehensive tax reform
- Regulation of the money transfer industry and e-banking facilities

Projects and Programs

In an effort to accelerate economic growth, the Government will initiate following programs and projects:

- Constructing new offices, rehabilitating and refurbishing existing ones
- Equipping offices appropriately and adequately
- Establishing a semi-autonomous revenue authority
- Reviewing existing governmental revenue policies and procedures
- Transforming the existing fiscal policy unit into the full-fledged macroeconomics office of the MoF
- Introducing and undertaking Public Financial Management (PFM) reform
- Reviewing and streamlining tax exemption and duty-free policy and laws
- Acquiring and installing a new Management Information System (MIS)
- Creating a Data Bank & ICT centre for the Ministry of Finance
- Installing cash machines at business premises
- Establishing a training centre for Ministry of finance staff development
- introducing and enforcing VAT(value added tax) payment in all transactions with appropriate exceptions
- Restructuring the budget department
- Completing the establishment of the procurement office of the Ministry of Finance
- Conducting a country-wide tax payer survey and setting up a database
- Implementing a comprehensive tax-payer program
- Conducting a nation-wide tax payer survey
- Establishing banking and financial sector laws and policies
- Establishing banking institute for training and research
- Recruiting young graduates to raise the skill level of the bank staff
- Acquiring and applying a customized IT banking system

5.1.1: Financial Sector: Budget and Implementation Matrix

	Goal	Macroeconomic stability and rising living standards									
	Strategic Objectives	A stable economy and a high standard of living									
		Accountable, transparent and performance oriented management of state finances									
		Transparent government operations and an effective organizational structure									
		State employment of staff of the highest quality, who operate in a conducive work environment									
		Delivery by the ministry of a reliable service with emphasis on professional work									
		Establishment of an enabling environment through policy, legal and regular reforms for the management of the Ministry of Finance									
		Collection of revenues in a fair manner									
		Adequate, predictable government revenues and expenditure									
		Effective control and stewardship exercised in the use of public funds so the government funds are protected from corruption									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Institutional Capacity Building	To build the capacity of Ministry of Finance (MoF) for better service delivery	• New offices constructed, old ones rehabilitated, and required furniture and equipments provided	Donors, World Bank, UNDP, SLG	MoF	1.50	1.00	0.50	0.30	0.20	3.50
			• The existing fiscal policy unit of MoF transformed into Macroeconomic Department and integrated into the institutional structure of MoF	"	"	0.10	0.10	-	-	-	0.20
			• The budget department of MoF strengthened to effectively formulate, execute and monitor a comprehensive policy based budget for SL • Recurrent and Development budgets integrated with the view of introducing program based budgeting approach • The budget department restructured to reflect the pillar structure of the NDP • The capacity of linking policy, planning and budgeting strengthened • PFM reforms introduced • Capacity for medium term frameworks developed • Fiscal reports generated • Prioritization criteria revised	"	"	0.50	0.50	0.30	0.20	0.10	1.60
			• A Vehicle (30), office equipment such as computers (100), fax machines (14),	"	"	0.50	0.50	0.50	0.50	0.20	2.20

			photocopiers (14); furniture (tablets, chairs and cupboards (70) and generators (14) purchased for MoF • Basic customs inspection tools purchased for Kalabaydh, and Berbera, Hargeisa and Burao international Airports								
			• databases systems established for consolidating and building statistical capacity of government finance • The capacity of planning and statistics departments of MoF built	"	"	0.10	0.20	0.30	0.20	0.10	0.90
			• Trainings provided to appropriate staff of MoF on: ○ Financial management, recording and reporting ○ Accounting, recording and reporting systems ○ Integrated Financial Management Information System and timely generation of financial reports	"	"	0.50	0.30	0.20	0.20	0.10	1.30
2	Establishing and functionalizing Somaliland Revenue Authority (SRA)	Establishment of semi-autonomous revenue authority with the capacity to collect all state revenue and advice Government on revenue mobilization	• Tax revenues maximized (within a twin-goal of cultivating maximum taxpayer compliance) • Ministry's service delivery improved • The fiscal options that the government of SL may use to boost revenue yield increased • An efficient organizational structure put in place • Taxpayer compliance cultivated through tax education program embedded in civic education curriculum of schools			0.80	0.50	1.00	0.90	0.40	3.60
3	Cash Machines installation in businesses	To improve tax collection initiatives	• Recording and reporting systems of sales taxes improved for remit to the government • Distribution of cash machines to business to capture and record sales tax	"	"	1.00	1.00	-	-	-	2.00
Finance Sector Development Budget						5.00	4.10	2.80	2.30	1.10	15.30

5.1.2: Central Bank of Somaliland: Budget and Implementation Matrix

Goal		To achieve and maintain financial stability									
Strategic Objectives		To achieve economic growth									
		To maintain low inflation									
		To lower unemployment									
		To avoid negative balance of payments									
		To avoid heavy fluctuations in exchange rates									
No.	Programmes	Objectives	Project outputs/outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Establishing Banking Research and Development Institute	To establish a banking research and development institute to improve banking services	• Banking Institute established	Donors and SLG	Central bank	-	0.50	-	-	-	0.50
2	Capacity building for Central Bank of Somaliland (CBS)	To enhance the service delivery capacity of the Central Bank	• New and refresher trainings provided to CBS staff on ICT, banking and other relevant courses on yearly basis	"	"	0.02	0.02	0.02	0.02	0.02	0.08
			• Under-performing personnel treated with golden handshake	"	"	0.03	0.03	0.03	0.03	0.03	0.13
			• Recruitment of young graduates facilitated for CBS	"	"	0.01	-	0.01	-	0.01	0.03
		To expand Head Office Building to accommodate increasing operations	• 3 storey office building for trading and deposit insurance scheme constructed for CBS, and provided with furniture and equipments	"	"	0.30	0.30	0.30	0.30	0.30	1.50
			• Other important banking facilities procured for CBS	"	"	0.10	0.10	0.10	0.10	0.10	0.50
			• Material and equipment capacity of the deposit insurance department of CBS established and improved	"	"	0.10	0.10	0.10	0.10	0.10	0.50
			• Banking ICT and data base system (including website) developed, smooth inter-connectivity between Head and branches offices established			-	0.25	-	-	-	0.25
		To expand Wajaale Branch of CBS	• Wajaale Branch of CBS expanded banking services extended to business centres	"	"	-	0.10	-	-	-	0.10
Total Central Bank of Somaliland Development Budget						0.55	1.39	0.55	0.54	0.55	3.58

5.1.2. National Planning Sector

Situation Analysis

Planning is critical for optimizing economic growth and setting it in the right direction. There have been two attempts before to produce development plans for the country. The first one was a two-year Development Plan (1998-99) prepared in 1997. That plan was abandoned following the first embargo in 1998 on the imports of Somaliland Livestock by the Gulf States and its devastating effect on the economy. The second attempt was in 2002 when a three-year Strategy for Economic Recovery and Poverty Reduction Plan (2003-2005) was launched. This three-year strategic plan had the following four pillars and 12 core programmes:

Pillars:

- Improved fiscal and policy planning plus the removal of constraints to growth in the productive sectors
- Strengthening of human resources development, through improved social services
- The rehabilitation and expansion of basic infrastructure
- The strengthening of the institutions of governance

Core Action Programmes:

- Appropriate macroeconomic management, including: sound macroeconomic policy appropriate monetary policy and actions; and the right budgetary and fiscal policy
- Strengthening institutions of governance with people's participation
- Supporting and facilitating financial sector development
- Improving crop production
- Empowering pastoral communities and improving natural resources management and sustainability
- Establishment of a disaster preparedness policy and mechanism to cope with natural disasters such as drought
- Developing fisheries resources with the necessary infrastructure to facilitate private sector investment in the expansion of the sector
- Improving basic infrastructure to facilitate the development of commerce and industry by the private sector
- Enhancing human resources development through investment in education
- Improving international cooperation and enhancing government participation in the design and management of programmes/projects
- Putting in place a framework for the implementation mechanism for the strategy; and
- Establishing a participatory process for monitoring and evaluation of the implementation of the strategy

But the plan met the same fate as the previous one and was never implemented. Then in February 2005, it was agreed to initiate a plan for longer term Reconstruction and Development. As a result, the United Nations Development Group (UNDG) and the World Bank (WB), in partnership with Somali counterparts carried out in 2005-6, a comprehensive survey called Somali Joint Needs Assessment (JNA). This formed the basis for the preparation of a five-year program (2008-2012) called Reconstruction and Development Programme (RDP). Somaliland had a section (volume IV) in the program document.

The RDP was essentially a fundraising framework initially intended to be presented to an international donor conference, which did not materialize. The plan laid out priorities, actions and outcomes in a sequential manner over the five-year period highlighting three key priority pillars:

- Deepening peace, improving security and establishing good governance
- Investing in people through improved social services
- Creating an enabling environment for private sector led growth to expand employment and reduce poverty

The Somaliland component programs in Volume IV, were calculated to cost a total of US\$551.6 divided among the three pillars as follows:

Table 5.1.12: Somaliland RDP Allocation by Pillar (2008-2012)

Pillars	Amount US\$ millions
Deepening peace	160.3
Investing in people	280.2
Creating an enabling environment	111.1
Total	551.6

The shortcomings of the RDP were threefold:

- It lacked ownership. It was a UN lead plan, even though there had been a consultation process
- It was primarily a short term humanitarian and recovery program more tailored to suit the situation in Somalia than the advanced developmental stage of Somaliland
- It was not implemented as planned

Taking into consideration the previous failures and in an attempt to overcome these shortcomings, the Ministry of National Planning and Development embarked on two initiatives:

- Formulation of a 20-year national vision (Vision 2030) and the
- Development of a 5-year national development plan (2012-2016)

Somaliland vision 2030

The Ministry of National Planning and Development (MoNPD) has the vital strategic role of leading, facilitating and coordinating national vision and development. As part of its effort to fulfil its mandate, the Ministry started working on the development of a national Vision (2030) and National Development Plan (NDP) 2012-2016. The preparation of the Vision was a participatory process that involved many stakeholders through consultative workshops, sector task forces and meetings.

A launching workshop which brought together representatives from a wide spectrum of the society inaugurated the process. This was followed by a series of similar workshops and smaller meetings. The participants, after an intensive discussion and debate reached consensus on:

- Where Somaliland stood
- Where it aspired to be by 2030 (the vision), and
- How it can achieve that “vision”

They also agreed on a national vision statement:

‘A Stable and Democratic country Where People Enjoy High Quality of Life by 2030’

The Ministry of National Planning, taking into consideration the aspirations expressed by the stakeholders, developed a five-pillar vision document.

National Development Plan (NDP) 2012-2016

Building on the national vision 2030 articulated, the Ministry of National Planning and Development (MoNPD), started developing a five-year National Development Plan (2012-2016). The plan addresses the structural and institutional challenges Somaliland faces in order to achieve the national aspiration stated by the vision. Its aim is to create an enabling environment that is conducive to employment generation, human resource development, technological advancement, effective and efficient governance, economic competitiveness and a higher standard of living. This requires increased and sustained Government investment in infrastructure, production, social services, institutional capacity building, as well as legal and policy reforms.

During the five-year plan period, public investment priorities will include: construction and rehabilitation of the road network, expansion of airports and ports, development of the energy and water sectors, development of agriculture and industry, Human resource development, environmental protection and the promotion of science, technology and innovation. The development approach of the NDP intertwines economic growth, social development and environmental sustainability. The achievement of these goals will be pursued in cooperation with the international community and the private sector which will remain the engine of

growth and development. The government will also seek to reach out to and engage the Somaliland Diaspora who are already an important source of assistance, investment and know-how.

The Government will pursue outward-oriented policies that encourage foreign investment and exports with high added value. It will also pursue sound macroeconomic policies and management practices. A “Business Approach” will be adopted to further develop and improve public service delivery and efficiency.

Challenges and Opportunities

Challenges

There are many challenges in the way of the planning process. The most important include:

- Lack of the human and institutional capacity required for the implementation and monitoring of the National Development Plan.
- Weak capability of the ministries’ planning units, which are mostly dysfunctional
- Lack of reliable and sufficient statistical data
- Lack of adequate capacity to coordinate the multitude of programs and activities carried out by UN agencies, International and local NGOs
- Shortage of funds to meet the financial requirements of the plan

Opportunities:

- Community Participation - There is a growing realization among the community of the need to take ownership of their problems and solutions in order to develop. There are already many successful development projects including schools, health facilities and roads initiated by local communities and supported by the Diaspora.
- Support from international community – The international community has expressed commitment to supporting the national development plan, and aligning their programs with its priorities.
- Alignment – Resource allocation within the budget will be aligned with plan priorities

Priorities and Strategies

During the implementation of the NDP 2012-16, the MoNPD will concentrate on:

- Staff and institutional capacity building
- Formulation of policies on socio-economic development
- Generation of reliable national socio-economic statistics
- Implementation of development strategies
- Monitoring & Evaluation of NDP

- Coordination and monitoring of aid funded programs and projects
- Devolving planning and development to regional and district levels

Policy, Legal, and Institutional Reform

The most important legal issues that will be addressed are:

- The implementation of the NGO Act and
- The enactment of the National Statistics Law

NGO Act

This Act regulates the activities of non-governmental, independent and not-for-profit organizations including Local/National NGOs, Foreign NGOs, and International NGOs. It also regulates NGO umbrellas and Consortium organizations. It does not regulate the activities of UN organizations, professional associations, private Companies and industrial and employee associations. Nevertheless, UN agencies are expected to abide by the principles of the act.

It was enacted for the purpose of:

- Encouraging NGOs to fully and appropriately participate in the development of the country
- Ensuring that NGOs are legally constituted
- Regulating the activities of NGOs so that they are aligned with the country's national priorities and development plan
- Building the capacity of community based organizations; and
- Ensuring accountability and transparency

The Ministry of National Planning and Development is the sole representative of the government of Somaliland mandated to register, administer and coordinate all national, foreign and international non-governmental organizations operating in Somaliland. Every Local NGO shall at the end of each fiscal year prepare a detailed account of its operation/activities for the previous year. Local NGOs which receive funds/financial assistance directly from donors should report details of such funds and what the funds have been used for in their annual reports.

International NGOs are required to submit semi-annual and annual reports to the Ministry of National Planning. These reports should cover activities accomplished, programs planned but not executed and the activities planned for the rest of the year. The report should also include budgetary details.

The Statistics Law

There is no national statistics law at the present time which requires the MoNPD to produce any kind of statistical figures or obliges citizens and institutions to provide information. Even

ministries are not bound by any law to cooperate with the MoNPD and supply information for the purpose of planning. A law has been drafted to change that. It is with the cabinet for consideration and will go to parliament soon for approval. The law requires the MoNPD to produce designated statistics on: migration, births and deaths, justice, health, education, labour, agriculture, livestock, land use, mining, manufacturing, utilities, transport, trade, capital formation, inflation and output. It makes it criminal to withhold information or provide misleading information when required by the MoNPD for compilation of national statistics, and demands strict confidentiality.

Projects and Programs

During the implementation of NDP 2012-2016, the ministry will undertake the following programs and projects:

- Recruitment and training of staff
- Construction of regional offices and extensions at the Headquarters
- Implementation, monitoring and evaluation of the NDP
- Promotion and fundraising for the NDP
- Development of district, regional and plans
- Implementation and enforcement of the NGO and Statistics laws
- Building the capacity of local NGOs and associations
- Establishment of a national documentation and mapping centre
- Carrying out economic and social research
- Development of national economic and social policies
- Undertaking population and household surveys and census

5.1.3: National Planning and Development Budget and Implementation Matrix

Goal		Realization of Somaliland's National Development									
Strategic Objectives		1. To formulate a participatory and MDG-Based National Development Plan.									
		2. To develop and provide local government Planning guidelines.									
		3. Lead the formulation of regional, district and sector development plans.									
		4. To coordinate the development of a statistical, population, and planning database.									
		5. To mobilize and allocate the National Development Budgetary resources.									
		6. To register, coordinate and monitor the work of local and international non-government organizations in Somaliland.									
No	Programmes	Objectives	Project outputs/outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Development in National Development Planning	Enhance the skills and knowledge of staff	10-12 seminars undertaken 5 Tour Visits undertaken DAD training	SLG and Donors	MoNPD	0.35	0.28	0.2	0.21	0.22	1.26
2	National Development Plan formulation, Monitoring & Evaluation	- To establish National Development Planning goals, priorities & Programs - Resources Mobilisation - Establishment of the National Planning Commission	5-year NDP (2012-2016) produced and implemented - Annual NDP Evaluation Reports produced	"	"	0.24	0.24	0.3	0.12	0.3	1.2
		To print and disseminate the National Development Plan of Somaliland	Somaliland National Development Plan printed and disseminated	"	"	0.05	-	-	-	-	0.05
		To monitor and evaluate the implementation of the National Development Plan and other relevant programs and projects	NDP and other relevant programs and projects regularly monitored and evaluated for ensuring progress	"	"	0.2	0.2	0.2	0.2	0.2	1
3	National Development Planning Policy formulation	Prepare and formulate national development policies	Parliamentary Act for establishment of the National Planning Commission, Statistics Bureau, & Population Commission drafted	"	"	0.24	0.24	0.32	0.32	0.32	1.44
4	Implementation of National Food Security Policy and other policies	To implement essential development promoting policies	- National Food Security Policy Ratified and Implemented - Relevant national development policies implemented through implementation and promotional support	FAO/UNDP /UN agencies	"	0.15	-	-	-	-	0.15

5	Implementation of National development coordination initiatives	To coordinate the execution of national development initiatives implemented in Somaliland	Regular National Development Coordination meetings, workshops and forums conducted	UNDP	"	0.07	0.07	0.07	0.07	0.07	0.35
			Regional Planning Coordinators recruited, Regional Development Committees supported, working infrastructure provided, and capacity built	"	"	0.02	0.02	0.02	0.02	0.02	0.1
			The development of Community Organizations (LNGOs/CBOs) Promoted	EU	"	0.05	0.05	0.05	0.05	0.05	0.25
6	Develop a National Statistics, Planning & Development Information system	- Establish an advanced information system - Enhance capacity to collect, process and analyze planning & development data	- An electronic national data archive established - National statistics and accounts timely produced - Booklets, Pamphlets, Brochures and "Somaliland in figures" produced and shared among key stakeholders	UNDP (HEDU)/	"	0.55	0.55	0.55	0.45	0.38	2.48
			Statistical Software Packages procured (CSPRO, SAS and Devinfo)	UNICEF	"	0.05	-	-	-	-	0.05
7	Implementation of National Surveys, studies and assessments	To generate National Socio-Economic and Population data	National surveys implemented to generate National Socio-Economic and Population data								0
			- Household Survey	UNICEF	"	-	0.51	-	-	-	0.51
			- Labour Force Survey	ILO/UNFPA	"	-	-	0.45	-	-	0.45
			- Industrial, agriculture and livestock Survey	UNIDO/FAO	"	-	-	-	0.4	-	0.4
			- Population census	UNFPA	"	-	-	-	-	2	2
8	Implementation of National Food Security Policy and other policies	To implement essential development promoting policies	Relevant national development policies implemented through implementation and promotional support	UNDP/UN agencies	"	0.05	0.05	0.05	-	-	0.15
9	Infrastructure Development	Upgrading MoNPD Headquarter and rehabilitation/renovation of the Regional Offices	3 rd floor of the MoNPD Headquarters extended	UNICEF	"	0.1	-	-	-	-	0.1
			- Parking and landscape+ Wing extended - Sanaag office rehabilitated 4 New office buildings (Berbera, Burao, Borama and Lasanod) constructed - Office furniture and equipment	TIS	"	0.47	-	-	-	-	0.47

			procured								
			• National Public Policy Research Institute (PPRI) office built	UNICEF	"	0.05	-	-	-	-	0.05
			• 3 Vehicles for the Ministry staff Purchased (2 Land cruisers and one Mini-bus)	UNDP	"	0.08	0.04	-	-	-	0.12
			• Heavy duty scanner purchased for HQ	UNICEF	"	0.01	-	-	-	-	0.01
			• Heavy duty printer inclusive of photocopier procured for HQ	"	"	0.01	-	-	-	-	0.01
			• Plotter supplied to statistics department	"	"	0.01	-	-	-	-	0.01
10	Human Resource Capacity Building for MoNPD	To invigorate the operational capacity of MoNPD	• Qualified professional experts supplied:								0
			- National Development Planner/Project Development Expert /IPPR&MEMO Head	IOM/ UNDP	"	0.04	0.04	0.04	0.04	0.04	0.2
			- Development Economics Expert	"	"	0.04	0.04	0.04	0.04	0.04	0.2
			- Food Security Expert	FAO	"	0.04	0.04	0.04	0.04	0.04	0.2
			- Fund Raising Expert	WB/EU	"	0.04	0.04	0.04	0.04	0.04	0.2
			- National Statistics Expert	UNICEF	"	0.04	0.04	0.04	0.04	0.04	0.2
			- National Surveying Expert	UNFPA	"	0.04	0.04	0.04	0.04	0.04	0.2
			- Monitoring and Evaluation Expert	UNDP	"	0.04	0.04	0.04	0.04	0.04	0.2
			- Community Development Expert	"	"	0.04	0.04	0.04	0.04	0.04	0.2
			- Archiving and Librarian	UNFPA	"	0.02	0.02	0.02	0.02	0.02	0.1
			- Permanent staff incentives	UN agencies	"	0.2	0.2	0.2	0.2	0.2	1
			- Human Resource Development (upgrading permanent staff skills through scholarships)	HEDU of UNDP	"	0.2	0.2	0.2	0.2	0.2	1
Total National Planning Budget						3.49	2.99	2.95	2.58	4.3	16.31

5.1.3. Agriculture Sector

Situation Analysis

The agricultural system in Somaliland is predominantly subsistence in nature. The principal crops are sorghum and maize grown mostly for household consumption. Fruit and horticultural farming, which is relatively small, is mainly commercial. Here, farmers grow most of the time tomatoes, lettuce, onions, peppers, cabbages, oranges, lemons, and papaya. Rain-fed farming accounts for 90% of the total area cultivated, while the area under irrigation constitutes only 10%. The sector is dominated by smallholder farmers who tend small farms ranging from 2 to 30 hectares in area. The size of the average farm is approximately 4 hectares.

Somaliland's agriculture was practically destroyed during the civil war from 1982 to 1991 - agricultural equipment and farmers' property were looted, and infrastructure was devastated. The majority of the farmers fled as refugees to neighbouring countries and returned home only when the conflict ended. Although some recovery has been made in the past 20 years, a lot more remains to be done. During the war, the institutional capacity of the Ministry of Agriculture (MoA) was eroded severely because of the brain drain resulting from the migration of professionals to other countries, looting of assets, and the destruction of ministry's facilities. The reduced capacity of the agricultural sector to produce food for the nation is clearly demonstrated by the following table which shows that the total cultivated area under Sorghum and maize, the two main crops, in 2009 was less than 23,000 hectares, and average yields were only 0.5 tons per hectare.

Table 5.1.13: Crop Production – Maize, Sorghum (2007-2009)

Crops		2007	2008	2009
Maize	Area (HA)	6384	2680	1075
	Production(tons)	4022	1252	330
	Yield(Tonnes/Hectare)	0.6	0.5	0.3
Sorghum	Area (HA)	31179	24750	21870
	Production (tons)	22722	16275	10526
	Yield(Tonnes/ Hectare)	0.7	0.7	0.5
Total	Area (Hectare))	37563	27430	22945
	Production (tons)	26744	17527	10856
	Yield(Tonnes/ Hectare)	0.7	0.6	0.5

Source: Somaliland in figures 2010 and Ministry of Agriculture

Agro-ecological Potential

The main agricultural zones are semi-arid areas with a mean annual rainfall of 300mm. The main rainy season extends from April to September. For cropping purposes, there are two seasons: Gu (April and June) and Karan (late July through September) in the western regions;

and Gu (April and June) and Dayr (September and October) in the eastern regions. The western regions of Somaliland receive the highest amount of rainfall, which can be over 500mm annually and is adequate for supporting the production of some dry-land crops. In Togdheer and Sanaag regions, in the east, agricultural production is carried out mainly under flood irrigation.

Table 5.1.14: Land Suitability Classification for Rain-fed Agriculture in Western Somaliland

Suitability for rain fed agriculture	Area (hectares)	%
Good (400-450mm)	99,000	2.95
Medium (300-400mm)	292,000	8.69
Poor (200-300)	44,000	1.31
Unsuitable (below 200mm)	2,925,000	87.05
Total surveyed Area	3,350,000	100

Source: Master Plan for Reconstruction and Development of SL Agriculture Sector, MoA, 2007

Somaliland's utilization of cultivable land is limited by the low availability of irrigation water. The irrigation potential of western Somaliland is estimated to be 4,000 hectares. Data for the central and eastern parts of the country is not available.

Table 5.1.15: Irrigation potential of western Somaliland

Drainage Basin	Irrigated Area (1980 hectares)	Additional potential (1980 hectares)	Total potential
Sahel	13	None	13
Durdur	284	2000	2,284
Biji	316	610	926
Waheen	176	600	776
Total	789	3,210	3,999

Source: Master Plan for Reconstruction and Development of SL Agriculture Sector, MoA, 2007

Type of Agricultural Systems

a) Agro-pastoral Rain-fed Agriculture

This refers to semi-sedentary agricultural production where maize, sorghum, and other crops are grown in addition to livestock rearing, which involves cattle, sheep, goats and camels. The agro-pastoral system is practiced in the relatively heavy rainfall areas (those receiving around 500 mm annually). Most of the farmers in this category are small holders who earn their livelihoods by selling livestock and raising crops. Currently, commercial production of sorghum and maize grain is limited, and the available amounts of these cereals are used mainly for domestic consumption, while residues are used as livestock feed.

b) Pump-fed Irrigated Agriculture

This system involves the production of fruits and vegetables by small-holders as cash crops. The farms, which range in size from 0.5 to 3 hectares, are irrigated mostly from shallow wells rigged with motorized pumps. There are about 3500-4000 pump-fed, small-holder irrigated farms located along main dry riverbeds. The vegetables grown in these farms include tomatoes, onions, lettuce, pepper, cabbage, beetroot, and carrots; while the major fruits include citrus, mangoes, papaya, guava, pomegranates, and sugar apples. The vegetables and fruits are sold in the main urban centres, often satisfying domestic needs.

c) Spate-irrigated Agriculture

This type of agriculture is primarily fed rain, supplemented with irrigation from the seasonal flood waters of intermittent rivers. Spate irrigators in central Somaliland (e.g. Beer and Oodweyne districts) mainly grow cereals and fodder, while those in Alaybaday, which is located to the south-west of Hargeisa, produce mainly vegetables and fruits.

Contribution of the Agricultural Sector to the National Economy

Agriculture is currently the second most important economic activity in the country, coming after livestock, with up to 20-25% of the population depending on it for their livelihoods. Agriculture is currently an underdeveloped sector; as such, it has a considerable potential, especially for both cereal and horticultural production, and for the creation of employment opportunities, mainly in the rural areas. The majority of Somalilanders (about 85%) are either pastoralists or agro-pastoralists who practice rain-fed farming. Agro-pastoralists typically raise small herds of livestock out of which they sell milk, ghee and live animals. This way, they are able to generate most of the cash they need for purchasing other essential goods such as sugar, vegetables, cooking oil, clothes, and medicines. Some cash is also earned from the sale of surplus grains, especially in good harvest years. Qat, a popular, mild narcotic plant whose leaves are chewed for stimulation, is also grown by some farmers in the western part of the country as a source of cash. In addition to these crops, watermelon has lately emerged as an important source of income for Somaliland's small-holder farmers.

Although the contribution of locally produced grains to the national food grain needs is fairly limited (in fact the country faces a chronic food deficit), the consumption of home-grown maize is becoming popular, while sorghum based bread remains a common breakfast diet.

Irrigated farming accounts for about 10% of the total arable area and supports the livelihoods of about 4,000 farm families. The irrigation sub-sector meets most of the country's fruit and vegetable market demand, especially during the Gu season. It is, however, during the late, dry season (Jilal) and early in the Gu season that owners of irrigated farms make good profits, for the supply to the vegetable and fruit markets is low in this period. The shortfalls are usually filled by imports from neighbouring countries, such as Ethiopia and Somalia. Watermelon is the only fruit crop that is exported successfully to Djibouti.

In addition to farming households, a significant number of people derive their livelihoods from the sector. Although farm families provide about 70% of the labour in rain-fed agriculture, the sector provides employment to people residing in urban centres and, more recently, to refugees from Ethiopia, particularly during the peak labour requirement periods such as harvest time. Irrigated farms provide a more regular source of employment, with an average of labour requirement of one permanent worker per 2 hectares and a further one worker per 1.5 hectares during the peak periods (Master Plan for Reconstruction and Development of SL Agriculture Sector, MoA, 2007).

The agriculture sector also provides employment and income to people involved in the farm produce marketing chain at both whole sale and retail levels. Other beneficiaries are farm inputs providers operating in the sector. The table below displays estimated figures for farm labour and the number of farmers in both rain-fed and irrigated farming systems.

Table 5.1.16: Population Dependent on Farming by Type of Activity

Dependants	Households	Population
Rain-fed farmers	35,000	245,000
Irrigated farm farmers	3,500	35,000
Irrigation farm workers	4,000	28,000
Brokers and retailers for farm produce (women)	800	5,600
Input providers	200	1,400
Total	12,000	315,000

Source: Master Plan for Reconstruction and Development of SL Agriculture Sector, MoA, 2007

Current Performance of Agriculture

Since the introduction of rain-fed farming in the early part of the last century, the agriculture sector increased in terms of both cultivated land and production until the 1970s, when production began to fall. The drop was due to problems caused by a combination of factors: inappropriate farming practices, soil fertility depletion, declining investment, and increased prevalence of pests and diseases. In the late 1970s, the North-West Agricultural Development Project (NWADP) intervened, mainly in the areas of soil and water conservation, the establishment of agricultural extension services, and the provision of clean drinking water for humans and livestock close to farm homesteads. This intervention to some extent improved agricultural productivity and improved standard of living for the people involved. However, these improvements were short lived as the country was plunged into intensified civil war from 1988 to 1992, which resulted in the destruction of the agricultural resources and infrastructure.

During the last one and half decades, the sector has been recovering slowly, and crop production in the rain-fed farming areas has been gradually increasing. However, the enormous impact of the civil war on agricultural infrastructure and support institutions is still affecting development of the sector, resulting in low production and productivity.

Challenges and Opportunities

The agriculture sector of Somaliland faces many constraints and challenges. These include:

a) Inadequate Rainfall

Rainfall, which ranges from 50mm to 500mm p.a. and is characterized by erratic distribution, is the major constraint on agricultural production in Somaliland. This constraint has limited cropping activities in the arable lands of the country, affecting even drought-tolerant cereal crops such as sorghum, which has traditionally been produced in much larger quantities than other cereals. The farmers also try to grow maize, but as it has lower drought resistance, good harvests are assured in only good rainfall years which on average happens only 3 out of every five years.

b) Farm Inputs

Although farm inputs are available to some extent, they are not affordable by the majority of farmers. The quality of imported inputs, such as seed and agro-chemicals, cannot be assured because the Ministry of Agriculture lacks the capacity to inspect products and check for quality standards.

c) Poor Agronomic and Cultural Practices

With respect to rain-fed agriculture, this deficiency pertains to mono-cropping or dual-cropping. Currently, farmers grow mainly two cereal crops, namely sorghum and maize, a practice that contributes to the depletion of soil fertility. Other problems include untimely sowing, lack of seed selection, seed broadcasting, lack of crop rotation, and inadequate weed control.

d) Lack of Appropriate Technology

Farmers lack appropriate technologies matching those used in neighbouring countries. Even where the technology is available, farmers lack the financial means to acquire and apply them. In addition to these shortcomings, farmers lack the knowledge and skills necessary for improving agricultural productivity.

e) Degradation of Agricultural Land through Soil Erosion

Most of the crop land has been subjected to soil erosion partly due to poor farming practices. This problem has been aggravated by a combination of indiscriminate de-forestation, intensive downpours, and overgrazing. The seriousness of the erosion problem is evidenced by the presence of huge gullies around and within many farms.

f) Loss of Farm Labour through Rural-urban Migration

Over the last three to four decades, there has been a great deal of migration by agro-pastoral labour to urban areas, a trend which has resulted in shortage of labour in terms of both quantity and skill. This has been mainly due to:

- Low farm incomes
- Civil strife
- Better opportunities and pay for unskilled labour

g) Inadequate Capital for Rehabilitation of Infrastructure and Procurement of Appropriate Technology

During the civil war, the agro-pastoral sector was devastated. Farm assets, such as equipment and implements as well as irrigation infrastructure were destroyed. Since then, lack of access to financing, inappropriate farming practices, and inadequate institutional support have undermined investment in agriculture and rehabilitation of infrastructure.

h) Poor Marketing Infrastructure and Services

Poor marketing has affected agricultural production and the income of farming families. This is particularly the case in horticulture, which has been impacted by a combination of several factors including: inadequate market information, competition from neighbouring countries, poor feeder roads, lack of marketing organizations, and lack of agro-processing capacity.

i) High Cost of Irrigation

The high cost of irrigation is related to the high cost of fuel, inefficient irrigation methods, and frequent repairs and reconstruction of shallow wells, the main (and in many cases the only) source of water for irrigation.

j) Inadequate Extension Services

The poor performance of the sector is partly due to a lack of extension services. The main weaknesses of the extension service include:

- Few qualified extension staff with a staff-farmer ratio of 1:20,000
- Uncoordinated extension services due to extension workers answerable to different organizations
- Inadequate technical know-how due to limited training and on-the-job skills development
- Lack of capacity within the Ministry of Agriculture to provide effective extension services. This shortcoming, coupled with inadequate incentives and career development opportunities, has resulted in demoralized public extension personnel.

k) Lack of an Effective Food Security Policy to Tackle the Problem of Food Shortage

There is no official food security policy to:

- Increase the availability of food through increased domestic production
- Ensure access to food for food deficit households and
- Strengthen emergency response capabilities

l) Lack of Agricultural Financing Mechanisms

There are no formal agricultural financing arrangements for investment and procurement of farm inputs. Recent surveys have indicated the dire need for a farm credit package. Few farmers who have had access to farm credit from revolving funds have recorded better performance than those without access to such credit.

However, there exist some opportunities that need to be exploited for the development of Somaliland's agriculture sector. These opportunities include the following:

- Existence of irrigation potential for increased production and productivity
- Untapped land and water resources
- Potential for additional arable land that can easily be rehabilitated through soil and water conservation practices for better agricultural performance
- Untapped domestic and export market opportunities, especially for horticultural and cereal crops
- Investment capacity of the Somaliland Diaspora and local business people, especially in the food and agro-processing industry
- Existence of unexploited agricultural development possibilities which have the potential of attracting foreign investors
- Existence of donor support for the sector

Priorities and Strategies

In order to accelerate the development pace of Somaliland's agriculture sector, the NDP's agricultural development strategy will focus on a number of broad priority areas during the five-year Plan period; more specifically, there will be initiatives to:

- build the institutional capacity of the MoA
- formulate an effective food security policy to tackle the food shortage
- increase agricultural production
- improve agricultural support services
- promote sustainable agricultural land, use and management
- improve the coordination of activities carried out within the sector

Institutional Capacity Building

This mainly involves building the capacity of MoA in terms of:

- Development of an appropriate organizational structure
- Upgrading of human resource capacity
- Rehabilitation of the physical infrastructure and provision of equipment
- Development of a sector policy and regulation
- Establishment of an Agriculture Information Management System
- Improvement of agricultural extension services
- Establishment of National Adaptive Research Capacity

Increased Agricultural Production

This calls for the exploitation of the country's existing agricultural potential to boost production by:

- Rehabilitating existing irrigation systems and developing new ones
- Diversifying crops and commercializing the sector
- Increasing the area under cultivation
- Improving agriculture support services

Improvement of Agriculture Support Services

This calls largely for the establishment of a viable marketing system for the sector. A properly functioning marketing system for agricultural products is necessary for the development of the agriculture sector and the economic well being of rural communities. The sector's poor marketing organization is one of the main factors affecting negatively the livelihood status of farm families in Somaliland.

Hence, the following interventions should be undertaken in order to improve agricultural marketing:

- Developing an agriculture marketing policy to create an environment conducive for private sector participation in agro-marketing and investment in agro-processing through the establishment of processing and preservation facilities
- Establishing a marketing information system to supply effective market information to farmers and other market players
- Giving farmers training in post-harvest management of produce to reduce spoilage
- Collaborating with the Ministry of Public Works and local governments which are responsible for improving rural road networks

Promotion of Sustainable Agriculture Resource Use and Management

This initiative is essential for restoring land productivity by promoting effective natural resource management. The important components of this intervention include:

- Protection and rehabilitation of catchment
- Re-forestation through social forestry programs
- Natural resource utilization and management of education and training
- Establishment of community tree nurseries
- Control of grazing through fencing of catchment areas
- Soil and water conservation practices
- Integrated land use planning
- Promotion of agro-forestry technologies
- Initiation of adaptive research

Improved Sector Development Coordination

This implies that development coordination among development partners--including the Government, the agencies of the United Nation, multilateral financial institutions, bilateral donors, and local organizations--is now a priority objective on the international development agenda. This kind of stakeholder coordination in the sector's development efforts would forestall duplication and waste, and would thereby enhance the realization of economic and social development objectives through improved efficiency and cost-effective resource utilization.

Hence, the starting point for these efforts will be the establishment of a common planning and management framework by the MoA and major development partners, where the priority needs of the sector will be collectively agreed upon and funded. The ministry will lobby all development partners to subscribe to this framework and fund identified priority programs. The donor coordination forum chaired by the ministry will be also strengthened.

Policy, Legal, and Institutional Reform

A comprehensive sector policy and appropriate rules and regulations are necessary for creating an environment conducive for the effective participation of stakeholders and for coordinated and sustainable development of the sector. Among other issues, the policies will define the roles of the public and private sectors and other stakeholders in the development of the sector. Other important policy and legal considerations required within the agricultural sector include the need for:

- A National Food security policy to tackle the problems of food shortage and hunger
- A National Agrarian Policy
- Sector coordination, Monitoring and Evaluation

- Land tenure policy
- Food safety policy
- Plant pathology issues such as pesticide importation, distribution, and safe use; plant propagation materials sourcing, quality, safety
- Agricultural investment, marketing and trade
- Agricultural development plans, programs, and projects

Given all these critical issues, the development of an agriculture sector policy and the formulation of sector rules and regulations are important areas of concern under this NDP.

Projects and Programs

The agriculture sector of Somaliland faces many constraints and challenges, which need to be systematically addressed in any attempt to revive the sector. The strengths and opportunities of the sector should be harnessed and developed through coordinated programs and projects to ensure that the sector contributes to food security, poverty reduction, and hence an improved standard of living for the people. To that end, this NDP envisages the following priority programs and projects for the development of the country's agriculture sector during the plan period.

- Institutional capacity building for the MoA
- Knowledge and skills development programs for agricultural staff and personnel
- Development and updating of agricultural sector policy, rules, and regulations
- Increased crop production, including rice growing, and extension services
- Soil conservation and water harvesting
- Disaster Risk Reduction/Drought Cycle Management
- Better local seed production and maintenance
- Rehabilitation and renovation of research centres

5.1.4: Agriculture Sector Budget and Implementation Matrix

	Goal	To ensure food security and sustainable agricultural development									
	Strategic Objectives	To build the institutional capacity of Ministry of Agriculture for effective leadership in Agricultural Development									
		To improve coordination of the sector activities									
		To increase agriculture production and productivity									
		To improve agricultural support services									
		To promote sustainable agricultural resource use and management									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Ministry of Agriculture (MoA)	To build the capacity of Ministry of Agriculture	• The Head Quarter (HQ) Building of MoA in Hargeisa finalized and provided with furniture and equipments	Donors and Somaliland Government	MoA	0.30	-	-	-	-	0.3
			• Three new regional offices constructed in Borama, Lasanod and Berbera towns	"	"	-	0.05	0.10	-	-	0.15
			• Four regional offices in Hargeisa, Erigavo, Burao and Gebile towns rehabilitated	"	"	-	0.04	0.02	0.02	-	0.08
			• Furniture and equipments purchased for 7 regional offices	"	"	0.07	-	-	-	-	0.07
			• 7 field transport vehicles purchased for the Ministry	"	"	-	0.28	-	-	-	0.28
			• ICT system established at HQ, web-site developed and swift connections with regional offices maintained	"	"	-	0.10	-	-	-	0.1
			• A staff Training centre established at HQ	"	"	-	0.10	-	-	-	0.1
			• 10 agricultural experts provided higher education scholarship and trained at Master of Science (M.Sc.) level to serve the Ministry	"	"	-	-	0.50	-	-	0.5
2	Policy development	To develop essential agricultural policies and laws for enhancing	• Two consultants hired and essential agricultural policies,	"	"	-	0.20	-	-	-	0.2

		agricultural development	such as agricultural investment policy, effective food security policy to tackle the food shortage, and address the hunger MDG, and laws developed								
3	Soil conservation and water harvesting	To implement soil conservation and water harvesting practices for boosting agricultural output	Contour bunds, terracing, dams, sand dams, subsurface dams river diversions, canal construction, and farm demarcations etc. conducted	"	"	0.50	1.50	1.50	1.00	0.50	5
4	Rehabilitation and renovation of research centres	To enhance agricultural research capabilities of SL	- Offices laboratories, housing, stores rehabilitated and furniture and equipment purchased - Seed identification, testing, and multiplication conducted - Agricultural Research experts hired	"	"	0.20	0.50	0.50	0.50	0.30	2
5	Crop production and extension programs	To introduce rice farming and promote improved crop production in SL, and provide extension services	Production of cereals, rice and related crops, oil seeds, legumes, data palm, potatoes, etc. introduced and expanded	"	"	0.30	1.50	1.20	1.00	1.00	5
6	Local seed production, maintenance and development	To establish nation local seed production and maintenance capacities	Basic seeds maintenance; seed multiplication, dissemination, and certification activities conducted	"	"	0.10	0.30	0.20	0.20	0.20	1
7	Plant pathology and protection	To treat and control plant diseases for improving agricultural production	- A national plant pathology and protection laboratory built in Hargeisa and supplied with required accessories and equipments 4 mobile plant pathology laboratories established at 4 key regional locations	"	"	-	0.50	-	-	-	0.5
8	National Cadastral Survey program	To conduct a public registry of agricultural lands including details of ownership and value of land for national taxation and other uses	National Cadastral Surveys conducted	"	"	0.50	0.50	0.50	0.50	0.50	2.5
9	Indigenous plants production and	To preserve indigenous plant genetic resources of Somaliland	Production and protection of indigenous plants undertaken	"	"	-	0.20	-	-	-	0.2

	protection										
10	Agricultural Mechanization	To introduce agricultural mechanization in Somaliland of improved food production	6 Agricultural Mechanization units, each possessing 10 machineries, established in 6 major regions of Somaliland	"	"	0.90	0.90	0.90	0.60	0.60	3.9
12	Establishment agricultural storage facilities	To promote improved agricultural storage systems for minimizing post harvest losses	Improved agricultural storage facilities introduced to farming communities	"	"	0.40	0.40	0.40	0.40	0.40	2
13	Establishment of Agricultural Cooperatives and National Agricultural Marketing Corporation	To establish agricultural cooperatives and an Agricultural Marketing Corporation for improving agricultural product marketing in Somaliland	- Agricultural Cooperatives established in farming areas with the consent of farming communities - A National Agricultural Marketing Corporation established in Hargeisa	"	"	0.20	0.01	-	-	-	0.21
Total Agriculture Development Budget						3.47	7.08	5.82	4.22	3.5	24.09

5.1.4. Livestock Sector

Situation Analysis

The economy of Somaliland mainly depends on livestock production, which has historically and culturally been the mainstay of livelihood for the majority of the people. The livestock production system in Somaliland is predominantly pastoral and agro-pastoral, employing over 70% of the population. Livestock production contributes 60% of the GDP and about 85% of foreign export earnings. Livestock is the source of livelihood for pastoralists, contributes to the Government revenues, and provides employment to a wide range of professionals and other service providers. Somaliland has a long history of live animal export to the Arabian Gulf states through Berbera port on the Red Sea. In the past several decades, however, these exports have been disrupted by two embargos imposed by Saudi Arabia due alleged Rift Valley Fever, and Rinderpest infections. The bans have adversely affected the incomes and livelihoods of pastoralist families and the national economy in general for nearly a decade.

In spite of these setbacks, livestock continues to be the major repository of individual and national wealth in Somaliland. The main livestock export markets are in the oil-rich countries of the Arabian Peninsula, Saudi Arabia, in particular. Sheep and goats were exported in the large numbers before the second livestock ban of 2000. During the ban, remittances from abroad became the backbone of Somaliland's economy, contributing up to 35% of the total income. Since the end of the ban, exports of livestock have recovered to become a major economic activity again.

There are several types of livestock production and management systems in Somaliland, depending on a number of factors such as the area, availability of labour, and the sizes and types of livestock raised. However, in general, there are two main production systems: one based on nomadic pastoralism and the other on agro-pastoralism.

Nomadic pastoralism is the system practiced by most of the rural population and revolves around the seasonal migration of herders in continual search of pasture and water. The movement of these pastoralists is often organized and follows a regular pattern in which clan-based groupings have their traditional grazing areas and/or common watering points and temporary camps. In some parts of the country, pastoralists co-habit with farmers to access crop residues for their animals. In other places, the pastoralists take advantage of heavy rains and floods for agricultural purposes, planting crops in areas cleared for the production of forage or grain.

The types of animals kept by nomadic families depend on several factors, including the area inhabited and the availability of labour. Cattle are predominant in the western parts of the country, which receive relatively large amounts of rainfall, while goats, sheep, and camels are bred mainly in the drier eastern, central and northern regions of the country. Most pastoralists prefer to keep mixed species of animals, a strategy which has numerous benefits, including the ability to exploit different rangelands, produce different products, and have different survival

and recovery rates following droughts. When the need arises, pastoralists practice a split herding system in which camels and sometimes goats are separately herded away from the main camps where cattle, some milk camels, and sheep are kept. There is also a strict, clear-cut division of labour among family members, with young men herding camels while cattle and small ruminants are taken care of by women, children, and the elderly.

Agro-pastoralism is a production system which is characterized by the maintenance of a permanent home base in a farming area. There are several different sub-types of this system ranging from farmers owning large herds but keeping only a few resident animals on the farm to small scale-farmers owning only a few animals. This production system was initially practiced in the western farming regions but is now common in all parts of the country, being found even in dry regions; the main reason for this increase in agro-pastoralism is that traditional nomads can no longer rely on livestock alone for their livelihood, given the fact that pasture land has over the years diminished and deteriorated. In this system, split herding based on a division of labour is a common practice, as part of the family moves with most of the herd, while the other family members remain on the farm to cultivate crops; few lactating animals are also usually left behind.

According to Somaliland in Figures (Ministry of National Planning and Development), there were 18,570,000 head of livestock in the country as a whole in 2009 (Table 4). But such a figure could be only a rough estimate. The country's international boundaries are fairly porous and considerable internal and cross border movement takes place in certain seasons. Stock routes along the western border of the country move in waves into Ethiopia at the beginning of the main rainy season in April and return to Somaliland at the start of the dry season in September. Animals normally stationed along the coast move inland at the start of the rains and head back to the coast again in December.

Table 5.1.17: Livestock Population in Somaliland

	Animal Species in thousands (000)				
Year	Goats	Sheep	Camels	Cattle	Total
2005	7,341	7,906	1,578	373	17,198
2006	7,517	8,041	1,596	378	17,532
2007	7,698	8,178	1,614	384	17,873
2008	7,883	8,317	1,630	389	18,219
2009	8,072	8,458	1,646	394	18,570

Source: Ministry of Livestock

Challenges and Opportunities

The major challenges faced by the livestock sector in Somaliland can be categorized under four clusters, namely, natural constraints, institutional weaknesses, lack of infrastructure, and financial constraints, as shown below:

- **Natural Constraints**
 - Livestock diseases
 - Range degradation and improper range and land use
 - Insufficient and irregular rainfall
- **Institutional Weaknesses**
 - Weak institutional framework and lack of central coordination
 - Weak law enforcement
- **Lack of Adequate Livestock Services and Infrastructure**
 - Lack of adequate infrastructure for livestock exports
 - Poor and inadequate laboratory facilities
 - Lack of livestock health infrastructure and services
 - Limited qualified human resource in the sector
- **Financial Constraints**
 - Very low government budgetary allocations for livestock
 - Donor funds oriented only towards relief and emergency and not towards development
 - Absence of private sector investments

As a result of these constraints, the livestock production system is characterized by poor productivity performances and very low incomes for pastoralist herders. With increasing population, this situation often leads to a rise in poverty levels in pastoral areas, and ultimately causes increased migration to urban centres with very limited employment opportunities.

However, there are opportunities for raising the income and productivity of the sector and for diversification and investment presented by:

- Increasing demand for organic livestock and animal products
- Increasing demand for camel meat and milk for health purposes
- New markets for meat products emerging in the fast developing economies in the East (India, China, Malaysia etc.)
- Potential investment in dairy and poultry farming. In 2010 the country imported 4,423 MT of powder milk; 4,782 MT of fresh milk; 1,204 MT of butter ghee; 11 MT of frozen chicken and 178,000 dozens of eggs
- Increasing productivity through improved husbandry and land management systems

Priorities and Strategies

The priorities and strategies pursued in this National Development Plan aim at tackling the major obstacles hampering the development of the livestock sector. The guiding principles for the implementation of these strategies in the next five years are:

- Consultation
- Participation
- Interaction
- Inclusiveness and consensus building
- Transparency

These principles will ensure that the interventions prioritized in this NDP are appropriate, effective and owned by the pastoral and agro-pastoral communities of Somaliland who are the direct beneficiaries.

These intervention and investment priorities include the following:

- Strengthening the sector's institutional capacity in terms of infrastructure, equipment, and human resource development
- Introducing extension programs for livestock development
- Improvement of veterinary service delivery systems through prevention and control of major livestock diseases in Somaliland's ecosystems
- Improved animal breeding and husbandry practices
- Enhancing livestock exporting systems with infrastructure and support service delivery
- Strengthening monitoring and evaluation operations on project and program results and impacts

Policy, Legal, and Institutional Reform

Somaliland formulated a livestock policy in 2007 in order to provide favourable conditions for the development of the livestock sector in the country. The National Livestock Policy, which is currently operational, was set to promote livestock development for a 10 year period (2007-2016).

The policy is designed to fill in important livestock development gaps and to provide a way forward for the improvement of the livestock sector. It addresses constraints in the livestock sector and is in compliance with local, regional, and international obligations in matters related to animal health and livestock trade. The strategies proposed in this policy document take the following regulatory framework and policy guidelines into consideration:

- A national veterinary code and other relevant laws
- An OIE (World Organization for Animal Health) terrestrial animal health code

- AU/IBAR (Inter African Bureau of Animal Resources) recommendations for disease control policies and strategies for East African countries
- FAO/IAEA (International Atomic Energy Agency) recommendations on accreditation for the purpose of sanitary measures of inspection and certification protocols and procedures of implementation for the export and import of livestock and livestock products, and
- A joint Needs Assessment (WB/UN/SLG/JNA) (2006) report. The report described the livestock sector development needs towards attainment of the Millennium Development Goals (MDG) by the year 2015.

The National Livestock Policy of Somaliland, hence, emphasizes:

- Improvement of animal health delivery and diagnostic services to protect the national herd
- Improvement of veterinary public health services to protect and safeguard consumers locally and internationally
- Maximization and commercialization of animal production where possible to meet income demands of the producers and the national nutritional requirements
- Promotion of trade in livestock and livestock products
- Promotion of research, professional development, and capacity building in (both public and private) institutions for effective service delivery

Projects and Programs

The livestock sector component of the five-year National Development Plan envisages the initiation and implementation of the programs and projects and summarized below.

Key Projects/Programs of the Livestock Sector (2012 -2016)

- Strengthening and enhancing institutional capacity of the sector in terms of infrastructure, service facilities and human development
- Improving the overall efficiency and effectiveness of the performance of Veterinary service delivery systems at national, regional and local levels with regard to:
 - Disease diagnostic capacity
 - Prevention and control of epizootic and endemic livestock (PPR, CCPP, FMD, POX) tick born diseases and Helmenthiasis
 - Epidemiological information and data management, and
 - Partnership linkages at all levels (as pilot projects)
- Introducing appropriate methodologies for the production of improved cattle breeds and promoting community understanding of the importance of investing in commercial livestock projects, like cattle and poultry farms through:
 - Extension services

- Community skills training program and workshops
- Provision of inputs and technical services

5.1.5: Livestock Sector Budget and Implementation Matrix

	Goal	Enhanced livestock production systems that contribute to sustained economic growth									
	Strategic Objectives	To build and strengthen the institutional capacity of the Ministry									
		To increase Livestock Productivity									
		To eradicate major livestock diseases									
		To improve livestock marketing infrastructure and increase livestock export earnings									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Strengthening institutional capacity of Ministry of Livestock, Environment and Pastoral Development (MoLEPD)	To strengthen and improve the institutional capacity of Ministry of livestock	• 32 administrative offices constructed in 13 regions and furniture and equipment supplied	Donors and Somaliland Government (SLG)	MoLEPD	0.62	0.62	-		0.67	1.91
			• Construction of Ministry's Head quarter office in Hargeisa	"	"	-	0.30	-	-	-	0.3
			• 30 Seminars/workshop and trainings organized for government staff every year	"	"	0.15	0.15	0.15	0.15	0.15	0.75
			• 10 veterinary health doctors trained each year for specific diseases			0.2	0.2	0.2	0.2	0.2	1
			• 10 veterinary health assistants trained each year for specific diseases			0.2	0.2	0.2	0.2	0.2	1
			• 10 animal production assistants trained each year			0.2	0.2	0.2	0.2	0.2	1
			• ICT system installed at Ministry's Head Office	"	"	-	0.10	0.20	-	-	0.3
			• 13 cars purchased to provide transport services and other logistic supports to 13 regional offices (3 cars every year and one car in year 2015)	"	"	0.15	0.15	0.15	0.15	0.05	0.65
			• Cold chain system established for 13 regions (structures and equipments) (for 3 regions every year and for one region in year 2015)	"	"	0.01	0.01	0.01	0.01	0.00	0.04
			• Existing policies reviewed and	"	"	-	0.10	-	-	-	0.1

			essential new ones developed								
2	Improvement of vet service delivery systems through prevention and control mechanism of major livestock diseases in SL ecosystems (PPR, CCPP, BOX, FMD)	To enhance the technical quality and availability of veterinary services and improve livestock health and livestock productivity	• Vaccination against major diseases carried out • Mobile veterinary health clinics established in six regions • Capacity of national diagnostic lab enhanced & operationalized; 3 regional labs established • Research and vaccine production Institute established • 2 mini-livestock disease laboratories constructed in Burao and Erigavo	"	"	1.00	1.00	1.00	1.00	1.00	5
						-	0.3	-	-	-	0.3
				"	"	-	0.20	0.20	0.20	0.20	0.8
				"	"	-	-	0.50	0.50	-	1
						-	0.06	-	-	-	0.06
3	Introducing the extension program for livestock development	To promote fodder bank establishment and development during dry seasons for cattle survival; and upgrading community perception of dairy farms through awareness raising programs and extension services at target areas	• 20 sites of fodder banks established and cattle areas conservation supported with community training • Cattle dairy and poultry farms established • Technical support for existing private livestock projects provided • Cattle nutrition and production improved through awareness programs • Livestock feed processing plant established • Livestock feed -stuff laboratory established	"	"	0.11	0.07	0.05	0.03	0.07	0.33
				"	"	0.20	0.20	0.20	0.20	0.20	1
						-	-	0.3	-	-	0.3
						-	-	0.06	-	-	0.06
4	Enhancing livestock exporting systems with infrastructure and support service delivery infrastructure	To improve and increase livestock export earnings for the herders and the country	• Eight livestock holding grounds constructed for improving livestock marking systems (including the Aroori and Qoladay holding grounds, and the reconstruction of the livestock holding ground in Sool Region) • Livestock market clinics established in Hargeisa, Burao and Erigavo • 5 loading and unloading facilities constructed in Hargeisa, Burao and Berbera	"	"	-	0.24	0.24	0.24	0.24	0.96
						-	-	0.05	-	-	0.05
						-	-	0.1	-	-	0.1

5	Improving conditions for livestock market places and slaughter houses at all regions, and livestock export promotion	To improve the livestock marketing infrastructures for enhancing the livelihoods of livestock herders and pastoralists through improved income	Loading and unloading structures, shade and fence established for 13 market places in 13 regions (3 markets each year and one market in 2015)	"	"	0.60	0.60	0.60	0.60	0.20	2.6
			Hygiene and sanitation improved for abattoirs in (2) regions	"	"	-	0.30	0.10	0.10	0.10	0.6
			Livestock export promoted and a National Livestock Marketing Agency established	"	"	-	0.30	0.10	0.10	0.10	0.6
6	Training of Community Animal Health Workers (CAHWs)	To train CAHWs for providing door to door animal health services to pastoralists	600 new and existing CAHWs provided with new trainings and refresher trainings in animal health services	"	"	0.60	0.60	0.60	0.60	0.60	3
7	To achieve risk free livestock	To reduce the risk of trans-boundary diseases	25 stockyards established alongside the border			0.05	0.05	0.05	0.05	0.05	0.25
			Tick-spraying stations established in stock roots			0.04	-	-	-	-	0.04
8	To reduce livestock destructive diseases	Vaccination and treatment conducted from village to village	Vaccines and drugs imported			0.30	0.30	0.30	0.30	0.30	1.5
9	Monitoring and evaluation per year	To enhance the contribution of the livestock sector to the country through regular M&E activities on projects / programs	Projects and programs designed for livestock development regularly monitored and evaluated for improved performance	"	"	0.05	0.04	0.05	0.05	0.05	0.24
Total Livestock Development Budget						4.48	5.99	5.51	4.78	4.48	25.24

5.1.5. Fishery Sector

Situation Analysis

Somaliland has a coastal line that stretches up to 850 Km along the Red Sea on the Gulf of Aden. But the fisheries sector has been historically small compared to the pastoral and agro-pastoral systems which have traditionally constituted the economic backbone of the country. A very small number of Somaliland's population is engaged in fishing for livelihood, and the majority of these are limited to small-scale artisan fishing. They operate from 10 coastal settlements on a permanent basis and use about 450- 500 small vessels of which roughly two-third is motorized and the remaining one-third are canoes. The sizes of the boats range from 6.4 to 8.5 meters in length. The size of the available vessels is one of the limiting factors to reach offshore resources and prevents fishermen from fishing during certain seasons of the year when the seas are rough. Traditionally, this sector uses gillnets, hooks for large fish and shark, hand-lines, and to a lesser extent, traps and seine nets. The main commercial fish normally landed by artisan fishermen comprise of many demersal and pelagic species. The most important groups include the following families:

1. SERRANIDAE: Groupers, Sea basses, Rock cod, Hinds, Combers, Coral trout, lyretails and Soap fish.
2. CARANGIDAE: Jacks, Trevallies, Scads, Queen Fish, Runners and Pompos.
3. LUTJANIDAE: Snappers, Job fish.
4. HAEMULLIDAE: Grunts, Sweet lips, Rubber lips and Hot lips.
5. LETHRINIDAE: Emperors, Breams, Pig face, and Large eye breams.
6. MULLIDAE: Goat fish.
7. SCOMBRIDAE: Albacores, Bonitos, Kawa kawa, Mackerels, Tuna and Waho.

The coral reef on the coast of Somaliland is also a habitat for other non-traditional marine resources, such as Molluscs and Crustaceans. Though, the commercial viability of these resources is not known, giant clams, abalones and mussels are known to be found.

Artisan fishermen around Berbera and Karin supply local urban markets in Burao, Hargeisa, and Berbera through several small fishing companies which sell up to 90 MT per month in these markets.

The Las Qorey Tuna Canning factory in the east is the only fish processing plant in the country. It constitutes the largest available market for artisan fishermen in that area. Since the plant started its operations in 2001, more than half of the boats and fishermen in Somaliland work for it. During the nine months that small boats can safely go out to sea, the plant operates at full capacity and processes up to 16 tons of fresh tuna per day, averaging an estimated 4320 tons per year.

The Ministry of Fisheries and Marine Resources is mainly responsible for the fishing sector. The main functions of the ministry are as summarized below. They are:

- Safe-guarding and development of marine resources
- Undertaking research programs in order to assess fish stock and establishing the maximum sustainable yield (MSY) that can be harvested
- Formulation of policies and strategies for fishery development as well as conservation of bio-diversity and marine habitats
- Formulation of legislation for the industry
- Development of skilled manpower/personnel
- Development of a system for the monitoring, control, and surveillance of marine resources , and establishment of cooperation and coordination mechanisms for marine resource management programs
- Development of ports along the entire coast

Challenges and Opportunities

The challenges faced by the sector can be summarized as follows:

- Lack of natural shelters, protected anchorages, and landing sites for fishermen. Somaliland has a relatively straight coastline
- Unusually strong currents and a lack of maintenance tend to ruin fishing facilities. Unfavourable climatic and oceanographic conditions and shifting winds cause unpredictable currents and waves, which pose a constant threat to the fishing fleet
- Prevailing high temperatures throughout the year, high humidity, and difficulty in accessing the richest fishing areas reduce the chances of catching and selling fish
- Scarcity of ice and lack of freezing and cold storage facilities limit the opportunities for fishing along the entire coast
- Lack of experience in the maintenance of boat engines and hulls by traditional fishermen
- Scarcity of appropriate workshops with qualified technicians and the absence of local shops selling engine spare parts and nets have combined together to curtail the smooth running of the fishing activities. The spare parts which can be secured are usually over-priced, and a great deal of time is lost in waiting for their delivery, leaving many vessels idle for long periods of time
- Lack of statistical data, which could form the basis for private sector investment. Although the Ministry of Fisheries and Ports Management is responsible for data collection, very little has been achieved in this area. Progress has been thwarted by lack of qualified personnel and basic equipment for data collection within the ministry. It is difficult to manage resources properly in the absence of accurate information on the sizes and dynamics of stocks and on the environment in which they thrive.
- Lack of useable coastal roads, high temperatures, and inadequate on-shore infrastructures are also among the main problems restricting the production, processing, and marketing opportunities or artisan fishermen.

- The narrowness of the continental shelf and the predominantly rocky coralline bottom limits trawling potential to a few areas

Since 1994, Somaliland has received some external assistance, which has enabled artisan fishermen in Berbera and Zeila to resume fishing activities, but the impact of that assistance has been fairly small in comparison to the sector's considerable challenges. Two ice-generating fishing centres have been rehabilitated in Zeila and Berbera, but the amount of ice produced by these centres is not enough to cover the needs of the fishing fleet. The shortage of ice is particularly serious in Berbera, where the ice centre is closed.

Despite the obstacles and the constraints it faces, the sector has huge potential for development. Studies show an annual potential sustainable catch of 40,000 MT/year of mixed species. This far exceeds demand for local consumption and presents great opportunities for export to the 80 million Ethiopian markets next door, and the lucrative oil rich Middle Eastern market just across the Red Sea.

Priorities and Strategies

The fisheries sector is one of the least developed economic sectors, but the government is committed to developing the sector to its full potential which is enormous. It will create a policy framework conducive to private investment, and public/private partnerships, and will establish the necessary infrastructure by pursuing the following priorities and strategies:

- Formulating sector policies and rules
- Maximizing the output of the sector in order to raise the income levels of local fishermen
- Creating employment opportunities in the fisheries sector
- Earning more foreign exchange through the export of fish products
- Increasing consumption of fish in the local market
- Establishing websites exclusively created for fisheries
- Establishing marine colleges and training centres
- Establishing a fisheries research Institute
- Procuring a research vessel, cold chain facilities, and a fish market
- Establishing fish processing and canning factories & fish farming and aquaculture facilities
- Developing local fishing ports
- Protecting the marine environment and resources
- Establishing fish restocking programs and promoting the sea food industry
- Establishing a fishing industry finance corporation and a fishing gear company
- Establishing fishing cooperatives
- Conducting fishing industry conferences

Policy, Legal, and Institutional Reform

In September 1995, the SLG passed the Law on Fisheries to deal with matter of jurisdiction over Somaliland's maritime zone, resource management, licensing, and penalties. To strengthen the Law on Fisheries, the Coastal and Marine Resource Policy of Somaliland was approved at the end of 2000. The policy provides a clear vision for the development of marine resources and the conservation of marine biodiversity. Additional policies, legal and institutional reforms that will be considered are as summarized under:

- Developing an adequate institutional framework to deal with private sector investment
- Formulating and implementing joint-venture agreements suitable for attracting foreign partners to participate in fisheries investment on a commercial basis
- Upgrading existing legal framework and formulating other relevant legislation to enhance sector development
- Reviewing the fishery policies and guidelines

Programs and Projects

The Ministry of Fisheries and Marine Resources has identified the following programs and projects for implementation during the 5-year National Development Plan period:

- Rehabilitation of the existing fishing fleet
- Addition of new boats to the existing fleet
- Provision of sufficient fishing gear and accessories
- Improvement of fish handling and processing facilities and techniques
- Development of both internal and external market outlets
- Promotion of research and training of personnel
- Renovation of the ministry headquarters building and regional premises
- Procurement of transport vehicles and tow trucks
- Reorganization and capacity building of existing fishing associations
- Revision and drafting of standard fisheries laws and procedures
- Registration of fisheries associations and fishing companies
- Capacity building of the ministry's staff and local fishermen
- Semi-annual surveys to identify coastal fishing locations
- Conducting of coastal surveillance to combat fishing piracy
- Strengthening of the capacity of fisheries and marine studies college in Berbera
- Carrying out rapid stock assessment surveys
- Rehabilitation of Maid port jetty
- Development of Las Qoray Port
- Establishment of two cold storage facilities (20ton)
- Establishment of two ice makers
- Monitoring of fish stock

5.1.6: Fisheries Sector Budget and Implementation Matrix

	Goal	To enhance sustained utilization of fish and marine resources of Somaliland									
	Strategic Objectives	To establish the legal framework for the fishery sector									
		To build the capacity of local authorities and communities for ensuring sustained use of fish and marine resources									
		To improve the fish sector performance and its national economic contribution									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Revision and drafting of standard fisheries law and procedures	To strengthen legal fish infrastructures	Fishery laws and procedures including Marine Environmental Law and Fish Quality Control Law Developed	Donors and Somaliland Government	Ministry of Fisheries and Marine Resources (MoFMR)	0.01	-	-	-	-	0.01
2	Registration of fisheries companies and fishing vessels	To strengthen legal fishing infrastructures	Fishing companies and fishing boats in SL fully registered	"	"	0.005	-	-	-	-	0.005
3	Trainings for MoFMR staff, fishermen, private fishing companies and coastal communities	To improve and upgrade the institutional capacities of MoFMR and private fishers	- Staff of MoFMR trained in data collection and processing, fisheries management, and fish processing, handling and marketing - Fishermen trained in fishing methods, fishing gears, fishing handling, and boat and gear repairs	"	"	0.03	0.03	0.02	-	-	0.08
4	Monitoring of fish stock (data collection)	To monitor the output of fish resource so as not to endanger stock biomass	Daily catches of fish recorded systematically both on-shore and offshore	"	"	0.016	0.016	0.016	0.016	0.016	0.08
5	Establishment of MoFMR's website, promotion of sea food and fish markets	To improve information flow for MoFMR	- MoFMR website functioning - Radio programs prepared for promoting sea food	"	"	0.01	0.01	0.01	0.01	0.01	0.05
6	Fishing communities and fishing infrastructure survey	To collect information on all fishing fleet and manpower	Survey report document	"	"	0.5	-	-	-	-	0.5
7	Coastal surveillance & fighting piracy	To safeguard Somaliland's coastal areas	Periodic coastal surveillance conducted	"	"	0.02	0.02	0.02	0.02	0.02	0.1
8	Rehabilitation/ reactivation of existing	To improve and upgrade the institutional capacities	95 of the existing fleets rehabilitated	"	"	-	0.285	0.15	-	-	0.435

	fleets	of MoFMR									
9	Reorganization & capacity building of existing fishing associations	To improve and upgrade the institutional capacity of fishing associations	Fishing Associations established and strengthened	"	"	-	0.05	0.05	0.02	0.02	0.14
10	Strengthening the capacities of four fisheries and marine studies vocational training centres at four locations (2 centres year II)	To improve and upgrade the institutional capacity of vocational training centres	4 fisheries and marine studies vocational training centres supported	"	"	0.05	0.1	0.05	0.025	0.025	0.25
11	Rapid stock assessment survey	To obtain preliminary data on the size of fish stock	Stock surveys carried out	"	"	0.75	-	-	-	0.75	1.5
12	Rehabilitation of four jetties at Maid, Berbera, Zaila and Las Qorey	To improve conditions of existing fishing facilities	4 Jetties Rehabilitated	"	"	0.2	0.2	0.2	0.2	0.2	1
13	Establishment of four cold stores (20ton)	To upgrade the institutional capacity of the fishery sector	4 Cold Storage Facilities Established	"	"	-	0.15	-	0.15	-	0.3
14	Establishment of four ice makers	To upgrade the institutional capacity of the fishery sector	4 Ice Makers Established	"	"	0.18	0.18	0.18	0.18	0.18	0.9
15	Supply of four collector vessels	To upgrade the institutional capacity of the fishery sector	4 Collector Vessels Supplied	"	"	-	0.1	0.1	0.1	0.1	0.4
16	Conservation of Marine environment at five sites with the supply of five boats	To conserve the marine environment and protect depletion	5 boats supplied to five sites to conserve the marine environment	"	"	0.03	0.03	0.015	-	-	0.075
	Total Fisheries Development Budget					1.801	1.171	0.811	0.721	1.321	5.825

5.1.6. Industry, Commerce, and Tourism Sector

Situation Analysis

Small, family-owned retail businesses, peddlers, and street vendors dominate the commercial and retail trade in Somaliland. The sector is highly competitive and is characterized by complex institutional arrangements and practices. It is, however, beset with inadequate financial resourcing, a problem which hinders its development and prevents it from realizing its potential. The Government intends to put in place measures to create opportunities for investment in small scale businesses and industries that use local inputs, such as livestock feed processing plants, leather tanning industries, and small-scale abattoirs etc. It will encourage entrepreneurship and create an environment conducive to domestic and foreign investment, and the development of environmentally and culturally friendly tourism.

Somaliland has been a trading nation historically because of its location at the crossroads between Europe, the Middle East and Asia. Its main trading partners are Saudi Arabia, UAE, Yemen, Ethiopia, China, Pakistan, India, Kenya, Brazil, Thailand and Malaysia. The primary exports of the country are livestock, gums (frankincense), hides and skins, while imports are predominantly food, fuel, and manufactured goods. The trade figures for 2005-2009 are as provided in the table below:

Table 5.1.18: Trade – Exports and Imports through Berbera (2005-2009)

	2005	2006	2007	2008	2009
Exports					
Livestock(animals)	1,183,225	1,321,107	1,452,442	1,332,077	1,675,410
Gums (MT)	723	423	615	884	N/A
Hides &skins (pieces)	3,123,723	2,090,620	2,609,375	4,041,121	3,522,565
Imports					
Food items (MT)	403,115	314,178	373,901	385,766	440,968
Non-food items (MT)	274,520	282,364	181,250	293,692	358,404

Source: Somaliland in figures 2010

The strategic location of Berbera Port on the Red Sea makes it ideal as the port of entry for the land locked East African countries including Ethiopia, Uganda and Southern Sudan. The port is not currently equipped to handle the heavy traffic it will have to accommodate as a major transit and terminal port. But there is scope for expansion and the establishment of free zones. Once established, the free zones have the potential of becoming major industrial, commercial, financial, and trans-shipment hubs for the entire region. The target industries would include light manufacturing and assembly, and support operations such as packaging. The expansion of the port and establishment of the free zones require heavy investment beyond the means of the state. Foreign investors will have to be lured to invest in the development of the port. Investor incentives in place at the present time include the following:

Table 5.1.19: Foreign Investment incentives In Somaliland

Guarantee for Foreign investment	• Foreign investment enterprises shall receive the same favourable treatment as domestic enterprise • Foreign investment shall not be expropriated except where public interest cannot be satisfied other than expropriation, in which case, compensation shall be made
Tax incentives	• Foreign investment shall not pay tax on profits for the first three years, after which it shall be entitled to 50% reduction on tax on profit • Machinery, equipment and material shall be exempt from import tax
Facilities for Foreign personnel	• The Board shall ensure that immigration authorities facilitate the granting of entry permits and residence visas to foreign personnel • Foreign personnel may freely transfer up to 50% of their salaries, wages, gratuities, and allowances paid in Somaliland.
Reinvestment of profits	• Profits may be reinvested in the registered enterprise in which case, the Board shall be notified. The Board shall register amount reinvested in the 'Certificate of foreign investment registered'. • The investor shall submit a new application if they want to invest in an enterprise other than the one registered
Repatriation of capital and profits	• Profits from registered enterprises may be freely repatriated. In case only part of the profit is repatriated, the remaining can be repatriated in any year following. • Original investment plus profit reinvested shall be freely transferable after three years from the date of registration • The transfer of capital shall be affected in original currency in physical equipment and material

To enhance the package on offer, the government shall consider further incentives such as:

- Tax credit on import substitutions
- Exemption from wharfage dues, export taxes, and import fees
- Tax deduction for training expenses
- Simplified import-export procedures

Challenges and Opportunities

Somaliland's commercial and industrial development is constrained by several factors including:

- *A small population base*
- *Underdeveloped infrastructure*
- *Lack of financial institutions*

- *A small population base of only 3.5 million people*

To expand the scope of its economic base, the Government is pursuing a free market, open-door policy in the management of the economy. Domestically, the aim is to create an environment where the country's development is determined by the availability of both human and capital resources, and not limited by unnecessary market restrictions. With respect to the external side, the Government is keen to negotiate with Ethiopia the possibility of entering into an agreement on a customs union. Ethiopia, a land-locked country with a population of over 80 million, is a potential market for Somaliland goods and services. Somaliland's comparative advantage can be improved with foreign investment. But the two countries will have to address, before hand, the need for a common core of macroeconomic, monetary and fiscal policies.

The SLG is also in the process of seeking participation in regional and international economic integration and cooperation schemes such the East African Community, COMESA, and ACP-EU.

- ***Underdeveloped infrastructure particularly the utilities sector***

This shortcoming can be rectified through the introduction of a "Build Operate & Transfer (BOT) laws". In the BOT framework the government delegates to a private investor to design and build infrastructure and to operate and maintain these facilities for a certain period. During this period the private party has the responsibility to raise the finances for the project and is entitled to retain all revenues generated by the project but is not the owner of the regarded facility. BOT has played a major role in Asian privatization and development programs. BOT may cover the following areas:

- Transportation systems (highways)
- Public utilities, power generation, and water supply
- Fuel depots and terminal facilities
- Port and airport infrastructures
- Cement factory

To bring the free zone and BOT projects to fruition, the government will establish Somaliland Free Zone Authority (SFA), and Somaliland Investment Board (SBI).

- ***Lack of financial institutions. Somaliland has no commercial or investment banks***

Financial intermediaries are essential to encouraging and pooling national savings, and pulling in international capital, to be put to productive use by local entrepreneurs. Industrial establishments and medium and large enterprises cannot develop and function without access to capital and credit. To address this problem, the government will provide the necessary legal and policy framework to encourage the formation of indigenous financial institutions and establishment of foreign banks.

Priorities and Strategies

The government is committed to addressing the above constraints, and will focus during NDP period on the following priorities:

- ***Industry Priorities***

- Formulating an industrial policy and strategy
- Establishing industrial associations
- Establishing industrial zones in all regions
- Promoting import substitution industrialization
- Establishing industry incubators
- Encouraging export-oriented industries

- ***Investment Priorities***

- Improving the investment and business climate
- Enhancing support for micro, small and medium enterprises (MSMEs)
- Investing in research and development
- Facilitating access to venture capital

- ***Trade Priorities***

- Expanding and diversifying domestic and export trade
- Finalizing the National Trade Policy
- Promoting e-trade
- Expanding and strengthening Public-Private Partnerships (PPPs)
- Establishing a trade and investment information sharing system
- Providing entrepreneurial skills for MSMEs
- Improving the business and investment climate
- Developing an integrated data base on trade in goods and services
- Aggressively promoting trade in services
- Establishing trade exhibition centres
- Initiating trade exhibition road-shows (national and international)
- Creating online trade databases, bulletins, and enquiries
- Developing a direct foreign investment policy
- Formulating a public-private partnership policy
- Establishing a research and development institute

- ***Tourism priorities***

At the present time, tourism in Somaliland is mainly limited to the Somaliland Diaspora with large numbers visiting the country during the summer holidays. They usually bring their

children to the country in order to maintain cultural ties with their homeland. During this peak period, the hotel and travel sector businesses get a boost. Occupancy rates of hotels and furnished apartments rise significantly. These activities contribute a lot to the economic health of the country.

Non-Diaspora tourism is very limited but has the potential to grow significantly. Somaliland is home to one of the most interesting attractions in the Horn of Africa, the Laas Geel cave paintings. Currently, a small number of tourists travel to the region to visit this site. The paintings are situated near Hargeisa and were discovered by a French archaeological team in 2002. The country has also pristine beaches along its long coast on the Red Sea; beautiful coral reefs, unique archaeological sites; rare birds and mammals; stunning mountain ranges, and year round sunny warm climate. These are attractions that could lure hundreds of thousands of tourists from around the world each year. To turn that potential into reality, the government's priorities and strategies for the tourist industry for the coming five years include:

- Formulating and developing appropriate policies, legal, and regulatory frameworks
- Developing and passing a National Wildlife Act
- Establishing tourism training institute
- Developing marketing tools aimed at making Somaliland a preferred destination
- Diversifying tourism products and destinations
- Supporting the development of local tourist enterprises
- Developing tourism infrastructures and amenities
- Enhancing the security of tourists and tourist destinations

Policy, Legal, and Institutional Reform

During the five-year NDP plan, the government will:

- Strengthen the policy, legal, and regulatory framework of the sector
- Formulate and implement policies relating to micro, small, medium, and large enterprises
- Develop and implement commercial laws and regulations
- Formulate and implement policies on Public-Private Partnerships
- Harmonize licensing policies and practices
- Formulate a Tourism Master Plan and a Tourism Policy
- Formulate wildlife policies and regulations (for hunting, ecotourism, ranching, etc.)
- Draft, pass, and implement laws governing important historical sites, artefacts, and museums
- Develop and implement quality control framework for the tourist industry

Programs and Projects

The major projects and programs to be implemented within the industry, commerce, and tourism sector under the current NDP include:

- Revising and drafting business laws and policies
- Enhancing export market access for the industrial and commercial products of the country
- Building the capacities of the Ministry of Industry, Commerce, and Tourism (MoICT)
- Conducting industrial assessment
- Establishing industrial zones
- Promoting tourist and archaeological initiatives
- Establishing training and research institutions

5.1.7: Industry, Commerce and Tourism Sector Budget and Implementation Matrix

	Goal	To achieve safer and effective industrial, commercial and tourism development for enhancing national economic growth									
	Strategic Objectives	To establish a regulatory framework for industrial enterprises for enhancing safe and effective industrial growth									
		To promote the establishment of small and medium size enterprises for contributing to economic growth									
		To enhance internal and external trade for increased national income and improved social well-being									
		To promote the establishment of infrastructure to enhance the tourism sub-sector for the benefit of the country									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building and infrastructure	To build the capacity of Ministry of Industry, Commerce and Tourism (MoICT) and strengthen the private sector	- MoICT staff trained in data collection & statistics of commodities; the skills of industrial labour updated; and commercial staff knowledge upgraded to master degree level (abroad) - Transport vehicles purchased - A staff training, an industrial data collection, and an archaeology resource centres built - Regional offices of MoICT constructed at regional capitals, and the required furniture and equipments provided - Private sector businesspeople trained in business management, accounting, marketing, public relations, business laws, etc.	Donors and Somaliland Government	MoICT	0.4	0.4	0.4	0.4	0.4	2
			ICT and data base systems established at HQ and regional offices, web-site developed and swift connections with regional offices maintained	"	"	-	0.05	-	-	-	0.05
2	Policy development	To develop appropriate industrial, business and tourism policies and laws for the proper growth of the sectors	- Consultants hired, and commercial, industrial, tourism and archaeological policies developed and implemented - Trade act; frankincense and gums commercial act; micro-finance act, public private partnership act, property right act, copy right act, and other laws and regulations developed and enacted	"	"	0.2	0.2	0.2	0.2	0.2	1
3	Commercial Programs	To strengthen and enhance trade and commerce in Somaliland (both private and public) for improved national income and livelihoods	- Access to international markets promoted for local products - Value chain analysis conducted for key commodities - Private business data collection system strengthened (business profiling) - Trade exhibition centres formed - Trade Directory established - Trade Associations established - International and Local Marketing Offices opened	"	"	0.1	0.1	0.1	0.1	0.1	0.5

4	Industrial Programs	To conduct an intensive industrial improvement initiatives	• Material and product assessments, and feasibility studies conducted • Environmental damages from industries examined • Manufacturing industries regulated in areas such as: ○ General safety and fire prevention ○ Production quality assurance ○ Chemical Laboratory assurance	"	"	0.16	0.16	0.16	0.16	0.16	0.8
		To facilitate industrial production	• 7 Industrial free Zones established • Industrial technical support Unit established • Industrial Promotion conducted • Industrial Associations established			0.25	0.50	0.50	0.25	0.25	1.75
		To rehabilitate the cement factory	• 1 Cement factory			0.5	10.00	30.00	20.00	10.00	70.00
5	Tourism and archaeology programs	To promote tourism and archaeology in SL	• Archaeology and tourism potentialities in SL explored through surveys and assessments • Preservation and fencing of existing tourist and archaeology sites conducted • 1 National Archaeology Museum Constructed • Tourism information packages prepared • National Directory of Tourism and archaeology established • Grading of Hotels conducted (into 1-5 Stars) • Mapping of Tourist and archaeology sites undertaken • Wild life survey, including birds mammals and reptiles, conducted	"	"	0.25	0.25	0.25	0.25	0.25	1.25
6	Establishment of Research and development institute	To conduct required research for enhancing commercial, tourism and industrial growth in Somaliland	• A research institute established and required accessories provided • Research and studies related to commerce, industry and tourism conducted, published and disseminated • Studies of investment opportunities conducted	"	"	-	-	0.5	-	-	0.5
7	Monitoring and Evaluation	To conduct regular M & E for improving sector performance and its national economic contribution	• Regular monitoring and supervisory activities on existing archaeological, tourism and commercial projects and programs conducted	"	"	0.05	0.05	0.05	0.05	0.05	0.25
Total Industry, Commerce and Tourism Development Budget						1.91	11.71	32.16	21.41	11.41	78.60

5.1.7. Mining Sector

Situation Analysis

Somaliland has a range of known mineral resources such as coal, gypsum, limestone and quartz. Various gemstones as well as precious and base metals such as gold, copper, lead, and zinc are also known to be present. Oil and gas show good prospects. Commercial development of oil is believed to be a realistic possibility based on the finding of oil in Yemen in similar geological formations. However, mining is presently limited to only quarrying in Somaliland. What is needed is a regulatory framework that attracts foreign investment, while safeguarding national interests.

Challenges and Opportunities

The mining sector in Somaliland is poorly developed mainly due to:

- Lack of professional and technical staff
- Lack of reliable information
- Outdated mining code
- Contentious contracts entered into before 1991
- Lack of recognition
- Absence of investment in the sector, whether private or public

In spite of these challenges and constraints, excellent mining opportunities do exist in Somaliland. Hence, investors can benefit from rich, untapped mineral resources and also contribute to the prosperity of the national economy, provided that an investor-friendly climate is created.

Priorities and Strategies

Given the current situation of the mining sector in Somaliland, action will be taken in the following key priority areas during the NDP period:

- Building the institutional capacity of the mining sector through:
 - Skilled manpower development
 - Acquisition of necessary machinery and related equipment
- Formulating appropriate policies, rules, and regulations that empower the mining sector to exploit the country's mineral resources more effectively
- Encouraging private investment in the sector
- Encouraging and facilitating initiatives aimed at the exploration and extraction of the untapped mineral resources of the country for the purpose of boosting economic growth in Somaliland

- Ensuring that mining activities conform to national policy of sustained natural resource utilization and the protection of the environment

Policy, Legal, and Institutional Reform

The mining sector, like the other sectors, urgently needs action to strengthen its rules and regulations. It needs an up-to-date mining policy and code which will guide and facilitate the effective and efficient exploitation of the country's mineral wealth and thereby boost economic growth.

Programs and Projects

On the basis of the priorities and strategies set, the following specific projects and programs will be launched in order to contribute to the development of the mining sector in Somaliland:

- Replacement of charcoal with coal, whose extraction, development, and use should be encouraged
- Revision and updating of the mining code
- Development of national cartography
- Establishment of modern laboratories with all essential accessories
- Conducting a survey of minerals (gold, zinc, quartz, and other precious metals, as well as industrial and construction minerals)
- Implementation of capacity building programs for the sector's institutions (staff training, transport supply, building of field camps in various places)

5.1.8: Mining Sector Budget and Implementation Matrix

	Goal	Encourage and provide the legal framework for investment and explore/extract the untapped mineral resources of the country									
	Strategic objectives	- To strengthen rules and regulations of the mining sector for better exploitation of the country's mineral resources - To explore and extract the mineral resources of SL to benefit the country from its unexploited mining potential									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Revise mining code	To develop an up to date mining code	Existing mining code revised and updated	Donors and Somaliland Government (SLG)	MoMEWR	0.1	-	-	-	-	0.1
2	Development of the cartography	To develop a cartography	The needed maps collected and cartography developed	"	"	0.03	0.01	-	-	-	0.04
3	Establishment a modern laboratories with all essential accessories	To establish required labs for mining industry	Modern laboratories established for the mining industry	"	"	-	0.04	-	-	0.07	0.11
4	Mineral survey (gold, Pt, Zn, Quartz, other precious metals, industrial mineral, and construction minerals)	To conduct a mineral survey in SL to benefit the country from its mineral resources	A wide and informative mineral survey conducted	"	"	-	0.01	0.01	0.01	0.08	0.11
5	Capacity Building (Staff training, transport supply, field camps building at various places)	To build the technical capacity of the Mining department of MoMEW	- Essential skill trainings provided to the staff of the department - Other required capacities built in the department	"	"	-	0.02	0.01	0.02	-	0.05
Total Mining Development Budget						0.13	0.08	0.02	0.03	0.15	0.41

5.1.8. Private Sector

Situational Analysis

A strong private sector has emerged in Somaliland as a result of stability, peace and security and the absence of restrictive government interventions. The sector is currently engaged in a wide range of commercial, service and industrial economic activities including retail, wholesale, import-export trade, hotels, property development, utilities, airlines, money transfer, health and education. The private sector accounts for over 90% of the country's gross domestic product (GDP), and employment. As the market economy replaced the socialist modelled economic structure of the former regime in the 80s, development has become market-driven rather than government-led.

Despite the admirable progress made, the development of the private sector is constrained by the absence of adequate infra-structure and financial institutions. One of the main constraints facing the sector today is the limited and expensive electricity supply. Currently, electricity is generated by small diesel generators and is simply too expensive for the majority of businesses and households. However, other energy sources could be considered for development. The country is blessed with plentiful, year-round sunshine and strong monsoon winds which can be harnessed to generate renewable energy. Somaliland also has large coal deposits which can be used to fuel coal-fired generators to produce affordable electricity. Investment in the energy sector should be a national priority in order to reduce reliance on charcoal and to bring inexpensive electricity to every house and business unit.

At the present time, Somaliland enterprises do not have access to regular banking facilities, and therefore cannot borrow money to cover operational expenses or invest in fixed assets as and when they need to do so. Import and export activities also face severe constraints, as traders are unable to obtain international insurance or guarantees. Somaliland's economic growth and development is hindered by the absence of a legislative framework to license and regulate the financial services sector. The Government should support financial service industries to strengthen their role as engines of economic growth.

Remittance companies are, however, thriving and some have even started the transition to regular banking operations, including the opening of savings accounts and the offering of limited forms of guarantees. Women's access to financing is particularly limited. This barrier increases the cycle of poverty beyond women since they are often left with the responsibility of being the sole providers for entire families with limited means. There are also other equity-related problems. Socio-economic mapping studies completed in Somaliland during 2004-05 confirm that business licensing is not pro-poor. For example, the annual total of the daily charges petty traders have to pay is substantially higher than annual license fees for larger enterprises. Business support institutions such as the Chamber of commerce and industry associations are still weak.

There is no question that countries ravaged by war, like Somaliland, need active and vibrant private sector if they are to emerge from conflict and post-conflict aid-dependent economies. Micro, small and medium enterprises (MSMEs) play an important role in post-conflict recovery accounting for most of the new employment opportunities.

The most important question for the government is what should be done to strengthen and develop the private sector. The government should first and foremost create a business-friendly 'enabling environment' that is secure and stable, where the rule of law reigns, and where businesses are not overburdened with unnecessary rules and regulations and high taxes. The government should support and work in partnership with the private sector.

Challenges and Opportunities

The private sector faces many challenges including:

- Inadequate infrastructure
- High cost of fuel and electricity
- Lack of access to credit and regular banking facilities
- Inability to obtain international insurance or guarantees
- Time consuming procedure for setting up companies
- Taxation on wealth or capital for start up businesses
- Limited technical skills
- Absence of business support institutions

But opportunities also abound including investment in:

- Agribusiness especially in large scale cereal production, dairy and poultry farming
- Fisheries and fish processing
- Meat processing
- Salt production
- Industrial processing and packaging
- Chemical and engineering industries
- Financial services
- Health services
- Professional services
- Mining
- Oil and gas

Priorities and Strategies

In order to create a thriving competitive private sector within the NDP time frame, the government will:

- Invest in critical infra-structure
- Provide technical and financial support to enterprises
- Promote exports
- Seek to diversity export markets
- Encourage the development of import substitution industries
- Provide technical and managerial skills training
- Support research and development
- Promote foreign direct investment
- Promote better technology and quality assurance
- Establish a business friendly environment
- Facilitate the development of the financial sector
- Promote private joint ventures in the form of companies and coops
- Promote public private partnership

Policies, Legal, and Institutional Reform

To create a business friendly, enabling environment in which the private sector can develop and thrive, the government will review and reform existing business laws including the company law, the investment law, the mining code and the tax regime. It will introduce the necessary legislative framework for licensing and supervision of financial service institutions, and set up support institutions that provide advisory, technical, financial assistance to the private sector.

Programs and Projects

With respect to programs and projects to be implemented in the NDP period, the SLG will:

- Create a legislative framework to regulate the financial services sector.
- Reform business laws
- Establish public private partnership modalities
- Develop a private sector development policy
- Carry out private sector needs assessment
- Strengthen and build the capacity of business associations and chambers of commerce.
- Create a conducive, business-friendly investment climate
- Establish a business management information system to develop e-commerce
- Rehabilitate and build infrastructure such as roads and power generation and lines etc. as an important first step to recovery

5.1.9: Private Sector Budget and Implementation Matrix

Goal		To provide a Conducive and Enabling Investment Climate for the Private Sector.									
	Strategic Objectives	To put in place a Private Sector Development Policy.									
		To regulate the Financial Services Sector.									
		To establish closer cooperation between the public and private sectors.									
		To build capacity in the Chamber of Commerce and other Apex Business Membership Organisations, local entrepreneurs and SMEs.									
		To carry out a Private Sector Needs Assessment including identifying constraints facing the private sector.									
No	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2011	2012	2013	2014	2015	Total
1	Private Sector Development Policy (PSDP) Developed for establishing conducive and enabling Investment climate	- To Develop a Private Sector Development Strategy - To develop a Private Sector Competitive Strategy - To reduce the cost of doing business - To establish Legal and Regulatory Reforms	- PSDP developed and Working Papers formulated - Financial services sector regulated - Improved access to regular bank financing and access to credit	UNDP, World Bank, UNECA, SLG , IGAD, African Development Bank, USAID	Ministry of Trade, Industry, Investment, Ministry of Foreign Affairs	0.1	0.25	0.25	0.25	0.15	1.0
2	Private Sector Needs Assessment conducted and Report produced.	To identify constraints facing the private sector	Consultant identified to undertake a study for identifying constraints facing the private sector and recommendations made to address them	World Bank, ADB; UNDP; IDB, SLG	MoF; Chamber of Commerce and other Business Membership Apex Organisations (if any).	0.05	0.1	0.1	-	-	0.25
3	Public-Private Partnership (PPP) established	To build capacity of the Chamber of Commerce and other Business Membership Organisations, local entrepreneurs and SMES	- Lobby for the private sector to be represented on the Somaliland Tax administration forum, National Planning Commission, and Investment Committee - Familiarisation visits conducted to other selected Chambers of Commerce in Africa, and the developed world - Management Information System (MIS) introduced	UNDP, UNIDO, UNCTAD	SLG and Chamber of Commerce	0.05	0.1	0.1	-	-	0.25
4		Local Consultancy and Administration				0.1	0.1	0.1	0.1	0.1	0.5
	Total					0.3	0.55	0.55	0.35	0.25	2.0

5.1.9. The Diaspora Sector

Situational Analysis

The Diaspora is made up of migrants from a particular area living scattered outside their place of birth but remaining in contact with it through transnational linkages. The African Union has defined the African Diaspora as:

"Consisting of people of African origin living outside the continent, irrespective of their citizenship and nationality and who are willing to contribute to the development of the continent and the building of the African Union."

The Somaliland Diaspora is about 150-200,000 strong community with global presence. There are Somaliland communities in many African countries, in Asia, Australia, Middle East, Europe, North America and even South America. The Diaspora is a diverse community: There are old communities of mainly migrant workers formed during the colonial era, and new refugee communities born out of the civil war in the 80s and 90s. There are the first generation who migrated, and second and third generations who were born in their respective countries. The Diaspora is an important source of income, capital and knowhow for the country. Annual remittances by the Diaspora is estimated to exceed \$500 million Dollars, and there are hundreds of professionals, entrepreneurs, and intellectuals from the Diaspora serving in government, working with International and local NGOs, teaching in schools and universities, or running their own businesses.

Remittances often play a central role in the livelihoods of those that receive them. They improve their economic status and access to education. Children in the households of families receiving remittances have relatively good school attendance rates. Studies of remittances in Hargeisa, Burao, and Bosasso (in Puntland) have estimated remittances to represent nearly 40 percent of the income of urban households, and account for roughly 14 percent of rural income. Remittances constitute a very important source of finance for Somaliland. They are a lifeline without which dependence on international food aid or starvation on a large scale would be unavoidable. But there are challenges hindering its maximum contribution to national development which must be addressed.

In the absence of commercial banks, remittance companies form the main mechanism for transferring money in and out of Somaliland. There are about a dozen remittance companies currently operating in Somaliland, but most of the transfers are handled by the two leading companies Dahabshiil and Qaran Express. These remittance companies have an international network, which offers a cheap, fast, and reliable financial channel between Diaspora and their dependents back home. They provide a vital link. Within Somaliland, they also provide some basic banking services for businesses as well as visitors from the Diaspora community, and hence facilitate investment and trade. They are also the biggest employers in the private sector and contribute to social and economic development of the country in a major way.

In the long run, the remittance sector needs to be complemented with broader financial sector reforms for its benefits to be maximized. The financial sector is constrained by the absence of a regulatory framework for licensing and supervising financial institutions, and lack of strong property rights, and enforceable collateral contract legislation. Regulations need to be put in place to deal with these constraints in order facilitate in-flow of capital and investment in the country, which is a crucial precondition for long-term growth.

As mentioned above, remittances have been a significant contributor to family income and investment, with subsequent effects on poverty and inequality reduction. Especially in times of economic depressions and external shocks, remittances have been extremely important to the Somaliland economy because they tend to smooth consumption and thus create a “buffer” against shocks. Livestock exports have traditionally been the main source of foreign currency, but remittances have replaced them. The inflow of remittance tends to rise in times of drought and need. Remittance from the Diaspora is basically the transfer of wealth from high income countries to low income countries. It has the net effect of reducing poverty and closing the gap between the poor and the rich; and for the people of Somaliland remittance is a life line.

Challenges and Opportunities

The Diaspora constitutes a bridge between their adopted countries and their original country, Somaliland; between modern western cultures and traditional Islamic culture, and between developed and developing economies. In that abridging role they face many challenges including:

- The adaptation to a new culture and way of living
- Raising children exposed to a different culture and whose first language is different from their own
- Maintaining physical and cultural links with the home country travelling back and forth
- Dealing with the pressures of responding to and meeting the constant demands of relatives and friends with expectation beyond their means
- Investing in business and property
- Securing property rights and enforcing contracts
- Managing property investments
- Finding ways and means for contributing to development of the country
- Getting up to date information about the needs and opportunities of the country

But there are also opportunities open for the Diaspora to:

- Invest in productive sectors: in mining, agriculture, manufacturing and service industry
- Provide technical support and advice to public and private institutions
- Support and build local professional associations
- Establish a link and a working relationship between the organizations and institutions they work for or study in their adopted countries with their Somaliland counter parts

- Establish development funds
- Volunteer to work with local non-governmental organizations
- Collect and dispatch donations in kind

Priorities and Strategies

There is a real need for a well structured and strategic framework both in Somaliland and abroad to mobilize, coordinate and integrate Somaliland Diaspora into the national development of the country. In this regard the government of Somaliland has established an independent commission for supporting, coordinating and working with the Diaspora, which will:

- Promote cultural tourism within the Diaspora in collaboration with concerned agencies such as airlines
- Strengthen Somaliland Diaspora cohesion
- Promote cultural and civic education programs for the Diaspora particularly the youth
- Sensitize and help members of the Somaliland Diaspora to network and keep their cultural identity
- Develop information exchange forums for Diaspora to keep up-to-date on government policies, plans and achievements
- Encourage the formation of virtual learning environments and discussion forums
- Work with and support initiatives of Somaliland Diaspora locally and abroad
- Facilitate investment and transfer of funds from the Diaspora
- Encourage and facilitate the Somaliland Diaspora with professional skills to put their expertise to the service of their country of origin
- Collaborate with international organizations working with the Diaspora
- Encourage Somaliland Diaspora to form professional forums abroad
- Promote Diaspora interests in international organizations and encourage Somalilanders to access international job opportunities

Policy, Legal, and Institutional Reform

The appointment of the Commission for the Diaspora by the president was a major development that put an official stamp on the importance of the Diaspora and provided a framework for its engagement. At the next stage, the government will develop a National Diaspora Policy which will articulate the goals and objectives to be achieved and the strategies to be followed to maximize the contribution of the Diaspora to the economic, social and political development of Somaliland. The government will consider special waiver on airport taxes to encourage the Diaspora maintain family ties and spend their holidays in the country. Other concessions including exemptions from business registration fees, and tax on start-up capital will be considered.

Programs and Projects

In pursuit of the strategies outlined above, the Diaspora Commission will undertake the following initiatives:

- Develop a national Diaspora policy
- Establish a regularly updated database on Somaliland Diaspora professionals, organizations and businesses
- Develop and maintain an interactive Website to facilitate continuous dialogue and exchange of information between the Diaspora and Somaliland
- Organize conferences, exhibitions and cultural events in Somaliland and abroad
- Organize events that aim at promoting Somaliland Diaspora cohesion
- Sensitize and help members of the Somaliland Diaspora to network and keep their cultural identity
- Promote Diaspora interests in international organizations and encourage Somalilanders to access international job opportunities
- Assist and monitor the reintegration of Somaliland Diaspora returning permanently
- Organize investment promotion events, inside and outside Somaliland
- Work with line ministries and academic institutions to identify areas where Somalilanders in the Diaspora with professional skills can assist Somaliland
- Work with international organizations related to migration and development especially with UNDP and IOM to promote and organize skills and knowledge transfers
- Organize on a regular basis meetings and conferences of academics, economists, doctors, professors from the Diaspora
- Create and operate communities and professional networks
- Initiate joint ventures between Somaliland of the Diaspora and entrepreneurs inside Somaliland
- Work with Ministry of Youth, Culture and Sports, youth associations in Somaliland and Diaspora youth associations to promote links between youth inside and outside Somaliland
- Hold an annual youth forum for youth living in Diaspora and those who live in Somaliland
- Organize volunteer missions in Somaliland for Diaspora youth and summer camps
- Build the institutional capacity of the commission

5.1.10: Diaspora Sector Development Budget and Implementation Matrix

	Goal	To support and facilitate the Somaliland Diaspora in their contribution to the country's social, economic, technological and political development									
	Strategic Objectives	• To Develop a Diaspora Policy									
		• To complement the remittance sector with a sound Policy, financial, and regulatory framework									
		• To identify and address challenges hindering the Diaspora's maximum contribution to National development									
		• To develop a Somaliland Diaspora Communication Strategy									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2011	2012	2013	2014	2015	Total
1	Developing Diaspora Engagement Policy	- To address day-to-day technical, regulatory, security, cultural, institutional, logistical and managerial challenges - To develop strategies aimed at maintaining positive interest and homeland ties among the Somaliland youth around the globe to continue engaging positively with their country of origin - To address Diaspora participation in multi-party politics at home when a national interest is at the stake	- A National Diaspora Policy developed - Studies undertaken to develop a strategy aimed at maintaining positive interest and homeland ties among the Somaliland youth; involve the Diaspora in multi-party politics at home; to investigate the challenges faced by the Somaliland Diaspora hindering their maximum contribution to National development; and on remittance and its effect on the migrant, financially, psychologically, and culturally	UNDP, World Bank, UNECA, SLG, IGAD, IoM, CIDA, DFID, USAID, AU, African Diaspora Policy Centre (Netherlands)	Ministry of Foreign Affairs, MoNPD, Private Sector	0.15	0.3	0.3	0.3	0.5	1.55
2	Financial Sector Reforms instituted	To create a professionalized and formalized remittance sector	- A Strategy developed to turn Somaliland remittance companies into formal financial institutions—Banks, MFIs, Insurance, etc. - Investment and Regulatory Laws develop and operationalized	World Bank, African Development Bank, UNDP, Islamic Development Bank (IDB), SLG	Ministry of Finance, MoNPD, Ministry of Justice, Private Sector	0.05	0.1	0.1	0.1	0.2	0.55
3	Developing a Diaspora Communication Policy developed	To create greater awareness with regard to the role and contribution of remittance companies to the economy of Somaliland	A participatory consultative process undertaken and a Diaspora Communication Policy developed	UNDP, IGAD, SLG, AU, USAID	Ministry of Foreign Affairs, MoNPD, Ministry of Information	0.05	0.1	0.1	0.1	0.2	0.55
4	Local Consultancy and Administration					0.1	0.1	0.1	0.1	0.1	0.5
	Total Diaspora Sector Development Budget					0.35	0.6	0.6	0.6	1.0	3.15

5.2. INFRASTRUCTURE PILLAR

Good infrastructure is crucial for achieving sustainable and inclusive growth, which will ensure shared prosperity for the whole country. But, Somaliland has a large infrastructure deficit which is mainly attributable to the decade-long civil war that culminated in the proclamation of independence in 1991. During this period, the infrastructure of the country was completely destroyed, and the subsequent reconstruction effort has been slow. The sector has suffered from lack of maintenance and rehabilitation due to lack of resources.

The infrastructure pillar (IP) comprises the work of four different ministries: *The Ministries of Public Works, Posts & Telecommunications, Civil Aviation, and Information*. There are another four government agencies working in the sector: namely, *Somaliland Road Authority, Berbera Port Authority, the Information and Communication Technology (ICT) Commission, and Somaliland Electricity Agency*. In terms of its scope, the pillar covers a wide range of issues including: housing, transport, roads, airports, seaports, electricity and energy, as well as information, communication and technology.

The objective of the five year (2012 – 2016) National Development Plan (NDP) is to assess the current state of the infrastructure, establish priority needs for reconstruction and improvement, carry out the improvements required and maintain its functionality. Success with regard to infrastructure rehabilitation and development during the NDP period will greatly depend on the availability of financial resources from the Somaliland Government, the private sector, and international development partners.

In the past decade, the Government of Somaliland has undertaken a number of initiatives aimed at liberalizing private investment in infrastructure. These initiatives covered power generation and distribution, water development and distribution, and telecommunication. Similarly, private investors started to operate airline and airport services, which played a critical role in facilitating movement of people and goods in and out of Somaliland. The road sector has benefited from a limited rehabilitation program supported by the European Union (EU), but carried out by private contractors. Likewise, the International Civil Aviation Organization (ICAO) has helped the Somaliland air transport through the establishment and staffing of air traffic control services.

Infra-structure projects are by their very nature very expensive. They are mostly financed by governments who raise long-term loans from financial institutions and capital markets, or allocate funds from budgets supported by bi-lateral or multi-lateral assistance. But, due to lack of international recognition, Somaliland is not in a position to benefit from the financial resources available in international capital markets or offered by international development banks. Its revenue base is limited and its budget is too small to accommodate the required investment in infra-structure. Similarly, the limited financial resources of the domestic private sector are not sufficient to cover the huge capital investments needed. The Government is, therefore, obliged to rely mainly on international development partners' support to fund infrastructure projects. There has been interest shown by international investors in investing in some of the country's infrastructure assets, such as the port of Berbera. But again lack of recognition has been a problem.

The challenges and constraints hampering the development of the sector are many, but the main ones are:

- Shortage of adequate financial resources
- Weak institutional capacity
- Shortage of qualified technical and professional expertise
- Lack of appropriate legal framework for private investment and PPPs
- Lack of adequate information, and
- Lack of recognition

The NDP aims at addressing the most urgent needs of the infrastructure sector. The government will put emphasis on infrastructure programs and projects that are feasible and have high impact on poverty reduction, and economic growth. Action will be taken on:

- Building institutional capacity for policy development, planning and program implementation
- Rehabilitating and maintaining major roads
- Rehabilitating power stations and distribution lines
- Rebuilding main airports such as those in Hargeisa, Berbera, Burao, and Erigavo, as well as small regional airports
- Promoting renewable energy—e.g. wind and solar energy
- Rehabilitating and maintaining urban infrastructure such as water supply and sanitation systems
- Improving and expanding major ports such as Berbera

The Government will create an environment of legal and institutional certainty to enable private entrepreneurs to invest and operate with confidence for the long term. There are several autonomous public agencies such as the Berbera Port Authority, the Somaliland Roads Authority, and the Information and Communications Technology Commission (ICT) responsible for the management and development of key infrastructures.

There are, in addition, a number of private companies operating in the media sector providing television services (alongside the Government-owned channel) and telephone services covering both domestic and international calls. In the absence of Government interference, these communication companies, such as Telesom and Somtel have been able to deploy some of the most advanced technologies in their field and have, therefore, built up a formidable reputation for being among the best in the region. These companies also provide internet services to their customers which are comparable, if not better, to those available in other countries of the region. The Government has recently awarded a licence to a private company for the delivery of broadband internet cable, which will be connected to the international fiber optic network passing through the Red Sea. Once this project is finalized, Somaliland will enjoy one of the fastest internet services in Africa.

Despite the remarkable progress made in the field of telecommunication, one major problem that remains to be solved is lack of inter-connectivity between different local

mobile telephone service providers. This is a serious challenge that the Government of Somaliland will have to address.

5.2.1. Roads Sector

Situational Analysis

Road transport is the principal mode of transport used for the movement of goods and people in Somaliland. The Somaliland road network is estimated to consist of around 770 km of paved roads, 1,225 km of unpaved roads, and approximately 6,800 km of unpaved wheel truck roads. The majority of these roads are considered to be in a state of disrepair owing to lack of maintenance. Since inter-regional air, rail, and sea transport is virtually non-existent, these roads—bad as they are—are vital: More than 99% of the movement of goods and people within the region depends on the road transport system. Rural and feeder road networks are in the worst condition. The use of burden animals—principally camels and donkeys—for transport continues to be the only means available to a large segment of the rural population. The condition of the road network has deteriorated steadily over the years due to limited investment, and lack of maintenance. The Somaliland Roads Authority (SRA), which is an autonomous agency under the auspices of the Road sector Administration Board, is responsible for the construction and maintenance of the national road system. The Government has introduced a fuel levy to finance road maintenance.

Challenges and Opportunities

The main challenges facing the sector include

- Limited capacity of the Road Authority
- Inadequate funding
- Limited financing options
- Lack of proper legal and institutional framework for PPP investment
- High cost of road construction
- Lack of reliable data and information

Priorities and Strategies

During the NDP period, action will be taken to:

- Undertake feasibility study and reconstruction of Berbera corridor road
- Rehabilitate rural and feeder roads
- Establish and enforce road safety standards
- Develop transport policies and laws
- Review the financing system for maintaining roads
- Create an enabling environment for the participation of the private sector in road investment

Policy, Legal, and Institutional Reforms

The policies and reforms to be enacted during the plan period include:

- Development of a strategic policy document to guide road construction and maintenance program
- Revision of the existing policies in order to bring them in line with the current international standards
- Improvement of standards, supervision, design, construction, and maintenance of roads

Programs and Projects

The Somaliland Road Authority is planning the construction, rehabilitation, and maintenance of the following roads and/or bridges during the NDP period:

- Berbera corridor road construction
- Burao-Oog paved road maintenance
- Oog-Las Anod paved road maintenance
- Las Anod-Gambadha paved road flood protections
- Berbera-Burao paved road full rehabilitation
- Taba road: maintenance
- Ainabo-Habariheshay earth road spot improvement
- Hayramadle Bridge: reconstruction
- Kala Baydh-Dilla paved road reconstruction
- Repair works of existed bridges and culverts
- Ina Afmadobe - Erigavo road construction
- Dilla-Borama road construction
- Eil Sheikh road
- Loya'ado – Berbera road
- Harti Yimid earth road
- Wadamago-Qorilugud
- Las Anod-Hudun road
- Hargeisa -Baligubadle road
- Hargeisa -Salahley road
- Hargeisa – Odweine – Burao road
- Borama – Boon road
- Dila – Baki road
- Arabsio – Allaybaday
- L/Anod – Kalabaydh
- Abarso – Faraweine
- Burao – Warabeye road
- Warabeye – Balidhig road
- Warabeye – Duruqsi road

5.2.1: Roads Sector Development Budget and Implementation Matrix

Goal		To contribute to Somaliland development through improved and competitive infrastructure facilities									
Strategic Objective		Enabling road, transport and public infrastructure									
No.	Programmes	Objectives	Project Outputs/ Outcomes	Source of Funds	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Full Rehabilitation & Construction of Berbera Corridor (Berbera – Wajaale Road)	To repair through Pothole patching, edge repairing, resealing, flood protection for Berbera - Hargeisa Road	• 160 KM of road rehabilitated and repaired	Somaliland Road Fund	Somaliland Roads Authority (SRA)	0.17	0.15	-	-	-	0.32
		Full reconstruction of Berbera corridor road	• 250 km of road rehabilitated and constructed	EU	"	-	30.0	55.00	40.00	26.0	151.00
		To undertake Feasibility Study	• Feasibility study conducted for 250 KM of road	EU	"	3.5	-	-	-	-	3.50
2	Construction of Afmadobe – Erigavo Road	To construct a new road from Ina Afmadobe to Erigavo	• 306 KM of new road constructed	Donors and Somaliland Road Fund	"	-	-	15.00	27.00	28.00	70.00
3	Kalabaydh – Borama Road	To construct a new road from Kalabaydh to Borama	• 46 KM of new road construction	"	"	-	2.00	3.00		-	5.00
4	Berbera – Burao Road	To construct and rehabilitate Berbera – Burao Road	• 71 KM of road rehabilitated and constructed	"	"	3.00	-	-	-	-	3.00
5	Regional Road Network and bridges	To rehabilitate, repair and maintain of roads and bridges (see Note below)	• National road networks and bridges improved (see Note 1 below)	"	"	2.532	2.570	2.560	2.580	2.590	12.83
Total Roads Development Budget						9.202	34.72	75.56	69.58	56.59	245.65
Note 1: Hargeisa Berbera, Hargeisa – Kala Baydh, Burao-Oog, Las Anod-Gambadha, Kalabaydh-Dila, Burao-Las Anod, Taba Road, Ainabo-Habariheshay, Eil Sheikh Road, Las Anod-Kala Baydh, Harti Yimid Road, Wadamogo-Qorilugud, Las Anod-Hudun, Baligubadle earth road, Salahley road, Hargeisa -Odweine-Burao, repair works of existed Bridges including Burao and Hargeisa and Hynamadle Bridge reconstruction, Borama – Boon road, Arabzio – Alaybaday, Abarso – Faraweine, road, Burao – Warabeye road, Warabeye – Balidhiig road, Warabeye Duruqsi road, Dila – Baki road, Loya’ado – Berbera road											

5.2.2. Public Works, Housing and Transport Sector

Situation Analysis

The Ministry of Public Works, Transport and Housing has the mandate to provide guidance and oversight on public works, transport and housing in all the regions. It has also the mandate to implement development projects in all these sectors if it is economically efficient to do so and the Ministry has the capacity to do the job.

The total stock of government-owned houses is 1,044. Of these, about 209 houses are in good condition and need minimum repairing; 310 houses need light repairing; 300 houses require heavy repairing; and the remaining 225 houses are non-liveable and need total replacement. The Ministry is now in the process of taking stock of Government offices in all the regions. No reliable data is currently available.

Prior to the civil war of 1988, the Ministry of public works was responsible for the construction, maintenance and management of public houses and buildings. The government no longer funds public housing programs and the Ministry is not involved in construction. Its role is more limited to the management of the existing housing stock, and the provision of designs, and health and safety standards for public buildings which are generally financed by international organizations and built by private contractors.

Irrespective of whether the Ministry of Public Works resumes its role of building public houses or the private sector assumes that function, there is a great demand for affordable public housing, particularly by public employees. The average monthly salary of a public employee is about \$100, when the minimum income an average family can live on in Hargeisa is \$300, and the minimum rent of a two-room unit is \$60, which is 60% of the average salary. In that circumstance, low cost, subsidized public housing is absolutely essential for public employees to be accountable and perform at work. Ideally 500-1,000 subsidized public houses must be built per year to meet demand.

The government owned fleet of vehicles is about 1140, excluding armed forces vehicles. In the past, the Ministry of Public works was responsible for the overall management of the government vehicles including maintenance, spare parts, control of drivers, fuel consumption etc. Currently, the Ministry has no role in the overall control of government vehicles as every ministry and public agency is responsible for its own vehicles.

Challenges and Opportunities

Challenges:

There are many challenges facing the sector. These can be summarized as follows:

- The management of government land, houses, offices, workshops and vehicles is fragmented
- Most of the old government buildings are in disrepair
- Many of the government properties are occupied by squatters
- Most of the land in Sha'ab (government) area has been looted
- Many of the tenants do not pay rent
- The Government workshops are in disrepair and need rehabilitation
- The Ministry has neither the financial mean nor the tools for maintaining public properties and vehicles
- There is a huge unfulfilled demand for low cost public housing

Priorities and Strategies

The priorities for the sector during the NDP period include:

- Improving the physical and the human resource capacity of the ministry
- Developing national housing, Land and transport policies
- Rehabilitating government properties in disrepair
- Introducing new initiatives and models for low-cost construction programs in the area of public housing and other forms of public buildings
- Promoting investment by private national/international firms or individuals in low cost housing and in social and cultural facilities in the country
- Reviewing current standards and codes for health and safety and certification of construction and transport companies
- Rehabilitating and improving drainage systems nationwide
- Reviewing the current policy and developing standards for certifying and/or issuing licenses to companies in the construction and transportation industries

Policy, Legal, and Institutional Reforms

With regard to policies and institutional reform, the focus will be on:

- Developing transport policies, plans, and guidelines consistent with changing national infrastructure requirements regarding public works, roads, and transport systems in order to improve the quality, safety, and security of transport services
- Strengthen the institutional capacity of the ministry

- Establishing standards and specifications for the design and construction of all road projects to ensure safety, durability, and cost effectiveness
- Developing codes, criteria, standards, and specifications for the technical regulations governing the design, execution, and use of buildings in order to improve their safety and reliability and to bring them up to internationally acceptable standards
- Establishing research and laboratory centres, and carrying out economic evaluations and feasibility studies on road projects to prioritize projects according to their economic value and rate of return
- Finalizing rules and procedures depicted under the Somaliland land management law No. 17/2001
- Formulating urban planning and local town planning regulations

Programs and Projects

During the NDP period, the government will:

- Carry out public property assessments in all the six regions
- Rehabilitate vehicle workshops and welding facilities (in all six regions)
- Rehabilitate of Government-owned residential buildings (29 houses)
- Build fuel stations (Tanks 2x60)
- Procure equipment for workshops in all six regions
- Evacuate squatters from public properties (in all six regions) in full respect of all applicable human rights and humanitarian law principles and provisions, notably for cases of IDPs living on public land
- Purchase public transport vehicles (one 25-seat bus, one dump truck, and 2 Toyota pick-ups) for the public works personnel
- Renovate of ministry of public works premises (in Borama, Berbera, Togdheer, Sanaag, and Sool)
- Repair and furnish Government offices (in Sahil, Togdheer, Sanaag, Sool, and Awdal)
- Rehabilitate and reconstruct roads, bridges, and flood protection channels
- Provide trainings to staff (to be funded by the EU)
- Train young internships
- Establish a modern testing laboratory
- Construct a proper drainage system for the capital city of Somaliland, Hargeisa

5.2.2: Public Works, Housing and Transport Budget and Implementation Matrix

Goal		Achieve integrated regional and urban planning management and transport system									
Strategic Objective		- To enhance the capacity of the Ministry with modern technology - To rehabilitate government housing properties and vehicle workshops - To develop national land use policy management law no. 17 - To improve national transport systems									
No.	Programmes	Objectives	Project Outputs/ Outcomes	Source of Fund	Implementer	Indicative Budget (US DOLLAR, Millions)					
						2012	2013	2014	2015	2016	Total
1	Office premises and equipment of the Ministry of PWHT built	Enhance the capacities of ministry	Head office of the Ministry, including a small conference facilities built in Hargeisa	Donors and SLG	Ministry of Public Works	0.59	-	-	-	-	0.59
2	Construction of regional offices of the Ministry of Public Works	Decentralization of Ministry's presence and activities	4 regional offices of the Ministry built in Burao, Borama, Berbera & Erigabo and provided with 4 vehicles, office furniture and equipments	"	"	-	0.30	0.20	-	-	0.50
3	Acquisition of Vehicles	To purchase trucks, pick-ups, one bus and other equipments for the 6 regions and Head Office	6 Trucks, 6 Pick-ups, One Bus and other equipments purchased	"	"	0.29	0.29	-	-	-	0.58
4	Review and amend existing laws	Clear legal framework developed for public works, Transport, housing and land sector established and policies and strategies to guide the action plan developed	- New Land Law, Transport and Housing Law developed - National Land policies for the Housing sector, public works and land management formulated - Strategy concepts and implementation plans for the Public works, Housing, Land development and Transport sector developed	"	"	0.50	-	-	-	-	0.50
5	Assess the situation of 1044 public owned housing & rehabilitation	rehabilitate Public housing in 6 regions	835 government owned public housing rehabilitated in all the 6 regions of the country	"	"	0.50	1.80	-	1.00	0.20	3.50
6	Build Construction material testing laboratory, equip it and hire staff	Capacity for quality control in the housing and construction sector developed	Central construction material testing laboratory with adequate equipment and staff established in Hargeisa	"	"	0.20	0.20	-	-	-	0.40

7	Construction of government owned motor vehicle maintenance workshops	Ensure regular maintenance of government motor vehicles and reduce the cost of maintenance significantly.	• A central Vehicle Maintenance workshops constructed in Hargeisa, equipped and staffed adequately with capacity conduct private motor vehicle annual inspection works	“	“	0.80	0.30	0.22	-	-	1.32
8	Fuel Stations	To construct fuel stations in 6 regions	• 4 Fuel stations in the 4 regions	”	”	0.12	0.12	-	-	-	0.24
9	Review and reform of currant road user charges revenue	To improve road user charges management policy	• Adequate road tax’s management system established	”	”	0.20	-	-	-	0.05	0.25
10	National road safety mechanisms & public transport security developed	- Enhance road safety and transport security	Road safety law enacted and road safety policy and strategy developed	”	”	0.45	0.32	0.22	0.10	1.09	2.18
11	Establish central data base for the transport sector, public works, Housing and land management	Enhance the office automation	Central data base in all sectors the Ministry has a mandate developed	”	”	0.05	0.10	-	-	-	0.15
12	Land Law propagation campaign	Raise awareness about property rights	Enhance rule of law and reduce land related disputes and conflicts	”	”	0.07	-	-	-	-	0.07
13	Undertake surveys on Road transport system and urban settlement	To obtain reliable information and data on these sectors	Data and information about the situation of roads and vehicles in the whole country collected	”	”	0.25	-	-	-	-	0.25
		Better planning	Data and information about urban settlement in main regional centres collected	”	”	0.20	0.20	0.10	-	-	0.50
Total for Public Works, Housing & Transport Development Budget						4.22	3.63	0.74	1.10	1.34	11.03

5.2.3. Posts and Telecommunication Sector

Situation Analysis

Somaliland has made a good start in developing a competitive telecommunications sector. There are six mobile telecom operators in the country, namely, *Telesom, Telecom, Somtel, Nation link, Africa Online and Solteco*. There is severe competition between them which has led to the availability of cheap telecom services. These operators provide a wide range of services such as landline and mobile telephone services, internet services (DSL, GPRS, 3G and Edge Modem and video-conferencing). The internet and telephone coverage reaches all over the country (regions and districts) with Telesom reaching about 95% of the country. Somtel provides wireless internet services in remote areas of the country through the installation of a dedicated antenna that picks up signal from the nearest tower. It also provides mobile internet service with the help of *Edge Modem*.

Another landmark initiative in the telecom industry is the introduction of fibre optic and cable internet connection. This process involves both land and sea-based activities. The current ruling Government has agreed to endorse the previous government's decision to give the licence to SomCable. SomCable is now fully engaged with the process. About 12% of the work involves laying cable in the sea from Djibouti to Berbera, whereas about 88% of the work involves land construction from Berbera to Hargeisa and other towns. The operation was expected to start in September 2011 and be fully operational by the following September (2012). Once the service is operational it is expected to offer the following benefits:

- Improved internet connectivity
- Reduced prices
- Time saving fast service
- Improved download service; and
- Improved telecommunication services such as TV, e-Commerce and e-Learning

Despite the remarkable advances made in the telecommunication sector, inter-connectivity between the various telecom operators has been elusive. People using mobile services from different companies cannot communicate with each other. Five of the six operators agreed to inter-connect by using one common price for subscribers. However, the biggest operator so far rejected to join the system. The Minister of Posts and Telecommunication may issue a price ceiling directive. This initiative is still under process and will be finalized soon.

Another outstanding issue is the "Spectrum Management" to control the telecommunication activities in the country. Currently, the government has no control over the frequencies the telecom operators use. As a result, the telecom operators entirely control the frequencies, and sometimes rent from each other spectrum space. To overcome the problem, the Government of Somaliland is in the process of engaging an international company to help the Ministry with Spectrum Management. Three companies were approached to provide the service but the matter is still in process. Once it's

finalized, the government will be able to fully control the spectrum and frequencies used by the operators.

Telesom which is the largest of the six operators has introduced a new mobile banking system called ZAD which allows customers to carrying out financial transactions over mobile phones. The ZAD service enables subscribers to send money to friends and relatives or to pay bills by just using their phones. Similarly the Dahabshil-owned operator, Somtel, has introduced an electronic payment system which directly competes with ZAD. Likewise there are several Money transfer companies (*Hawala*) that facilitate transfer of money from anywhere in the world to Somaliland and within Somaliland using internet services.

The prices charged by the operators both for telephone calls and internet services are the cheapest in the region. Telesom company's telephone charges range from US\$ 0.027 to US\$ 0.036 per minute for local calls and US\$ 0.23 to US\$ 0.30 per minute for international calls. Similarly, Somtel which is the closest competitor charges just one U.S. Dollar for 300 minute for local calls and 5 to 12 minutes for international calls.

With regard to internet services, Telesom charges US\$ 30 and US\$300 per month for 64 KB and 2 MBs of internet usage respectively. It also provides 3G internet services at a rate of US\$ 0.05 per one MB of internet usage. As for Somtel Company, the charges for internet usage range from US\$ 25 per month for 64 KB to US\$ 2,400 for 4.048 MBs of internet usage.

A telecom association with its bye-laws has been established. All the telecom companies are members of the association with the exception of Telesom and African Online which are now considering joining the association. Hence, in the absence of the largest operator, the association is still in its embryonic stage. Currently it has only one employee who is involved with its day-to-day operations. The association is expected to be fully functional in the near future with a full board and staff.

The Government started an initiative in 1992 to re-establish postal services in the country. However, nothing tangible was achieved in this respect. The Ministry of Post and Telecommunication is now in the process of reviving the service. It is expected that the postal service will be operational by the year 2012. Currently, there are a number of courier services in operation such DHL and HILAAC.

The Ministry of Post and Telecommunication has initiated a Telecommunications Act, which aims at instituting regulations for the telecom sector. The new Telecommunications Act has been shared and discussed with all major stakeholders. The Act was endorsed by the Council of the Ministries, approved by the House of Representatives and the House of Elders and signed by the president into a law. Some of the provisions of the Act can be immediately implemented by the Ministry, whereas some provisions need further consultation. The Ministry is now in the process of implementing those provisions which can be implemented with immediate effect. As for the provisions which are subject to further consultation, the Ministry may need the services of specialized professional consultants to study and advice on these matters from both legal and operational perspectives.

Challenges and Opportunities

While the Government has taken important steps in developing the telecommunications sector, there are still many restrictions and challenges ahead. Hence the Government is fully engaged in charting a path over the next few years for removing obstacles, encouraging new investments and promoting greater competition within the sector as summarized under

- The new Telecommunications Act, which was approved and endorsed by the legislative bodies of the country, will have to be applied
- A separate, strong national regulatory authority is required in order to provide professional, fair, transparent and independent regulatory framework for the telecommunications industry
- The new national regulatory authority needs to control national frequencies and the national numbering plan, and needs international recognition
- A new spectrum fee and new numbering regime has to be established. This fee is primarily imposed to fund the national regulatory authority
- An interconnection regime between the existing mobile operators is to be established
- The broadband market, which provides the foundation for modern web based services, needs to expand rapidly. Mobile operators must be able to provide 3G services, and wireless access network providers must be able to use the more reliable and efficient WiMAX frequencies
- The dominant market position of one operator needs to be resolved
- The cost of national and international bandwidth must be reduced, and Somaliland operators should be able to make their own international connections without relying on foreign operators

In addition to the above-mentioned challenges, the sector needs to upgrade and enhance the skill level of the communications sector which is rather very poor at the present time. Another major challenge is mobilizing the financial resources required to cover the maintenance and expansion of the infrastructure of the sector.

Priorities and Strategies

The main priorities and strategies of the sector are to:

- Establish telecom spectrum management and telecom interconnections
- Construct a new building for the Ministry of Posts & Telecommunications
- Rehabilitate the ministry's regional buildings
- Establish a telecommunications college
- Put in place a national telecom network coverage
- Create a cable and broadband national network
- Re-establish postal services

Policy, Legal, and Institutional Reforms

The following policy and legal reforms need to be implemented:

- Establishing a National Communications Commission
- Formulating a framework for regulations, policies, and guidelines
- Establishing a national country code and national postal codes

Programs and Projects

The following programs and projects will be initiated and implemented during the NDP period:

- Interconnections between different operators
- Establishment of an international gateway
- Establishment of national postal and parcel services
- Creation of national telecom health and safety board
- Establishment of national telecom security centre
- Building the infrastructure and human resource capacity of the ministry
- Establishing a website for the ministry

5.2.3: Posts and Telecommunications Sector Budget and Implementation Matrix

Goal		To make Somaliland IT savvy									
Strategic Objectives		- To contribute to Somaliland ICT development through technology and competitive infrastructure facilities - To establish regulatory framework - To introduce e-Commerce and training centres for e-learning - To develop Fibre-Optic and Broad band Internet connectivity									
No.	Programmes	Objectives	Project Outputs/ Outcomes	Source of Fund	Implementer	Required Budget(USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Spectrum Management and international gateway	To manage frequency and gateway	• Effective and efficient monitoring & control	Donors and SLG	Ministry of Posts and Telecommunication	1.20	-	-	-	-	1.2
2	Interconnection between Telephone operators	To make interconnectivity between different operators	• Enabled communication between subscribers of different operators	"	"	0.32	-	-	-	-	0.32
3	Infrastructure	To construct new building for the ministry HQ	• Ministry's HQ built in Hargeisa	"	"	0.20	0.20	-	-	-	0.40
		To rehabilitate of regional buildings	• Regional offices rehabilitated	"	"	-	0.04	0.04	0.04		0.12
		To construct a building for the Communication Commission	• A building constructed for Communication Commission	"	"	-	0.60	0.60	-	-	1.20
4	Restoration of postal services	To re-establish postal services	• Mail delivery v enabled	"	"	-	0.41	0.41	-	-	0.82
5	National Communication Institute	To establish a communication institute	• Technical skills improved	"	"	-	1.80	1.80	-	-	3.60
6	Human Resources Development	To employ of qualified personnel and train existing staff	• Trainings provided to Ministry staff	"	"	0.13	0.13	0.13	0.13	0.13	0.65
7	Transportation	To purchase vehicles for the Ministry for improved service delivery	• 10 Vehicles purchased (Vans and Buses)	"	"	0.14	0.14	0.14	0.14	0.14	0.70
8	Policy & Regulations Development	To formulate and enrich policies	• Regulatory Framework enhanced	"	"	-	0.16	0.15	-	-	0.31
Total Posts and Telecommunication Development Budget						1.99	3.48	3.27	0.31	0.27	9.32

5.2.4. Civil Aviation Sector

Situation Analysis

Somaliland has seven airports at: Borama, Kala Baydh, Hargeisa, Berbera, Burao, Las Anod and Erigavo. The two biggest airports are Egal International Airport in Hargeisa and Berbera Airport whose particulars are as summarized below:

Table 5.2.1: Hargeisa and Berbera Airport Particulars

Event	Egal International, Hargeisa	Berbera Airport
Runway Length (meters))	2280	4150
Runway elevation (meters))	1348	9
Longitude	44° 5' 30''	44° 56' 28''
Latitude	9° 30' 56''	10° 23' 21''
World Code	HGA	573
GMT Offset (hrs)	+3	+3

Ever since Somaliland withdrew from its union with Somalia, private airlines have flourished and helped in transporting passengers and goods within the country and to and from neighbouring countries. More than ten private airlines including Dallo, Jubba, East Africa, and African Express have offer serves in Somaliland. Similarly, UN flights operate from Hargeisa to transport UN personnel to and from Somaliland. There are also special flight operations. Apart from local destinations, the flight destinations of these airlines included Djibouti, Nairobi, Dubai and Jeddah. Passenger and cargo traffic through the main airports from 2006 to 2009 is summarized in the following table:

Table 5.2.2: Hargeisa and Berbera Airports Traffic Information (2006-2009)

Year	Pax in	Pax out	CGO in (Kg)	CGO out (Kg)	Flights
2006	34566	10519	1763538	687846	1422
2007	77782	67574	1836135	687846	2581
2008	62617	56002	2676840	216042	2783
2009	62234	55973	2872452	309533	2131

Source: Somaliland in figures 2010

Passenger and flight numbers have been relatively stable from 2007 to 2009, while the amount of cargo arriving at the airports has decreased by half. This could be due to higher freight rates, or changes in the regulations affecting the old fleet of aircraft freight carriers which were used to bring cargo from Dubai and Sharja (UAE).

Challenges and Opportunities

The civil aviation sector faces many challenges which must be tackled in the course of the national plan as the following summary demonstrates:

Egal International Airport- Hargeisa:

- The existing runway, taxiway, and parking apron of the Egal International Airport in Hargeisa are in urgent need of resurfacing. The runway and apron should be extended to accommodate current and anticipated aircraft operations safely
- The safety of aircraft operations at the airport depends on obstruction-free surfaces for landings and takeoffs. Freely roaming animals pose an ever present danger as they wander on to the runway. Moreover, a full airport survey will be required, and plans should include the construction of an airfield perimeter fence
- An additional key problem is that the airport has no navigational aids and lacks proper airfield lighting facilities. This becomes a major safety problem during limited visibility conditions and non-daylight operations. On a number of occasions, Egal international Airport has been forced to handle emergency aircraft landings during evenings and early morning hours, when visibility was poor

Berbera Airport

- The existing lighting system, which covers the runway threshold, runway, and taxiway edge, and including isolating transformers, needs rehabilitation. There is also a need for new fencing made of iron posts set in concrete joined with barbed wire, fully surrounding the aircraft movement area and gates at strategic locations

Other Airports

- The construction of runways, fences, and other amenities is required for airports at Borama, Kala Baydh, Erigavo, and Burao

Recently, the ministry has obtained financial support for the following entities:

Egal Int'l Airport:

- \$0.15 million from UNDP/ICAO: extension of the runway
- \$7.01 million from a Kuwaiti Fund: resurfacing the runway, taxiway, apron; security fence and runway lighting system

Berbera Airport:

- \$2 million from a Kuwaiti fund: new terminal buildings, a runway lighting system, and a security fence

Priorities and Strategies

In addition to the completion of the improvements required for the Hargeisa and Berbera airports, the priorities and strategies of the Civil Aviation Ministry during the NDP term can be summarized as follows:

- Improvement of the runways at Burao, Borama, and Kala Baydh airports
- Construction of terminal buildings at Burao, Borama, and Kala Baydh airports
- Installation of security fences as essential safety requirements in all airports
- Improvement of the infrastructure of Erigavo airport
- Provision of fire fighting trucks and ambulances at Hargeisa, Berbera, Burao, Borama, Kala Baydh, Erigavo, and Las Anod airports
- Installation of a water supply system at Berbera and Burao airports
- Provision of electric power for Egal Int'l Airport
- Improvement of airport security, ground-clearing, maintenance, and air traffic services
- Building a training centre for pilots and engineers
- Providing rescue and emergency services

Policy, Legal, and Institutional Reforms

Policy and institutional reforms required include:

- Establishment of civil aviation authority
- Introduction and implementation of flight safety rules and standards
- Review of all existing rules and regulations to meet FAA and ICAO standards
- Formulation and implementation of a national air transport policy
- Improvement of the overall regulatory framework

Programs and Projects

The following programs and projects will be considered for initiation and implementation:

- **Burao, Borama and Kala Baydh airports:** these three airports have been identified as major domestic airports, which should accommodate aircrafts bigger than AN24/26. At the minimum, expansions of these airports will require the construction of main runways of 2,300m and crosswind runways of 1,800m built with compacted sand gravel stabilized with an of addition of chemicals, together with new aprons of 160m X 110m and connecting taxiways of 80X57m. Terminal buildings are needed to serve passengers and cargo. Security fences are also essential safety requirements to prevent roaming livestock and people from entering the aircraft operating areas
- **Erigavo Airport:** runway clearance and terminal buildings
- **Hargeisa, Berbera, Burao, Borama, Kala Baydh, Erigavo, and Las Anod airports:** rescue and fire fighting trucks and ambulances
- **Berbera airport:** Security fence, terminal, air traffic navigation system, runway lighting, baggage and passenger security screening system, water and electricity supply

- **Burao Airport:** water supply systems
- **Egal Int'l Airport:** Runway resurfacing, security fence, modern terminal, air traffic navigation system, runway lighting, baggage and passenger security screening system, electricity supply, aviation training centre

5.2.4: Civil Aviation Sector Budget and Implementation Matrix

Goal		Develop competitive, efficient and modern airports in Somaliland									
Strategic Objectives		- To improve airport infrastructure - To enhance the capacity of Berbera and Hargeisa airports - To construct new regional airports - To build the capacity of civil aviation authorities									
No.	Programmes	Objectives	Project Outputs/ Outcomes	Source of Fund	Implementer	Required Budget(USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Egal International Airport (Hargeisa airport) Terminal Construction	To build new Terminal	• A modern airport terminal built in Hargeisa	Donors and SLG	Ministry of Civil Aviation	-	2.00	3.50	2.50	2.00	10.00
		Strengthen existing runway	• Runway resurfaced for safely accommodating big aircraft operations	Kuwait Fund and other sources	"	4.00	2.00	3.00	3.00	3.00	15.00
		To construct security fence, lighting system and Navigation Aid	• Airport security and visibility improved	"	"	0.50	1.50	1.00	-	-	3.00
		To purchase rescue and fire fighting tracks and ambulance	• Safety provisions assured	Donors and SLG	"	-	-	1.00	-	-	1.00
		To supply electricity	• Day and night fight operations made possible	"	"	-	-	-	-	0.50	0.50
		To extend the runway	• Extension runway reconstructed	UNDP/ICAO	"	-	0.15	-	-	-	0.15
2	Berbera International Airport Construction	To build new terminal buildings and Fence	• Airport facility improved	Kuwait Fund and other sources	"	-	4.5	0.50	-	-	5.00
		To purchase rescue and fire fighting tracks and ambulance	• Safety provisions assured	UNDP & ICAO	"	-	0.50	0.50	-	-	1.00
		To build runway lighting, security fence, water supply and navigational aid	• Taxiway edge lightings installed, airport boundary fully secured and water supply assured	Kuwait Fund	"	0.50	1.50	1.00	0.75		3.75
3	Improve regional airport system with necessary security facilities	To build new runways, terminal buildings, runway lighting, security fence, runway clearance and Office buildings at regions	• 3 Regional airports at Burao, Boorama, and Erigavo constructed	Donors and SLG	"	-	1.00	2.5	1.50	-	5.00
Total Civil Aviation Development Budget						5.00	13.15	13.00	7.75	5.5	44.40

5.2.5. Information and Media Sector

Situation Analysis

Somaliland has only one public radio station, Radio Hargeisa, which can be tuned into in and around Hargeisa on the FM frequencies: 89.00 and 89.70. There are no privately owned radio stations. Radio Hargeisa transmits its programs twice a day, i.e. from 6:30 a.m. (Local Time) to 8:30 a.m. and from 1; 00 p.m. to 5:00 p.m. The Radio transmits its programs in four languages (Somali, Arabic, English and Amharic). Radio Hargeisa programs are also available over the internet. Both the BBC and VOA provide FM radio broadcasting around Hargeisa area. The BBC service is available 24 hours a day in three languages (Somali, English and Arabic). The VOA FM radio transmission broadcasts in Somali and English and is on air from 6:30 a.m. to 11:00 p.m. The timing of VOA service is synchronized with the Radio Somaliland service.

There is no reliable statistics on Radio receiver ownership in Somaliland, but it is understood to be high. However, radio receivers are no longer essential for tuning into radio stations. Nowadays, radio programs can be accessed using mobile phones which have a wide coverage in the country. The government's own TV station, Somaliland National TV (SLNTV), can be viewed using a satellite dish or a normal TV antenna. It is also available online. The satellite service runs for 24 hours and can be watched around the world, whereas the antenna based local service runs from 6:30 a.m. to 1:00 a.m. There are two privately-owned TV channels, Horn Cable TV (HCTV), and Somaliland Space Channel (SLSC). Horn Cable TV can be viewed via satellite and online for 24 hours daily in the whole of Somaliland, Somalia and all over the World, especially in countries with large Somali Diaspora. Somaliland Space Channel can be viewed only locally. It is not yet available on satellite and viewers need just normal terrestrial TV antenna to receive its programs. There is no information on TV set ownership in Somaliland. However, TV ownership is not as widespread as radio ownership.

There is a Government owned daily newspaper called *Dawan* which is published in Somali language by the Ministry of Information five days a week. Its circulation is estimated at around 400 per day. There are also ten private daily newspapers including Haatuf, Ogaal, Jamhuriya, Waaheen, and Somaliland Times (an English weekly) which compete among themselves for readership. In addition, there are many online dedicated news websites that cover events in Somaliland. These sites include Qarannews, Hadhwanagnews, Somaliland news, Awdal news, Oodweyne news, and togdheer news among others. The Government regulates newspapers in accordance with the law that governs the media. Such wide range of newspapers provides up to date and diverse news from different sources. Their circulation has increased over the years.

Challenges and Opportunities

Here are some of the sector's challenges and opportunities:

- Absence of a comprehensive national plan on migration from analogue to digital broadcasting in time to meet the internationally agreed switchover deadline of June 2015
- Inadequate legal and regulatory framework within which to manage emerging trends such as the convergence of technologies
- Limited access to TV and Radio broadcasting infrastructure across the country
- Limited radio signal capacity: it covers only short distance around the capital
- Limited television signal ranges—it doesn't cover the whole country
- Lack of appropriate guidelines and procedures for broadcasting services

Priorities and Strategies

In terms of priorities and strategies, there is a need to:

- Ensure access to quality, affordable broadcasting services across the country
- Develop broadcasting infrastructure
- Migrate from analogue to digital broadcasting technology
- Enact and operationalize laws to manage the broadcastings services
- Support Public-Private Partnership (PPP) arrangements to extend coverage of the broadcasting services across the country
- Develop and implement a policy, legal, and regulatory framework for the media
- Formulate and harmonize policies and laws governing private channels
- Develop policy guidelines for the establishment of broadcasting infrastructure to create more equitable access to quality program services
- Reform and enable the media sector to contribute to promoting human rights, and supporting social development agendas

Policy, Legal, and Institutional Reforms

Reforms will also have to be enacted which are intended to:

- Review sector policies for consistency with current government priorities and strategies, and bring inline with international standards
- Formulate a strategic policy document to guide the ministry's programs
- Review and implement appropriate policy and legal frameworks for the broadcasting sector
- Implement and enforce the press code of conduct
- License private radio stations
- Safeguard the constitutional right to freedom of expression

Programs and Projects

The following programs and projects need to be implemented during the plan period:

Radio Hargeisa

- Radio transmitter: increase of the transmitter capacity to 25MW
- Acquisition of six Ob Mobile vans for the radio
- Creation of six modern studios
- Installation of high-quality equipment for radio production
- Enhancement of capacity for local and international correspondence
- Re-organization and reproduction of studio archives
- Rehabilitation of the Radio station Buildings
- Provision of suitable training facilities to enhance staff capacity

National Television

- TV transmitter & satellite: increase of the transmitter coverage to all regions of Somaliland
- Acquisition of six Ob Mobile vans for Radio transmission
- Creation of six modern studios
- Installation of high-quality equipment for TV production
- Enhancement of capacity for local and international correspondence
- Improvement of the re-organization and reproduction of TV studio archives
- Providing staff training to enhance their capacity

Somaliland News Agency (SoLNA)

- Acquisition of new technology for searching for national and international news
- Enhancement of capacity for local and international correspondence
- Establishment of an advertising and marketing agency
- Development of a foreign languages section
- Production of magazines in different languages (English- and Arabic-language)

Improvement in the Infrastructure of the Ministry

Initiatives to improve the ministry's infrastructure will take the following form:

- Construction of new buildings capable of accommodating the TV station and the ministerial administration
- Provision of capacity-building training in print, radio/TV, broadcasting, production, and editing journalism
- Establishment of records production and electronic storage facilities

5.2.5: Information & Media Sector Budget and Implementation Matrix

Goal		To make efficient, equitable and quality d media services across all Somaliland.									
Strategic Objectives		- To expand Radio coverage - To expand National TV coverage - To build the capacity of journalists, broadcasters and support staff - To provide up to date news coverage									
No.	Programmes	Objectives	Project Outputs/ Outcomes	Source of Fund	Implementer	Required Budget(USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Radio Hargeisa	To construct transmitter and suitable buildings	• 25 KW transmitter installed to expand radio coverage	Donors and SLG	Ministry of Information	0.60	-	-	-	-	0.60
		To build Radio Studios and provide necessary equipments	• 12 studios provided (6 for the HQ and 6 for the Regions)	"	"	0.20	0.19	0.19	0.19	0.19	0.96
		To purchase Ob Mobile Vans	• 3 Ob Vans provided with equipments	"	"	-	0.10	0.10	0.10	-	0.30
		To construct Radio Archive	• Historical recordings restored	"	"	-	0.05	-	-	-	0.05
2	National TV	To provide TV transmitter with microwave and relay station	• 25 KW transmitter installed to expand TV coverage	"	"	0.50	-	-	-	-	0.50
		To purchase Ob Mobile Vans	• 3 Ob Vans provided with equipments	"	"	-	0.10	0.10	0.10	-	0.30
		To provide equipment & TV studios	• 6 National and 6 international TV studios provided	"	"	0.24	0.24	0.24	0.24	0.24	1.20
		To construct TV archive	• TV archive with a building installed	"	"	-	0.25	-	-	-	0.25
3	Somaliland News Agency (SoLNA)	To provide 2 buildings with office equipments	• Up to date and reliable news produced	"	"	-	0.20	0.15	0.15	-	0.50
4	Government official Newspaper	To automate news paper	• Printing and other equipments provided	"	"	-	-	0.20	-	-	0.20
5	Infrastructure	To construct 2 buildings	• 2 buildings constructed to accommodate Radio and TV stations, transmitters and staff	"	"	-	0.50	-	-	-	0.50
6	Public Awareness	To improve public awareness	• Public awareness raised	"	"	0.50	0.50	0.50	0.50	0.50	2.50
7	Staff Training	To build a journalistic institute (building, experts and equipments)	• A journalistic institute built t enhance the capacity of technicians and Journalists	"	"	-	-	0.20	0.2	0.2	0.6
8	Transportation	To provide vehicles for Directors and Staff	• 22 vehicles provided for the HQ and regions (including Mini Buses and other 13 cars)	"	"	0.10	0.10	0.10	0.60	-	0.90
9	Policy Development	To formulate essential policies and laws	• Consultants hired to develop policy and essential laws	"	"	-	0.20	0.10	0.20	0.19	0.69
Total information and Public Awareness Creation Budget						2.14	2.43	1.88	2.28	1.32	10.05

5.2.6. Information and Communication Technology (ICT) Sector

Situation Analysis

Information and Communication Technology (ICT) is a vital catalyst for social change and economic development that is increasingly seen as an essential tool for development. The Government of Somaliland has recognized the potential benefits to be gained from harnessing the power of ICT and is determined to creating an ICT literate workforce that can contribute to a high tech dynamic economy and compete in today's information age.

Today, ICT penetration and its use by households and businesses in Somaliland are still very low. Access to ICT services is mainly available to those who live in urban centres. In rural areas ICT services are very much limited. The efficient management of civil service affairs and the effective provision of public services are hampered by the absence of appropriate ICT applications. In today's economies, productivity depends on the level of ICT input. Where ICT penetration in production is low, productivity is low and so is the standard of living attainable.

The past decade has shown, in countless ways, the transforming effect that information and Communication Technology (ICT) can have on the way we communicate, live, learn, work and interact with each other. ICT has become a critical factor driving growth and productivity in global economies. The formulation of a sound national ICT policy is the first step in stimulating and transforming the ICT sector and the economy. A proper enabling policy will encourage long term investment by current operators and attract new entrants to bring cash and latest technologies into the industry. The government believes that adequate investment in ICT infrastructure will help stimulate economic growth, raise living standards and contribute to peace, stability and good governance in Somaliland.

In June 2010, the President of Somaliland soon after inauguration established the Somaliland ICT Commission to act as the nation's sole ICT policy and regulatory body. For a number of years, the UNDP provided support to Somaliland ICT Development Project in order to improve the performance of the Somaliland Government through effective ICT use. However, that project came to an end on December 31, 2009 with little progress. Hence, it is imperative to start afresh again and undertake a comprehensive assessment of the ICT status of government institutions to determine their needs and establish a strategy for building their capacity, and developing appropriate policies.

The objectives of an ICT policy development will be to:

- Assist the Government of Somaliland and decision-makers establish a process that will integrate the country's ICT strategy with the national development plan, and facilitate participation in the international ICT agenda
- Draw on lessons learned in the development and implementation of ICT policies by other countries
- Involve all the key ICT stakeholders in the consultative process

- Raise awareness about the important role ICT plays in national development; and
- Facilitate foreign investment in the ICT industry

Challenges and Opportunities

Challenges:

- Lack of strategic ICT policy and legislative framework
- Poor ICT infrastructure
- Lack of ICT skills
- ICT security needs
- Limited access to ICT equipment e.g. computers
- High cost of the internet services relative to international rates

Opportunities:

There are opportunities offered by the:

- Fast developing ICT technologies unthinkable few years ago
- Increasing number of young people who are ICT literate
- Installation of the fiber optic cable which will usher high speed internet
- International support and commitment to ICT development

Priorities and Strategies

With respect to priorities and strategies, the focus will be on the following:

- Development of a National ICT Policy
- Development of a common secure host to accommodate public institutions' domains and websites.
- Creation of an effective Government-wide network for sharing information
- Promotion of public awareness of the benefits of e-Government, e-Economy, e-Commerce, e-Learning, and e-Libraries
- Provision of ICT solutions and application systems to the Government ministries and autonomous agencies
- Development of a public assets registry database
- Provision of an Integrated Financial Management Systems (IFMS) to facilitate revenue collection, treasury, budgeting, auditing, and accounting functions

Policy, Legal, and Institutional Reforms

Policy and institutional reforms during the NDP period will include:

- Legislation of the Commission in an Act of Parliament
- Formulation and implementation of a Somaliland national ICT policy

- Development of ICT regulations and guidelines
- Establishment of standards for IT electronic equipment imported into the country

Programs and Projects

NDP programs and projects to be carried out during the NDP period will include:

- Establishing a national Data Centre
- Formulating by-laws for the ICT commission
- Building the institutional capacity of the ICT commission
- Construction of operational premises for the ICT Commission
- Setting up local area networks for each ministry/agency as baseline infrastructure
- Promoting and stream-lining internet access and sharing
- Establishing ICT sections and focal points in all government institutions
- Creating a Government-wide e-mail network
- Developing the ICT skills of Government personnel
- Creating national ICT standardization and licensing
- Installing ICT security systems for government
- Promoting and encouraging e-based services (e-governance)
- Introducing and promoting open source systems and applications

5.2.6: ICT Sector Budget and Implementation Matrix

Goal		Create an e-Government and an e-economy									
Strategic Objectives		To improve information and communication technology									
		To develop National ICT programs									
		To improve legal frameworks of the ICT									
		To create e-based government services for the public									
No.	Programmes	Objectives	Project Outputs/Outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Developing regulatory framework	To improve policies and regulations	- National ICT Policy - Established Commission bylaws - Conduct baseline assessment to Somaliland current ICT situation	Donors and SLG	ICT Commission	0.12	-	-	-	-	0.12
2	Capacity Building	To train ICT Commission staff and provide office equipments for the Commission	- Staff trained and offices furnished - Logistics and Transport purchased for commission	"	"	0.2	0.1	-	-	-	0.300
3	Establishing national data Centre	To Provide of secure Government common host to accommodate ministries and agencies domains	- National Data Centre - ICT Experts - Established Commission Advisory Board	"	"	0.50	0.50	-	-	-	1.00
4	Construction ICT Commission HQ	Construction of operational premises	- Commission HQ premises with full equip - Government Video conference centre	"	"	0.50	0.50	-	-	-	1.00
5	Local Area Network for Ministries and Agencies	To setup Local Area Network (LAN)	LAN established for Government	"	"	0.33	0.18	-	-	-	0.51
6	Homan resource development	To train government staff for ICT best practices and proper utilization	- Skilled Staff - ICT user policy in place - Utilize ICT tools	"	"	0.1	0.1	0.10	-	-	0.300
7	ICT Centre	To undertake Research & Development and IT youth training	Centre of IT Excellence established	"	"		0.50	0.50	-	-	1.00
8	ICT and security	To setup ICT security systems	ICT Security systems at key government entry points established (airports ,see port and land borders, etc)	"	"	1.0	0.50	-	-	-	1.50
9	E-Government Programme	To automate public services	On-line public services delivered efficiently	"	"	-	-	0.50	1.00	0.50	2.00
10	E-Commerce Promotion	To provide guidance, overseeing and promoting e-commerce	Public awareness created on e-economy	"	"	-	-	0.05	0.05	0.05	0.15
Total ICT Development Budget						2.75	2.38	1.15	1.05	0.55	7.88

5.2.7. Maritime Sector (Berbera Port)

Situation Analysis

Berbera, which is strategically located on the southern coast of the Gulf of Aden, is the main seaport of Somaliland and has emerged as an important regional port. The current port was first built by the Union of Soviet Socialist Republics (USSR) in 1968. It was later extended by the United States (US) in 1984. The port is 9-12m deep, has:

- 650m long wharf
- 5 linear berths
- 1 Ro-Ro berth
- 120,000 tons storage capacity
- 64,000 sq meter open yard, and
- 20,000 sq meter container yard

Five to seven ships and boats can dock on a single day, depending on the size of the vessels, which, at times, could be 100 meters and longer.

Port facilities include:

- Fully equipped workshop
- Mobile cranes with capacities from 15 tons to 30 tons
- A high-powered highway tractor head capable of hauling 40ft-loaded containers
- 20-40 feet long trailers
- Port pilotage services
- Port security services
- Fire-fighting crews with two water tenders and a fireboat with a monitor and extinguishers
- Forklift trucks

The management of the port facilities has improved significantly despite the limited resources available to it. Port security has been paramount, and a great deal of improvement has been made in this area:

- Modern surveillance cameras have been installed
- A new alarm system has been installed at the main control gate and on the pedestrian walkways
- A new sliding steel double door has been fabricated and installed
- Land in the vicinity of the port area and adjacent to the main exterior control gate has been successfully cleared after the demolition and dismantling of kiosks, tea shops, and eating joints which had been operating there
- Access to the approach area of the main control gate has been enhanced as a result of repair work done on the entrance to the Al-shab Jetty

- Pavement slabs behind the approach of the Russian Wharf have been totally replaced with new, reinforced concrete slabs of the same dimension
- Two security checking rooms have been built, one near the pedestrian walkway and the other on the side of the main control gate
- A wall surrounding the new parking lot is under construction

Almost all the livestock exports from Somaliland and the eastern provinces of Ethiopia, as well as imports of goods and merchandise to Somaliland and the surrounding areas pass through Berbera port. Nearly 500 vessels dock on the port every year. Almost half of these vessels are Dhows that come mostly from Yemen and the UAE. The rest are livestock, bulk cargo, and container ships from around the world (see the table below).

Table 5.2.3: Berbera Port Traffic 2005-2009

Year	Dhows	Ships	Total
2005	114	340	454
2006	148	329	477
2007	104	278	382
2008	153	316	469
2009	187	307	494

Source: Somaliland in figures 2010

To realize its potential as a regional gateway, Berbera port requires substantial expansion and facilities enhancement, an effort which calls for significant investment in infrastructure. The expansion of services and facilities at the port will lead to the growth of maritime services which will contribute to economic development and provide greater employment opportunities for the people. The port will also strengthen the regional economic and trade cooperation by increasing cross-border commercial traffic.

Challenges and Opportunities

The challenges and opportunities at the port of Berbera are as summarized under:

Challenges:

- Limited capacity
- Skilled labour shortage
- Power shortage—electricity
- Lack of ship maintenance facility
- Lack of Insurance coverage
- Piracy in the region
- Security needs further enhancement
- Navigation system needs to be improved
- Salvation and fire fighting capabilities are not fully adequate

Opportunities:

The port has the potential to:

- Establishing itself as the main shipping outlet for land locked East African countries – Ethiopia, South Sudan, Uganda
- Developing mega commercial and industrial Free zones
- Becoming an international container shipment hub connecting Europe, Middle East, Asia and Africa
- Becoming a major international shipping supply and maintenance centre

Priorities and Strategies

The priorities and strategies for Berbera Port include the following:

- Expansion of the port
- Development of free zones
- Establishment of a container terminal
- Dredging to accommodate large loaded vessels
- Improvement of the infrastructure
- Acquisition of essential marine and handling equipment
- Restoration of the original drainage system
- Provision of necessary civil works and security systems
- Installation of navigation aids

Policy, Legal, and Institutional Reform

To bring port security up to par with United Nations' standards, Berbera Port Authority has engaged Nordic Crisis Management, a Norwegian company, to help them implement the International Ship and Port Facility Security Code (ISPS). The ISPS Code consists of a comprehensive set of measures intended to enhance the security of international shipping and port facilities. The Code applies to all ships over 500 BRT which form part of international traffic and to all ports that serve such vessels.

Additional policy and regulatory reform measures needed are:

- Development of a strategic policy document to guide the port management
- Alignment of the port policies with the Government plans and strategies

Programs and Projects

The NDP programs and projects to be implemented at Berbera Port can be summarized as:

- Security: improving the current port security and enhancing the navigation lights
- Civil works: clearing the land in front of the port and around the main gate
- Infrastructure: building a new block-wall boundary fence; reclaiming authority over the Moscow housing compound; fencing the ex-Russian compound; and replacing all the damaged concrete pavement slabs of the Russian Wharf, the port access area, and the approach area roads
- Drainage: restoring the original drain level
- Storage: building additional storage capacity outside the current perimeter of the port
- Mechanical works: supplying two container forklifts, a dump truck, a roller compactor, and a bulldozer
- Marine and handling equipment: providing a modern tug boat, a new pilot boat, a grader, a gantry crane, a hammer truck, and a bagging machine
- Land reclamation: reclaiming the water-bound area
- Navigation aids: installing new, foam-filled fibre-glass channel buoys, rehabilitating the Mayag steel structure, and replacing all damaged parts

5.2.7: Berbera Port Budget and Implementation Matrix

Goal			Develop Berbera port to provide service to all East and Central Africa								
Strategic Objectives			Improve Port infrastructure								
			Develop the port to be a free-trade zone								
			Improve security standards								
No.	Programmes	Objectives	Project Outputs/ Outcomes	Source of Fund	Implementer	Required Budget(USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Civil Works	To build new car park and holding ground	- A new car parking lot constructed - Holding ground for livestock	Donors and SLG	Berbera Port Authority	0.25	-	-	-	-	0.25
		Increase storage capacity and exit road	Additional capacity built	"	"	-	0.40	0.18	-	-	0.58
		Dredging and Fenders	- Dredging the area surrounding the timber jetty - Salvaging fending cylinder	"	"	-	0.16	-	-	-	0.16
		Leading lights	Illumination of the leading lights	"	"	-	0.09	-	-	-	0.09
		Exit Road & other structural amenities	Second access road completed	"	"	-	-	0.20	-	-	0.20
		Holding ground for livestock	400m x 500m holding ground built	"	"	-	-	0.12	-	-	0.12
2	Infrastructure	Building	Building a new block wall boundary	"	"	-	0.32	-	-	-	0.32
		Drainage	Restoration of original drain level	"	"	0.68	-	-	-	-	0.68
		Congestion	Build additional storage capacitor	"	"		-	-	-	-	
		Reclaiming authority over Masco compound and fencing the ex-Russian compound	Housing compound reclaimed for staff accommodation	"	"	-	-	-	-	0.11	0.11
3	Equipments	Supply mechanical and handling equipments	- Fork lifters, dump truck, roller compactor and bulldozer supplied - Modern Tug boat with capacity 25000 HP (Horse Power) supplied - Pilot Boat 600 – 800 HP supplied - Grader grading supplied & salvaging Shabelle tugboat sunk in the quay	"	"	-	-	0.93	-	-	0.93
				"	"	0.46	-	-	6.00	-	6.46
				"	"	-	-	-	1.20	-	1.20
				"	"	-	-	-	0.10	-	0.10
		Reclamation of the water-bound area between the port workshop and Alshab jetty	Formation of land for workshop extension	"	"	-	-	-	0.40	-	0.40
		Gantry Crane	Handling the goods	"	"	-	-	-	4.20	-	4.20
		Purchasing Trucks	Hammer Truck (80 HP) 10 units	"	"	-	-	-	1.20	-	1.20
		To purchase bagging machine	Bagging the goods	"	"	-	-	-	1.10	-	1.10
4	Navigation Aid	Installation of new foam filled fibreglass channel buoys	Seven channel buoys installed	"	"	-	-	-	-	0.40	0.40
		Rehabilitation of the Mayag steel structure	All damaged parts replaced or repaired	"	"	-	-	-	-	0.13	0.13
Total Berbera Port Development Budget						1.39	0.97	1.43	14.20	0.64	18.63

5.2.8. Las Qoray Jetty Re-Development Project

Situational Analysis

Las Qoray is located in Sanaag region and was historically important coastal trading centre, which was used for export of livestock, frankincense and myrrh as well as for import of goods. It served several regions including Sanaag, Sool and the Somali Region of Ethiopia.

In 1970, the then Government of Somalia constructed a fish canning factory with a jetty for fishing boats, which led to significant economic development in the region. However, due to the construction of Bossaso port in 1986, which is not far from it, and the outbreak of the civil war thereafter, fishing activities and factory production declined and eventually ceased; the jetty deteriorated and was finally destroyed as result of unusual massive flooding and the town nearly died. However, a private sector tuna canning factory was established in 2006 in anticipation of the jetty and is currently functioning and employs about 2800 fishermen and factory workers. It also buys fish from private fishermen operating in the coastal Sanaag region.

Since 1994, efforts have been made to promote sustainable economic development of the town. In April 1997, a preliminary feasibility study of the jetty was carried out by ADK Consulting Engineers Ltd. In April 2005, Horn Relief invited Graeme Watson Associates to undertake both a technical and economic feasibility study, as well as an environmental assessment study, for the construction of a new jetty at Las Qoray. The studies were completed in 2008, but construction has not started due to lack of funding.

Challenges and Opportunities

Sanaag and most of Sool are isolated and lack the necessary infrastructure such as asphalt roads and ports. Prior to the period of motorized ships and larger ports, Las Qoray received sailing boats and was the main port for Sool, Sanaag and adjacent Somali regions of Ethiopia. The distance of these areas from other ports and lack of proper roads dictates the need for the rehabilitation of Las Qoray jetty, which could serve as a major fishing and trading port.

The feasibility study and plan of the port are complete. It is designed to accommodate ships, dhows, motorized vessels and fishing boats. The largest vessels that could dock to load or offload cargo will be 800 DWT (Dead Weight Tonnes) and 3000 DWT in Phase 1 and 2 respectively. The construction of the port will generate employment; improve the economic well being of the community; boost fisheries production, import and export trade, and raise additional tax revenues that could be used to invest in the socio-economic development of Sanaag and Sool regions.

The Economic Rate of Return (ERR) of the project is 12.7%, and the Benefit to Cost Ratio is 1.04 in Phase 1. Hence, the development proposition of Las Qoray Jetty is economically feasible. It has the potential to:

- Make an acceptable return on investment
- Expand existing jobs and create new employment
- Create economic linkages that will spur socio-economic development within the locality and its hinterland
- Generate increased tax revenue for the Government; and
- Restore dignity to the local population by contributing to the revitalization of the town

Program and projects

The technical feasibility calls for two phase development of the port. The first phase involves quarrying, crushing and transporting of material and the creation of an embankment. It includes “Minor and Principal Berths” that will be used for berthing small vessels and may also be used by larger vessels when not fully loaded or at periods of neap tides.

In the second phase three breakwater barriers and a quay wall will be constructed and extended to permit the berthing of larger vessels. By the completion of the second phase, a 125 m jetty will allow ships of up to 3000 DWT²¹, (800 DWT in Section II), to dock.

In addition to port jetty development, the following actions will be taken in order to ensure a suitable environment in which the port can be established and flourish:

- A management plan for the port will be prepared and put in place at commencement of operations
- Local investors will be primed to invest in the development of support services and amenities such as warehousing, transport facilities, retail outlets, animal holding grounds
- Las Qoray to Badhan road will be rehabilitated and improved to ensure suitable access to the port from the hinterland by livestock trucks and other commercial transport
- A management capacity building programme will be provided to the private companies that are already established in Las Qoray
- The local communities will be involved in the development of the port from the onset

5.2.8: Las Qoray Port Development Budget and Implementation Matrix

Goal			To develop Las Qoray Port to serve eastern regions and surrounding areas								
Strategic Objectives			Develop port infrastructure								
			Improve port facilities and services								
No.	Programmes	Objectives	Project Outputs/ Outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Civil Works Phase I	Design phase I and supervise work	Blueprint for phase I produced	Donors and SLG	Las Qoray Port Authority	0.49	-	-	-	-	0.49
		Geotechnical investigation	A study conducted	"	"	0.25			-	-	0.25
		Dredging and Construction	Jetty, minor and major berths constructed	"	"	-	4.85	-	-	-	4.85
		Equipment	Cranes supplied	"	"	-	-	0.50	-	-	0.50
2	Civil works Phase II	Design phase II and supervise work	Blue print for phase II produced	"	"	-	-	0.70	-	-	0.70
		Construction	Breakwater sections, quay wall and berths constructed	"	"	-	-	-	7.01	-	7.01
		Equipment	Cranes, Forklifts, handling equipment etc. supplied	"	"		-	-	-	0.20	0.20
Total Las Qoray Port Development Budget						0.74	4.85	1.20	7.01	0.20	14.00

5.2.9. Energy Sector

Situation Analysis

Energy plays a vital role in the livelihood of people. In most developing countries, 30% of household income is spent on energy services. Energy dramatically increases human capabilities and opportunities. At home it is indispensable, and it fuels transport, agricultural and industrial production. Energy utilization in Somaliland is extremely low by world standards. It is currently estimated at 200 to 280 kilo joules per capita per year and is mainly dominated by biomass-based fuels. Charcoal, kerosene, and electricity constitute an important source of energy for households in urban areas, while fire wood is the primary source for rural communities. Charcoal is used by 97% of urban households; kerosene is consumed by about 80%, followed by electricity at 68%. The average monthly expenditure on energy (i.e. electricity, kerosene and charcoal) in urban areas is about US\$60. This is equivalent to about 30% of the average family monthly income.

Purchased mainly from vendors, charcoal is widely used for cooking in the urban and semi-urban areas. A typical household consumes 2-3 sacks (40-60kg) of charcoal per month, at an average cost of US\$20. Only 2% of households use improved charcoal cook stoves. Almost all households (98%) use traditional metal stoves, which are considered inefficient. The major challenges to charcoal users are high cost, increasing scarcity, slow cooking, dirt, and hazards.

Firewood is the main source of energy for cooking in rural areas. A significant proportion of households in urban and semi-urban areas also utilize firewood. Most of the firewood is collected freely, with only 17% being purchased from vendors. All households use traditional firewood cook stoves. There is, however, a strong willingness amongst households to switch to other forms of energy, with the following reasons being cited for the dislike of firewood: collection problems, scarcity, dirt, smoke, and drudgery.

Charcoal constitutes an important fuel for cooking purposes for institutions and commercial enterprises as well. Institutions such as education and health establishments that provide food and enterprises like hotels and restaurants consume an average of 37 sacks per month at a current cost of approximately US\$ 260 per month. Only 13% of institutions use improved charcoal stoves, while the rest use metal stoves. 82% of institutions are not satisfied with the charcoal and stoves on the market, as they are considered dirty and dusty, smoky, of poor quality, unreliable in supply, and expensive.

Firewood is also used in urban areas, mainly for cooking and baking, especially in restaurants, bakeries, and government institutions such as the military, the police, and prisons. 70% of the institutions that use wood purchase it while the rest collect it freely from forests. It is estimated that these institutions consume an average of 3,341kg of fuel wood per month. Institutions use traditional firewood stoves, though 78% are not satisfied with the appliance, and 88% confirmed their willingness to switch to alternative appliances and fuels. There are a number of

challenges including increasing scarcity, health implications due to indoor air pollution and rising costs mainly due to increasing distance covered in obtaining firewood.

In Somaliland, biomass energy sources account for more than 90% of the total energy consumed. It is sourced from various land cover formations such as open trees and shrubs and woody vegetation, accounting for 37% of land cover in Sanaag region, 47% in Togdheer, and 52% in the rest of North West regions. Grasslands occupy 52% in Sanaag and Togdheer, and 37% in North West regions. These Biomass resources are declining at an alarming rate. In the Sanaag region, the area covered by Galool forest has declined by 52%, from 162,467.5 ha in 1988 to 78,211.89 ha in 2003. Open shrubs that comprised 45% in 1988 declined by 30% during the same period.

An estimated 85,713 metric tons of charcoal are consumed annually by households in the country, out of which 22% is attributed to consumption in Hargeisa city. The demand by commercial enterprises and institutions is also significant. An average of 8 tons of charcoal is consumed by each institution or enterprise annually.

Challenges and Opportunities

The main challenges in the energy sector of Somaliland include the following:

- Lack of capacity and strategy in generating alternative sources of energy for overcoming the environmentally devastating effect of the widespread use of charcoal in the country
- Dysfunctional or old and tired power plants
- Poor power distribution network
- Lack of financial resources for maintenance, and expansion
- Too much reliance on imported sources of energy
- Inefficiency and industrial fragmentation
- Rising energy costs
- Inaccessibility by the poor
- Inadequate legal and regulatory framework

The use of renewable energy technologies (RETs) has been slow to develop in Somaliland for the following reasons:

- Absence of an effective policy environment that encourages the use of alternative energy systems
- Lack of public education and information regarding the use, advantages, and limitations of RETs
- High up-front costs of RETs and the absence of credit for end-users to spread the initial cost of RET systems over time and to enable local suppliers to purchase system components locally and from abroad in a cost-effective manner

- Private sector's lack of the funds, human resources, information required to acquire RET equipment and technologies from industrialized countries
- Absence of financial facilities that allow users to purchase solar or wind systems which, although economically competitive in the long run, may initially cost more than a diesel generator

Amid these formidable challenges in the energy sector, Somaliland is blessed with an abundance of resources, especially wind, solar and tidal wave energy, fossil fuels, and other renewable resources. However, as has been suggested above, the widespread energy scarcity is hampering the economic development of the country. Hence, there is an urgent need to develop these energy resources to improve the country's energy supply and alleviate the environmentally detrimental effect of charcoal use.

Priorities and Strategies

To meet the energy needs of Somaliland in a sustainable, cost-effective, and socially/environmentally acceptable manner, the SLG will take the following priority actions:

- Develop and implement Somaliland national energy policy
- Promote the development of environmentally friendly renewable sources of energy (solar, wind and tidal)
- Develop a strategy that encourages people to switch from using charcoal to our sources such as coal and renewable sources
- Increase access to affordable, and reliable energy sources in ways that contribute to poverty eradication
- Upgrade current power stations and distribution grids
- Encourage consolidation of the industry to take advantage economies of scale and reduce unit cost

Policy, Legal, and Institutional Reform

Through a four-year policy formulation process, Somaliland drafted an energy policy which was approved by the Council of Ministers on March 03, 2010. The policy is expected to provide a regulatory framework for the country's energy sector and lays a foundation for its development. It is, therefore, essential to utilize its provisions and comply with its obligations for improving the energy sector of the country.

Programs and Projects

The projects and programs listed below reflect the priorities of the energy sector during the five-year period of this National Development Plan:

- Building the capacity of the energy department of the MoMEWR and that of the Centre for the Somaliland Energy Commission (SEC)
- Developing Somaliland Energy Regulation (SER) policy
- Developing Somaliland energy centre
- Enhancing and/or introducing alternative energy sources (such as solar and wind energies)
- Collecting and disseminating energy-related information and data
- Establishing national electric grid in six major towns of SL
- Dealing with rural energy needs for development
- Harnessing Somaliland's energy resources to achieve self-sufficiency in energy (varied sources--such as thermal, and tidal energy--need to be explored; and reliable, safe, and affordable multi-energy choices shall be introduced nationwide for commerce and industry)
- Initiating research and exploration on fossil energies in Somaliland

5.2.9: Energy Sector Development Budget and Implementation Matrix

Goal		Improving availability and accessibility of affordable energy at a reasonable price and in support of socio-economic development in SL									
Strategic objectives		To ensure improved access to a range of energy services for the whole population in urban and rural areas									
		To ensure sustainable fuel wood management									
		To consolidate data on energy resources									
		To assess the development and dissemination of appropriate renewable energy technology such as solar energy, wind mill, etc.									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Building the capacity of energy department of MoMEW, and the centre for Somaliland Energy Commission (SEC)	To build the technical capacity of the Mining department of MoMEW and the centre for SEC	- The energy department of MoMEW and SEC fully equipped - Professionals and skilled technicians recruited and trained - Office rooms constructed for the energy department and for SEC (2012)	Donors and SLG	MoMEWR	0.04	1.12	0.13	-	-	1.29
			Experience sharing tours organized especially for participation on energy conferences, and learning from regional and global energy commissions and institutions	"	"	0.05	0.05	0.05	0.05	0.05	0.25
2	Commencing the drafting Somaliland Energy Regulation (SER)	To draft Somaliland Energy Regulation (SER)	- Training provided to staff and consultation made with stakeholders for drafting SER - SER drafted - SER approval by cabinet, parliament and president	"	"	0.36	-	-	-	-	0.36
3	Charcoal use reduction and gradual substitution with coal development	To reduce and gradually halt the devastating charcoal use in SL by substituting it with other sources of energy, especially coal	Alternative cooking energy sources identified and developed to substitute current charcoal use	"	"	0.1	0.2	0.5	0.4	0.3	1.50
4	Construction of Somaliland energy centre (including fully equipping)	To construct SL energy centre	- Human resource, material and skill training supports provided to SL energy centre - Awareness raising on energy selection, application, safety and conservation conducted for the people of SL	"	"	0.45	-	-	-	-	0.45

5	Enhancing and introducing alternative energy sources (such as solar and wind energies)	To develop alternative energy sources (such as solar and wind energies)	• Small solar heaters, and solar applications in community services and for light industries introduced and developed • Wind pumping tests increased	"	"	0.24	-	-	-	-	0.24
6	Collecting and disseminating energy related information and data	To collect and disseminate useful local and global information on energy	• Relevant information and data related to energy collected and disseminated • Close follow up conduct on energy trends both locally and globally	"	"	0.10	0.05	.03	0.02	-	0.20
8	Addressing the rural energy needs for rural development	To enhance rural electrification for improved rural livelihood	• Rural electrification possibilities researched, and appropriate/ suitable energies selected and introduced to the rural communities	"	"	-	0.38	-	-	-	0.38
9	Encouraging/enhancing investment on the energy sector, and rehabilitation/ construction of 20 earth dams	To enhance investment on the energy sector, and rehabilitate/ construct earth dams for energy generation	• 20 earth dams rehabilitated/ constructed for energy generation • Investment on the energy sector enhanced	"	"	-	4.8	-	-	-	4.8
10	Harnessing SL energy resources for self sufficiency in energy (varied energy sources such as hydro, thermal and tidal need to be explored; and reliable, safe and affordable multi energy choices shall be introduced nationwide for commerce and industry)	To generate reliable, safe and affordable energy in SL	• SL energy resources harnessed for self sufficiency in energy and production of reliable, safe and affordable energy in the country	"	"	0.1	0.30	0.65	1.00	3.00	5.05
11	Initiating research and exploration on fossil energies in SL	To explore the fossil energy potential in SL	• Fossil energy potentialities in SL explored and exploited	"	"	-	-	-	0.65	-	0.65
Total Energy Development Budget						1.44	6.9	1.36	2.12	3.35	15.17

5.2.10. Somaliland Electricity

Situation Analysis

Somaliland Electricity Agency (SEA) is an autonomous body which has the overall mandate of managing and developing electricity in the country. The Agency (SEA) generators currently supply 3MW in Hargeisa, and 440KW in Berbera. The power coverage area in Hargeisa is around 14km, whereas the coverage area is only 3km in Berbera. In Hargeisa, the Agency has about 4,200 customers. In Berbera, it supplies about 2600 public and private customers.

Hargeisa power station, known as Hargeisa Power House (HPH) was established in 1946 by the British protectorate administration with five (5) 600-1000KVA generators. They were meant to light the sha'ab area of Hargeisa city, which was the administrative and residential zone of the colonial government. In the year 1950 the British started to extend electricity supply to other areas of Hargeisa town, and 2 more Engines (Peter Engines) were added to double the capacity of the Power House. Then in 1959 another 2 engines, with a capacity of 400KVA each, were installed. In addition, 2 used engines were brought from Yemen with the capacity to generate 600KVA each.

After independence in 1960, the British handed-over Hargeisa Power House to the local Somali Staff. In 1976 German made *Deutz* 1500KVA Generator was mounted in Hargeisa Power House. Eight years later, in 1984, British made Ruston 1000KVA Generator was installed.

Before the civil war, all the major regional cities of Somaliland: Hargeisa, Burao, Erigavo, Berbera, Borama, and Las-Anod, had electricity generators and distribution lines. After the establishment of the office for rural electrification, generators were also installed in district level towns including Wajale, Arabsiyo, Sayla, Lawyado, Sheikh, and Dayaha. All the generators were looted during the civil war except those in Hargeisa Power House.

Somaliland Electricity Agency (SEA) has currently the following generators, with varying conditions:-

Hargeisa Power House:

- One Deutz 1500KVA
- One Ruston 1000KVA
- Two Caterpillar 1500KVA Each
- One PERKINS 1500KVA

Berbera Power House:

- One Generator 440KVA each

Apart from Somaliland Electricity Agency (SEA), there are about 15 rival private companies that supply electricity to different parts of Hargeisa. But the main competitors are KAAH, IFTIN and Soltelco. SEA covers about 30% of the city and charges US\$ 0.80 per KWH whereas all the rival private companies charge at least US\$ 1.00 per KWH.

The electricity needs of the country's other major towns are provided for by local privately owned companies. Almost all the electricity produced in the country is used by households, offices and commercial establishments for lighting. Industrial consumption is limited. Most of the cities in Somaliland have witnessed substantial growth in population in recent years. To meet the inevitable increase in demand, Somaliland Electricity Agency is developing a strategy for expansion; more specifically, it is in the process of introducing significant reforms in the sector to make it financially viable, operationally efficient, and conducive to public and private sector investment. The ultimate aim is to provide consumers across the country with reliable, environmentally sustainable, affordable energy.

Challenges and Opportunities

Challenges:

The challenges the agency faces include:

- Limited power generation capacity
- Financial constraints
- Inadequate billing system
- High default payment rates
- High Oil prices
- High unit production cost
- Lack of efficient grid
- Low staff skill capacity

Opportunities:

The opportunities include:

- Public private partnership financing
- Growing customer base
- Power generation from coal, which is locally available
- Power generation from renewable sources (Hargeisa is blessed with strong winds); and
- Ample space at the Agency's compound which can be utilized for further expansion

Priorities and Strategies

The priorities within the current NDP period include:

- Expansion of power generation in Hargeisa and Berbera to meet demand
- Utilization of Renewable energy sources– Wind, waves, geothermal, sun
- Extension of electricity supply to all the regions of the country
- Splitting of the agency into two companies – power generation and power distribution
- Automation of the Billing system in order to provide better services to customers
- Improvement in production and distribution efficiency of electricity
- Enhancement of health and safety
- Building the capacity of the Agency’s technical and administrative staff; and
- Improvement of the infrastructure such as buildings and other facilities

Priority towns:

Hargeisa: The installation of a 5MW power generation capacity in Hargeisa is the first priority of SEA since the current electricity supply is not sufficient to meet the growing demand.

Burao: Burao needs generators with 1.5MW capacity. Since it is an industrial city, and the most populous after Hargeisa, electricity demand is very high.

Berbera: Berbera is a coastal city with very high temperatures for seven months of the year, and so electricity demand is very high. Therefore, it needs a power plant with at least 1.5MW capacity.

Borama: Borama, the capital city of Awdal region, needs standardized, safe electric power. It requires an installed electric production capacity of at least 1.5MW.

Erigavo: Erigavo, the capital city of Sanaag region, requires the installation of 1MW electric power generator.

Las-Anod: Finally, Las-Anod, the capital city of Sool region, needs a 1 MW electric power generator to meet the needs of its population.

Policy, Legal, and Institutional Reform

In the course of the current NDP the Agency will:

- Produce a master Plan for increasing power generation
- Undertake reform in order to strengthen the sector’s institutional and financial positions
- Develop a draft electricity act
- Develop and enforce electricity regulations and guidelines

- Strengthen health and safety rules
- Improve customer services and relations
- Split the agency into two companies – power generation and power distribution; and
- Consolidate private power generating companies

Programs and Projects

The following programs and projects are planned to be implemented during the NDP period:

- Construction of power houses
- Installation of generators
- Installation of switch-gears and modern transformers
- Construction of distribution H.T. grid lines
- Installation of a computerized billing system
- Construction of maintenance workshops
- Development and production of safety guidelines
- Building the skill capacity of staff
- Raising community awareness about electricity safety
- Building the physical infrastructure of agency – offices, vehicles, equipment etc.

5.2.10: Somaliland Electricity Budget and Implementation Matrix

Goal		To make affordable and sufficient electricity to all Somaliland Regions									
Strategic Objectives		Contribute to the development of Somaliland Electricity infrastructure facilities									
		Establish regulatory framework									
		Introduce alternate and cheap electricity sources									
No.	Programmes	Objectives	Project Outputs/ Outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Electricity system for Hargeisa	To provide adequate electricity with affordable price to the public	• Two Generators (2.5 MW) supplied and installed	Donors and SLG	SEA	-	0.70	-	-	-	0.70
			• Transmission and Distribution System	"	"	-	0.50	1.00	-	-	1.50
2	Electricity system for Berbera	"	• One Generator (2.5 MW) supplied and installed	"	"	-	0.35	-	-	-	0.35
			• Transmission and Distribution System	"	"	-	0.85	0.85	-	-	1.70
3	Electricity system for Burao, Borama, Erigavo and Las-Anod	"	• One Generator (2.5 MW) for each town supplied and installed	"	"	-	0.30	0.30	0.30	0.30	1.20
			• Transmission and Distribution System	"	"	-	0.75	1.25	0.85	0.55	3.40
4	Coal-generated electricity development programme	"	• Cheap alternate source supplied with a capacity of 50 MW and Livelihood of the public is improved	"	"	-	0.50	3.00	4.00	2.50	10.00
5	Infrastructure	To construct a suitable building and rehabilitate existing structures	• Headquarter building	"	"	-	0.30	-	-	-	0.30
		Regional power houses	• Regional Power houses built	"	"	0.10	0.10	0.10	0.10	0.10	0.50
6	IT systems	Office Automation	• Enhanced Billing System obtained	"	"	-	0.20	-	-	-	0.20
7	Capacity Building	Training Centre with two consultants	• Staff capacity enhanced	"	"	-	0.20	-	-	-	0.20
8	Transportation	To purchase vehicles	• 11 Vehicles for the HQ and Regions (including seven with cranes)	"	"	-	1.10	2.00	1.40	-	4.5
9	Policy & Regulations Development	Formulate & Improve policies	• Regulatory Framework enhanced and number of electricity-caused incidents reduced	"	"	-	0.20	-	-	-	0.20
Total Somaliland Electricity Agency Development Budget						0.10	6.05	8.50	6.65	3.45	24.75

5.2.11. Water Sector

Situational Analysis

Water is a scarce resource in Somaliland. The mean annual precipitation is about 300mm, averaging 50mm along the Guban coast, and 500mm in the west and along the highland range. Annual rainfall distribution follows a bi-modal pattern. The rainy seasons are Gu (April-June), and Dayr (September-October), while the dry seasons are Hagaa (July – August), and Gilaal (December-March). Evaporo-transpiration is very high, particularly in the coastal area, where it reaches 2900mm. The country has one of the highest inter-annual variations of rainfall. Droughts are very common occurring moderately every 3-4 years and severely every 7-9 years.

The main sources of water in rural areas are privately owned Berkads (cement and gravel tanks built into the ground), manually dug shallow wells, communal stock watering ponds, and subsurface dams. All of these sources of water depend on harvest of seasonal rainfall or rainfall recharges in the case of shallow wells. In urban areas, however, the main sources of municipal water supply are deep bore wells. Hand-dug shallow wells are the principal source of water in most villages. In mountain valleys, spring water is a source of water for human and livestock consumption, and in some instances springs are used for irrigating small vegetable and fruit farms. Most rural communities depend on a combination of these water sources.

Over the last three decades, the construction of Berkads has expanded in response to the increased demand from livestock owners. With the growth of urbanization, traditional shallow wells became inadequate for water supply; as a result a number of deep boreholes have been drilled. Almost all urban municipal water supplies now come from deep boreholes. Some deep wells, stock watering ponds, and dams have been also constructed in rural districts. A smaller number of deep bore wells have been also constructed by private individuals.

A survey of 127 Government-owned deep bore wells and other sources of water were completed recently. According to the survey's results, about 40% of all existing wells were operational. Most of these have been rehabilitated over the last seven years with the help of international organizations. An equal number of wells have been abandoned. The remaining 20% of the wells surveyed need rehabilitation. Other water sources are in a similar state of disrepair, ponds and dams, for instance, need to be de-silted. During the long, dry season known as jilal (or winter), most rural communities rely on expensive trucking of water that is brought over long distances. The access to water for the urban poor is through urban water distribution sites, but on occasions when municipal water supply systems are not fully operational; these low-income households rely on shallow artisan wells, and donkey cart supplied water.

Table 5.2.4: Regional Distribution of Deep Bore Wells and Dams

Region	Deep wells				Subsurface dams	
	Functioning	Needs rehab	Abandoned- to be replaced	Total	De-silted	Needs to be de-silted
Awdal	8	4	3	15	-	-
North West	12	7	10	29	3	1
Sahil	4	2	4	10		
Togdheer	9	8	21	38	2	9
Sanaag	10	6	10	26	-	-
Sool	6	2	1	9	-	-
Total	49	29	49	127	5	10

Source: Ministry of Mining, Energy, and Water Resources

Access to water and its quality are so important that the standard of living in any country is measured by the proportion of the population using improved drinking water sources and improved sanitation facilities. In this regard, Somaliland has made significant progress in the last decade, but has still a long way to go to achieve millennium development goals. The percentage of households using improved drinking water increased from 34% in 1999 to 41% in 2006, while the percentage of households using improved sanitation facilities increased from 37% in 1999 to 40% in 2006.

Challenges and Opportunities

Somaliland suffers from chronic water shortage due to:

- Limited amount of rainfall received
- Short rainy seasons interspersed with long dry seasons
- Unpredictable rains with high inter-annual variation
- Frequent droughts
- Increasing salinity of ground water
- Increasing demand from growing urban population, livestock and industries
- Lack of reservoirs and proper water harvesting strategy
- Wells and reservoirs in disrepair

Priorities and Strategies

The Government recognizes that the current situation in the water sector and its institutional management is inadequately equipped and hinders the achievement of poverty reduction and economic recovery objectives set for the country. Therefore, the Government plans to undertake the following priority initiatives in order to deal with the problem:

- Develop and implement national water policy
- Build strategically distributed deep-bore wells as part of drought mitigation in all regions
- Water resources development, conservation and management

- Inter-ministerial drought response task force
- Strengthen municipal water development agencies to improve urban distribution of water
- Develop models for the distribution of water in both urban and rural areas in collaboration with international agencies such as UNICEF
- Establish an early warning system
- Coordinate and integrate efforts to foster environmentally sustainable water resource development, conservation, and management
- Establish an inter-ministerial task force to coordinate and respond to droughts and other related crises
- Strengthen municipal water agencies to improve urban water supply and distribution
- Develop models for the distribution of water services in both urban and rural areas
- Establish meteorological services to support the early warning system
- Survey and develop underground water resources
- Promote inter-regional cooperation on drought mitigation with neighbouring countries

Policy, Legal, and Institutional Reform

The water policy of Somaliland was drafted in June 2004. This draft policy is the first element constituting the regulatory framework for the water sector of the country. Since the National Water Policy expresses the commitment of the Government of Somaliland to the development of the water sector, stakeholders and actors need to consider it as the framework for their water development-related actions. Therefore, it is necessary to comply with this policy and other regulations formulated for the sector in an effort to contribute to the development and conservation of the water resources of Somaliland.

Programs and Projects

In order to improve the availability and access of water from improved sources, and thereby contribute to the attainment of the Millennium Development Goals, the Government will execute the following projects and programs:

- Building the capacity of the Ministry of Mining, Energy and Water Resources (this will include building regional offices in Sool and two other regions, and staff training)
- Provision of safe and affordable water to urban centres
- Rehabilitation and drilling of new boreholes
- Rehabilitation and construction of sanitary earth dams
- Rehabilitation and construction of shallow wells with renewable energy
- Establishment of buffer stocks for emergency response
- Rehabilitation of mini-water systems, extension/completion of urban water supply systems,
- Conducting a geophysical survey of the ground water potential with exploratory drilling
- Establishment of rain gauge network stations throughout the country
- Building telemetric weather stations throughout Somaliland
- Promotion of PPP investment in the development of water systems

5.2.11: Water Sector Development Budget and Implementation Matrix

	Goal	Improve availability and access to water in SL in sustainable and equitable way for all different uses, in a manner that is environmentally safe and in line with the Millennium Development Goals									
	Strategic objectives	• To increase availability of water by developing the surface and ground water resources									
		• To coordinate water infrastructure initiatives to optimize access									
		• To set standard management practices of water for improving gender equity, community mobilization, and private sector participation									
		• To set priorities of use and rules for sharing the resource									
		• To develop and integrated water resource management									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	National Watershed Management	To promote National Watershed Management system that is in line with international principles of integrated Watershed Management (IWM)	• 12 Sanitary Earth reservoirs rehabilitated, and 100 new ones constructed • 600 Sand dams constructed • 6 major Mega Dams constructed • Manual rain gage systems established nationwide • Telemetric weather stations established nationwide • 6 Regional Hydrological Data Centres established • 6 Regional Water Quality laboratories established • An inter-sectoral committee on for IWM to established to develop appropriate joint strategies	Donors and SLG	MoMEWR	4.8	5.34	0.36	3	1.5	15
2	National Groundwater Development	To provide safe and affordable water to urban towns and rural communities of SL	• 30 Strategic Boreholes Rehabilitated • 150 Boreholes drilled and equipped nationwide • 600 Sand Dams constructed to recharge the underground aquifer	"	"	3.9	4.5	6	4.1	3.4	21.9
3	Improving water governance and management with the development of national water regulations, policies and strategies	To establish strong legal framework for the management of national water resources	• Two consultants hired to develop and advise on water policies and management • National Water Act Approved by the Parliament • National water policy and strategy developed • Water sector engineering and drilling	"	"	-	0.2	-	-	-	0.2

			companies registered and certified with the establishment of quality standards • Somaliland National Water Development Agency established • PPP programs encouraged and established for improving water management								
4	Enhancing water technology and Research	To establish water technology and research capabilities for advancing the water development sector of Somaliland	• Two water technology institutes established in Hargeisa and Burao to produce water sector professionals • Four water engineering faculties established in four Somaliland Universities • Two Water Research and Development centres established in Somaliland	"	"	-	1.0	1.0	0.5	-	2.5
5	Development of Disaster Risk Reduction Strategies (DRR) in Collaboration with NERAD	To develop National DRR strategies and capacities for better response to emergencies	• Strategic Boreholes established in drought prone areas to be used for water trucking • Fully equipped emergency response centres established in the six regions of Somaliland • Water trucking vehicles purchased for the Ministry • Effective strategies for DRR developed together with NERAD	"	"	1.2	1.2	1.6	1.8	1.5	7.3
	ADMINISTRATION										
6	Capacity building for MoMEWR	To build the capacity of MoMEWR for better service delivery	• 13 regional offices constructed, and provided with furniture and office equipments • 13 transport vehicles purchased for new offices	"	"	0.36	-	0.24	-	0.54	1.14
			• A staff training centre built, and required furniture and equipments supplied for providing skill training to Ministry staff	"	"	-	0.2	-	-	-	0.2
			• ICT system established at HQ, web-site developed and swift connections with regional offices maintained	"	"	-	0.1	-	-	-	0.1
	Total Water Sector Development Budget					10.26	12.54	9.2	9.4	6.94	48.34

5.2.12. Hargeisa Water

Situation analysis

Hargeisa Water Agency (HWA), which is a public company, is responsible for supplying water to the inhabitants of Hargeisa. The population of Hargeisa metropolitan area is currently estimated at over 900,000 inhabitants, with an estimated growth rate of 4.2% per year. If the present trend continues, the inhabitants will be about 1.35 million in 2020, and in 2030 the population will reach about two million. The cost of water in Hargeisa depends largely on three variables: (1) the availability of the piped water supply, (2) the delivery location, and (3) the season. It is estimated that 40,000 houses receive water by means of the network managed by the Hargeisa Water Agency. The highest price for water supply in Hargeisa is paid in the Sheikh Noor and Airport areas; the price spikes during the summer and winter months, a time when a 200-liter drums of may sell by as much as 15,000 Somaliland Shillings.

The present water supply to the town is estimated to be:

- 10,400 metric cubic a day (cum/day) of water from Geed Deeble Well Field
- 200 cum/day from shallow wells dug in the Hargeisa dry-river (Dooxa), and
- 1,000 cum/day from outside i.e. (Dararweyne, Aw-Barkhadle, Arabsiyo, etc.)

Considering the leakages of the water system, the mean consumption in Hargeisa is 10 litres a day per person. The available quantity of water is not, however, equitably shared. Accurate statistics on this matter do not exist. However, it is well known that parts of the central and western quarters of the town receive regular supply, and the per-capita consumption in those areas is well above the average. On the other hand, the relatively poorer neighbourhoods in the eastern side of the city receive less than 5 litres per person per day. International organizations recommend that the minimum water consumption in the urban areas should be about 32 litres per day per person. Hargeisa Water Agency expects to supply that much in 25 years' time, i.e. in 2032.

Looking back in history, the shortage of water in Hargeisa arose during the colonial period at the beginning of the formation of the town. The British Administration tried to look for water sources by digging shallow wells in the river bed (*Togga*) of Marodijeex and by drilling boreholes in the bedrock, which had a depth of over 100 meters; none of these attempts were successful. Some micro-dams were later built in different urban areas (commonly known as Daami, Qudhader, Jig-jiga Yar, and Herada Digaga), along with several large, unroofed cisterns. These water sources gave some relief to the shortage of water, but the water from these facilities was of very poor quality, and today none of them are operational. In 1969, under the auspices of the Economic Cooperation between the Chinese and the Somali Governments, a water project including regional study of ground water resources was undertaken. This activity lasted until the mid-1980s and involved the drilling of several boreholes. The major finds of the study were the Geed Deeble and Almelo zones.

The existing water distribution system was designed during the seventies when the population of Hargeisa was less than 180,000. At that time, in addition to the piped water, the micro dams provided water for animals, house cleaning, and laundry. Today these sources are non-existent. The present water supply of the town is estimated at about 11,600 cum/day (cubic meters per day); most of that water (10,400 cum/day) flows from the Geed Deeble Well Field, through a piped system managed by the Hargeisa Water Agency (HWA). The rest, 1,200 cum/day, comes from other sources outside the control of the HWA and is supplied by means of privately owned trucks. The HWA network loses unknown amounts of water through leakages. In order to solve the current and future water supply problems of Hargeisa, Africa 70, an international NGO, has prepared a master plan in 2007 (*Hargeisa Water Supply Master Plan*). The Master Plan requires the identification of water resources that met the following basic conditions:

- The source must have a productive capacity suitable, in quality and quantity, for meeting the city's demand
- The availability of the water source must be proven with a high level of confidence
- The production cost of the water must be lower than the selling price for the field to be profitable
- The production cost must include the depreciation, pumping, and treatment costs. In the case of Hargeisa, the Water Agency has given as indicative a maximum production cost of \$0.8/cum
- The investment must be realistic as regards the mean per-capita revenue

Challenges and Opportunities

There is no civil registration system in Somaliland, and the last general census was carried out in 1986/87. In 2007, the population of Hargeisa was estimated at about 800,000 inhabitants, with a growth rate of some 4.2% per year, where a 3.2% increase per year was the natural growth rate and a 1.0% increase per year was represented by immigrants.

The study concerning the search for new sources of water for Hargeisa has been limited to a circle with a radius of 50km and in areas not below 400m of the town. The main water sources identified in the Master Plan that met the above conditions were as follows:

- **Hora Haadley Basin:** Hora Haadley Basin is located about 5 kilometres northeast of the Geed Deeble Basin, at the junction of Laas Duur and Garbole Rivers; in the same area, three other minor streams flow into the major rivers and form the Hora Haadley River. The catchment area, which consists mainly of flat terrain, totals about 199 sq km. The beds of the watercourses are large, and they consist of quartz sand.
- **Jalelo Basin:** Jalelo Basin is located about 30 km northeast of Hargeisa, at the confluence of Marodijeh and two minor streams. The catchment area of the basin totals about 700 sq km, the upper part of the morphology developing into a flat terrain, while the lower part is

steeper. The beds of the water courses are large and made of quartz sand. The Chinese Team carried out some Vertical Electric Soundings (VES), drilled an exploratory borehole, and completed a production well; however, this level of investigation is not sufficient to define the volume of sediments stored in this basin. A detailed analysis of high resolution satellite imagery indicates the surface of the sedimentary basin to be about 7.0 sq km wide. Assuming a mean thickness of 60 meters found in the boreholes, the volume of the alluviums results in a 420 mill cum. And assuming an effective porosity coefficient equal to 2%--which should be considered a conservative estimation--the stored volume of water is equivalent to about 8.5 mill cum/year. The utilization of the Jalelo Well Field requires a heavy investment. According to the Master Plan, the exploitation of this well field is an alternative to the construction of Butoch Dam, if the latter initiative is delayed for a long time.

- **Haraf Infiltration Gallery:** About 5 km to the west of Hargeisa, the Marodi Jeh River meanders, and the water course forks into two channels separated by an island. In this area, there are several hand-dug wells which are mainly utilized for farming, though some are exploited to sell water to the town truckers. According to information received from local farmers, runoffs in this area occur for six or seven months a year, mostly during the summer, when the demand for water in Hargeisa is at its highest. The site proposed for the construction of the infiltration gallery is located at the point where the riverbed has a maximum width; a long, deep infiltration gallery produces a low flow towards the river sand, and the water thus produced will be very clear. The design of the infiltration gallery has been made on the basis of the geophysical survey carried out by the Africa 70 team in October 2007. This water point is not intended to be a permanent one. However, the abstraction will be stopped for a period of four to five months a year, in coincidence of the dry season; otherwise the plantations in the surrounding area will suffer from water shortage. The Master Plan recommends the exploitation of this water resource, even if it is not productive all year round; this recommendation is based on several considerations: (a) it is only 5 km from the town, and consequently the implementation of a development project there will be rapid and relatively cheap; (b) from the top of the collection chamber, the water will flow towards the town network by virtue of gravity; consequently, the resulting cost of water will be low compared to those of other water sources, which involve high-priced, heavy-duty, pumping operations; and (c) the temporary exploitation of this water point will reduce the utilization of the underground resources stored in the Geed Deeble, Hora Haadley, and Jalelo Basins, which can thereby be saved for the dry seasons.
- **Butoch Dam:** Underground water alone is not sufficient to satisfy the water demand of a large town like Hargeisa. On the other hand, the desalinization of brackish or saline waters is absolutely out of the question for the simple reason that it is economically unsustainable in Somaliland. Therefore, the only feasible alternative available is surface water. In Somaliland, there are no perennial rivers or natural lakes; the only way to secure a supply of surface water is to create artificial lakes: dams. The approaches which can be adopted to satisfy the water demand of a large town with surface water alone are two: the creation of several small dams, or just one large dam with sufficient storage capacity. A small dam is

considered suitable for urban water supply if the produced water is not less than 10% of the yearly water demand because below this limit, the investment is too heavy, and the resulting cost will be too high. The Master Plan identifies only three sites in the environs of Hargeisa which are suitable for the construction of small dams, but they do not meet the forecast water demand of the town. Hence, the small-dam option is to be ruled out. The Master Plan has found a sole site within a 50-km radius around Hargeisa suitable for the construction of a large dam for the town's water supply; it is located along the Laas Xadhaadh riverbed in the locality of Butoch. It is possible to build there a dam over 50m high with a storage capacity of over 50 Mill cum. This dam site is located in the Laas Hadhaadh River, which has a runoff of some 19.9 Mill cum/year in this section. This quantity is not sufficient for the 25-year project period; it is, however, possible to reach the target by diverting the Daaso Asays River, which will contribute an additional 21.6 Mill cum/year, the resulting total runoff being 41.5 Mill cum/year. The potential diversion point of the Daaso Asays River towards the Laas Hadhaadh River basin is located at a favourable site, and the operation is achievable with a channel of about 500 m long. This diversion will constitute the second phase of the project.

The construction of the dam and ancillary works require a very large-scale funding and will take a long completion time (estimated at a cost of \$75.7 million and no less than 7 years for the implementation of the first phase). Thus, the development of underground water resources, together with the reduction of leakages in the system, will increase the per-capita water availability. The greatest challenge constraining the Water Agency is non availability of investment funding to implement the envisaged programs and projects.

Priorities and strategies

As indicated earlier in the report, the population of Hargeisa is estimated to grow at a rate of 4.2% per year, i.e. from its present level of 900,000 inhabitants to about 1.35 million in 2020. Looking into the future, the population is expected to reach about two million by the year 2030. Thus, the priority and strategy of the Government is to provide affordable clean water to the population and to narrow the differential between the affluent and poorer quarters of the town. The Government is, therefore, planning to implement the following strategies:

- Develop the main water sources which were identified in the Master Plan, namely:
 - Hora Haadley Basin
 - Jalelo Basin
 - Haraf Infiltration Gallery; and
 - Butoch Dam
- Increase pumping and transmission line capacities
- Increase water storage capacities
- Expand and improve distribution network
- Improve and implement flood protection schemes
- Enhance security by installing fencing and chambers

The city of Hargeisa has a hilly shape with differences in elevation between low and high quarters exceeding 180 meters. Optimal operation pressure in water supply systems in developing countries is +/- 3.0 bar (= +/- 30 meters). With low pressure, water losses are minimized. In the case of Hargeisa, this target will be rendered achievable by dividing the network into belts with differences of less than 40 meters in elevation. The use of pressure reducers is not recommended because these valves are fragile and require maintenance.

The sole solution to the problem is the construction of satellite reservoirs each one of which will govern a sector of the city; these reservoirs also constitute delocalized stocks of water to satisfy the demand peak. The subdivision of the network into un-interconnected sectors is a very efficient method to control leakages and abuses. Such an arrangement will necessitate the division of the Hargeisa water distribution network into five administrative units or private companies.

Policy, Legal and institutional reform

The Hargeisa Water Agency (HWA) has serious operational problems in the management of water distribution, characterized by:

- Chronic scarcity of water
- Unsuitable organization of the pipe network in relation to the morphology of the urban area; and
- Poor status of the infrastructure

In this regard, there is an acute need for a structural re-organization of the Water Agency and the water distribution system. The Hargeisa Water Supply Master Plan has recommended the following structural change:

- HWA will be broken into four privately-owned companies and the fifth entity will be the re-organized Hargeisa Water Agency
- HWA will have the responsibility for the production of water, the control of the water sector, and the implementation of water-related projects; it will also act as cashier in the name of the State. HWA will remain a public company, maybe with a minority participation of private investors
- Four of these private companies will be responsible for the distribution of water in the town and will act as concessionaires. The concessionaires will also be responsible for the rehabilitation and extension of the secondary and tertiary pipe networks. All infrastructures, whether already existing, or developed by the concessionaires, will be the property of the State; the concessionaires will be refunded for the investments they made from tariffs

The Hargeisa Water Agency (HWA) will be the fifth company, and its ownership will be either fully public or partially private. In any case, the majority shareholder and controller should be the State because this company will have a strategic role in the life of Somaliland. The responsibilities of HWA will be the following:

- Production, storage, and transportation of water up to the concessionaire networks' inlet points, which will be controlled with water-meters
- Tariff policy definition and yearly refunds to the concessionaires as returns on their investments
- Conception, funding, and implementation of projects related to the production of water
- Coordination and supervision of the activities of the concessionaires; and
- Acting as cashier in the name of the State

The recommended restructuring and the privatization process, however, is not feasible under the current conditions due to the lack of available financial resources, scarcity of water and the very poor status of the infrastructure.

Programs and projects

The programs and projects envisaged under the NDP for Hargeisa Water Agency are summarized as under:

- Increasing water production and supply by developing Humbaweyne, Hora-Hadley and Baliga-Cas (including jalelo) Well fields, replacing K10 and k13 Geed-Deeble two boreholes
- Increasing pumping and transmission lines by installing booster pumps and stations
- Increasing storage capacity by constructing five storage tanks
- Construct and expand the distribution network
- Fully centralized, efficient and affordable power supply
- Install flood protection and mitigate risk of damage to installations and infrastructures;
- Improve access to water supply sources by building roads and other necessary structures and
- Enhance the capacity of the Water Agency by providing necessary training skills and office equipments

5.2.12: Hargeisa Water Budget and Implementation Matrix

Goal		To supply sufficient clean water to the inhabitants of Hargeisa which is expected to increase from 930,000 in 2010 to 1.35 million by the year 2020									
Strategic Objectives		• To increase the daily water consumption to international level (i.e. from 18 lit/day to 32 lit//day)									
		• To make equitable distribution of water to all quarters of the city									
		• To build water reservoirs for the city									
		• To improve the water supply infrastructure									
		• To improve the water distribution network									
No.	Programmes	Objectives	Projects Outputs/Outcomes	Sources of fund	Implementer	Required Budget (US Dollar Million)					
						2012	2013	2014	2015	2016	Total
1	Increasing water production and supply	- To develop Lasdhure well I field - To drill 3 test wells - To replace K10 and K13 of Geed Deeble well fields - To work on Haraf infiltration Gallery	• About 7,300,300 m3 of water produced	Donor and SLG	Hargeisa Water Agency	3.04	1.0	-	-	-	4.04
2	Increasing pumping and transmission line capacitors	To install 500 mm transmission line ; Booster pumps; Gen sets; Booster station	• 20,000 m3/day pumping capacity produced	"	"	7.94	4	2	-	-	13.94
3	Increasing storage capacity	To construct 5 storage tanks (4 @ 500 m ³ and 1 @ 1750 m ³)	• The target of 12,000 m3 water storage capacity reached	"	"	0.86	-	-	-	-	0.86
4	Expand Distribution network	To construct and expand the water distribution network in the city	- Networking mapping conducted - The distribution network expanded to 64,000 meters - Asbestos pipes replaced	"	"	-	1.0	0.85	-	-	1.85
5	Flood protection	To protect flood that often threatens to destroy water installations and infrastructure	- Flood water course diverted with gabion - Flood protection of 300 linear meter constructed - Subsurface dams (3 locations @ - 100m) constructed	"	"	0.38	-	-	-	-	0.38
6	Security fencing and chambers	To install Security fencing and chambers	- Fence walls for 3 reservoirs constructed - Reconstruction and rehabilitation of chambers conducted	"	"	0.32	-	-	-	-	0.32
7	Full centralized power supply	To reduce operational costs by more than 60%	• Power supply units of Geed-Deeble and Biyo-khadar booster stations centralized	"	"	0.58	0.58	0.59	-	-	1.75
8	Buffer Stock	To improve the water buffer stock	• Booster pump sets, submersible pump sets, Gensets, etc. installed	"	"	0.60	-	-	-	-	0.60

9	Rain water harvesting	To increase access and availability of water through rain water harvesting initiatives	• Five earthen dams with 2,500,000 m3 capacity constructed • Pilot project on roof-top water harvesting for 300 IDPs households started	"	"	-	-	-	-	1.75	1.75
10	Mechanical workshops	To ensure operational efficiency of machinery	• Mechanical and electrical workshops built • Machinery and tools acquired • Water testing, quality control and surveying equipments purchased	"	"	-	0.4	0.4	-	0.80	1.60
11	Awareness creation	To create public awareness on key issues affecting proper use of water resources	• Awareness created on wise use of water resources, water policy and rain water harvesting	"	"	0.05	0.05	0.05	0.05	-	0.20
12	Technical studies	To conduct technical studies	• Viability solar power for water pumping studied • Water catchment areas around Hargeisa assessed	"	"	-	-	0.70	-	-	0.70
13	HR development	To improve the technical and managerial capacities of staff	• New and refreshment trainings organized for the technical and managerial staff • Consultants hired for training staff and developing programs	"	"	0.01	0.01	0.01	0.01	0.01	0.05
14	Resources centre	To improve availability and access to data, publication and relevant documents	• A 3-room resource centre built and water related resource/study materials supplied • Update available information	"	"	-	-	-	0.40	-	0.40
15	Access roads to well fields	To improve access to well fields and pumping stations	• 25 KMs of asphalt road constructed to Geed-Deeble with 2 iris crossings • 36 KMs long gravel road constructed from Hargeisa to Jaleelo (via Ba'ado)		SRA	-	-	-	-	3.30	3.30
16	Office buildings	To establish branch offices in the sub-cities of Hargeisa	• Four - roomed office branches established in each district of Hargeisa	"	"	-	0.02	-	-	-	0.02
17	Emergency water trucking	To make available stock for emergency water trucking	• Mini-water supply systems established for 10 IDPs settlements, and 5 Water tankers supplied	"	"	0.3	-	-	-	-	0.30
Total for Hargeisa Water Agency						14.08	7.06	4.6	0.46	5.86	32.06

5.2.13. Somaliland National Printing Agency

Situation Analysis

Somaliland National Printing Agency (SNPA) was founded in 1997. The printing work started with few machines and limited staff. The objective of creating a printing agency was to satisfy the government's demand for printing services. But until 2010, the agency used to operate with a small number of very old machines (not more than 14 in number), the majority of which were not working properly. For the past year, the agency has been trying hard to restore and maintain those machines, a task in which it has succeeded as all the machines are fully functioning today. In addition, the agency bought 2 modern machines that enhanced and improved the scope and quality of its production. A constant challenge which the agency faces is the procurement of a regular supply of the raw materials (chemicals, paper etc.) it uses. It has sometimes to deal with shortages that cause costly interruptions in its operations.

The Agency is the biggest printing operator in the country; but there are many smaller private printing companies that provide similar services. The main competitors are Pristol, Sagaljet, and Tayo printing establishments. Although they have more limited capacity in terms of machinery and manpower, they do bring healthy competition into the market.

The Somaliland National printing Agency is now in the process of undertaking significant reform to make it financially viable, operationally efficient and attractive to private sector investment. In the absence of large scale private printing establishments, the role the National Printing Agency is critical to the effective and efficient provision of government services. The Ministries of education, health, information and finance to mention a few require large quantities of printed material in the form books, pamphlets, posters, and forms to perform properly. The ultimate aim of the Agency is to provide reliable, environmentally friendly and affordable printing services to these public institutions and private customers through out the country.

Challenges and opportunities

Challenges

- Power shortages
- Lack of modern machines
- Lack of raw materials in the local market
- Financial Constraints
- High default payment rates
- High fuel prices
- High unit production cost
- Low staff skill capacity

Opportunities

- Public private partnership financing
- Significant government Support
- High demand for printing service
- Growing customer base

Priority and strategies

The priorities of Somaliland National Printing Press during the current NDP period include:

- (i) Expansion of printing services in to other major cities like Burao, Berbera, Erigavo, Gabilay, Borama, Odweine, Aynaba
- (ii) Acquisition of modern printing machines
- (iii) Improving the billing system by using modern billing technology
- (iv) Establishing Customer database
- (v) Building the capacity of the Agency's technical and administrative capacity
- (vi) Improving the infrastructure such as buildings and other facilities
- (vii) Improving health and safety safeguards
- (viii) Building the human resource capacity of the Agency by providing appropriate technical training

Policy, legal, and institutional reform

The following policy and institutional reforms will be undertaken:

- Preparation of a long term strategic plan for expansion
- Development of operational policies and procedures
- Strengthening health and safety regulations
- Improving customer service

Programs and projects

The following programs are planned:

- Improving physical infrastructure including printing workshop units and offices
- Buying modern printing machines and office equipment
- Developing modern billing system
- Developing health and safety guidelines
- Training Staff

5.2.13: Somaliland National Printing Agency Budget and Implementation Matrix

Goal		To address and cover the overall printing service need of the Government and other entities in Somaliland									
Strategic objectives		To increase daily press release to standard level of printing									
		To improve production capacity suitable, in quality and quantity, for meeting country's demand									
		To develop the capacity building by providing necessary training skills and office equipment									
		To select a public relations agency to handle a new product launch with reliable printing services at right time in the suitable price									
No.	Programs	Objectivities	Project Output/Outcome	Sources of Fund	Implementer	Required Budget (US Dollar Million)					
						2012	2013	2014	2015	2016	TOTAL
1	Increase Quality Printing	To enhance staff skills and known how	Staff skills enhanced	SLG, Private sector and Donors	SNPA	0.01	0.01	0.01	0.01	0.01	0.05
2	Increase Quantity Printing	To increase advertisement layouts & variety of designs	Discounted Printing Price with targeted government and private sectors.	"	"	-	0.02	0.02	0.03	0.03	0.10
3	New Printing Equipment	To decrease Production cost	Work efficiency with time frame	"	"	-	0.08	-	-	-	0.08
4	Publishing Educational Manual Texts	To increase accessibility and availability of Manual text Books	A Comprehensive Strategic Documentation	"	"	-	-	1.00	1.50	2.00	4.50
5	Office Buildings	To establish regional branch offices	Start Administration and technical blocks in the regions	"	"	-	-	0.20	0.20	0.20	0.60
6	Transportation	To purchase new vehicles	Good serves will be achieved	"	"	-	0.03	-	-	-	0.03
7	Archive files	To secure and access to store national resource publication(data and information)	New and refreshment trainings staffs and develop store material.	"	"	0.05	-	-	-	-	0.05
8	Policy & regulations	To develop and formulate printing policy	serving copy right ownership and printing activities in Somaliland	"	"	0.15	-	-	-	-	0.15
9.	Printing material	To develop and formulate all necessary printing materials	Sustainable developed	"	"	0.15	-	-	-	-	0.15
Total Somaliland National Printing Agency Development Budget						0.36	0.14	1.23	1.74	2.24	5.71

5.3. GOVERNANCE PILLAR

5.3.1. Justice Sector

Situation Analysis

Somaliland has established a system of good governance under the Constitution of Somaliland, combining traditional and western-style democratic values and principles. It is a hybrid, purpose-built system that serves Somaliland well. Shortly after the civil war ended and Somaliland declared independence, there were a series of inter-clan conferences, which culminated in the Borama Conference of 1993. There, a largely clan-based (but still fairly democratic) system of government was constructed. It consisted of an executive branch (comprising a President, a Vice President, and a Council of Ministers), a bi-cameral legislative branch, and an independent judiciary system. The traditional Somali council of elders (Guurti) was incorporated into the governance structure and formed the Upper House of Parliament. The Lower House is an elected body. The Somaliland Government was in essence a "power-sharing coalition of Somaliland's main clans", with seats in the Upper and Lower houses proportionally allocated to clans according to a predetermined formula.

The Government of Somaliland evolved into a multi-party democracy in 2002 after a number of extensions of the interim government's mandate. At that time, there were district council elections contested by six parties. These were landmark elections recognized as one of the most peaceful political events to take place in Africa. The three most successful parties became the national political parties, and in 2003, Daher Rayale Kahin became the first Somaliland president to be elected in a free and fair election. Seven years later (in 2010), H.E. Ahmed Mohamed Mohamoud Silanyo became the second Somaliland president to be elected in a free and fair election.

The Somaliland Government, through a process of self assessment, established a Law Reform Commission (LRC) in August 2009. This process of critical review and reform serves the people of Somaliland by way of improved governance and contributes to the realization of a society built on democratic values, social justice, and fundamental rights for all.

The main task of Somaliland's Law Reform Commission is to carry out a process for improving continuously the laws of the land. This task entails the enactment of rigorous and continuous assessment, updating, and modernization of national statutes. The process of statutory review generally involves identifying and weeding out laws or statutory provisions that have become obsolete or redundant—that is, laws or statutory provisions that are no longer in use or have been superseded by new legal provisions. In the course of its review, the newly established commission is mandated to excise those pre-1991 statutes which are not entirely in synchronization with legal concepts properly understood and those which blatantly violate the fundamental principles of justice. The law review process is undertaken by teams of experts from various academic institutions, professional legal organizations, and civil society entities.

The LRC will coordinate its activities with those of law reform bodies and institutions in other countries by way of consultation and interaction. This collaborative effort will facilitate the exchange of consultation papers, reports, and other relevant information.

Until July 1960, Somaliland had its own judicial system, which was led by the High Court in Hargeisa. The 1960 Somaliland Constitution re-confirmed the existing Somaliland judicial system but suspended the appeals to the East African Appeal Court. On the reassertion of its independence in 1991, Somaliland re-built its judicial system fairly quickly with the creation of the 1993 Somaliland Charter (Article 21), which established the Somaliland Supreme Court as the highest court of the land. The court structure which existed in Somalia prior to the military coups d'état of 1969 and based on the organization of the Judiciary Law of 1962 (Legislative Decree No. 3 of 12 June 1962) was re-established and re-confirmed by the Somaliland Organization of the Judiciary Law in 1993 (Law No. 41 of 18 August 1993). This legal achievement was enabled by the Somaliland Charter, which adopted the pre-1969 laws in preference to the draconian laws of the (1969-1990) dictatorship era, during which the 1962 law was replaced by the 1974 Organization of the Judiciary Law. The court structure specified in the 1962 Law on the Organization of the Judiciary was adopted in the Somaliland Interim Constitution of 1997 and is now set out in Chapter Four of the current Somaliland Constitution, which was approved in 2001.

The Ministry of justice, in full recognition of fundamental rights and freedoms, has established effective legal mechanisms that protect citizens against oppression and abuse. Thus, the Government of Somaliland is committed to take all the required steps to ensure transparency and effectiveness in the justice system, a commitment that applies to the rule of law in general including court proceedings and investigation processes of civil and criminal cases.

The Somaliland judiciary courts include the following:

- District Courts
- Regional Courts
- The Appeal Courts (based in each region)
- The Supreme Court (also serve as the Constitutional Court)

District Courts

These are the first line of courts and are presided by a District Judge. These courts should also have a Juvenile section and an Enforcement Section. The District Courts deal with the following legal matters:

- All claims based on Sharia, which are primarily matters relating to family and successions
- Civil litigation concerning suits for amounts up to 3 million Somaliland Shillings
- Criminal cases punishable by imprisonment for up to 3 years or fines up to 3 million Somaliland Shillings

Regional Courts

The Regional Courts are based in regional capitals and deal with:

- All civil litigation which does not fall within the jurisdiction of the District Court
- All criminal cases which do not fall within the jurisdiction of the District Court
- All labour or employment law claims
- Any claims arising out of local district council government elections

Regional Appeal Courts

Regional Appeal Courts deal with all appeals from District and Regional Courts. The President of the Appeal Court in each region acts as the head of the judiciary in the region (*Article 11 of the Organisation of the Judiciary Law*).

Each Appeal Court is divided into the following sections:

- A General Appellate Section which deals with all civil and criminal appeals
- An Assize Appellate Section which deals with appeals from the Regional Assize Courts and are heard by the President of the Court, two Appeal Judges and two assessors with knowledge of Sharia Law
- A Juvenile Section
- A Taxation and Finance Section

The Supreme Court

The Supreme Court is the highest judicial organ in the country and consists of the Chairman and at least four judges. The Supreme Court deals with:

- All appeals from the Appeal Courts
- Jurisdictional issues between the courts of the land
- Administrative Suits relating to the final decisions of public bodies
- Declaration of General election, presidential and parliamentary, results and decisions on any complaints relating to such elections, and appeals from lower courts' decisions in respect of complaints relating to local government elections
- Review of its own decisions under the relevant Articles

The Supreme Court can also serve as the **High Court of Justice** with the inclusion of four additional representatives elected by the two Houses of Parliament (Article 7 of the Law). This special court deals with the impeachment of ministers, members of parliament and other specified public officers but not, since 2000, with the impeachment of the President and the Vice-President.

Appointment of Judges

The Judges of Courts, other than the Supreme Court, are appointed by the Judicial Commission which was set up under Articles 107 and 108 of the Somaliland Constitution. It also deals with the promotion and, when necessary, the disciplining of judges, the procedures of which are set out in detail in Articles 35 to 43 of the Organisation of the Judiciary Law. The Judicial Commission is chaired by the Chairman of the Supreme Court, and consists of two other Supreme Court Judges, the Attorney General, two high ranking civil servants (heads of the Ministry of Justice and the Civil Service Agency) and four members of the public, selected once every two years by the two Houses of Parliament, as its members.

Highlights of the current status of the Justice Sector

- The High Judicial Commission has ten (10) members
- The High Judicial Commission does not have staff
- The Ministry of Justice has thirty-five (35) employees
- Eight (8) members of the Ministry of Justice staff are law school graduates
- The Office of the Attorney General has seventy-three (73) staff members; eleven (11) Deputy Attorney Generals; twenty-six (26) Prosecutors; thirty-six (36) other personnel
- Fourteen (14) members of the Attorney General staff are law school graduates
- There are seven (7) Attorney General Offices: 1 National Attorney General Office in Hargeisa; one Attorney General Office in each of the six (6) Regions
- The Somaliland Judiciary has ninety-seven (97) staff members
- The Somaliland Judiciary has one hundred and thirty-six (136) judges
- Ten judges are law school graduates
- Ninety per cent (90%) of sitting judges have not studied beyond secondary school
- There are fifty-one (51) Ma'adum (religious judges) registered by the Ministry of Justice
- There are seventy-six (76) Notaries registered by the Ministry of Justice
- There are fifty (50) court houses in Somaliland; the Supreme Court in Hargeisa; six (6) Appeal Courts; six (6) Regional Courts; thirty-seven (37) District Courts
- There are one hundred and thirty-five (135) registered lawyers in Somaliland. The Ministry of Justice is the legal profession registration authority
- There is one Somaliland bar association (Somaliland Lawyers Association), and two separate lawyer associations (Somaliland Women Lawyers Association and Gargaar Lawyers Association)
- There are two Somaliland Law Faculties that graduates Bachelor of Law Degree (LLB.) holders: University of Hargeisa Faculty of Law, established in 2002; Amoud University Faculty of Law and Islamic Sharia, established 2008
- There are three hundred and twelve (312) law school graduates in Somaliland; 277 University of Hargeisa law graduates and 35 Amoud University law graduates
- Seventy-eight (78) law graduates are female
- There are twelve (12) prisons in Somaliland

- There are four (4) legal-aid providers: Legal Clinics of Hargeisa and Amoud Universities; Somaliland Lawyers Association; Somaliland Women Lawyers Association; and Gargaar Lawyers Association

Challenges and opportunities

The following are conspicuous challenges of Somaliland justice sector:

- Overwhelming public preference and usage of traditional clan mediation over modern court system, which deters the growth of modern justice system in Somaliland
- Inadequate and/or outdated policies
- Insufficient judges and courts
- Shortage of legal professionals
- Lack of specialized courts and judges
- Lack of harmony between penal and civil codes and procedures, and between the Sharia penal code and international laws
- Inconsistencies in the laws and absence of established high-powered judiciary, crime, and case review committee(s)
- Excessive case loads

However, the following can be mentioned as opportunities that exist in Somaliland for advancing the justice sector:

- The commitment of the government to upgrade the justice sector
- Educational institutions that are able to produce professional legal personnel
- Support from the international community for improving the justice sector

Priorities and Strategies

Justice sector priorities of Somaliland include:

- ***Law reform***

The government of Somaliland has shown its intense commitment to promoting the rule of law and human rights, and to delivering an effectively functioning justice system for its citizens. In line with this, the government has recently adopted a National Justice Reform Strategy entitled “Somaliland Ministry of Justice Judicial Reform Work-Plan” for reforming the entire laws and procedures of the justice sector in Somaliland, and for improving the law/justice enforcement/implementation capacity of the institutions of the sector.

- ***Capacity Building***

To strengthen and build the capacity of the justice sector, the government is committed to:

- Supporting members of the High Judicial Council to fully undertake their responsibilities of establishing and protecting the independence of the judiciary;
- Providing training to members of a High Judicial Council Secretariat to effectively serve as judicial system professional administrative staff;
- Training professional staff of the Ministry of Justice to effectively undertake justice sector monitoring and reporting;
- Transforming legal educational institutions; and
- Rehabilitating and building the justice sector infrastructures

- ***Stemming out corruption***

In line with its high commitment for reforming the justice sector, the government has established a strong body (Good Governance and Anti-Corruption Commission) to combat all kinds of corruption in the government institutions in general and the justice sector in particular.

- ***Legal empowerment***

The agreed priority laws to reform, for improving legal empowerment, include, but not limited to: the Penal Code, the Criminal Procedures Code, the Civil Code and Civil Procedures Code, and the Organisation of the Judiciary Act.

- ***Legal education***

In here the government aims at invigorating the support provided to law faculties and clinics, encouraging the establishment of postgraduate legal vocational trainings for upgrading and allowing lawyers to practice law, and recognizing the importance of the development of the Lawyers Associations.

- ***Access to justice***

Under this priority area, the government intends to work towards substantially improving access to justice for all citizens and for the effective delivery of court services in Somaliland. In line with this, it aims at enhancing the rights of citizens to fair trial and legal representation at all stages of criminal proceedings, including arrest, pre-trial detention, trial and appeal of sentences.

- ***Alternative dispute resolution systems***

This initiative attempts to promote and cultivate a justice sector in which the three legal justice systems (xeer, sharia and formal/modern) can work together in harmony. This in turn will strengthen and improve the cooperation between the formal and informal conflict resolution mechanisms in the country. The process will also enable the justice system to identify and encourage compatible areas of the three; and discourage/abolish practices contradictory with the Somaliland Constitution that may exist in any of them.

- ***Rule of law***

As stated above, promoting the rule of law is the top priority of the justice sector in Somaliland. Consequently, expanding access to justice and raising public awareness of the rule of law; ensuring that the rule of law is abided by all the citizens of Somaliland; and strengthening the capacity of the law enforcement institutions are among the major priorities to be addressed in the justice sector reform program.

- ***Improving service delivery and speed***

Within this priority area, the justice sector reform program aims at improving the legal, personnel and infrastructural capacity of the system so as to enhance the speed with which justice is delivered to the citizens of Somaliland.

- ***Increasing public confidence in the judiciary***

The justice sector reform program acknowledges the need to increase public confidence and awareness of the role of the judiciary and legal systems in the country. Consequently, it envisages the creation of public trust in the modern judiciary system and gradually lessening the heavy dependence on the traditional clan mediation practices.

- ***Increasing women participation in the justice sector***

Recognizing the importance of women participation in the justice system, the justice sector reform program aims at promoting women's legal education, entry into the legal profession, and women's equal access to justice.

Policy, legal and institutional reform

The justice sector reform program entails the reforming of various justice sector policies and laws. It emphasizes the drafting and amending appropriate justice system laws and policies for strengthening and empowering the capacity of the judiciary, and ultimately enhancing the justice delivery system in Somaliland. The reform process also indicates that all justice sector

policies and laws should be written in Somali and that Somali legal terminologies should be produced accordingly. Some of the most important policies and laws to be reformed include:

- The Penal Code
- The Criminal Procedures Code
- The Civil Code and Civil Procedures Code
- The Organisation of the Judiciary Act
- The Civil Registers and Commercial Code

Other important policy, legal and institutional reform issues that need to be addressed in the justice reform program include:

- Implementation of the Juvenile Justice Law
- Development and implementation of a national policy on FGM
- Implementation of the national gender policy
- Implementation of the national Gender Budgeting Guideline

Projects and programs

The following are among the most important planned projects and programs to be implemented for improving the justice delivery system in Somaliland:

- Increasing mobile courts
- Providing case management trainings and reforms
- Building the capacity of various courts
- Constructing regional and headquarter court yards
- Improving application and implementation of laws
- Assessing the current legal system
- Carrying out legal awareness campaigns
- Publishing and disseminating various approved laws for public awareness
- Recruiting legal experts as advisors in crucial legal matters
- Implementing the five year Justice Judicial Reform Work-Plan

5.3.1: Justice Sector budget and Implementation Matrix

	Goal	Achievement of an effective equal justice for all citizens									
	Strategic Objectives	- To attain a judicial system that is independent - To attain a judicial system that is accountable - To attain a judicial system that is efficient - To attain a judicial system that is accessible - To attain a judicial system that is transparent									
No.	Programs	Objectives	Projects Output/Outcome	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity building for Ministry of Justice (MoJ) and the judicial system	To build the capacity of MoJ for better service delivery	The Head Quarter (HQ) and regional offices of MoJ built an/or rehabilitated, and provided with furniture and equipments	Donors and SLG	MoJ	0.3	0.5	-	-	-	0.8
			Training and workshops organized for judges and staff	"	"	0.05	0.05	0.05	0.05	0.05	0.25
			6 transport vehicles purchased for mobile courts for their case management at various regions	"	"	0.05	0.15	0.1	-	-	0.3
			A staff Training centre established at HQ, and provided with furniture and equipments	"	"	-	0.3	-	-	-	0.3
			ICT system established at HQ, web-site developed and swift connections with regional offices maintained	"	"	-	-	0.2	-	-	0.2
2	Policy development and law reform programs	To develop essential policies and laws for the justice sector	- Two consultants and an international legal advisor hired and essential policies and justice laws developed; and hired - Assessment conducted on current legal framework - New laws drafted and existing laws amended - Regulatory framework for legal services and legal professionals established	"	MoJ and Law review commission	0.3	0.25	0.2	0.1	0.1	0.95
3	Public Awareness creation and Improving access to justice	To remove barriers to access to justice for citizens, and improve public awareness on justice	Legal awareness creation and education campaigns conducted among the public	"	MoJ	0.3	0.25	0.2	0.18	0.15	1.08
4	Somaliland Judicial Reform Work-Plan implementation	To reform the justice system of Somaliland	Judicial Independence strengthened, Judicial Impartiality bolstered, and transparency ensured	"	"	1.0	0.6	-	-	-	1.60
			The Infrastructure and Capacity of the Judiciary strengthened	"	"	0.5	0.5	1.0	2.0	-	4.0

			Strengthening the Justice Sector's Capacity to Reform Somaliland Laws	"	"	-	0.4	-	-	-	0.4
			Enhancing Access to Justice by Enhancing the Somaliland Legal Database	"	"	-	0.5	-	-	-	0.5
			Strengthening the Justice Actors	"	"	-	0.3	1.0	-	-	1.3
			Increasing Public Confidence in the Judiciary, Awareness of their Legal Rights, and How to Assert Them	"	"	-	-	0.4	-	-	0.4
			Expanding Access to Justice	"	"	-	0.5	0.5	0.5	0.5	2.0
			Increasing Women Participation in the Justice Sector	"	"	-	0.4	-	0.5	-	0.9
			Strengthening and Improving Cooperation Between Formal and Informal Conflict Resolution Systems	"	"	-	-	0.3	0.3	-	0.6
			Effective Implementation of the Judicial Reform Work-Plan	"	"	0.5	-	-	-	-	0.5
	Sub-total MoJ Development Budget					3	4.7	3.95	3.63	0.8	16.08
	Custodian Corps (CC) Component										
4	Building Women and Juvenile prisons	To build separate women and juvenile prisons for improving prison conditions and addressing the rights of inmates	- A women prison built in Hargeisa and provided with required facilities - A juvenile prison built in Hargeisa and provided with required facilities	"	MoJ and CC	0.35	0.4	-	-	-	0.75
5	Building new big prison in Hargeisa and rehabilitation existing prisons	To improve prison conditions and address the rights of inmates	One new big prison built in Hargeisa and three existing prisons rehabilitated, and provided with required facilities	"	"	1.00	1.00	-	-	-	2
6	Procurement of prison equipment and facilities	To improve prison conditions and address the rights of inmates	Extremely essential prison equipments procured for various prisons in Somaliland for improve prison conditions and address the rights of inmates	"	"	1.4	1.4	-	-	-	2.8
7	Human Resource for the Custodian Corps	To develop the human resource of the Custodian Corps for enhancing its service delivery capabilities	Appropriate and essential trainings provided to the existing and new qualified staff of the Custodian Corps for enhancing its service delivery capabilities	"	"	0.5	0.5	0.5	0.5	0.5	2.5
8	Enterprise development programs	To develop various enterprises and engage inmates in productive programs /projects	Viable enterprises developed for inmates to engage in productive activities	"	"	0.5	0.3	0.3	0.3	0.3	1.7
	Sub-total Custodian Corps					3.75	3.6	0.8	0.8	0.8	9.75
	Total Justice Sector Development Budget					6.75	8.3	4.75	4.43	1.6	25.83

5.3.2: Attorney General's Office Development Budget and Implementation Matrix

	Goal	Reduction in crime rate in the Somaliland									
	Strategic Objectives	To organize crimes, prosecution and evidence training									
		To provide prosecutors training									
		To enhance and promote case management training									
No.	Programs	Objectives	Project outputs/outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for office of the Attorney General	To build the capacity of Somaliland Attorney General	• Attorney General's Head quarter office constructed in Hargeisa	Donors and SLG	Attorney General	0.2	-	-	-	-	0.2
			• Trainings provided to the public and the staff on crimes prevention, piracy, child trafficking, police investigations, and cases management (close to 250 trainees)	"	"	0.1	0.1	0.05	-	-	0.25
			• 7 transport vehicles purchased for the HQ and regional offices of the attorney general	"	"	0.04	0.08	0.08	0.08	-	0.28
			• 5 regional offices built in 5 regions for the Attorney general and the required equipment supplied	"	"	0.07	0.14	0.14	-	-	0.35
			• ICT system established at HQ, web-site developed and swift connections with regional offices maintained	"	"	-	0.2	-	-	-	0.2
			• A Research and Training centre established	"	"	0.1	-	-	-	-	0.1
			• A legal and justice library established	"	"	0.2	-	-	-	-	0.2
2	Policy development	To review, and draft and develop essential laws and policies for the smooth functioning of the office	• Four consultants hired and essential policies and laws developed	"	"	-	0.2	0.2	-	-	0.4
	Total					0.71	0.72	0.47	0.08	-	1.98

5.3.2. Human Rights Sector

Situation Analysis

Since 1948, when the Universal Declaration of Human Rights was signed, most countries around the world, started to apply its principles accordingly and that consequently improved respect for human rights. Somaliland is no exception to this, Article 10(2) of the Constitution of the Republic of Somaliland states clearly that “the Republic of Somaliland shall act in conformity with the United Nations Charter, International Law, and shall respect the Universal Declaration of Human Rights”. Accordingly, The Somaliland constitution guarantees all the main fundamental human rights and freedoms including Civil and political rights, socio economic and cultural rights and other collective/group rights such as the right to peace, development and clean/healthy environment in line with its Constitution. Somaliland established a democratic governance system that has all the necessary state institutions for the enforcement and protection of the fundamental human rights and freedoms enshrined in the Constitution.

To ensure compliance with the human rights and freedoms awarded by the constitution, the government of Somaliland issued a presidential degree which established the Somaliland National Human Rights Commission (SLNHRC) in April 2006. The SLNHRC is an independent HR public institution, whose core mandate is to further the protection and promotion of fundamental human rights and freedoms in Somaliland. Many countries have similar bodies which audit the government on human rights. The United Nation encourages governments to create human right commissions as a strategy towards enhancing protection & promotion of human rights.

The commission has a good working relationship with the elected Parliamentarians and the members of House of Elders, especially with the relevant sub-committees including the Human Rights sub-committee. SLNHRC also works closely with the Government Ministries such as Ministries of Justice, Interior, Labour & Social Affairs, and Health. In addition, SLNHRC works with the immigration services, regional governments, local authorities, traditional and religious leaders, women’s groups, minorities and organizations supporting the disabled & children and other civil society associations, in order to promote and consolidate a culture of respect for human rights and the rule of law in Somaliland.

The SLNHRC in cooperation with the Somaliland Government and international organizations in Somaliland has drafted the SLHRC Act, which was passed by Parliament on October 30, 2010 and signed by President on Dec 25, 2010.

The main objectives of SLNHRC are to promote and protect the fundamental human rights and freedoms enshrined in the constitution, and to ensure the enjoyment of human rights for all individuals and sections of society while putting primary focus on the rights and freedoms of the vulnerable, marginalized and disadvantaged groups. During its short history, the Commission has taken several steps to improve its institutional capacity and to promote and

protect human rights. It developed and adopted a three-year strategic plan for the period 2009-2011. The strategic plan was based on the lessons learnt during the evolutionary first 3 years of the organization and feedbacks received from various sectors, the staff, and several national and international stakeholders.

Opportunities and Challenges

Challenges:

Among the challenge that the Commission faces are:

- Lack of working space; the commission shares office space with another organization
- Limited staff and human resource capacity. Total staff is just 12, including 6 support staff
- Increasing case load. The commission is overwhelmed with complaints and investigations
- Under Funding. The Commission is primarily funded by the Somaliland government
- Lack of public awareness of their fundamental human rights
- Lack of appropriate legislation for enforcement

Opportunities:

The opportunities are:

- Political will: The government of Somaliland puts human rights issues right at the top of its national priorities list
- Legal constitution of the commission: The commission was established by an act of parliament
- Vibrant human rights community organisations to work with
- International and regional network of human rights commissions to draw on their experience
- International support for human rights issues

Priorities and Strategies

The priorities during the NDP period are:

- Physical and human resources capacity building of the commission
- Promotion and public awareness of the human rights enshrined in the constitution
- Research into the human rights condition of vulnerable people – IDPs, women, children, elders, migrants, minorities, disabled people, refugees and asylum seekers
- Protection of human rights
- Advocate for the rights of children, such as child birth registration rights, and the rights of women, elders, minorities, disabled people, IDPs, refugees and asylum seekers

- Networking and working in closely with human rights groups in Somaliland and counter parts in other countries

Policy, Legal and institutional reform

The commission will focus on:

- Implementing and enforcing the human rights act
- Examining existing laws to check them against the principles of human rights and advocating towards amending those laws that violate human rights

Programs and Projects

Key projects and programs during the NDP period include:

- Building the Commission's headquarter and regional branch offices
- Training staff and raising their skill levels
- Developing appropriate policies and laws to strengthen and complement existing ones
- Establishing complaints and case investigation procedures and systems to protect civil and political rights
- Establishing a website and an online service
- Training the judiciary and law enforcement officers about human rights
- Raising public awareness of their constitutional rights
- Producing human rights manuals for schools and the public
- Building shelters for the victims of human rights abuses
- Monitoring the custodial service

5.3.3: Human Rights Budget and Implementation Matrix

	Goal	Strengthen the rule of law, culture, and peace to end the violation of human rights									
	Strategic Objectives	• To promote and respect the human rights • Encourage and advocate for the human rights of all citizens • To promote peace and stable democracy • To have freedom of speech among all citizens in Somaliland									
No.	Programs	Objectives	Project outputs/outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Human Rights Commission (HRC)	To build the capacity of Somaliland Human Rights Commission	• The Human Rights Commission Head quarter office constructed in Hargeisa	Donors and SLG	HRC	0.2	-	-	-	-	0.2
			• Trainings provided to the staff of the commission on Human Rights related subjects	"	"	-	0.1	-	-	-	0.1
			• 5 regional offices built in 5 major regions of Somaliland and the required equipment supplied	"	"	-	0.2	-	-	-	0.2
			• 6 transport vehicles purchased for the HQ and regional offices	"	"	0.04	0.08	0.08	0.04	-	0.24
			• ICT system established at HQ, web-site developed and swift connections with regional offices maintained	"	"	-	0.15	-	-	-	0.15
2	Policy development	To develop essential policies and laws for properly addressing Human Right issues in Somaliland	• Three consultants hired and essential policies and laws developed • Conduct Research into the human rights condition of vulnerable people	"	"	0.1	0.2	-	-	-	0.3
3	Human Rights advocacy and promotion	To train police and judiciary personnel for enhancing human rights protection and promotion	• Police and judiciary personnel trained in human rights protection and reduction of human rights violation	"	"	0.1	0.1	0.1	0.1	0.1	0.5
4	Public Awareness creation in Human rights	To sensitize the citizens about their human rights and its protection	• Nationwide Public awareness created on human rights and its protection	"	"	0.05	0.05	0.05	0.05	0.05	0.25
5	Establishment of shelters for people that require special protection	To establish shelters for protecting people exposed to human rights violation	• 3 houses built in each of the 6 major regions of Somaliland (18 in total) for sheltering and protecting people facing human rights violation	"	"	-	1.0	0.5	0.5	-	2
Total Human Rights Development Budget						0.49	1.88	0.73	0.69	0.15	3.94

5.3.3. Security and Internal Affairs Sector

Situation analysis

Security and the rule of law are now well established in Somaliland. The country has made significant progress during the past 20 years in establishing the necessary institutions and procedures of government. However, there are still potential security threats due to the instability in the region in which it is located. Extremists, insurgents, and pirates operating in neighbouring countries present danger to the security and stability of the country. Somaliland has built its capacity to counter these destabilizing forces over time and is now in a position to neutralizing them effectively. The police force is relatively well-established despite the presence of some institutional weaknesses, and the government is committed to strengthening the sector within the time frame. Therefore, as improving security in the country is an important priority of the government, the task of building the security sector will continue vigorously within the frame work of the National Development Plan.

The Ministry of Interior is the government institution in charge of in-land peace and security in Somaliland including the control and management of the police force, coastal police guards, anti-terrorism functions, immigration, mine clearance, and collaboration with traditional elders (aqils, chiefs, sultans etc) for dispute resolution purposes as the traditional leadership are the prime force for peace and stability in Somaliland. The Ministry is currently in charge of security and stability in the thirteen Regions and 81 districts of the country.

The internal security apparatus of the country lead by Mol consists of the following:

The Police Force

The formation of the Somaliland Police goes back to 1910 when a Somaliland Coastal Police was formed. This was followed by the establishment of the Somaliland Camel Constabulary for inland policing. A combined police force was set up in 1926 which included a rural force (Ilalo). Following Somaliland's union with Somalia in July 1960, the Somaliland Police became part of the new Somali Republic. The Ilalo was merged with the Police in 1970 (Law No. 5 of 17/1/1970).

The Somaliland Police Force was re-formed with effect from 2 November 1993 under the Law on the Structure of the Somaliland Police Force, which set up the current national Somaliland Police Force. The Somaliland Constitution (and the interim 1997 Constitution) confirms under Article 124(1) that the Somaliland *"Police Force shall be responsible for protecting the peace and for enforcing the law, and (that) its structure and duties shall be set out by law."*

Currently, there are over 6,000 police officers and a large number of community police force operating in all the 13 regions of the country. There are close to 30 police stations operating fully throughout the country. Local Governments also have municipal and community police on

their payroll who also take part in ensuring the security of their communities. In addition, there is a 300 strong Special Protection Unit (SPU) police force. The Unit is often called the Rapid Police Force (BIRMAD). The government is planning to recruit another 450 servicemen as part of strengthening the SPU unit. The Coastal Police patrols and guards the long coast of Somaliland against illegal intruders, pirates and poachers.

Apart from the police, over 900 registered traditional leaders (Aqils/Sultans) work with Mol on security matters and conflict resolution. Though still inadequate, the police force does have good communication gear and means of transport that facilitate its operations throughout the country. The force has also a training academy in Mandhera.

Somaliland Mine Action Centre (SMAC)

SMAC plays an important role in ensuring safety and security in Somaliland by demining the country's landscape which was extensively mined during the civil and Ethiopia-Somalia wars. SMAC was established in 1998 with the support of UNDP. On February 02, 1999 the House of Representatives passed a resolution that demarcates the mandates and responsibilities of SMAC and designated it as the body responsible for the overall coordination of Somaliland mine clearance and actions. Somaliland Mine Action is organized and operates under the supervision of the office of the Vice President of Somaliland. An inter-ministerial committee consisting of eight ministries also looks over its operations.

Between 1977 and 1978, Somalia went to war with neighbouring Ethiopia, as a result the border area between the two countries and some important access roads were heavily mined, and most of those mines are still there. Between 1981 and 1991, the Somali National Movement (SNM) waged an armed insurrection against the regime of Mohamed Siad Barre which saw indiscriminate use of landmines against the civilian population and their homes, farmland, and water reservoirs. Hargeisa (now Somaliland's capital) was heavily mined. The areas around military bases, refugee camps, and the airport, in particular, were subjected to extensive mining.

According to SMAC, there are twenty-eight mined roads in Somaliland. There have been several mine incidents on the coastal road between the port city of Berbera and neighbouring Djibouti, and a section of this road just east of Berbera has at least one minefield of undetermined size. Sections of the regular Djibouti-Jidhi-Borama road are also mined and traffic has been diverted into alternate routes for the past eight years. The regular unpaved road between the largest towns of Somaliland, Burao and Hargeisa, has been abandoned, in part due to landmine threat.

There are more than eighty minefields in Somaliland, sixty-three of which have been confirmed by SMAC. The majority of minefields are found near the Ethiopian border. Mine clearance and mine survey activities expanded significantly in Somaliland in 1999 and 2000, with donors contributing some \$6.65 million. Mine clearance in Burao has allowed 70,000 residents to return to the city. In 1999 the government, for the first time, started collecting systematically data on mine victims, and established that there had been more than 3,500 mine casualties

since 1988. Parliament passed a resolution calling for a unilateral ban on landmines; the President endorsed the resolution.

Somaliland cannot become a signatory of the Mine Ban Treaty (MBT) until it receives international recognition as a separate state. Nevertheless, on several occasions, Somaliland affirmed its willingness to abide by the MBT.

Ministry of Defence (MoD)

MoD is the other important government institution mandated to safeguard the national security and sovereignty of Somaliland and its international borders with the help of the country's army. Somaliland has a professional army which consists of several divisions with bases across the regions.

Currently, army personnel consist of mainly Somali National Movement (SNM) former combatants, soldiers who fled from Siad Barre's army and nationalized former tribal militia men. In the aftermath of the former regime's defeat, there were numerous rag-tag armies organised along tribal lines. But in 1992, the former president, through consultation with clan elders demobilized the armed groups and integrated them into one outfit that is now the current Somaliland army.

Up until 2009, when cases of piracy grew along the Somaliland Coast and led to hostages being held at sea, within Somaliland Jurisdiction, the Somaliland army was composed entirely of army personnel. The surge in piracy and illegal fishing along the Somaliland coast led to the establishment of a navy unit. The unit later became the Somaliland Coast Guard and has succeeded in apprehending hundreds of suspected pirates, who were later arraigned in Somaliland courts and sentenced to jail terms. The Unit has benefited from support by the international community. Its Headquarter is located in Berbera, the main port on the Red Sea, and operates with speed boats mounted with guns, pickups and trucks.

National Demobilization and Reintegration Commission (NDRC)

NDRC contributes to the security and stability of Somaliland by implementing the Disarmament, Demobilization and Reintegration (DDR) of ex-combatants into civil life. NDRC was established in 1993 at the conference in Borama in which the Somaliland government was formed after it declared withdrawal from union with Somalia. The Commission is led by a Chairman and is composed of four departments. It has a Director General and a total of 28 staff working at the head office in Hargeisa and in six branch offices at the regions.

In 1996, NDRC conducted an overall survey of the Military of Somaliland in order to carry out a head count and establish a baseline data to perform the required disarmament, demobilization and reintegration activities. During the first round of operations, it successfully disarmed, demobilized and reintegrated around 811 ex-combatants from the Somaliland military with financial and technical support from GTZ. During its second and third round of operations, it

provided vocational training, and established small scale enterprises and farms for around 994 ex-combatants and their families including disabled people, orphans and widows with the technical and financial support of UNDP.

Currently, NDRC is in the process of updating its database on the status of the Somaliland army personnel. It has been conducting a survey since May 30, 2011 in order to establish facts and needs, and plan appropriate response to meet those needs.

Challenges and Opportunities

Challenges

- Institutional weaknesses among the police force, including low level of education, lack of professional integrity, lack of discipline and the prevalence of corruption
- Weak judicial institutions partly caused by the public's preference for traditional adjudication structures for settling disputes over modern courts and law enforcement structures
- Growing Youth crime due to widespread unemployment
- Strong feeling of abandonment and dissatisfaction with assistance provided by the government among war veterans and their families.
- Mine fields that remain to be cleared, posing an ever present risk to both people and livestock
- Land disputes that sometimes turn into ugly conflict between neighbouring communities and tribes
- The external security threats posed by insurgents, extremists, piracy, illegal fishing by foreign fleets, immigration, and Puntland territorial claims
- Inadequate funding and limited resources

Opportunities

- Commitment by the government of Somaliland to security in order to create safe, secure and stable country for its people
- Strong support by the international community to strengthen the police force and law enforcement,
- Community awareness and support for government security institutions to ensure peace and stability
- Development of training institutions for security personnel with assistance from the international community
- Open and free democratic environment where people can express their grievances and views without fear of persecution

Priorities and strategies

- Reforming and/or developing critical security sector laws and regulations
- Addressing institutional weaknesses of the national security establishment through focused capacity building initiatives that, among others, include building security infrastructures, enhancing professional skills, providing essential equipment, etc.
- Encouraging and enhancing community participation and involvement
- Creating public awareness, especially cultivating public support for modern security apparatus and for enhancing vigilance
- Creating jobs for the youth through public investment and the replacement of personnel who reached state pension age through the establishment of retirement/pension laws/packages
- Strengthening border controls of illegal immigrants
- Initiating and soliciting peaceful border conflict resolution mechanisms
- Strengthening democracy and protection of human rights
- Establishing strategic security plans and programs for local governments
- Improving good governance, enhancing transparency in financial management and service delivery, and combating corruption
- Promoting effective demobilization and reintegration initiatives for ex-combatants,
- Clearing remaining land mine fields
- Allocating sufficient resources to security institutions

Policy, legal and Institutional Reform

The previous Somaliland criminal law and criminal procedures (based on Indian Acts) continued to apply until 1964 and 1975 respectively in guiding police duties in Somaliland. The Law on the Structure of the Somaliland Police Force came into force in 1993 and formed the basis for setting up the current national Somaliland Police Force.

The 1993 Somaliland Police Law has amended the 1972 Organisation of Police Force (Law No. 2 of 23/12/1972). However, no detailed Somaliland Police Regulations have been passed up until now and hence the provisions of the 1973 Police Regulations (Decree No. 14 of 4/1/1973) are still in force, except in so far as they are inconsistent with the Somaliland Constitution and the 1993 Law. The 1979 Police Uniform and Equipment Law (Law No. 30 of 13/8/1979) is no longer in use.

Somaliland is currently engaged in re-organising and modernising the Police Force. A number of consultation meetings have taken place in 2010 regarding the re-organisation, re-structuring (including ranking) of the Force and the adoption of new modern laws that emphasise the role of a modern police service in a democratic country (see: Somaliland progress towards police reform - April 2010). A national Somaliland Police charter was adopted after a national convention on police reform held in April 2010.

The following proposals have been put forward for the police reform:

- The objective of the reform should be the entrenchment of a culture of a “police service”, rather than a police force, and of respect for the fundamental rights and freedoms enshrined in the Somaliland Constitution. Strengthening our nascent democracy and ensuring that citizens enjoy fully their fundamental rights requires different policing policies and practices.
- Central to any police reform is the ending of the Dictatorship era practice of including the police in the armed forces and making their members subject to Military Law. Article 2 (1) of the 1972 Police Law states categorically that the “police force is an integral part of the armed forces...” and Article 1 and 2 of the 1973 Regulations confirm that the members of the police force shall abide by the Military Laws including the Military Penal Code (see Article 41). Somaliland police officers (and prisons officers) are therefore still subject to the Military laws in respect of all the offences of whatever nature that they may commit. This is above and beyond the police disciplinary offences which are dealt with under Part Two of the 1973 Regulations
- Although the Somaliland Police has, as yet, no detailed established rank structure, many of the current command officers have served in the Somali Republic police and army and are familiar with the military rank structure set out under Article 23 of the 1972 Police Law i.e. senior officer ranks of General, Colonel, Major, Captain etc. This tends to reinforce militaristic tendencies. Police forces in many countries maintain discipline and hierarchical structure without necessarily adopting military ranks and laws
- The maintenance of law and order in a post conflict society, like Somaliland, makes necessary that the police should be suitably equipped and trained to deal both with situations that require fast mobile responses in rural areas and those that require crowd control in urban areas
- Old criminal laws relating to the public order and the old Penal Code provisions that, contrary to the fundamental rights and freedoms enshrined in the Somaliland Constitution, criminalise the freedoms of assembly and expression, such as some public order offences, offences against the dignity of public officials and criminal libel/slander, bring the Somaliland Police unnecessarily into an arena where they are seen as enforcing repressive old laws
- The problems of traffic and the ever increasing number of serious road accidents which require considerable police involvement also need to be addressed separately
- Somaliland and the region are facing terrorism and this is an ever present challenge for the police force and the other security services, as well as the public at large

Therefore, in reforming the police and drafting a new Somaliland Police Law and Regulations, the following legal issues may be taken into consideration:

- The new law and regulations must emphasise the principles of accountability, respect for human rights and equality and must be based on the needs and circumstances of the Somaliland people and nation
- The police provides a service to the Somaliland nation by protecting their law and order, and are no longer a “force” that controls the Somaliland public. Enforcing the law of the land is not the same as imposing the will, lawful or not, of whoever is in power. The rule of law applies to everyone
- Whilst there will be central divisions or units, police personnel in the regions and the districts should be also accountable to their local elected district authorities. A system of police liaison committees at local station level should reinforce the community’s confidence in and support for the police. And so will the introduction of auxiliary or part time community police support at village or neighbourhood (xaafad) level
- It should be declared in the new law that the police are not part of the armed forces and that consequently the members of the police force (service) are subject to their own disciplinary rules in matters relating to the performance of their duties and to the normal criminal and civil laws in all other issues. Article 123 of the Somaliland Constitution deals separately with the national armed forces. The new police law should include transitional provisions which takes note of this fundamental change so that there is clarity about jurisdiction of the courts that can deal with offences during the transitional period
- In view of the real and present threats to the Somaliland nation, the Police Law should include a provision which allows the President (and the Parliament) under the Emergency provisions of the Constitution to assign some police divisions to serve in military operations in times of constitutionally declared war or emergency. In such situations the police officers affected shall acquire the responsibilities and privileges of the military ranks corresponding to their police ranks
- Notwithstanding the above, and to underline the non-military nature of the Somaliland Police, the following police rank structure (with some modification) may be adopted:
 - Commissioner
 - Deputy Commissioner
 - Commander
 - Chief Superintendent
 - Superintendent
 - Chief Inspector
 - Inspector
 - Cadet Inspector (trainee)

- Senior Sergeant
 - Sergeant
 - (k)Corporal
 - Constable (Askari)
 - Cadet Constable (trainee)
- On the structure, other than the regional and district stations, some of the central police divisions and units can be:
 - A Criminal Investigation Division (CID)
 - A Traffic Division
 - A Mobile Division
 - A Special Division (which can also deal with anti-terrorism)
 - An Immigration & Border Control Division (but not dealing with the issue of Somaliland passports or nationality identity cards)
 - A Transport Division
 - A Communication & Equipment Division
 - An Administration & Training Division
 - Community liaison and complaints unit
 - Specialist operational units
 - The Police Academy
 - A complaints unit that deals with public complaints. This unit will have specific responsibility for investigating allegations including those relating to abuse of human rights. Redress through the Somaliland Human Rights Commission Law (which has recently come into force) and the courts shall also be available to complainants
 - On staffing of new officers, places should be set aside for a fast stream recruitment system for university law graduates who fulfil the necessary job requirements
 - Finally, there is an urgent need for changing the old laws dealing with public order and the Penal Code provisions that are inconsistent with the modern human rights law. As an immediate step libel and slander criminal laws should be repealed and replaced by civil laws that protect the rights of individuals. This will remove the police from involvement in these issues. Review of public order laws must also be initiated and speeded up

The government of Somaliland has firm commitment to reform existing laws, and enact new policies and regulations (including security policy, immigration policy, maritime policy and laws, community police law, defence policy, etc.) to consolidate and upgrade the safety, security and stability of Somaliland.

Projects and Programs

The security sector development in Somaliland is expected to be effected by:

- Enacting security sector reforms
- Building a police hospital
- Procurement and provision of essential police equipments
- Administration of Ranking
- Provision of essential security personnel trainings
- Procurement and provision of speed patrol boats to coastal guards
- Introduction of ICT security systems
- Public education and awareness
- Veterans head counting and effecting demobilization and reintegration initiatives
- Installing social security systems including pensions
- Establishing a police rank-and-discipline project
- Constructing police stations nation-wide (subject to project documentations of 40 localities)
- Initiating a police command premises rehabilitation project
- Purchasing and installing VHF(s) and HF(s) where required
- Improving the immigration system
- Establishing regional and coast-line immigration offices
- Conducting research on legal and law impacts
- Integrating international law with national law
- Invigorating land mines clearance and carrying out mine action awareness trainings
- Initiating a project identifying national mine precaution areas
- Carrying out justice system reforms, strengthening and empowering the capacity of Somaliland's judiciary
- Enhancing access to justice
- Deepening peace and strengthening security institutions
- Strengthening national army and securing national borders

5.3.4: Internal Affairs Sector; Budget and Implementation Matrix

	Goal	To strengthen Somaliland security Institutions									
	Strategic Objectives	To reduce crime rate in the community and for the People to feel safe at home and at their places of work									
		To Enhance community safety									
		To Support peace-building initiatives									
No	Programs	Objectives	Project outputs/outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Ministry of Interior (Moi) and its departments	To build the capacity of Moi and its departments for better service delivery	Security Component								
			• Police Headquarter (HQ) built in Hargeisa and provided with furniture and equipments	Donors and SLG	Moi	-	1.0	-	-	-	1.0
			• CID (Criminal Investigation Department) Head quarter built in Hargeisa and provided with furniture and equipments	"	"	-	-	0.25	-	-	0.25
			• Maritime Police Headquarter built in Berbera and provided with furniture and equipments	"	"	-	-	0.7	-	-	0.7
			• National Policy Academy in Berbera fenced	"	"	-	0.1	-	-	-	0.1
			• 13 regional police stations built in the capitals of the 13 regions of Somaliland, and the required equipment and furniture supplied	"	"	0.1	0.5	0.3	0.3	0.1	1.3
			• 30 new police stations built at local towns and villages in the 13 regions of Somaliland, and the required equipment and furniture supplied	"	"	0.20	0.70	0.50	0.10	-	1.5
			• 40 old police stations, at local towns and villages in the 13 regions of Somaliland, rehabilitated and the required equipment and furniture supplied	"	"	0.10	0.20	0.30	0.20	-	0.8
			• Immigration Head Office built in Hargeisa and provided with furniture and equipments	"	"	-	0.5	-	-	-	0.5
			• 3 regional immigration offices built at each of the 13 regions of Somaliland (39 in total) and provided with furniture and equipments	"	"	0.2	0.5	0.5	0.45	0.3	1.95
			• Head quarter office build in Hargeisa for Special Protecting Unit (SPU)	"	"	-	0.5	-	-	-	0.5
			• Three Fire Extinguisher Vehicles purchased for fire fighting brigade	"	"	0.3	-	-	-	-	0.3
			• Traffic Police Headquarter (HQ) built in Hargeisa and provided with furniture and equipments	"	"	-	0.2	-	-	-	0.2
			• A National Police Hospital Built in Hargeisa	"	"	1.0	-	-	-	-	1
			• 92 transport vehicles purchased for HQ and regional police offices	"	"	0.48	0.8	0.8	0.8	0.8	3.68
			• 13 traffic police transport vehicles purchased	"	"	0.04	0.12	0.12	0.12	0.12	0.52
			• 4 cranes purchased for traffic police (one big and 3 small)	"	"	-	0.20	0.04	0.04	0.04	0.32
			• 20 motorbikes purchased for traffic police	"	"	0.01	0.03	0.03	0.02	0.01	0.1

			• 5 transport vehicles purchased for SPU	"	"	-	0.12	0.08	-	-	0.2
			• An auto-track with its workshop equipments purchased for the police for car maintenance at all locations	"	"	-	0.2	-	-	-	0.2
			• 10 transport vehicles purchased for CID	"	"	0.04	0.12	0.12	0.08	0.04	0.4
			• One ambulance purchased for the National Police Hospital	"	"	-	0.04	-	-	-	0.04
			• 20 speed boats purchased for maritime police	"	"	0.01	0.03	0.03	0.02	0.01	0.1
			• Purchase of Security Communication Equipments	"	"	0.5	-	-	-	-	0.5
			Administration Component								
			• 7 new regional administrative offices built at 7 regions of Somaliland (one in each region) and provided with furniture and equipments	"	"	-	0.14	0.14	0.14	0.07	0.49
			• 6 old regional administrative offices at 6 regions of Somaliland rehabilitated (one in each region) and provided with required furniture and equipments	"	"	-	0.06	0.06	0.03	0.03	0.18
			• 40 new district administrative offices built at 40 districts' capitals of Somaliland (one in each district) and provided with furniture and equipments	"	"	0.2	0.4	0.4	0.4	0.2	1.6
			• Civil Registration Headquarter (HQ), with its furniture and equipments , and warehouses built in Hargeisa	"	"	0.5	-	-	-	-	0.5
			• 42 regional Civil Registration offices built in 13 regions of Somaliland , and supplied with the required furniture and equipments	"	"	0.4	0.5	0.3	0.3	-	1.5
			• Trainings provided to appropriate staff of the Ministry on civil registration and other essential fields	"	"	-	0.3	-	-	-	0.3
			• ICT /data base system established at HQ, web-site developed and swift connections with regional offices maintained	"	"	-	0.2	-	-	-	0.2
			• Training Institute established in Hargeisa for training public administrators and local government staff	"	"	-	-	0.5	-	-	0.5
2	Policy development	To develop essential policies and laws for enhancing national security	• 5 consultants were hired and the following essential policies and laws were developed: a. Police Act b. Immigration laws (to be reviewed) c. Citizenship law d. Civil Registration Regulations e. Maritime Policy and laws f. Local government and civil protection law g. Community Policing law	"	"	0.2	0.3	-	-	-	0.5
Total Security Sector Development Budget						4.28	7.76	5.17	3.00	1.72	21.93

5.3.5: Mine Clearance Budget and Implementation Matrix

Goal		To ensure that people of Somaliland live in a safe environment conducive to development and mine victims are fully integrated into society, by removing the threats of landmines and explosive remnants of war											
	Strategic Objectives	- Promote trainings on mine risk educations to facilitate the prioritization of clearance efforts - Awareness and alerting the public on mines and promote safer behaviour among communities - Training the experts and personnel on mine emergency response - Investigating on all related mine incidents and Abandoned Explosive Ordnance (AXO) on the population - Establish the coordination of mine risk operations to improve capacities to respond to mine incidents in communities											
		No.	Programmes	Objectives	Project outputs/outcomes	Source of Fund	Implementer	Required budget (USD Millions)					
								2012	2013	2014	2015	2016	Total
		1	Capacity Building for Somaliland Mine Action Centre (SMAC)	To build the capacity of SMAC	• Head quarter (HQ) office of SMAC constructed in Hargeisa	Donor and SLG	SMAC	0.20	-	-	-	-	0.20
					• 3 transport vehicles purchased for the HQ and regional offices (Land Cruisers)	"	"	0.12	-	-	-	-	0.12
• IT related equipments purchased for SMAC	"				"	0.02	-	-	-	-	0.02		
• Operational Costs SMAC	"				"	0.16	0.16	0.16	0.16	0.16	0.80		
• Quality assurance and control trainings provided to the staff of SMAC and a consultant hired for the purpose	"				"	0.05	0.01	0.01	0.01	0.01	0.07		
2	Awareness creation for the public and undertaking Mine Risk education	To create awareness for the public on land mines to minimize and avoid death and injuries from landmines	- Land mine related injuries and deaths minimized and ultimately avoided in Somaliland - Media awareness campaign via television, radio and newspaper and Billboard campaign conducted in every district of Somaliland	"	SMAC/NDA	0.03	0.03	0.03	0.03	0.03	0.15		
3	Implementing mine victims assistance programs and advocating for victims’ rehabilitation	To support mine victims and advocate for the formation of a government agency for disabled people	The negative social and economic impacts of landmines reduced in Somaliland	"	SMAC/SLNDF	0.04	0.02	0.02	0.02	0.02	0.12		

4	Implementing Mine Ban Legislation	To ensure that Somaliland government law enforcement agencies and military as well as citizens are aware of the new legislation	• Broad knowledge in achieved about dangers of anti-personnel mines and the prohibition of owning • Integrated and coordinated MRE programme, prohibition of anti-personnel mines and its legal implications • Government stockpile of land mines to be eliminated • Private stockpile of anti-personnel mines to be reduced by 20%, within the six month period of the campaign • Awareness of UXO dangers and mine improved among children and adults	"	SMAC	0.08	0.01	0.01				0.10
5	Mine Clearance	To ensure priority areas are made mine and UXO impact free to prevent death or injury to innocent civilians and to allow economic activity and reconstruction to take place.	• Deploying and supporting some 110 manual clearance teams nationwide • Recruiting and training demining teams • Conducting mine clearance operation according to priorities • Performing quality control on a regular basis during operation and at end of each task • Evaluating the results achieved	"	NDA	0.30	0.30	0.30	0.30	0.30		1.50
6	Explosive Ordnance Disposal	To ensure communities are made UXO free to prevent death and/or injury to innocent civilians	• Training explosive ordnance disposal (EOD) teams • Training and equipping of explosive ordnance disposal (EOD) teams for clearance of • UXO posing a danger to communities • Conducting explosive ordnance disposal (EOD) tasks • Monitoring EOD clearance teams to ensure efficiency and International Mine Action Standards • Continuing with police explosive ordnance disposal (EOD) operations tasked and monitored SMAC • Extending police EOD activities into fields of police investigative work	"	Police EOD	0.09	0.09	0.10	0.10	0.10		0.48
Total Mine Action Budget						1.09	0.62	0.63	0.62	0.62		3.58

5.3.6: National Defence Budget and Implementation Matrix

	Goal	To have a peaceful state and promote International relations									
	Strategic Objectives	To deepen peace and strengthen security institutions									
		To secure national borders and live in harmony with Somaliland neighbours									
		To Secure National Borders and enhancing international relations									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Ministry of National Defence (MoND)	To build the capacity of Ministry of National Defence	The Head Quarter (HQ) office of MoND in Hargeisa provided with furniture and equipments	Donors and SLG	MoND	0.05	-	-	-	-	0.05
			Three regional Military offices and stores constructed in Lasanod and Sanaag regions	"	"	-	0.5	0.25	-	-	0.75
2	Defence Policy development and MoND administrative staff training	To develop essential Defence policies and provide up to date training for Ministry's office level staffs	4 experts/consultants hired for the development of Somaliland Defence Policy, regulations and manuals, and for training Ministry's administrative staff	"	"	-	0.3	-	-	-	0.3
3	Establishment of Military centres	To establish military centres for armed forces to improve their living conditions	5 Military centres established and equipped in 5 regions of Somaliland	"	"	-	0.75	0.75	-	-	1.5
4	Construction of Military courts	To promote justice within the military of Somaliland	4 Military courts established at four appropriate locations	"	"	-	0.2	0.2	-	-	0.4
5	Building the capacity of Somaliland Military Academy	To strengthen the capacity of Somaliland Military Academy for better service delivery	Somaliland Military Academy provided with essential equipments for improving its services	"	"	-	0.1	-	-	-	0.1
6	Building Military Hospitals in Somaliland	To improve the access to health services for national armed forces	3 Military Hospitals (one every year) built and equipped at 3 appropriate military locations for providing improved health services to armed forces	"	"	0.35	0.35	0.35	-	-	1.05
7	Cadets assessment and Ranking	To produce and keep proper records of active and inactive military personnel in Somaliland, and effect associated military ranking procedures	A national Cadets Assessment and Ranking program implemented	"	"	-	0.2	-	-	-	0.2
8	Production of National Military Garments	To initiate the home production of National Military costumes	A Military uniform production centre established in Hargeisa	"	"	-	-	0.2	-	-	0.2
9	Initiation and strengthening of productive projects for the military	To enhance and support the livelihood of the army and its dependants through project initiatives such as farming, fishery, etc	Appropriate military personnel provided with the required support for engaging in productive projects such as farming, fishing, etc.	"	"		-	0.3	-	-	0.3
	Total National Defence Development Budget					0.4	2.4	2.05	0	0	4.85

5.3.7: National Demobilization and Reintegration Budget and Implementation Matrix

	Goal	To contribute to the building of effective armed forces, and ensuring sustainable peace and development in Somaliland											
	Strategic Objectives	- To conduct registration of armed forces and demobilization of non-combatants - To reduce the prevalence of civilian, ex-combatants, former regime and clan militia weapon risks through Small Arms Control - To strengthen and continue with the ongoing DDR programs for downsizing the armed forces - To rehabilitate the armed groups that are not integrated into the national armed forces and demobilized for downsizing the national army - To provide social and psychosocial support to traumatized former fighters and war affected population - To expand the DDR program to east Sanag and south Lasanod regions’ local militias											
		No.	Programs/Projects	Objectives	Project Output/Outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
								2012	2013	2014	2015	2016	Total
		1	Registration and verification of armed forces in active service	To determine forces	- Number of armed forces in active service verified - Number of armed forces not active verified	Donors and SLG	NDRC	0.3	-	-	-	-	0.3
		2	Reintegration of demobilized army groups into the civilian community and life		10,000 demobilized ex-fighters reintegrated into civilian life	"	"	2.0	2.0	2.0	2.0	2.0	10.00
		3	War trauma counselling and rehabilitation	To council and rehabilitate traumatized war veterans and victims	2000 traumatized war veterans and victims rehabilitate	"	"	-	1.00	1.00	-	-	2.00
		4	HIV/AIDS prevention and control	To create awareness on HIV/AIDS among the army	Awareness created on HIV/AIDS prevention and control among the SL armed forces	"	"	0.1	0.1	0.1	0.1	0.1	0.5
5	Capacity building of NDRC	To build the capacity of NDRC for improving its national development contribution	- The HQ office of NDRC built in Hargeisa, and furniture and equipments provided 6 branch offices of NDRC built at 6 major regions, and furniture and equipments provided	"	"	-	0.3	0.25	-	-	0.55		
			NDRC staff provided with the required training	"	"	0.02	0.02	-	-	-	0.04		
	Total National Demobilization Budget						2.24	3.42	3.35	2.10	2.10	13.39	

5.3.4. Local Governance Sector

Situation Analysis

Somaliland has a politically decentralized governance model. The districts are given the primary responsibility for service delivery, but with limited corresponding financial transfers from the Ministry of Finance to fulfil this mandate. Given the limited capacity for local revenue generation, a fiscal state transfer mechanism has been put in place and in 2011, for the first time, Somaliland executed fiscal state transfers to six districts. However the fund transfers remain irregular and insufficient relative to the functional responsibilities at the district level, and the transfer system does not constitute a re-distribution mechanism that would equitably support all districts. In 2011 the Government continued their commitment to decentralization by reaching agreements between central line sector ministries and districts that de-concentrate functional authorities and financial resources for three key sectors.

Local government provision of social services is also constrained by extremely limited capacity in both human and material resources. The limitations in financial resources, human resource capacities as well as physical facilities continue to limit access to basic services in Somaliland. The government's limited capacity to provide a sustainable policy and regulatory framework hinders effective delivery of basic service. Financial resources are often incommensurate with mandated responsibilities. While Somaliland's new Government leadership continues to display the political will required to realize decentralization, reform structural weaknesses persist. Salaries and allowances of staff, and security absorb the majority of resources, often over sixty per cent. Levies and fees collected as reported in the Joint Needs Assessment rarely exceed \$2.00 per inhabitant per year in rural areas, and \$4.50 per inhabitant per year in urban areas. This is well below the norm for Least Developed Countries, which is between \$20 and \$50 per capita. These capacity and resource limitations render Somaliland local authorities too weak to commit to development and deliver basic services.

Although Somaliland has made significant progress in the provision of primary and tertiary education, it is still constrained by limited capacity, quality of staff and curricula. Basic health service provisions are similarly constrained and remain extremely poor.

Challenges and Opportunities

There are many challenges in achieving decentralization of basic social service:

- ***Inadequacy of systems and policies:*** There are organizational weaknesses in the formulation of policies and legislations, problems which are hindering progress towards the institutionalization of good governance culture
- ***Fiscal Considerations:*** The weak fiscal dispensation, resulting from low revenue to GDP mobilization as a result of a largely informal (un-taxable) economy, leads to a predominance

of wage and non-wage recurrent cost, with large off-budget transfers; which are largely unrecorded

- **Mixed Delivery Models:** Lack of state resources, the strong role played by national and international NGOs and private contributions means that the overall service delivery footprint of formal structures may not dominate delivery
- **State Capacities to Manage Decentralization Reforms:** The capacity of the state to manage such a complex decentralization process is absent

Priorities and Strategies

Priorities and Strategies for policy and institutions reforms include:

- **Policy advocacy, dialogues and policy formulation process:** A process of public consultation and dialogue will be initiated to create increased opportunities for national ownership of the decentralization process
- **Decentralization policy:** - Ministry of Interior (MOI) will lead the development of policy paper and ensure the involvement of all relevant Ministries and government stakeholders
- **Budget on Somaliland National Budget:** A study will be commissioned to establish the budget for Government execution of decentralization for the period 2012 – 2016, in line with the National Development Plan of Somaliland. The study will provide the necessary data for costing the decentralization process, and projecting central and district level revenue generation.
- **Sectors and functional assignments;** sector studies on health, education, water and sanitation, environment (natural resource management), roads, safety and security and waste management will be done. The studies will be assessing the current service delivery legal framework in relations to decentralization and service delivery and recommend pilots for delegated functions to be delivered at lower sub-national level
- **Fiscal Decentralization Policy Development:** As part of the overall Decentralization Policy process, technical assistance on fiscal decentralization (FDP) will be provided.
- **Public Expenditure Management regulation:** Efforts to have the Local Government Public Expenditure Management regulated by Government will be taken
- **Mol strategic plan:** Elaboration of Mol Strategic Plan based on the decentralization policy, framework and an implementation strategy will be prepared
- **Public Private Partnership (PPP) policy:** Continued support towards advancing the PPP policy dialogue will take place bringing together all partners i.e. local governments, key ministries and departments, regulatory agencies, private sector, civil society, UN and other development partners to reach agreement on a policy framework. A PPP Inter-Ministerial Committee will be established to drive PPP policy consultation process. The committee will act as the champion for PPP.
- **Municipal finance policy:** Continued support to improved local government financial management/reporting systems with emphasis to synergies between public financial management and local service delivery will be provided

- **Land management law:** The Land Reform Secretariat led the review and revision of selected parts of the Land Management Law during 2011. The revised law will be approved and implementation procedures will be supported in 2012
- **Somaliland planning and building codes and standards** ('construction codes') will be finalized and approved in 2012 in collaboration with Ministry of Public Works Housing and Transport (MoPWHT)

Programs and Projects

- Improve the legislative and regulatory framework for decentralization of service delivery in Somaliland
- Improve the capacity of district councils to undertake participatory local public expenditure management processes, such as: participatory planning, revenue collection, budgeting, investment programming, procurement, implementation, reporting, monitoring and evaluation and asset management - so to provide services in an accountable transparent and participatory manner
- Improve the capacities at central government level to support and supervise decentralisation
- Providing funding for service delivery through local governments
- Develop capacities of communities to engage with district councils and vice versa and improve public accountabilities

Capacity Building for Village Council Committees (VCC):

- ***Policy and legal reviews/development***
 - Establishing VCCs with legal management and leadership structures
 - incorporating skilled resources persons like Tax Collectors, Teachers or headmasters as Secretaries, Village Imams as treasurers, TBAs and Masons as ordinary members
 - Development of ToR and a constitution or Code of Conduct for Village Council Committees
 - Community sensitization on UN-JPLG intervention strategies (classification and selection of target community beneficiaries)
 - Involving of VCC in revenue collection and generation activities on behalf of District Councils as traditional leaders could be more effective in helping district councils in improving and increasing revenue than DC Tax Collectors(as their contribution to DC treasuries is currently almost nil)
 - Decentralization Policy dissemination on Health, Education and WASH sector policy through mobilization and awareness creation workshops and community meetings

- ***Mobilization and organization building***

- Organization building and networking of stakeholders: Community organizations involved in project implementation are strengthened and networked for their empowerment and experience sharing
- Conducting Village Baseline assessments to update the District Development Framework (DDF) by using participatory methods as far as possible to identify priority needs but also local resources
- Target beneficiary selection: Make clear with which groups you are willing to work based on appropriate village classification- Large villages with over 50 resident households should be targeted for capacity building and Nomadic/seasonal villages with less than 50 households should not be selected for the implementation of development projects
- Revising DDF and holding validation workshop for VCC members of 2009-2010 and 2011 target villages for the UN-JPLG Project

- ***Training Material Development***

- Developing VCC community mobilization and training tools (IET-Manuals and leaflets)

- ***Training VCC***

Implementation of community plans will involve:

- Training local people on skills that they will need to ensure self management and sustainability of the project
- Conducting VCC training on Leadership, community mobilization and development, conflict resolution, action planning and monitoring of development activities
- Conducting Training for VCC on Roles and Responsibilities of District Councils vis-avis Village Councils
- Conducting training of VCC on building partnership with District Council, the Private Sector and other Civil Society Organizations
- Commencement of Civic Education training workshops for VCC and community development groups
- Training on Hygiene & Environmental Sanitation, mobilization, sensitization skills
- Training of Village masons on improved construction techniques through on the job skills training

Capacity building for Village Council Committees by providing Material support in terms of equipment, tools and establishing income generating activities(IGAs) to enable VCC manage community projects effectively through:

Action planning: community action plans are drawn up based on priorities and needs already identified

- Distribution of tools and Equipment for office and SWM activities
- Latrine promotion and construction
- Digging garbage pits
- Cleaning campaigns
- Monitoring Education, Health and WASH facilities construction(new) activities and status-function and use of (old/existing) community infrastructure

Participatory monitoring and reviews: Beneficiary groups are involved in project monitoring and evaluation. This will ensure equitable sharing of benefits and losses as they draw lessons to improve on what they do.

5.3.8: Decentralization and Local Governance Sector Budget and Implementation matrix

	Goal	Enhanced capacities of the local governments contributes to peace and equitable priority service delivery in selected locations									
	Strategic Objectives	- Communities have equitable access to affordable and replicable basic Services through local government and - Local Government are accountable and transparent									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of Fund	Implementer	Required Budget(USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Strengthening Ministry of Interior	- To improve the quality of project implementation by Councils - To enhance ownership and sustainability through enhancing operations, maintenance, and regular monitoring of DC activities	- Mol Capacity Built (districts, regions and planning departments) - Policy and Legal framework developed, reviewed and disseminated - Infrastructure improved (transport, office furniture, equipment, etc.) for Mol staff - Mol Human Resources Management Capacity Developed - Capacity assessments, classifications and demarcations conducted for 13 regions and 71 districts - Five year's Strategic Plan of Mol developed	SLG and Donors	Local Government	0.87	0.67	0.67	0.67	0.67	3.55
2	Strengthening Regional and District Council Administrations	- To enhance the service delivery capacity of district and regional administrations - To improve the capacity of the councils for enhancing revenue collection and economic growth - To enable councils identify and prioritize the pressing needs of the rural population in a participatory way	- Service delivery capacity of regional and district authorities improved - Policies and by-laws developed and reviewed for 42 districts and 6 regions - Human resource development support provided to 42 districts and 6 regions - Management capacity enhanced for 42 districts and 6 regions - Investment and infrastructure development pursued for 42 districts and 6 regions - Development planning support provided to 42 districts and 6 regions	"	"	13.94	12.94	12.94	12.94	12.94	65.70

			Field supervision and site visits conducted by Moi Local Government Inspection Teams								
3	Improving the capacity of Councils in developing and utilizing annual plans and budgets for implementing development initiatives	To enhance the capacity of councils in developing and utilizing annual plans and budgets for materializing development initiatives	- Strengthening Village Councils and Local Service Providers - Partnership built with LNGOs/CBOs & INGOs - Training and small grant programmes initiated for village councils	"	"	1.20	0.92	0.92	0.92	0.92	4.88
4	Conducting sensitizations on Decentralization and Good Governance	To promote co-operation amongst councils, communities, private and public institutions	- Civic Education and Media campaign initiated - Standardized radio programmes developed - CE tools and materials developed for specific target groups - Trainings conducted on utilizing CE Tools and Materials	"	"	0.28	0.28	0.28	0.28	0.28	1.40
	Total Local Governance Sector Development Budget					16.29	14.81	14.81	14.81	14.81	75.53

5.3.5. Foreign Relations Sector

Situation analysis

History

Somaliland has a long history that goes back thousands of years. 10,000 year old Neolithic paintings in Las Geel, near Hargeisa, the capital, show that Somaliland was home to the earliest civilizations in the world. Somaliland, as part of the Land of Punt was a major trading partner with ancient Egyptians as records during the reign of Sahura of the Fifth Dynasty around 2250 BCE indicate. The coastal cities of Zeila, Berbera and Maydh were deeply involved in spice trade with the Romans. In the 7th century, Islam was introduced to Somaliland, and by the 13th century had a thriving Islamic sultanate, Adal, whose main port was Zeila. But the modern history of Somaliland started in the 19th century as presented chronologically below:

1870 - The Egyptian flag was hoisted at Bulhar and Berbera, and Egyptian authority over Somaliland was recognized.

Feb, 1884 - Britain occupied the former Egyptian Somaliland, where Egyptians were forced to withdraw from Somaliland due to the Mahdi Rebellion in the Egyptian Sudan.

Jul, 1887 – The British Somaliland Protectorate was established. Major A. Hunt of Great Britain, representing his government, drew up protection treaties with several Somaliland clans guaranteeing them military support, in case of attack from other neighbouring territories, which were occupied by other Europeans. As a result of these treaties, Great Britain sent its Consuls to the Somaliland coastal towns of Berbera, Bulahar, and Sylva.

Aug, 1940- Mar, 1941 – Italy occupied British Somaliland.

Apr, 1960 - The Legislative Council of British Somaliland passed a resolution requesting independence.

May, 1960 – the British Government stated that it would be prepared to grant independence to the protectorate of British Somaliland.

Jun 26, 1960 - British Somaliland protectorate obtained independence as the **State of Somaliland**. Mr. Mohamed Haji Ibrahim Egal who previously served as an official member of British Somaliland Protectorate's Executive Council and the Leader of the government business in the Legislative Council became the **Prime Minister** of the State of Somaliland before the unification.

Jul 1st, 1960 – the State of Somaliland united with the Trust Territory of Somalia on its independence day to form Somalia Republic.

Jun, 1961- The majority (63%) of the people of the State of Somaliland voted against the unitary constitution in a referendum.

Dec, 1961 – A group of army officers staged a rebellion against the government to reinstate Somaliland independence.

Oct, 1969 – The military toppled the civilian government in coup d'état.

Apr, 1981 – Somali National Movement (SNM) formed.

Jan, 1991 – Somalia government collapsed.

Apr-May, 1991 – Burao conference was held in which Somaliland reclaimed its Sovereignty.

Jan-May, 1993 – Borama national Reconciliation Conference was held and the National Charter was adopted.

Oct, 1996-Feb, 1997 – Hargeisa Somaliland Communities Conference and an interim constitution was adopted.

May, 2001 – The Constitution of Somaliland was overwhelmingly (97%) approved in a referendum.

Dec, 2002 – Local municipal elections were held.

April, 2003 – First presidential elections were held.

Sep, 2005 – First parliamentary elections were held.

Jun, 2010 – Second presidential elections were held.

International Relations

The Ministry of Foreign Affairs and international cooperation is responsible for building relations with foreign governments and international organizations. Its duties include seeking recognition and promoting the international commercial, cultural, security and political interests of Somaliland and its citizens. The ministry has a network of representatives in many countries and maintains five offices that carry out consular functions in London, Washington DC, Addis Ababa, Djibouti, and Nairobi.

Since its inception in 1991, the Ministry has continued to pursue a foreign policy that is based on universal principles such as promotion of peaceful coexistence, adherence to the Charters of the United Nations and the African Union, and other international laws and protocols. As a result, Somaliland has entered into formal and informal cooperative arrangements with various

of states and intergovernmental organizations such as Ethiopia, United Kingdom, Denmark, Djibouti, Kenya, South Africa, the United States of America, the UN and the African Union. The cooperation has covered a wide range of issues, including security such as terrorism and piracy, trade, immigration and development assistance. In line with its new status, Somaliland is invited to attend international and regional conferences, workshops and seminars, a sign of its de facto recognition as a member of the international community.

Challenges and opportunities

The biggest challenge which Somaliland faces in the international foreign affairs arena is the task of securing recognition as a sovereign state. Somaliland has an indisputable legal case to be recognized. It fulfils all the requirements of statehood in international law including:

- A permanent population
- A defined territory
- A stable system of Government
- Capacity to enter into relations with Sovereign States

Somaliland comprises the territory, boundaries and people of the former British Somaliland Protectorate defined and delimited by the provisions of the following international treaties:

- The Anglo-French Treaty of 1888
- The Anglo-Italian Protocol of 1894
- The Anglo-Ethiopian Treaty of 1897

Somaliland's declaration of independence is predicated upon these well defined boundaries at independence, which is consistent with the Constitutive Act of the African Union (Article 4.b.), which affirms the Union's "respect of borders existing upon achievement of independence. Somaliland's borders upon achievement of independence were those of the British Somaliland Protectorate, not the Somali Democratic Republic. Somaliland's independent status therefore represents the dissolution of a voluntary union between sovereign states, not an act of secession.

Somaliland has also its own:

- Constitution
- Currency
- Flag and
- Passport

Somaliland's constitution stipulates a multi-party, pluralistic democratic system, with a presidential executive branch, a bicameral parliament and an independent judiciary. Since the

approval of the constitution, Somaliland has held four successive peaceful, fair and free elections: one municipal, one parliamentary and two presidential elections.

The absence of recognition creates a host of challenges which Somaliland faces, including:

- Lack of access to direct bilateral and multilateral aid
- Lack of access to international credit facilities
- Limited access to commercial services of international financial institutions
- Limitations on attracting direct international foreign investment
- Inability to participate in regional trade blocks and customs unions
- Travel restrictions on national passport

Somaliland has also opportunities and strengths:

- It has proven to possess the capacity and resilience to overcome enormous difficulties
- It succeeded in building peace and stability in a conflict prone region
- It established democratic systems and institutions
- It has been able to achieve remarkable progress in the last twenty years against the odds
- It is located in a very strategic location and can play a constructive role in ensuring regional security

Priorities and strategies

The first priority of Somaliland in matters of foreign affairs is international recognition. Other priorities include:

- Preservation of national integrity and sovereignty within secure borders
- Strengthening of regional and international security cooperation
- Creation of a favourable environment for international trade and investment
- Developing good neighbourly relations and regional cooperation based on shared interests, through bilateral and multilateral agreements with neighbours and trading partners in East Africa and the Middle East
- Raising the profile and image of Somaliland in the international arena
- Protecting and representing the rights and interests of Somaliland citizens
- Establishing formal relations with states and regional bodies
- Building the capacity of the Ministry and representative offices in foreign countries

Legal, policies and institutional reform

The foreign policy of Somaliland is based on the following universally recognized norms:

- Respect for sovereignty of other states and preservation of national security
- Good neighbourliness and peaceful co-existence

- Peaceful settlement of disputes
- Non-interference in the internal affairs of other states
- Adherence to the Charters of the UN and OAU/AU
- Compliance with international laws and agreements

Programs and Projects

With respect to top-priorities stated, the following projects will be carried out during NDP period:

- Constructing new headquarters for the ministry
- Re-structuring the Ministry, expanding its operational functions
- Developing information management system
- Strengthening the capacity of representative offices and opening new ones in selective countries
- Establishing a training and research centre with a library within the Ministry
- Organizing a conference and carrying out a review of the county's foreign policy in the last two decades
- Promoting the case for international recognition of Somaliland
- Building an international network of friends of Somaliland

5.3.9: Foreign Relations Sector Budget and Implementation Matrix

	Goal	To advocate for the International recognition of Somaliland									
	Strategic Objectives	To establish and promote international relations									
		To establish cooperation among the bordering countries of Somaliland									
		To promote international trade									
		To solicit recognition for Somaliland in the African Union (AU) as a member state and from the International Community									
		To attract international donors to invest in Somaliland									
No.	Programs	Objectives	Project outputs/outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Ministry of Foreign Affairs (MoFA)	To build the capacity of MoFA for better service delivery	The Headquarter (HQ) office of MoFA built in Hargeisa and provided with furniture and equipments	Donors & SLG	MoFA	0.3	-	-	-	-	0.3
			Establish a Diaspora Services department and build capacity of the staff of MoFA on disciplines related to their duties and responsibilities for staff skill improvement purpose	"	"	-	0.05	0.02	0.05	0.05	0.17
			5 guest vehicles and one mini-bus purchased for the Ministry	"	"	-	0.08	0.08	0.04	-	0.2
			ICT /data base system established at HQ and web-site developed	"	"	-	0.2	-	-	-	0.2
2	Policy development	To develop essential policies and laws (including the Diaspora)	Foreign and Diaspora policy developed	"	"	0.1	0.1	-	-	-	0.2
3	Establishment of Research and training centre, and a library	To conduct required research and studies on foreign relations, and improve public knowledge on foreign cooperation and policies	A research and training centre established and a library constructed	"	"	0.1	-	-	-	-	0.1
4	Establishment of Somaliland liaison offices	To solicit international recognition for Somaliland	12 liaison offices opened in friendly countries, and furniture and equipments provided	"	"	-	0.08	0.08	0.04	0.04	0.24
			12 transport vehicles purchased for liaison offices	"	"	-	0.16	0.16	0.08	0.08	0.48
5	Lobbying for International Recognition	To solicit international recognition Somaliland	Widespread and continuous lobbying conducted through international forums and International Court for securing recognition for Somaliland as an independent country	"	"	-	1.0	-	1.0	-	2
6	Domestic public awareness raising through media and other programs	To raise public awareness and understanding for joining voices in seeking recognition for Somaliland	Knowledge based awareness campaigns conducted among the public to promote the international recognition of Somaliland	"	"	0.1	0.5	0.5	0.5	0.5	2.1
Total International Relations Development Budget						0.6	2.17	0.84	1.71	0.67	5.99

5.3.6. Good Governance and Anti-corruption Sector

Situation Analysis

There is an increasing awareness throughout Somaliland society that corruption and bad governance pose serious threat to the creation and institutionalization of an effective government, economic growth, and socio-political stability. There is recognition of the need for a system that ensures good governance and deals with corruptive behaviour and practices. Poor governance is prevalent in the public sector, and most of the public institutions are not adequately equipped to deliver services effectively and efficiently. Many of them do not have clear terms of reference for their mandate and functional structure. Weaknesses in public service policy and management are among the most serious obstacles to the development of public institutions.

The current Government, which was elected in June 2010, is taking its cue from its citizens, whose desire for strong and effective public institutions has been expressed repeatedly. It has, therefore, created the Good Governance and Anti-corruption Commission which is set up to promote and enforce high standards in public management. It will formulate, and recommend appropriate policies, institutional arrangements, and regulatory framework in order to help the Government achieve its objectives with regard to good governance. The commission has also the mandate to eliminate corruption and create an environment with zero tolerance for corruption

Challenges and Opportunities

There are many challenges in the way of achieving good, corrupt free government including the following:

- ***The absence of clearly defined mandate:*** Most of the public institutions lack a clear mandate in writing. As a result, there have been repeated conflicts over turfs and mandates among themselves. Moreover, some of these institutions do not have a strategic plan, and their activities are very much confined to routine, day-to-day administrative work
- ***Poor decentralization:*** Decentralization has yet to take root within the socio-political context of Somaliland. Although some programs, including the UN's Joint **Programme** on Local Governance and Decentralised Service Delivery (JPLG), have invested a lot of effort and time in improving local governance decentralization, they have not entirely succeeded due to structural constraints. A cogently delineated system in which ministries, departments, and Government agencies can collaborate with regional and district municipalities has yet to be devised
- ***Corruption and misuse of resources:*** There is a widely held belief that corruption and misuse of national resources are common in government. Although there is no exact information about how pervasive graft is within the Government, most people believe that

it is common. There is very little doubt that corruption has negatively affected justice and service delivery, as well as the economic growth of Somaliland

- ***Inadequacy of systems and policies:*** There are organizational weaknesses in the formulation of policies and legislations, which are hindering progress towards the institutionalization of good governance culture
- ***Inadequacy of civic education:*** There is a need for a multi-faceted, carefully developed program of civic education, to combat cynical public attitude towards government by sensitizing young and old to the value of *good* governance, and responsible citizenship.
- ***Lack of base-line information:*** There is lack of research and real data on the status of governance and corruption in Somaliland
- ***Weaknesses in civil servant policies and management:*** There are weaknesses in the management system of Somaliland's civil servants. Remuneration, motivation, and capacity building are all fairly low, and together pose a threat to good governance
- ***Limited practical application of the existing regulations:*** lack of application of existing good management practices including policies on procurement, financial management and human resources is a problem
- ***Gender imbalance in public institutions:*** Women are underrepresented in both the executive and legislative public institutions. This is inconsistent with good governance which should be inclusive, fair and participatory

Priorities and Strategies

The priorities during the current NDP period include:

- Promoting awareness, acceptance, and observance of good governance within the public sector through the adaptation of policies and programs formulated in consultation with concerned institutions
- Ensuring the implementation of public reform policies
- Identifying and promoting the values of dialogue, understanding, respect for others, and consensus building in the development of policies and programs that promote inclusivity, participation, and justice which are essential to good governance
- Coordinating capacity building initiatives
- Leading the development of policies and programs which promote civic education on good governance which aim at making people aware of their rights, responsibilities, and obligations as citizens
- Monitoring and evaluating the impact of good governance programs and interventions
- Establishing research-based policies which address the causes and effects of corruption, and introducing strategic interventions designed to eliminate corruption
- Creating public forums, workshops, and debates for stakeholders on good governance and the obstacles hindering progress towards that goal
- Developing and maintaining good working relations with all public institutions and creating an environment that encourages public dialogue
- Guiding public institutions in the process of adopting principles of good governance

- Providing capacity building and training on good governance and anti-corruption
- Ensuring decentralization of public administration and service delivery at regional, district and community levels
- Ensuring civil service reform to achieve competent, capable and motivated civil servants that can contribute effective service delivery
- Receiving and screening corruption and misuse complaints from the citizens and initiating relevant actions
- Preventing, investigating, and prosecuting reported cases of corruption
- Establishing a *blacklisting system*, to be devised by the commission, for the purpose of identifying, singling out, and penalizing individuals who behave unethically and engage in corruption

Legal Policies and Institutional Reform

- Legislating the Commission in an act of parliament
- Initiating legal and political reforms to institutionalize good governance
- Developing a strategic framework to respond to--and ultimately eliminate--corruption and its causes
- Ensuring the implementation of anti-corruption legislation, policies and strategies; taking all appropriate measures to ensure their continuous improvement
- Proposing amendments to the existing anti-corruption laws with the intention of developing adequate anticorruption legislation
- Promoting efficiency by initiating the rationalization and demarcation of institutional mandates and structures
- Promoting appropriately designed, merit-based systems for public sector personnel
- Developing a national integrity monitoring and evaluation mechanism

Programs and Projects

- Developing legal framework and policies against corruption
- Supporting institutions to adopt principles of good governance
- Developing the physical infrastructure and human resource capacity of the Commission
- Dealing with corruption complaints and cases and taking appropriate action
- Developing operational tools for the application of good governance systems
- Strengthening coordination, communication, and collaboration among public institutions and between them and the public
- Promoting decentralization, transparency, accountability and inclusivity in the management of public affairs
- Developing a quality assurance system for public institutions
- Developing a name and shame blacking listing system for public officials proven guilty of corrupt practices
- Educating the public about their roles and responsibilities in promoting good governance and stemming out corruption

5.3.10: Good Governance and Anti-corruption Budget and Implementation Matrix

	Goal	Realize transparent, democratic and effective Institutions accountable to its Citizens and a system of governance free from all forms of corruption with zero tolerance of corruption									
	Strategic Objectives	- To develop comprehensive legal framework towards achieving a culture of good Governance and a system of governance free from all forms of corruption - To enhance the capacity of GGACC to be able effective operate in undertaking its mandate - To change attitudes by educating society away from corruption, soliciting public support in the fight against corruption and enhancing the public image of the GGACC thereby promoting confidence in the GGACC - To Promote reforms through recommending the rationalization of institutional mandates and structures; coordinate capacity building initiatives, and the development of appropriately designed merit-based system - To ensure and undertake all measurements in dealing with corruption cases and Improving Good Governance									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Good Governance and Anti - Corruption Commission (GGACC)	To build the capacity of GGACC for better service delivery	The Head Quarter (HQ) office of GGACC built in Hargeisa and provided with furniture and equipments	Donors and SLG	GGACC	-	0.25	-	-	-	0.25
			5 regional offices constructed in the 5 major regions of Somaliland, and provided with office furniture and equipments	"	"	-	0.28	0.14	0.14	0.14	0.7
			Transport vehicle purchased for HQ and regional offices	"	"	-	0.1	-	-	-	0.1
			Trainings provided to the staff of the commission on topics related to GGACC functions	"	"	0.03	0.03	0.03	0.03	0.03	0.15
			ICT /data base system and Resource centre established at HQ, web-site developed and swift connections with regional offices maintained	"	"	-	0.2	-	-	-	0.2
			Study tour organized for GGACC staff to learn from experiences of other countries in Africa	"	"	0.05	0.05	0.05	0.05	0.05	0.25
2	Policy development	To develop essential policies and laws for establishing good governance and combating corruption in Somaliland To increase proportion of seats held by women and marginalized groups (Youth, Disabled, etc) in National	- Five consultants hired for developing essential policies and laws, and for providing trainings and advises to enhance the capacity of GGACC in promoting good governance and fighting corruption - proportion of seats held by women and marginalized groups increased	"	"	-	0.52	0.52	0.26	-	1.3

		Parliament									
3	Public administration and Decentralization	To promote public administration and capacity of public institutions To develop and enforce administrative laws and regulation To hold public dialogues on enhancing public service delivery and administrative justice	• 53 public institutions capacity enhanced • Administrative justice established and necessary laws developed and enforced • Public institutions service delivery improved through dialogue and trust building between the public officials and citizens	"	"	0.3	0.2	0.3	0.3	0.2	1.3
4	Studies and Baseline assessment	To conduct baseline assessments and undertake research and studies to establish existing facts on good governance and corruption, and solicit methods to solving malpractices related to these issues	• A baseline assessment conducted on good governance and corruption situations in Somaliland • Research and studies to conducted to solicit ways of enhancing good governance and fighting corruption in Somaliland	"	"	0.3	0.1	0.3	0.1	0.3	1.1
5	Civic Education	To enhance public awareness for the general public to actively participate in promoting good governance and fighting corruption	• Nationwide public awareness campaigns conducted for enhancing public participation in promoting good governance and fighting corruption	"	"	0.2	0.5	0.5	0.3	0.2	1.7
		To enhance civil society and Media role in public education and awareness programs	• Civil society has actively participated in civic education program • Civil society organizations are trained in anti-corruption and good governance • Media are trained on good governance and anti-corruption and sensitized on their in awareness	"	"	1	1	1	1	1	5.0
6	Monitoring and evaluation of Ministries and government agencies	To monitor and evaluate service delivery functions of government ministries and agencies for enhancing good governance and combating corruption	• Service delivery duties and responsibilities of government ministries and agencies monitored and evaluated regularly for enhancing good governance and combating corruption	"	"	0.1	0.1	0.1	0.1	0.1	0.5
Total Good Governance and Anti-Corruption Budget						1.98	3.33	2.94	2.28	2.02	12.55

5.3.7. Standardization and Quality Control Sector

Situation Analysis

Somaliland lacks a structure or a mechanism for testing consumer goods and ensuring the health and safety of its people. This opens the door to all types of products being imported from all corners of the world without any regulations whatsoever; consequently, the markets are flooded with low quality products some of which are not safe for consumption. Such goods range from foodstuffs, clothing, building materials, cleaning, and sanitation products, children's products, electronic goods, home appliances, electrical accessories, fuels and car accessories, toothpaste, chewing gum, soft drinks and the list goes on. The health and safety of the consumer market in Somaliland is evidently bleak when one looks at the overall picture for no area can be considered safe enough.

A radical transformation regarding how the consumer market in Somaliland operates is therefore needed. The markets need to be brought to the level of other markets in the world in terms of safety and quality. The rights of consumers can no longer be ignored, complacency must be discarded away and product safety and quality must be of high priority. Peoples' lives should be protected, and businesses should be informed of the fact that some of the products they are being sold (by different companies around the world) are poor in quality and not fit for consumption. It is this need for consumer protection that lead to the creation of Somaliland Quality Control Commission (SQCC) whose purpose is to safeguard the rights and wellbeing of the consumers.

The SQCC is working to put into place a set of standards that should be met by all importers, manufacturers and distributors of products such as food products, drugs and medicines, cosmetics, agricultural products and veterinary products. These consumer products must adhere to a defined set of quality criteria and meet the requirements of the SQCC. With regard to products that are donated, the SQCC is required to meet with and carry out discussions with all organizations and aid groups that are involved with the distribution of donated food and medical supplies. The commission has its headquarters based in Hargeisa, and has 8 other regional offices located in Berbera, Burao, Borama, Erigavo, Laas Aanod, Sayla, Gabiley and Wajaale.

Challenges and Opportunities

Challenges

The main challenges to be dealt with include:

- Lack of trained staff with the necessary technical skills
- Lack of even a basic QC lab
- Lack of adequate financial resources

- Lack of mobility and transportation for monitoring and sampling
- A general lack of understanding of the SQCC's functions and its role as a regulatory agency for all consumer products
- Inability to assist consumers in evaluating the safety of consumer products

Opportunities

There are opportunities and encouraging signs that support the success of the commission's work:

- The government is committed to protecting its citizens from unsafe products. The Commission has a board which consists of five ministries. Minister of water, energy and mineral resources, Minister of Planning, Minister of Livestock, Minister of Agriculture, and Minister of Health
- The drug importers association has agreed to cooperate and work closely with the SQCC on matters regarding drug quality standards
- The SQCC has established preliminary guidelines for the regulation and supervision of both food safety and drug quality standards

Priorities and Strategies

The priorities for the current NDP period include:

- Hiring consultants, qualified professionals and other experts in the field
- Planning and developing a framework for maintaining QC methods and practices
- Establishing relations with relevant institutions inside and outside the country
- Building the institutional capacity of the Commission
- Providing training programs and carrying out public awareness campaigns
- Establishing specifications for all consumer products
- Promoting research and investigation into the causes and prevention of product related deaths, illness and injuries
- Establishing quality assurance checks and quality control services

Policy, Legal and Institutional Reform

The SQCC was legally established on the 26th of September following the presidential mandate Ref: RSL/P/SQCC/092010.

The SQCC is currently in the process of establishing government regulations and policies that deal with food safety standards that will need to be followed by all those (e.g. industries, groups, individuals, etc.) who are involved in the production, sale, distribution and storage of food products. By putting into place food safety standards, the SQCC aims to promote good

practice, establish quality assurance systems, and ensure traceability from retail, to manufacturing, and to country of origin.

With regard to the quality and safety standards of drugs and medicines, the SQCC plans to follow a set of strict regulations and requirements for drug quality. The problems posed by poor quality drugs are very serious as they render pathogens resistant to standard treatments. The SQCC's official standards will cover key issues such as source, strength, quality, purity, packaging and labelling.

The SQCC will establish quality control procedures and policies as well as good procurement practices for all consumer products. It will be also setting up monitoring and evaluation systems.

Programs and Projects

In the course of the NDP period, the government will:

- Establish a well-staffed and well-equipped Quality Control (QC) testing laboratory
- Acquire analytical equipment and laboratory instruments such as an ultraviolet (UV) spectrophotometer, chromatographs such as a high-pressure liquid chromatography (HPLC), gas chromatography (GC), and mass spectrometer or liquid chromatography-mass spectrometry (LC-MS) system
- Train and hire specialized laboratory personnel
- Procure necessary chemical reagents and reference standards
- Set up and maintain Quality Management System (QMS)
- Implement good manufacturing practices(GMP) and good hygienic practices (GHP)
- Follow international quality standards (in line with international organization for standardization or ISO) and form standard HACCP (Hazard Analysis and critical control points)plans
- Carryout product safety Assessment and set up import Surveillance and Control Division
- Update consumers with press releases, television programs and awareness campaigns
- Establish data collection programs
- Develop and update quality control policies, rules and regulations

5.3.11: Standardization and Quality Control Budget and Implementation Matrix

	Goal	Protect the safety of Somaliland consumers from unnecessary injuries caused by defective, substandard, or expired consumer products									
	Strategic Objectives	To stop dangerous products from entering the stream of commerce and identify hazardous products									
		To develop national standards for imported and locally manufactured consumer products									
		To minimize conflicting regional and local regulations and establish specifications for all consumer products									
		To develop meaningful test methods to assess consumer product hazards									
		To establish an effective national product testing centre									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Somaliland Quality Control Commission (SQCC)	To build the capacity of Somaliland Quality Control Commission for better service delivery	• The Head Quarter (HQ) office of SQCC built in Hargeisa and provided with furniture and equipments	Donors and SLG	SQCC	-	0.2	0.1	-	-	0.3
			• A national laboratory (in Hargeisa) and regional laboratories (at appropriate locations) built and supplied with required accessories and equipments for quality testing and analysis of food and drug products	"	"	-	1.7	-	-	-	1.7
			• Trainings provided to the staff of the commission on quality control and standardization related disciplines	"	"	-	0.3	0.2	-	-	0.5
			• ICT and data base systems established at HQ and regional offices, web-site developed and swift connections with regional offices maintained	"	"	-	0.05	-	-	-	0.05
			• 5 transport vehicles purchased for HQ and regional offices	"	"	-	-	0.25	-	-	0.25
2	Policy development	To develop essential policies and laws for putting in place food and consumer goods safety standards	• Three consultants hired and essential policies and laws developed for regulating consumer product qualities and standards	"	"	0.5	-	-	-	-	0.5
3	Public awareness creation on qualities and standardizes related to food and consumer goods	To enhance public awareness on perceptions related to food and consumer goods qualities and standards for preventing associated public damages	• Nationwide public awareness campaigns conducted for enhancing public perceptions on quality controls and standardization	"	"	0.05	0.1	0.05	0.05	-	0.25
4	Establishment of Research Centre	To conduct required research for enhancing food and other consumer goods quality control and standardization capabilities of SL	• A research centre established and required accessories provided	"	"	-	-	0.2	-	-	0.2
Total Quality Control and Standardization Budget						0.55	2.35	0.8	0.05	0	3.75

5.3.8. Civil Service Sector

Situational Analysis

The constitution of Somaliland mandates the CSC with the responsibility to establish an efficient and effective civil service that is transparent and accountable, to ensure that the public service delivery is effective, appropriate and accessible. The CSC approves the hiring, promotion and the termination of civil servants, as well as the eligibility for pensions. It establishes the salary scales for civil servants and advises the president of the Republic and his government in all matters related to the civil service.

The CSC has just concluded a nationwide mapping of civil servants of all ministries, independent government agencies and commissions (staff of local governments and municipalities is not included in the civil service. Security forces are also excluded). Though the results of the survey are not yet fully analyzed, it shows that the number of civil servants that receive salaries has increased from 6,645 last year (2010) to 9183 in June, 2011 (an almost 30% increase).

Out of the total of 6,645 civil servants that were on payroll in 2010 in all ministries, 371 were found to have reached the retirement age (65), 145 were off sick for a prolonged period, 210 were regular absentees, while 95 were deceased though relatives were still collecting their salaries. These groups should not have been on the payroll, other arrangements such as pension and welfare schemes should have been in place to take care of them. In the absence of such arrangements, it was decided to take them off the ministries' payroll lists and to pay them through CSC as a temporary measure.

The CSC has also carried out an assessment exercise, by testing all the staff in five ministries for job competency. The ministries piloted were the Ministries of Planning, Finance, Justice, and Aviation & Labour. Out of a total 782 staff examined in the five ministries, 130 failed to pass the test. Those who failed have been put on training programs provided by the Civil Service Institute (CSI) to upgrade their skills. CSC is planning to extend its assessment to the remaining ministries, commissions and government agencies until the end of the year.

The change of administration last year brought new opportunities in the form of renewed commitments by both the new Government and the donor community.

In a Presidential Decree of 16.12.2010, the President of the Republic confirmed his commitment to the civil service reform approved by the cabinet and instructed the Civil Service Commission (CSC) and the Civil Service Reform Ministerial Steering Committee (CSR MC), comprising of the Minister of Finance, Minister of National Development and Planning, Minister of Justice and the Minister of Labour and Social Affairs, to execute the civil service reform strategy adopted.

A new Civil Service Reform Technical Committee (CSR TC) set up has been already providing valuable technical assistance for the past months so that the implementation of the reform is reassured. At the first Somaliland civil service reform conference held June 20th to 21st, 2011, all attending ministers and donor representatives reaffirmed their commitment to increase support for the CS Reform.

The success of the reform process will be measured against the following outcomes:

- Improved service delivery to the people
- Effective implementation of development plans
- Efficient, transparent, accountable public sector that optimizes use of public resources
- Merit-based recruitment and promotion
- Results oriented management practices
- Consultative decision making
- Creativity and innovation in problem solving, and
- Effective gender mainstreaming

Challenges and Opportunities

Challenges

The main challenges facing CSC related to:

- Slow pace of the civil service reform
- Lack of institutional commitment to civil service reform
- The difficult task of bringing about a cultural change
- Lack of a coherent strategy and work plan
- Institutional and human resource constraints
- Financial limitations

Priorities and strategies

The priorities and strategies of the CSC for the current NDP period include:

- Development of the institutional capacity of the Commission
- Completion of a civil service reform, including rightsizing and the consolidation of staff in ministries, agencies and departments so that these are of a sufficient size to be operationally viable
- Development of human resource strategic plans in all ministries and agencies
- Introduction and adoption of pension and welfare schemes for retirees and incapacitated staff

- Creation of opportunities for greater information-sharing between ministries and government agencies, especially for sharing experiences regarding best practice in human resource management and administrative practices
- The development of appropriate legal and institutional framework as well as the human resources and ICT, which are key components of the CS reform program
- Assessment and identification of barriers to effective government functioning

Policy, legal and institutional framework

The development of the right legal and policy environment is necessary for the civil service reform to succeed. Hence:

- Assessment of the legal frame work and policies of the civil service will be undertaken
- The civil service reform strategy approved by the cabinet and the president will be pursued with vigour
- Pension and welfare laws will be drafted and presented to the cabinet and parliament for approval

Projects and Programs

- Development of the physical infrastructure (offices, facilities, etc.) and human resources of CSC
- Introduction of job descriptions and job specifications for all positions, to include a minimum requirement of qualifications and training for each job
- Establishment of a pay structure that rewards staff adequately for their work and gives them the opportunity to advance in a carrier ladder
- Development of a comprehensive promotion system, linked to performance
- Introduction of a performance monitoring system in all ministries/ agencies
- Development and implementation of a comprehensive training plan for the civil service,
- Introduction of a line item in the budget of ministries and agencies for the purposes of staff development and training
- Introduction of civil service pension and welfare contributions scheme to a pension fund
- Introduction of a pension system for retirees
- Review of staff performance and administrative procedure
- Mapping and rightsizing of the civil service

5.3.12: Civil Service Sector Budget and Implementation Matrix

	Goal	To create efficient and productive civil servant as well as accountable and transparent public sector administration that can guide Somaliland to prosperity									
	Strategic objectives of CSC	- Enhance the efficiency and effectively of the CSC through capacity building and development of adequate legal framework - Implement a systematic and sustainable civil service reform - Enhance the policy formulation capacities of the public sector and develop leadership and managerial qualities - Implement institutional and human resource capacity building in the public sector - develop adequate legal framework - Help develop ICT in government institution									
No.	Projects	Objectives	Project output/outcome	Source of fund	Implementer	Required Budget (USD Millions)					Total
						2012	2013	2014	2015	2016	
I.1	CSC institutional development	Enhance CSC capacities to lead the CS reform	4 new departments developed; 2 consultants hired	Donors and SLG	CSC, CSR TC	0.06	0.06	0	0	0	0.12
I.2	Construct additional offices for the CSC	Provide adequate work environment & facilities for the for CSC and CSR TC	-4 new Offices -1 Vehicle -Equipments	"	CSC, local construction companies	0.06	0	0	0	0	0.06
I.4	Exposure tour to Rwanda of CSC and 5CSR TC & MoNPD	Improve the knowledge base of CSC management and CSR TC	Transfer of skill and knowledge about CS reform. Establish partnership and collect practical experience and documents	"	CSC, CSR TC, MoNPD	0.03	0	0	0	0.03	0.06
I.5	Review and revise existing laws, code of conducts and regulations, procedures, manuals Concerning CSC & CSI, (CSC Law) and (CSI Law)	Provide adequate legal framework to ensure sustainability of the CSC reform	1)New Draft -CSC Law -CSC Law For approval by the cabinet and the Parliament 2) New CSC code of conduct, procedure manual	"	CSC, CSR TC, local & international legal consultants	0.03	0	0	0	0.03	0.06
II.1	Continue rightsizing the remaining ministries, government agencies and commissions	Continue ongoing Civil Service Reform activities and re-launch the reform program with the new CSR TC	Leaner and more efficient civil service. Reduce the number of civil servants by ca. 1,500 more	"	CSC, CSR TC, local consultants	0.06	0.09	0	0	0	0.15
II.2	Complete the process of Scaling the salaries of Civil servant	Merit and law based remuneration of CS	Draft law regarding the scales of civil servant salaries	"	CSC, CSR TC, MoF, MoNPD	0.02	0	0	0	0	0.02
II.3	Establish a central civil service database -install hardware and software program, feed with collected data	Make informed decision making of the policy makers	Connect all government institutions to a central database, while protecting privacy protect	"	CSC, CSR TC, ICT consultants	0.04	0	0	0	0	0.04
II.4	Review and revise existing Civil	Establish the rule of law	New Draft Civil Service law, Civil	"	CSC, CSR TC,	0.14	0	0	0	0	0.14

	Service Law, draft Civil Service Pension law and develop a Civil Service Pension Scheme, a Civil Service Code of Conduct, -conduct Workshops for public consultations of stakeholders and deliberation of Law Makers	and improve the legal frame work for the civil service, improve service delivery and access to it, and protect the rights of civil servants	Service Code of Conduct, Civil Service Pension Law developed, and adequate Pension Scheme presented for approval by Cabinet & Parliament		local & international legal consultants,						
	Hand shake payment for redundant civil servants and a social plan	Right size public sector employees, increase efficiency and effectively and relieve national budget	Onetime payment for all redundant civil servants 4-5000 (those who reached the retirement age, are permanently sick, or are not needed, etc.)	"		4.5	0	0	0	0.5	5
II.5	Carryout comprehensive capacity assessments, mappings and surveys of all ministries and government agencies in priority areas such as: service demand and delivery survey, leadership, managerial skills, Policy formulation capacities, institutional setups, work procedures, human resource status & HR development needs, ICT, evaluation of CSI trainings, affirmative action, etc.	Make the CS reform process more systematic and sustainable, instead of implementing ad-hoc and isolated measures	Comprehensive public administration reform strategy concept, Public Administration Capacity Development policies and capacity development plans for each sector (cross -sectoral capacity building policy)	"	CSC, CSR TC, CSI, local and international consultants	0.16	0	0	0	0	0.16
II.5	Public Sector multi-sectoral capacity building and M & E system development program (including training workshops in the six regions) starting with three Pilot ministries in 2011	Build the capacities of public institutions involved in Public Administration reform. Avoid duplicity and increase coordination and cooperation in the implementation of reform	Measurable increase of the efficiency of government service delivery, sizable reduction of corruption, abuse and misuse of power, improved accessibility of vulnerable and disadvantaged groups to public services and affirmative action for under privileged groups	"	CSC, CSR TC, MoNPD, local and international consultants	0.06	0.12	0.12	0.12	0.12	0.54
II.6	Planning, consultation and evaluation conferences in Hargeisa twice a year	Improve sustainability through transparency and participation in implementation and monitoring of the reform process	Systematic and sustainable CS reform through regular evaluations & monitoring Enhanced stakeholder commitments	"	CSR MC, CSC, CSR TC, MoNPD	0.02	0.02	0.02	0.02	0.02	0.08
	Total					5.18	0.29	0.14	0.12	0.7	6.43

5.3.9. Civil Service Institute

Situation Analysis

The Civil Service Institute (CSI) is a centre of Excellency in public administration, management and modern technology in Somaliland. It was established in May 2005 when its legal charter was approved by the cabinet. Its charter establishes that the institute is a public private partnership (autonomous) run by CSI team headed by a director general and supported by a board of advisors who are the institute's policy directors. The CSI board consists of five members who comprise the chairman of CSC and 4 DGs from government ministries. The chairman of CSC is always the chairman of the board. CSI works closely with the Civil Service Commission (CSC). The chairman of CSC is responsible for maintaining the relation between the two institutions.

CSI Mandate:

The key mandate of CSI is to contribute to the human resource development of Somaliland by producing professionals who are able to fill the gaps within the public sector for a skilled workforce.

Activities:

CSI provides job related trainings, workshops and higher education program to civil servants and private individuals. The key subjects offered by CSI are:

- Public administration
- Management
- Accounting /financial business and
- ICT and computer skills

CSI provides programs at different levels to suit different clientele. They include:

- Short certificate courses
- Diploma courses
- Degree courses and
- On Job Training

Specialized trainings include:

- Leadership/change management for top managers
- Women empowerment
- ACCA for accountants
- CISCO three model

CSI trainings are not only for the civil servants in Hargeisa but also but for those in the regions. From its inception in 2005, the institute has trained 3852 civil servants on short courses (32% Female); and graduated 137 civil servants in diploma programs on planning, statistics, account and project management.

Current Trainings:

The institute is currently providing the following courses:

	Course	Level	Participants
1	Public Administration	Certificate	39
2	Budget Planning and Expenditure Control	Certificate	39
3	English	Certificate	45
4	Human Resource Management	Certificate	38
5	ICT	Diploma	30
6	Public Administration	Degree	30
7	Accounting	Degree	38
8	ACCA	Professional	45
9	CISCO	Professional	15

Challenges and Opportunities

Challenges

- Civil servants fully trained by the Institute do not fully apply what they have learnt because the existing administrative systems and institutional cultures are compatible with modern management techniques.
- Limited available space which prevents the institute from meeting the high demand from civil servants for training.
- Diminishing support from UNDP while the government contribution is not increasing

Opportunities

- CSI owns a good training facility (building) which is fully equipped with training /educational material
- CSI has the capacity to lead the reform program in human resource
- CSI has established links with similar foreign institutions which support it in building the capacity of its staff.

Priorities and strategies

- Improving CSI capacity with regard to facilities, staff, operational policies, procedures, rules and regulation
- Increasing the number of short courses offered to civil servants.
- Promoting Degree program courses provided by CSI
- Enhancing the leadership skills of senior top managers
- Improving public financial management skills for government accountants
- Improving Gender balance among civil servants
- Improving CSI links with foreign institutions with similar mandate

Policy, legal and institutional Reform

- Promoting efficiency and effectiveness in public service delivery
- Recruiting skilled civil servants who are committed to driving forward the required changes of the reform
- Achieving transparency, accountability in public service
- Building a strong institution capable of producing professionals of high calibre

Projects and Programs

- Building CSI capacity across board
- Improving the curriculum of training programs
- Implementing the public reform program in human resource development HRD through trainings
- Promoting good work ethic and values among civil servants
- Improving public finance management by producing qualified professionals in accounting and finance
- Empowering women in civil service by training them and improving gender balance

5.3.13: Civil Service Institute Development Budget and Implementation Matrix

	Goal	To create a well skilled and professional careers Civil Servants those are able to perform better public services that can achieve their institutions in to good Governance.									
	Strategic objectives	• CSI capacity building • Large number of civil servants trained and improves public services • Improvement of gender balance in public services performance • Improvement of office in record system, staff management, etc. • Improvement of institutional leadership • Improvement of CSI linkages with foreign institutions similar activities to CSI									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Institutional Capacity Building	CSI to obtain sufficient building with fully equipped and appropriate operational	• Extended CSI building constructions of big library room, video conference hall and 2 training rooms	Donors and SLG	CSI	-	0.05	0.04	0.0	0.0	0.09
			• Updated and improved CSI operational policy and procedure rules and regulation for training, finance, procurement, asset and staff managements	"	"	0.001	0.001	0.002	0.002	0.002	0.008
			• CSI staff capacity building improved through offered workshops and scholarships	"	"	0.02	0.04	0.04	0.02	0.02	0.14
			• CSI library fully equipped and online library facilities operational	"	"	0.002	0.006	0.006	0.006	0.008	0.028
			• CSI database information System is appropriately operational	"	"	0.001	0.001	0.001	-	-	0.003
2	Improvement of skills and knowledge for Somaliland civil servants to develop better performance of public services	Majority of civil servants in Somaliland to be fully skilled and proudly perform their works	• 1900 Civil servants of government institutes in Hargeisa trained in short course trainings	"	"	0.015	0.016	0.018	0.018	0.018	0.085
			• 782 civil servants in the outside Regions training on short course trainings	"	"	0.012	0.012	0.012	0.013	0.013	0.062

			• 480 Civil servants enrolled in Degree programs of public administration, account and development management	"	"	0.027	0.027	0.03	0.032	0.032	0.148
			• 375 Civil servants enrolled to Diploma program in ICT, Planning, HRM, and Secretariat services	"	"	0.02	0.02	0.022	0.022	0.024	0.108
			• 175 Accountants/cashiers of government institutions improved their knowledge/skills in PFM management	"	"	0.005	0.005	0.007	0.008	0.008	0.033
			• 275 women in civil service empowered their skills on gender equity participation	"	"	0.006	0.006	0.006	0.009	0.009	0.036
			• 160 middle and senior managers of government institutions improved their skills in leadership, change management and public administration reform mechanism	"	"	0.006	0.006	0.006	0.006	0.004	0.028
			• Conducted impact assessment to the trained civil servants in the works place			0.001	0.001	0.001	0.001	0.002	0.006
			• Conducted TNA to public civil servants once a year			0.001	0.001	0.002	0.002	0.001	0.007
	Total Civil Service Development Budget					0.117	0.192	0.193	0.139	0.141	0.782

5.3.10. Somaliland Parliament

Situation Analysis

A bicameral parliament

Somaliland has a bicameral parliament. The House of Representatives is elected and is the main legislative body according to the Somaliland Constitution. The House of Elders (Guurti, in Somali) is currently indirectly elected by the various communities and is the revising chamber for legislation (except for financial bills).

Background

The first Constitution of the independent State of Somaliland set up a parliamentary state in which the Government was part of Legislature and has to keep the latter's confidence for its continued existence. The 1960 Constitution of Somali Republic also set up a parliamentary system with the Government headed by a prime minister who although appointed by a President (elected by the legislature) was expected to obtain and keep the confidence of the Legislature (the National Assembly) for his Government to survive.

Leaving aside the long period of military dictatorship, Somalilanders were more familiar with the 1960s “**parliamentary**” system of government until 1991. During the May 1991 conference in which Somaliland re-asserted its independence, a “**presidential**” system of government was adopted. This type of government was articulated in the Somaliland National Charter of 1993, which confirmed an Executive headed by a President and a Legislature of two Houses, the Representatives and the Elders (“Guurti”). Under Article 9 of the Charter, members of the Executive (ministers and deputy ministers) could not become members of the legislature. The same system of government was re-confirmed in the 1997 Interim Constitution of the Republic of Somaliland, which replaced the National Charter in February 1997, and of course in the current Constitution, which was adopted by the two Houses on 30th April 2000 and endorsed at the national referendum held on 31 May 2001.

Membership

Both Houses consist of 82 members each, but the House of Elders also includes honorary members who are either former holders of the offices of president, vice-president or speakers of both Houses and who serve for life; and up to 5 persons chosen by the President on the basis of their “special significance to the nation” and who serve for the term of the House they are appointed to.

Elections

The first direct election of the House of Representatives took place in September 2005. Somaliland has, by law, only three political parties, and in the election, the President's party garnered the largest share of the 82 seats, but failed to have overall control of the House. The two other parties have agreed to work together and have assumed the leadership of the House. The current House of Elders' term started in the 1997 Grand Conference of the Somaliland Communities, but the House, as an institution goes back to 1993 and before that to the mid 1980's during the struggle against the dictatorship. The procedures for the indirect (or direct) election of the Elders are currently under discussion although the House has extended its term of office (on the proposal of the President) for another four years from October 2006. When this extension was about to expire, the House of Elders decided again (Ref: GG/JSL/127/09/2010) on 7 September 2010 to extend its term in office for another three years and eight months, the House of representatives' term in office for another two years and eight months, the term of the local councillors for another year and half (18months).

The National Electoral Commission of Somaliland which was established by the Presidential and Local Council elections law (Law No. 20/2001) on January 21, 2001, taking into consideration the extension approved by the House of Elders, issued the following election activity timetable on July 30, 2011.

Table 5.3.1: Election Time Table 2011-2015

Date	Activity
August 2011 – April 2012	Registration of new political parties and election of local councillors
June 2011 – June 2012	Feasibility study, design and implementation of the electoral registration system
Feb 2013	Completion of the registration of the electorate
May 2013	House of Parliament election
May 2014	House of Elders election
June 2015	Presidential election

The House of Elders approved the opening of new political parties on August 13, 2011, and the president signed it into law (No.14/2011) on August 24, 2011. On September 4, 2011, the President appointed a seven member commission for the approval and registration of new political parties.

The Respective Roles of the two Houses

Somaliland House of Representatives is described in Article 39 of the Constitution as “the first part of the country's legislature, passing laws and approving and overseeing the general political situation and the direction of the country”. The powers of the House of Representative

are set out in Article 53, 54 and 55 of the Constitution and can be summarized under the following headings:

Legislation:

- To pass all legislation, together with the House of Elders, with the exception of financial laws which the house of representatives has the exclusive right to approve.
- To oversee taxation, the budget and financial accounts of the State

Presidential Appointments:

- To approve all the presidential appointments set out in the Constitution

Government Oversight

- To oversee government Policies and programs
- To debate, comment on and approve government plans;
- To give advice and recommendations to the Government about the general direction of its policies
- To summon ministers or officials as part of their oversight duty
- To ratify international agreements
- To declare state of emergency
- To impeach members of government

The House shares some of these powers with the Elders, but it has an exclusive power in relation to financial issues, confirmation of presidential appointments (other than that of the Chairman of the Supreme Court), changes in the symbols of the nation (flag etc) and a pre-eminent position in respect of changes to the Constitution under Article 126 of the Constitution, and in the ratification of treaties (other than the debates about treaties which are of a regional or international character must be discussed at a joint meeting of both Houses (Article 38(6) (b)).

The House of Elders shares some of the powers with the Representatives, but it has also a discrete role in respect of "religion, traditions and security". The Elders have also a special constitutional role in "consulting the traditional heads of the communities" (Article 61(4)). It has also an exclusive power to extend terms of office of the President and the representatives when exceptional circumstances make an election impossible. Together with the traditional leaders, the Elders have excelled in their peace and security role. In the protocol of the state, the Speaker of the Elders comes before that of the Representatives.

The House of Elders is also a revising chamber for legislation (other than that relating to financial matters), but it is more like the UK House of Lords in that it cannot block legislation which the Representatives are determined to pass. In fact the Elders can only return a bill once and if the Representatives push it back unchanged in the following session, the bill shall pass. So the Elders have a delaying power only, and even when they refuse a bill on "a point of principle" and by a 2/3's majority, the Representatives can pass it with a similar 2/3's majority.

House Committees

Under Article 18(1) of the House of Representatives Standing Rules, the House shall have the following Standing Committees:

- The permanent Committee
- The economic, finance and commerce committee
- The social and religious affairs committee
- the environment, livestock, agriculture and natural resources committee
- the internal affairs, security and defence committee
- the foreign affairs, international co-operation and national planning
- the constitution, Justice and human rights committee

Ad hoc Committees may also be formed (Rule 19). The Committees usually meet on Wednesdays and Thursdays (Rule 20(9)).

Under the House of Elders Rules, the standing committees of the House are (Article 7):

- The permanent committee
- The security committee
- The economic committee
- The social affairs committee, and
- Law & justice committee

The House may also have ad hoc committees and fact finding missions (Article 34).

Challenges and Opportunities

Challenges

The parliament faces many challenges including:

- Limited financial resources
- Lack of adequate facilities
- Limited human resource capacity
- Limited parliamentary support staff
- Lack of adequate information and data for decision making
- Disconnection from constituency – lack of consultation facilities at the constituency level
- Weak political party discipline and membership cohesion
- Patronage and tribal allegiance
- Lack of accountability
- Underrepresentation of women – gender imbalance

- Backlog of draft laws waiting to be debated and approved
- Need for constitutional reform
- Inability to hold elections on time followed by habitual extensions
- Back to back elections in the coming four years(municipal, house of parliament, house of elders and presidential)
- Holding government to account
- Lack of own channels of communication (TV, radio, official bulletin, website)
- Poor public perception

Opportunities

- New facilities built with assistance from the EU
- Continuous support from the Association of European Parliament for Africa (AWEP) and Inter Peace
- Commitment from government
- Established Links with other parliaments
- Institutionalization of parliamentary democracy in Somaliland
- Experienced members with a minimum of six years of service

Priorities and Strategies

- Carrying out Constitutional reform
- Building institutional capacity
- Enhancing linkages between elected members of the parliament and their constituencies
- Strengthening the capacity of the selected parliamentary committees and House staff
- Improving the system of reviewing and approving laws and regulations proposed by the executive
- Building research and information generation and dissemination capacity
- Addressing the gender imbalance in Parliament
- Holding the government to account

Policy, legal and Institutional reform

- Enacting on bills before parliament
- Carrying out Constitutional reform

Programs and projects

- Building a library shared by both Houses
- Establishing a printing press shared by both Houses
- Building new cafeteria for both House
- Recruiting support staff

- Training members and staff to enhance their skills
- Organizing study tours
- Establishing regional offices for constituency consultation
- Clearing backlog legislation
- Upgrading the security of the parliament
- Enhancing the ICT system and data base creation for the House of Representatives

5.3.14: Somaliland Parliament Budget and implementation Matrix

	Goal	To establish conducive work environment for Somaliland Parliament for promoting democratic governance									
	Strategic Objectives	- To build the staff and material capacity of the parliament for better performance - To establish suitable work environment for the parliamentarians - To enhance security and safety for parliament premises									
No	Programs	Objectives	Project outputs/outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for House of Representatives/ Parliament (HoR)	To build the capacity of HoR for better service delivery	• 6 shared service transport vehicles purchased for parliamentarians			-	0.12	0.12	-	-	0.24
			• An emergency unit (clinic) constructed to provide emergency health services for MPs and staff of both parliament houses	"	"	-	0.03	-	-	-	0.03
			• Yearly drug and medicine supply maintained for the emergency unit	"	"	-	0.02	0.02	0.02	0.02	0.08
			• One ambulance purchased for the parliament emergency unit (clinic)	"	"	-	0.04	-	-	-	0.04
			• One library built, and furniture, equipments, and relevant books supplied to serve both parliament houses	"	"	-	-	0.3	-	-	0.3
			• One printing house built, and the required furniture, equipments, and machinery supplied to serve both parliament houses	"	"	-	0.15	-	-	-	0.15
			• Security equipments installed for the parliament premises based on the recommendations of the security assessment	"	"	-	0.4	-	-	-	0.4
			• One cafeteria built, and furniture and equipments provided to serve both parliament houses	"	"	-	0.15	-	-	-	0.15
			• One building containing 79 offices, one hall and one cafeteria constructed for MPs of HoR in Hargeisa, and provided with required furniture and equipments for enhancing the linkages between MPs and their constituencies	"	"	-	0.44	-	-	-	0.44
			• 79 desk top computers and their accessories supplied for newly constructed 79 offices of MPs			-	-	0.79	-	-	0.79
			• 20 lap top computers supplied to parliament (HoR) management and standing committees			-	0.02	-	-	-	0.02

			Members of 8 parliament (HoR) standing committees trained in legislative processes, communication skills, and national annual budgeting processes (2 trainings/year/committee – total 16 trainings/year)	"	"	-	0.06	0.06	0.06	0.06	0.24	
			ICT /data base system established at parliament (HoR) and web-site developed	"	"	-	0.1	-	-	-	0.1	
			Parliament support staff trained in secretarial duties, documentation and other required skills (4 trainings/year)	"	"	-	0.03	0.06	0.06	0.06	0.21	
			Leadership study tours organized for parliament management and standing committees (tours for 2 standing committees/year, and once every year for parliament management –speaker and deputies - each tour is for 10 days including travel time)	"	"	-	0.11	0.11	0.11	0.11	0.44	
2	Facilitation of audio-visual follow-up of parliament sessions for the media and the public staying outside the hall	To facilitate parliament sessions’ follow up for the media and public while staying outside of the hall so as to reduce interferences during parliament deliberations	Camera systems installed within the parliament hall (6 cameras supplied) for the dissemination of live parliament deliberations for audiences outside the hall	"	"	-	0.04	-	-	-	0.04	
3	Policy development	To enrich and/or amend national constitution, and develop other essential parliamentary and national policies and laws for enhancing national development and democratic governance	3 consultants hired for the parliament in the following areas for developing essential policies and laws:	"	"							
			a. Constitutional lawyer (for two years)	"	"	-	0.12	0.12	-	-	0.24	
			b. Legal drafter (for one year)	"	"	-	0.12	-	-	-	0.12	
			c. Legal advisor (for one year)	"	"	-	0.12	-	-	-	0.12	
	Total Parliament (House of Representatives) Development Budget						0	2.07	1.58	0.25	0.25	4.15

5.3.11. Auditing Sector

Situation Analysis

The Auditor-General is the Supreme National auditing Institution and is constitutionally an independent authority under Articles 55, 90, and 113 of the constitution of Somaliland, established under law No. 05/98. The scope of his powers, duties and responsibilities derives from the Constitution of the Republic of Somaliland, the National Audit Act 1998, the Public Financial Management Act, and the Local Authorities Act. As an independent external auditor of Government, the role of the Auditor-General is to provide an independent oversight of government operations through financial and other management audits. The objective of the audits conducted by the Auditor General is to:

- Determine whether public funds are spent efficiently, effectively, and in accordance with applicable laws;
- Evaluate internal controls and help improve governance in Government and in public sector agencies;
- Undertake investigations to assess whether illegal or improper activities are occurring;
- Determine whether public sector agencies are in compliance with applicable laws and regulations, rules and procedures and,
- Provide assistance to the Parliament and the Public Accounts Committee in support of their oversight and decision-making responsibilities.

The office is headed by the Auditor General who is assisted by a deputy. The Office of the Auditor General has a total workforce of 68 employees out of which only 20 are senior auditors. As an independent external auditor of Government, the role of the Auditor General is to provide an independent oversight of Government operations through financial, performance and other management audits.

Auditor General of Somaliland aims to be an effective, efficient and a well functioning institution that uses Auditing standards in examining and controlling all financial matters and properties of Government institutions. The mission of the auditing office is to conduct effective audit of public sector operations for optimum utilization of public resources providing reliable and objective information to assist in establishing accountability and transparency in government activities based on the following core values: respect for people; accountability for responsibility; strife for high performance; preservation of the reputation and independence of office; team work.

The goals of the Auditor's Office are:

- To capacitate the Audit General and improve the skill of its staff through trainings, and build their confidence
- To rehabilitate its premises and equip offices
- To improve the Audit General's Management Information System (MIS)

- To develop and use policies, procedures and structures of international auditing standards
- To improve the quality and effectiveness of the Auditing institution
- To determine and control whether public funds are spent efficiently, effectively and in accordance with applicable laws
- To strengthen linkages and collaborations with partner institutions

Challenges and Opportunities

Challenges

- Legal frame work: Apart from the other legal constraints, there are obsolesce and inadequacies in the Public Financial Management, Procurement, etc. acts
- Poor operational systems: Public financial Administration System, Public financial Management information and accounting information systems are also old and poor
- Financial challenges: Funds are insufficient for the work of the office
- Professional qualification of the staff: Similar to the other governmental institutions, the office does not have enough professional and qualified staff
- Premises: The office is an old Colonial building and is inappropriate for the Auditor's work
- Inadequate Office Equipments
- Public Negative attitude towards auditing

Opportunities

- Public Financial Management Reform Programs currently underway
- The new Public Financial Management Act
- Support from the international community
- Emerging young professional graduates from national universities

Priorities and Strategies

- Acquire purpose built premises suitable for the work of the office
- Recruit professional audit staff that are capable to perform their jobs effectively
- Upgrade operational systems and internal control procedures in conformity with international and national audit standards (INTOSAI)

5.3.15: Auditing Sector Development Budget and Implementation Matrix

	Goals	To take full control of Public Financial Management system, operational mechanisms in compliance with law and value for money in Government institution's management									
	Strategic objectives	- Improving Professional laws and other related laws - Standardizing of audit work into international standards									
No.	Programs	Objectives	Project/ outcomes	Source of fund	Implementer	Required Budget (USD Millions)					Total
						2012	2013	2014	2015	2016	
1	Production of National Audit Law, audit policies, and appropriate office structure, systems and procedures	To formulated National Audit Law, Sufficient independence, Audit policies, and appropriate office structures, systems and procedures in public institutions	Independent, strategic, standardized, well organized, systematic procedure developed	Donors and SLG	Auditor General	0.50	0.30	0.20	0.10	0.00	1.10
2	Obtaining qualified Audit staff for the office through trainings, education programs and recruiting	To recruit qualified staff and train existing ones for supplying qualified Audit staff for the office	Professionally qualified staff supplied and standardized performance maintained	"	"	0.30	0.20	0.05	0.30	0.20	1.05
3	Innovation of suitable work premises and equipments	Innovation Suitable work premises and equipments	Suitable environmental and appropriate work material supplied	"	"	1.00	0.50	0.30	0.20	0.00	2.00
4	Establishing strong performance safeguard system for the national assets	To become strong performance safeguard for the national assets	Fraud and irregularities reduced in public institutions	"	"	0.30	0.30	0.20	0.20	0.10	1.10
Total Auditing Sector Development Budget						2.10	1.30	0.75	0.80	0.30	5.25

5.3.12. Non-Governmental Organizations Sector

Situation Analysis

The World Alliance for Citizen Participation defines civil society as "the arena, outside of the family, the state, and the market where people associate to advance common interests." Civil society is made up of institutions, organizations and individuals. The forms of the civil society are many and varied and range from formal institutions and private sector bodies to informal associations and networks and faith based groups.

Up until 1991, civil societies barely existed in Somaliland. The military government in power was hostile to civic associations in the country. All that changed after its collapse in 1991. Civic societies mushroomed in the absence of an oppressive environment and started filling the gaps left by the defunct regime which the new Somaliland government could not cover for lack of resources and capacity. Local societies were supported right from the start by international non-governmental organizations (INGOs) and UN agencies who partnered with them in the provision of relief and humanitarian aid initially and in the process of reconstruction, rehabilitation and rebuilding of institutions in the ensuing years.

In the new, free, democratic and stable environment created in Somaliland since the mid 90s, civil societies flourished and their numbers increased dramatically. Over the years, nearly 1800 local nongovernmental organizations (LNGOs) have registered with the Ministry of National Planning and Development, out of which 427 have kept their registration current. There are also a large number of small, informal civil society groups that are not registered at all. The increase in the presence of International Non-governmental organizations (INGOs) has been equally impressive – up to 104 of them registered, out of which about 80 have maintained their registration up to date. In addition, there are 21 UN agencies currently working in the country. The local civil society organisations in partnership with their international counter parts are involved in a wide range of humanitarian and development programs, including feeding undernourished children and mothers, building schools, clinics and wells as well providing books and medical supplies. The following table shows a breakdown of their key activity areas:

Table 5.3.2: Local NGOs Activity by Sectors

Section	Percentage of LNGOs
Development	31.87 %
Education	19.02 %
Health	11.56 %
Livelihood	11.08 %
Environment	5.41 %
Production (agriculture, livestock, fisheries)	4.88 %
Youth	4.38 %
Governance/Resolutions	2.05 %
Water and Sanitation	1.28 %
Others	1.54 %

The Ministry of National Planning and Development, mindful of the scale and scope of the work undertaken by the sector, has established a coordination structure based on its National Aid Coordination Policy and Framework to avoid duplication and ensure efficient resource utilization. The structure consists of four levels:

- Sector Coordination Forum (monthly meetings chaired by the lead Ministry, Co-chaired by a UN agency, with an International NGO secretariat)
- Inter-sector coordination forum (quarterly meetings attended by sector Forum Chairs, Co-chairs and secretariat)
- National aid coordination forum (Quarterly meetings attended 11 ministers, and heads of NERAD and ICT commission)
- High Level Coordination Forum (Bi-annual meetings attended by 18 members – 3 donors, 3 UN, 3 INGOs, 5 Ministers, 1 parliament, 2 LNGOs, 1 from the Private sector)

The Ministry also promotes the application of Development Assistance Database (DAD), an online program that facilitates information sharing and coordination.

There had been a debate over the years about the need to regulate the non-governmental sector and to hold it to account. The need became all the more pressing as the sector grew and became a dominant feature in public services and the economy of the country as a major employer. This culminated in the legislation of the Non-Governmental Organizations Act in 2010. The stated purpose of the act is to:

- Ensure that NGOs working in the country are legally constituted and registered
- Coordinate and guide the activities of NGOs so that they are aligned with national priorities
- Ensure accountability and transparency
- Promote the development of community based organizations

There are sections of the law over which international agencies have expressed concern. The most contentious has been Article 35(3) according to which an International NGO shall not become a project/program implementer for another International NGO or UN agency working within the country. The spirit of the article is to prevent projects/programs cascading through different organizations each one taking a cut in the form of administrative fee, dwindling resources before the final delivery stage. The aim is not to discourage international organizations working in partnership, and clarifications will be made in due course on this and other articles.

In line with the spirit of the NGO Act, the medium to long term aim of the NDP 2012-2016 is to support the development of the non-governmental sector. Local community organizations and professional associations in particular, will be encouraged to take a lead role in the development of the country by raising their capacity, accountability and efficiency. The ability of the government to provide essential public services to all citizens, maintain security and at

the same time invest in the long term development of the country is limited. It does not have the resources required, hence, the importance of the role of the nongovernmental sector. In areas where the state provision of services has been deficient or its access limited, the role of community groups, civil societies and international organizations has been crucial in making up for the deficit. Although a relatively new phenomenon in Somaliland, civil society organizations are today active in the provision of social services, peace building and reconciliation, democratization and economic development.

Challenges and Opportunities

Challenges:

The goal of nurturing a well functioning nongovernmental sector that is working in harmony with the public sector towards the same objectives is a challenging one. Many obstacles will have to be overcome in the course of the NDP period. These include:

Implementation of the INGO law: tasks that remain to be completed include:

- Nomination of registrars at regional and district levels
- Formation of a Consultative Committee
- Establishment of a National Forum for local NGOs
- Creation of a National Trust Fund for local NGOs
- Clarification of some of the articles

Lack of alignment between aid program and national priorities: Most of the programs run by international organizations, particularly those implemented by UN agencies are supposed to reflect the Somaliland Reconstruction and Development Program (RDP) based on the 2005/6 Joint Needs Assessment (JNA) exercise. The RDP document sets out priorities for development over a 5 year period, and is used as a framework for mobilizing international assistance. The problem is that funding is unpredictable and may not be consistent with planned programs when found, and the programs themselves do not reflect the priority needs of the country. A breakdown of aid provided in 2009 proves the point as shown in the following table.

Table 5.3.3: Development Aid Disbursed by Sector in 2009

Sector	Amount (US\$)	%
Health	26,000,000	31.2
Livelihoods	21,100,000	25.3
Education	18,100,000	21.7
Governance	9,000,000	10.8
Water/Sanitation	7,000,000	8.4
Private	1,600,000	1.9
Infrastructure	500,000	0.6
Total	83,300,000	100

While governance, education and health are important, equally important, if not more so are **PRODUCTION, INFRASTRUCTURE** and the **ENVIRONMENT**. But production and environment do not feature in the table and Infrastructure is allocated a mere 0.6% of the total disbursed. The challenge is bringing aid in line with national priorities and needs. The National Development Plan (NDP) is expected to provide the guidance needed for alignment.

Inappropriate funding modality: Aid programs at the present time are very much donor driven. International organizations determine priority programs, amount and schedule, and donations are generally unpredictable and short term. What is required is a funding modality that is flexible, responsive to national needs and long term. The Trust Fund under consideration by DFID and Danish government is a step in the right direction, which other donors should consider until we move to a direct budgetary support which is the best modality.

Insufficient program coordination: Significant progress has been made in the past 12 months in coordinating key players in each sector through 10 sector Forums. However, participation by international NGOs in some of the Forums has been weak. The coordination process needs to be strengthened, and region based Forums should be considered to promote coordination and partnership at the regional level.

Lack of adequate transparency and accountability: The introduction of the database, DAD, which is used as an online reporting vehicle, has made information sharing and monitoring much easier and improved transparency substantially. But the system is still far from adequate. Some of the organizations are not yet familiar with it and have difficulty using it; others have to wait for permission from their regional or head office for authorization; information is not often timely, and there is no legal obligation for organisations to submit externally audited accounts yet.

Lack of capacity: This is particularly true among local NGOs which are usually small organizations run by few individuals with limited physical, financial and human resources. Because of these limitations they cannot compete with well resourced international NGOs and are often excluded from bidding for large scale programs. They need capacity building in leadership, general management, accounting, project development, monitoring and evaluation, fundraising systems etc. They also need assistance with infrastructure – facilities, furniture and equipment.

Lack of cohesion among public institutions dealing with INGOs: International organizations and UN agencies, in the course of their work, have to deal with many government institutions including the ministries of Planning, Foreign Affairs, Finance, Interior, Labour and several other entities. These organizations sometimes send out mixed, competing and sometimes contradictory messages and instructions. Hence, there is a need to coordinate their work and clarify their individual roles to avoid confusion

Opportunities:

While there are many challenges which the sector faces, there are also the following opportunities that favour its development and eventual success.

- The NDP 2012-2016 will provide national priorities and will form the basis for international intervention, and programs in Somaliland
- The new Somaliland Government is committed to building the capacity of local NGOs and will encourage them to participate actively and effectively in the development of the country. Within the framework of the NGO law, a common fund will be established to improve and strengthen the capacity of local NGOs
- Donors and international organizations show new commitment to making sure that aid is more transparent, accountable and effective
- There is a realization that Somaliland is, on the whole, in a developmental phase and more program funding should be directed towards production, infrastructure and the environment
- The Trust Fund will offer a more flexible funding regime which allows the government to set and determine priorities for program funding
- The Development Assistance Database (DAD) will render information sharing, coordination and monitoring far more expedient
- The implementation of the new NGO law will contribute to the institutional building of the sector and to its accountability and transparency

Priorities and strategies

Key priorities and strategies for the sector include:

- Ensuring better coordination among NGOs and the government to avoid unnecessary duplication and waste of resources. The Government of Somaliland will work with NGOs to establish a comprehensive cooperation framework that will lay out partnership principles, including communication, mutual accountability and transparency
- Strengthening the role of stakeholders in planning and implementation of programs
- Looking for more sustainable sources of financing the work of the NGOs in ways that will guarantee their autonomy and at the same time ensure accountability
- Ensuring alignment between the priorities of the National Development Plan and international recovery and development programs
- Ensuring the implementation of the NGO Act
- Undertaking the necessary reforms to enhance transparency and accountability in the use of donor resources
- Carrying out regular program monitoring and evaluation to establish performance
- Building the capacity of local NGOs
- Improving coordination among international NGOs, UN agencies, local NGOs and government institutions

Policy, Legal and Institutional Reform

Sector policies and institutional reforms that will be carried out include:

- Implementation of the NGO Act
- Formulation of by-laws, rules, regulations and guidelines administering NGOs in accordance with the NGO Act
- Grading/ranking of LNGOs in accordance with the requirement of the NGO Act

Programs and Projects

During the implementation of the NDP 2012-2016, the following programs, projects and/or activities will be executed:

- Monitoring and evaluating INGO and LNGO projects and programs
- Establishing regional civic society and NGO centres
- Strengthening the institutional capacity of local NGOs and community organizations
- Organizing an annual NGO exhibition and awards conference
- Legislation of external auditing requirement for large NGOs
- Strengthening of sectoral and inter-sectoral coordination structures
- Facilitating the establishment of DFID/Danish Trust Fund
- Devolving registration to regional and district levels
- Establishment of a comprehensive online information resource centre for NGOs where they can find information, forms, instructions and guidance which includes sample constitution templates, online reporting facilities, registration guidelines, training opportunities, etc.

5.3.16: Non-Governmental Organizations Development Budget and Implementation Matrix

	Goal	Strengthening the role of Civil Society Organizations in the development of the country									
	Strategic Objectives	To strengthen and improve the coordination mechanism already established.									
		To enhance the capacity of Local NGOs.									
		To implement NGO Act, M&E Policy, and National Aid Policy.									
		To align aid programs with national development priorities.									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1.	Auditing System	To enhance Transparency	30 random Audits	Donors SLG	MoNPD & Auditor General	0.03	0.03	0.03	0.03	0.03	0.15
2.	Capacity building program for Local NGOs	To enhance the capacity of Local NGOs	6 NGO and Civil Society regional centres - One common treasury for Local NGOs - Training programs - On-line support Service	Donors/SLG /Private Sector /INGOs	MoNPD	0.2	0.2	0.4	0.2	0.2	1.2
4.	Annual Exhibition and Awards	To share information on program activities & plans and reward performance	Annual exhibition and awards event	Donors	MoNPD	0.03	0.03	0.03	0.03	0.03	0.15
	Total					0.26	0.26	0.46	0.26	0.26	1.50

5.4. SOCIAL PILLAR

5.4.1. Health Sector

Situation Analysis

Data on the nation's health status is sketchy, often outdated and conjectural. Nevertheless, UN and World Bank reports yield the following vital health statistics for Somaliland.

Table 5.4.1: Child and Mother Health Status

	1990	1999	2006	2010 (predicted)	2015 (MDG Target)
Child mortality/1000	275	188	166		92
Infant mortality/1000	152	133	73	53	51
Measles vaccination %		27.3	41	49	76
Malnutrition under 5%		36	21	12	
Maternal mortality/100000	1100	1044	1013	995	367
Contraceptive prevalence rate%		9	26	35	60

The table shows that the child mortality rate in Somaliland, which was 275 per 1,000 in 1990 dropped to 188 in 1999, and then to 166 in 2006; measured against global standards, these figures signify a very steep decrease. These remarkable achievements could be attributed to many factors, including an improved nutrition status and heightened public awareness of the benefits of child vaccination. Infant mortality rate, which is the number of deaths per 1000 cohort of live born babies before the first birthday, also decreased from 152 in 1990 to 113 in 1999 and down to 73 in 2006 in Somaliland. If this trend continuous, then the **Millennium Development Goals (MDG)** target for 2015 is most likely to be achieved.

Although the proportion of children that received vaccination against measles increased from 27.3% in 1999 to 41% in 2006, Somaliland is far from achieving the MDG target of increasing that proportion by two thirds in the year 2015.

The proportion of underweight children under five years of age can be used as an indicator of the proportion of the population who suffer from hunger. The proportion of children under five who are undernourished declined from 36% in 1999 to 21% in 2006, which demonstrates that Somaliland could achieve the MDG poverty reduction target by 2015. Peace, security, and stability in Somaliland, and the resulting socio-economic recovery and development achieved in the 2000s, have together brought about this sharp decline in the proportions of underweight children.

The maternal mortality rate in Somaliland was 1,044 per 100,000 in 1999, a ratio which listed Somaliland women among the highest-risk groups in the world. The rate dropped slightly, to

1,013, in the year 2006. This trend shows that the MDG target of reducing the maternal mortality ratio by three quarters by 2015 is very unlikely to be achieved,

Upper respiratory tract infections and diarrhoea are the two most important causes of morbidity among children and adults in Somaliland. But TB and malaria are also major health problems targeted for intervention by the Millennium Development Goals. Malaria kills about 1 million a year, mostly in Africa. Mosquitoes of the Anopheles genus which are the primary vectors of malaria thrive in hot and wet climates. Somaliland has an arid climate which attenuates the scale of problem, though still cause for concern, as the following tables indicate. Out of 3,259 people tested, only 55 turned out to be positive, which is equivalent to only 1.69% of the total.

Table 5.4.2: Malaria test results in hospitals and MCHs in 2010

Malaria Cases Hospitals In 2010							
City	Hargeisa Hosp	Borama Hosp	Burco Hosp	Berbera Hosp	Gabiley Hosp	L/anod Hosp	National
Total tests	468	207	556	107	62	1296	2696
Total + Ve	1	6	0	0	2	2	11
Malaria Cases MCHs In 2010							
City	Awdal	M. Jeex	Sahil	Togdher	Sanag	Sool	National
Total Malaria tested	0	51	145	7	4	356	563
Total Positive cases	0	14	0	2	0	28	44
Somaliland Malaria Summary Hospitals and MCHs in 2010							
	Cases						
Total Malaria tested	3259						
Total Malaria +Ve	55						
Percentage	1.69%						

Hosp = Hospital

The Ministry of Health is the public institution responsible for the health care of the nation. The ministry operates through a three-tier health provision system. At the lower end are the health posts; then there are the MCH clinics, and the hospitals at the upper end. For a population of 3.5 million, the public health care system is inadequately resourced to meet people's needs as the following table shows.

Table 5.4.3: Public health care facilities and personnel in 2011

Facilities/staff	Number
Health posts	160
MCH centres (clinics)	87
Hospitals	7
Hospitals beds (including TB)	1750
TB Centres	10
Public mental health clinic	3
Doctors	86
Nurses	369
Midwives	89
X-ray technicians	4
Laboratory technicians	24
Medical schools (accredited)	2
Nursing and midwifery schools	5

According to the table, there are 7 public hospitals, 87 health centres and 160 health posts in Somaliland. Most, if not all, of these facilities are not in good working condition. Still, many are not fully operational. In 2008- 2009, the last year for which data is available, all Somaliland's public health facilities were manned by 86 doctors, 369 nurses, 89 midwives, 4 X-ray technicians and 24 laboratory technicians. Available public hospital beds were 1750.

Alongside the public health care system, operates a private health care system which is still small but favoured by anyone who can afford it. The private sector system consists of General practitioner or specialist doctor surgeries normally attached to a pharmacy, or based in a private clinic or hospital. The following table summarizes the sector's facilities and personnel as of 2008/9.

Table 5.4.4: Private sector health provision

Facilities/staff	Number
Hospitals	7
Mental clinics	3
Pharmacies	779
Beds	228
Doctors	25
Nurses	45
Midwives	24
X-ray technicians	2
Laboratory technicians	20
Pharmacists	9

The private health sector has been growing rapidly, and in light of that the current numbers in all the categories are probably significantly higher than the figures for 2008/9 as presented in the above table.

In the private health-care sector, pharmacies are generally considered to be the most accessible modern health-care delivery points in Somaliland and are often the first point of care for many in the community. However, because of lack of prescription drug regulations, the services they provide often do not meet international standards for drug dispensation. According to the last UNICEF survey, there are 779 pharmacies in Somaliland. Yet, there are only 9 certified pharmacists in the whole country.

There is no accreditation and licensing system for health workers in Somaliland. And in the absence of proper regulation and clearly defined professional standards and guidelines to maintain and adhere to, service delivery tends to be poor and haphazard.

Despite the growing demand, public health service is limited in scope and coverage. However, substantial UN and NGO intervention in the public health sector, and increasing private practices in the major urban centres help ameliorate the situation. This multi agent intervention sometimes gives rise to duplication, redundancy and waste of scarce resources. Still, the role of International NGOs and UN Agencies in Somaliland's public health sector is crucial at this point in time.

In order to achieve the Millennium Development Goals in the health sector, the government needs to take further action to improve health care services for children, including: natal and post-natal care, vaccination and nutritional promotion through locally tailored mechanisms. It also needs to combat infectious diseases such as malaria, TB and HIV. These actions should be coupled with sound policies, and closer coordination with international organizations

Challenges and Opportunities

Challenges

- Very little health care-related information--such as statistics and other relevant data—is available. In such circumstances, it is difficult to monitor and evaluate the performance of the sector
- Given the scarcity of financial, technical, and human resources, the provision of an Essential Health Service Package that balances preventive, curative, and rehabilitative health services is not feasible yet
- The delivery of basic health-care services is very poor, particularly with respect to rural and nomadic populations
- Access to TB and mental health services is very limited
- Public health sector uptake by service users is low, mainly as a result of the poor quality of the service, the lack of health-care facilities, and customer preference for private service providers

- There are often shortages of prescription drugs in public health institutions, a problem that leads to a shift of patients to the private sector, where drugs are either expensive or of poor quality—or both
- Basic diagnostic services are almost entirely lacking in most public health facilities, a shortcoming compounded by the community's low awareness of the few services that *are* available in these facilities
- The quality of private health-care services is not well known
- There is a critical shortage of trained manpower among all the cadres of the health sector, a problem made more acute by an internal and external brain-drain. Even when—and where—skilled manpower can be found in public hospitals and health centres, lack of incentives and a low pay result in high rates of absenteeism
- There are distribution and capacity-related problems too. Older, better qualified, and experienced health workers are concentrated in major urban centres, and some of them are employed by international organizations with comfortable pay scales
- The available institutional capacity to train health-care professionals in the various categories is also fairly limited. There are no systematic on-the-job training programs to meet service requirements or to upgrade the managerial and technical competence of the health workers
- Donors supply most of the available drugs in the public health institutions and keep them in storage facilities of their own. From the perspective of the ministry, this is an unreliable, uncontrollable, unpredictable arrangement, which seriously undermines the role of the Government and its ability to develop its capacity for a drug supply system

Other challenges include:

- Inadequate sanitary policy and environmental health regulations
- Lack of a supervision and health and safety inspection of consumer goods – food, chemicals, water etc. to ensure their quality and/or safety
- Critical shortages of sanitarians, public health officers, and chemists
- Poor hygiene practices
- High rates of malnourishment among children (underweight 18%, wasting 13%, stunting 16%)
- High prevalence of anaemia in mothers – both pregnant and lactating
- High rates of anaemia among school children
- Lack of medical buffer stocks and logistics infrastructure for an effective and timely response to disease outbreaks and disasters

Opportunities

The sector does have its own strong points:

- Management structures are in place at national and regional levels, although they function with limited technical and operational competence

- Also, the health care system operates within a decentralized management system through the delegation of administrative and service delivery functions to the regions and districts and by empowering communities to participate in the management and financing of their services

Priorities and Strategies

At this juncture, it is important to strengthen the institutional capacity of the health sector and to put in place an effective oversight authority. A District Health Care Management System is to be introduced into six selected districts in the six regions of Somaliland, an arrangement in which the District Health Management Board (DHMB) will be the primary management unit. A detailed map showing the areas inhabited by vulnerable and disadvantaged populations and a database of the health care network which includes information about equipment and facilities available to guide planning will be created.

Other major priorities include:

- Construction and establishment of basic health-care facilities in rural areas
- Construction and upgrading of regional referral hospitals
- A systematic training needs assessment to establish the human resource needs of the health sector for the next 10 to 15 years
- Continuous professional development programs for all cadres, including on-the-job training
- Construction/rehabilitation of medical stores in the regions and districts
- Quality control system to ensure the quality of all drugs, food, and chemicals
- Improved access to nutrition counselling for pregnant and lactating women through health services and community-based structures

Policy, Legal, and Institutional Reforms

- A national health policy document is in its early stages of development. The policy requires further refinement and more clarity on what constitutes—or should constitute—the national vision and mission regarding the country’s health-care system
- The formulation of technical policies, including policies on reproductive health and family planning, health sector financing, human resource development, laboratory blood transfusion, etc. are needed to set technical and professional standards for the health sector
- A regulatory framework for ensuring the professional fitness of the health workers to practice has not yet been developed. Associations for medical, nursing, and allied health-care professionals do exist, but they are not fully functional
- A national drug policy proposal, with clear strategies for funding and implementation, has been drafted; however, it has neither been enacted into law nor implemented

Programs and Projects

The Ministry of Health (MoH) will focus on the following programs and projects during the current NDP period:

- Review of the existing national health policy to provide a coherent vision and strategic direction for the delivery of the Essential Package of Health Services (EPHS)
- Development of technical policies in Reproductive Health (RH), laboratory, blood transfusion, health financing, mental health, child immunization, and nutritional improvement
- Rehabilitation and expansion of existing MOH facilities
- Establishment of three regional health offices with necessary infrastructure, equipment, and trained personnel
- Building new modern referral hospital in Hargeisa
- Introduction of a district health-care management system into the six regions of Somaliland in which the District Health Management Board (DHMB) will administer the affairs of district health service delivery
- Strengthening and expanding the health management information system
- Creation of a detailed map of the vulnerable and disadvantaged communities
- Establishment of a health-care network database that includes information on equipment, facilities, and health service accessibility to guide planning and decision making
- Increasing access to TB and mental health services (6 TB centres and 2 mental hospitals planned)
- Carrying out a systematic training needs assessment to establish the human resource needs of the health sector and to determine projections for the future
- Increasing accessibility to Mother and Child Health (MCH) clinics by women
- Improving access to safe drinking water
- Enhancing the training of health workers
- Expanding health education to communities living in pastoral areas and along coastlines

5.4.1: Health Sector Budget and Implementation Matrix

	Goal	To strengthen the institutional capacity of the Health Sector									
	Strategic objectives	To provide essential Health Services									
		To improve availability and quality of the essential drugs									
		To improve career development of the health workforce									
		To improve maternal health and child nutrition									
		To improve environmental sanitation and social hygiene									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of funds	Implementer	Required Budget (USD Millions)					Total
						2012	2013	2014	2015	2016	
1	Strengthening the institutional capacity of the health sector to have a vibrant and effective governance system	- To establish appropriate policy and legislative environment for the health sector of Somaliland - To coordinate with other stakeholders to address the lack of a food security policy	Review is made of the existing national health policy to provide coherent vision and strategic directions for the delivery of the EPHS	Donor and SLG	Ministry of Health	0.10	-	-	-	-	0.10
			Technical policies are developed in RH, Laboratory & blood transfusion, health financing, mental health, child health, nutrition, BCC, etc	"	"	0.30	0.20	-	-	-	0.50
		To strengthen the institutional capacity of the sector to have a vibrant and effective governance and management systems	The existing MOH premises rehabilitated and expanded	"	"	-	0.35	-	-	-	0.35
			Three regional health offices established with necessary infrastructure, equipments and facilities	"	"	0.08	0.08	0.08	-	-	0.24
			District Health Care Management System introduced to 12 selected districts in the 6 regions of Somaliland in which the District Health Management Board (DHMB) will be the primary management unit and will administer the affairs of direct service delivery	"	"	-	0.40	0.80	0.80	0.40	2.40
			The health management information system strengthened and expanded	"	"	1.20	0.20	-	-	-	1.4
			ICT system established at all levels including a V-SAT and V-Conferencing Facilities	"	"	0.12	-	-	-	-	0.12
			Financial management capacity of the sector strengthened	"	"	-	0.08	0.12	-	-	0.20

2	Provision of Essential Health Service Package that balances Preventive, Curative, rehabilitative and Promotional health services	To map out the availability, accessibility and use of essential health care services, particularly the nomadic and vulnerable communities	• Very detailed mapping of the vulnerable and disadvantaged populations carried out	"	"	0.05	-	-	-	-	0.05
			• A database of the health care network that include information on equipment, furniture, facilities and coverage established that will guide planning and investment decisions	"	"	0.12	-	-	-	-	0.12
		To provide equitable, accessible and affordable essential health services to the community	• Essential Public Health Services (EPHS) rolled out to the remaining four regions	"	"	2.00	3.00	2.00	1.00	-	8.00
			• New health facilities constructed mainly for rural and nomadic communities (PHC Units 80, HCs 15, RHC 5)	"	"	0.50	1.00	2.00	1.50	-	5.00
			• Access to TB and Mental Health Services increased (5TB Centres) (3Mental Hospitals)	"	"	-	1.00	2.00	1.00	1.00	5.00
			• New modern hospital (Tertiary hospital) established in Hargeisa	"	"	-	10.00	-	-	-	10.00
3	Support the planning, production, management and career development of the health workforce who are professionally qualified with the right skills and competencies in right number, at the right place for delivery of cost-effective and quality health care services for citizens	To determine the human resources needs of the health sector for the next 10 to 15 years	• A systematic training needs assessment carried out to establish human resource needs of the health sector and determine the projections for the next 10 to 15 years in line with the EPHS	"	"	0.04	-	-	-	-	0.04
		To support the production and career development of the health manpower	• Multi-disciplinary health workers in medical, nursing, pharmacy, laboratory, radiology, public health, anaesthesia, psychiatric, midwifery, medical technology, produced ,	"	"	0.50	1.50	1.50	1.50	1.50	6.50
			• Continuous professional development program instituted for all cadres including on-the-job training and post-graduate training	"	"	0.50	1.00	1.00	1.50	2.00	6.00
			• The capacity of health training institutions strengthened and expanded	"	"	1.00	1.00	1.00	1.00	1.00	5.00
		To strengthen the human resources management and regulatory frameworks	• The operational competence and capacity of the legally established professional health body strengthened with a goal of improving professional standards and ethics	"	"	0.50	0.80	0.80	0.50	0.30	2.90
4	Improve availability and quality of the	To streamline the procurement, storage	• Somaliland Pharmaceutical Corporation established and necessary management	"	"	-	0.80	-	-	-	0.80

	essential drugs in the country	and distribution systems of the drugs and medical supplies in the country	support systems and staff in place								
			• Seed money of drug revolving fund is made available to SPC as start up capital	"	"	-	6.00	-	-	-	6.00
			• Construction/rehabilitation of medical stores in the regions and districts	"	"	-	0.50	-	-	-	0.50
		To ensure the quality of the medicines imported into the country	• Quality control system improved and expanded to ensure the quality of all drugs, foods and chemicals coming or produced in the country	"	"	-	-	1.00	-	-	1.00
		To reduce severe and moderate energy-protein related malnutrition rates in children and mothers	• Quality services for the mgt of acute malnutrition enhanced and expanded	"	"	-	1.00	1.00	1.00	1.00	4.00
			• Quality services for the treatment of micro-nutrient deficiencies enhanced and expanded	"	"	0.50	0.50	0.50	0.50	0.50	2.50
		To reduce prevalence of anaemia in mothers – both pregnant and lactating mothers and school age children	• Food based interventions for the prevention of under-nutrition in high risk populations enhanced and expanded	"	"	1.00	1.00	1.00	1.00	1.00	5.00
			• Quality nutritional surveillance, M&E is conducted & reviewed on a timely basis to inform the targeting of vulnerable population with appropriate responses	"	"	0.10	0.15	0.15	0.15	0.15	0.70
		To enhance the level of key determinants of nutrition such as breastfeeding, appropriate complementary feeding, access to improved drinking water, immunization, vitamin A coverage, etc	• Operational research to identify effective programs in addressing the causes of under-nutrition conducted, according to an agreed set of priorities and plan of action	"	"	0.20	-	-	-	0.20	0.40
			• Local availability and consumption patterns of nutrient dense foods are better understood and this knowledge-base is used to promote increased intake of energy, protein and micronutrient-rich foods	"	"	0.20	0.20	0.20	0.20	0.20	1.00
			• Improved access to nutrition counselling for pregnant and lactating women through health services and community based structures	"	"	0.30	0.30	0.30	0.30	0.30	1.50
			• Increased availability of fortified food	"	"		1.00	1.00	1.0	1.0	4.00
5	Improve environmental sanitation and social hygiene	To improve the environmental sanitation and social hygiene	• Need assessment (Sanitary surveys in urban and rural settlements)	"	"	0.05	-	-	-	-	0.05
			• Public awareness on risk behaviours raised	"	"	0.20	0.20	0.20	0.20	0.20	1.00
			• Public health experts hired for the formulation of public health regulations	"	"	-	0.30	-	-	-	0.30

			and sanitary codes								
			• Capacity of municipal health authorities and line-ministries built (Health City Initiative Introduced)	"	"	1.00	1.25	1.25	1.25	1.25	6.00
			• Continuous sanitary inspection for quality assurance carried out	"	"	0.40	0.40	0.40	0.40	0.40	2.00
		To study the effect of the tobacco and Kat use	• Studies on effects of Tobacco and Kat use carried out	"	"	0.04	-	0.04	-	0.04	0.12
			• Public awareness on risks associated with Tobacco and Kat raised	"	"	0.24	0.24	0.24	0.24	0.24	1.20
6	Reduce prevalence and stigma of HIV/AIDS	To ensure universal coverage of IPTCS services in Somaliland	• Reduction of stigma and discrimination of HIV/AIDS affected people enhanced	"	"	0.50	0.50	0.50	0.50	0.50	2.50
			• ART strengthened and expanded	"	"	1.00	3.00	3.00	2.00	1.00	10.00
			• VCT services strengthened and expanded	"	"	0.50	0.50	1.00	1.00	1.00	4.00
			• The national coordination and policy implementation capacity strengthened	"	"	0.50	1.00	0.50	0.50	0.50	3.00
			• Blood safety assured	"	"	1.00	1.00	1.00	1.00	1.00	5.00
			• Effective universal precaution measures introduced in all facilities	"	"	0.20	0.20	0.20	0.20	0.20	1.00
	Total Health Development Budget					14.94	40.65	24.78	20.24	16.88	117.49

5.4.2. HIV/AIDS Prevention Sector

Situation Analysis

The Somaliland National AIDS Commission (SOLNAC) is the body responsible for the national response to the HIV/AIDS epidemic in Somaliland. The commission was set up in 2005 by a presidential decree. It consists of 12 members appointed by the president. Members are drawn from the government, civil society organisations (CSOs), PLWHAs, religious and community leaders selected for their outstanding expertise and their commitment to the HIV & AIDS struggle. To achieve its mission, SOLNAC developed objectives and strategies that largely target joint action with key stakeholders to promote consensus and shared perspectives while setting policies, standards, and guidelines for a harmonized and effective national response against HIV/AIDS.

There are two available indicators that can serve as measurement tools for progress made towards the MDG goal of combating HIV/AIDS: the ratio of the school attendance of orphans to the school attendance of non-orphans, and the percentage of the adult population who have comprehensive HIV/AIDS knowledge. The average incidence of HIV infections in Somaliland is estimated at 1.3%. The average is higher at border entry points, such as Berbera port, and crossing points on the boundaries with neighbouring countries—for example, Tog Wajaale on the border with Ethiopia and Lawya Ado on the border with Djibouti. Access to quality HIV treatment care is very limited or non-existent in most parts of Somaliland. Because of the stigma attached to the disease, individuals infected with HIV/AIDS usually run away from their homes and travel to other parts of the country. These people face discrimination against them by the society at large.

Somaliland has already achieved the ratio of orphan to non-orphan primary school attendance of 1, which means that there is no school attendance difference between the two categories of children. However, Somaliland has made minimal—if not zero—progress in disseminating comprehensive HIV/AIDS knowledge. The major reason for this slow progress is lack of awareness, a shortcoming whose root causes are a fatalistic attitude in the culture at large and low educational levels. A plausible mechanism to overcome these twin hurdles is awareness raising efforts employing local context-based methods, such as religious sermons and Somali literature.

Fatalism is a characteristic feature of rural (in contrast to urban) populations, whether nomadic or sedentary, and it is coupled with—and partially caused by--low educational levels; in these communities, even religious preachers, the source of traditional education and moral guidance for hundreds of years, are a scarce commodity. Therefore, mobile awareness-raising teams could be dispatched to rural communities in remote areas and to disadvantaged segments of urban society. This kind of commitment (on the part of the SLG and international donors) is absolutely necessary for another reason: The rural population produces more than 90% of the Somaliland households' food and income. This means that the combination of low health

coverage and inadequate education can cripple the economy by contributing to the chronic food scarcity and hence derail poverty reduction efforts.

Challenges and Opportunities

The challenges facing the HIV/AIDS Commission are many as demonstrated below:

- Lack of awareness among large segments of the population about the spread of HIV/AIDS
- The existence of a strong stigma attached to people infected with AIDS
- The practice of discrimination against people infected with HIV/AIDS
- Lack of preventive mechanisms
- Lack of access to quality treatment
- Weak public infrastructure and curative protocols for dealing with HIV infections
- Prevalence of high-risk behaviours among the population
- Scarcity of Anti Retroviral Therapy (ART) centres across Somaliland (there is only one in the entire country)
- Absence of Voluntary Counselling and Testing (VCT) centres
- The limited capacity of the Somaliland AIDS Commission
- Inadequate HIV/AIDS surveillance and reporting systems

Priorities and Strategies

These should include the following:

- Improving coordination among HIV response partners lead by Somaliland government leadership in accordance with the principle of the Three Ones:
 - One agreed HIV/AIDS Action Framework that provides the basis for coordinating the work of all partners
 - One National AIDS Coordinating Authority, with a broad based multi-sector mandate.
 - One agreed country level Monitoring and Evaluation System
- Raising public awareness about high-risk behaviours
- Expanding ART services
- Expanding of VCT services
- Taking blood safety-assured, universal precautionary measures
- Strengthening evidence-informed strategic planning, management, and monitoring and evaluation of a Multi-Sectoral AIDS response
- Ensuring that the 1.3% HIV incidence rates do not rise but falls

Policy, Legal, and Institutional Reforms

An enabling policy and legal environment comprising the following will be created:

- The Somaliland National Aids Commission (SOLNAC) will hold regular monthly meetings/workshops with key local stakeholders—including district and community level partners where capacities allow
- SOLNAC will also develop and institute policies and/or laws supporting HIV response activities in a participatory manner

Programs and Projects

As regards programs and projects during the five-year NDP period, the SLG will:

- Scale up and adopt HIV/STI prevention efforts to increase service utilization by Somaliland's people towards the achievement of Universal Access targets, with a particular focus on most-at-risk populations, such as women, young people, and internally displaced groups
- Increase access to quality HIV treatment care and support in Somaliland by 2014 and achieve at least 15% ART coverage for people eligible for treatment by 2014
- Enhance reduction of stigma and discrimination against HIV/AIDS affected people
- Enhance mainstreaming of HIV activities into the Somaliland emergency medical services system

5.4.2: HIV/AIDS Prevention Budget and Implementation Matrix

	Goal	To halt and reverse the spread of HIV in Somaliland by 2015 and make progress towards the agreed Universal Access targets in integrated prevention treatment care and support by all Somalilanders by 2015									
	Strategic Objectives	To scale up and adapt HIV/STI prevention efforts to increase service utilization by Somaliland people towards the achievement of Universal Access targets with a particular focus on most at risk populations women and young people and internally displaced people To increase access to quality HIV treatment care and support in Somaliland by 2014 and achieve at least 15% ART coverage for people eligible for treatment by 2014 To improve coordination among HIV response partners in accordance with the principle of the Three Ones with strengthened Somaliland leadership reinforcement of an enabling environment; and enhanced mainstreaming of HIV activities into emergency humanitarian and recovery and development plans									
No.	Programs	Objectives	Project Outputs /Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Human Resources			Donor and Somaliland Government	Somaliland National HIV/AIDS Commission (SOLNAC)	0.21	0.31	0.46	0.36	0.25	1.59
2	Infrastructure (HQ Building, Regional Offices, Furniture and other Equipments)			"	"	0.37	0.24	0.24	0.13	0.17	1.15
3	Transport			"	"	0.20	0.00	0.00	0.10	0.07	0.37
4	Planning and Administration			"	"	0.18	0.2	-	-	-	0.38
5	Monitoring and Evaluation			"	"	0.20	0.20	0.2	0.2	0.1	0.9
6	Overheads			"	"	0.10	0.10	0.10	0.10	0.10	0.5
7	SDA 1.1 - BCC: Community Outreach and Schools			"	"	0.10	0.10	0.20	0.30	0.10	0.8
8	SDA 1.2 - BCC: Mass Media			"	"	0.08	0.10	0.08	0.07	0.10	0.43
9	SDA 1.3 - HIV Counselling and Testing			"	"	0.06	0.18	0.19	0.16	0.19	0.78
10	SDA 1.4 - STI Diagnosis and Treatment			"	"	0.40	0.13	0.16	0.15	0.17	1.01
11	SDA 1.5 - Prevention of Mother To Child Transmission (PMTCT)			"	"	0.08	0.06	0.06	0.06	0.05	0.31
12	SDA 1.6 - Private Sector Engagement			"	"	0.03	0.03	0.03	0.03	0.03	0.15
13	SDA 1.7 - Condom Programming			"	"	0.03	0.06	0.07	0.07	0.09	0.32
14	SDA 1.8 - Blood Safety and Universal Precautions			"	"	0.24	0.21	0.25	0.19	0.22	1.11
15	SDA 2.1 - ART and monitoring			"	"	0.20	0.18	0.22	0.23	0.28	1.11
16	SDA 2.2 - TB-HIV Co-infection			"	"	0.02	0.03	0.09	0.05	0.05	0.24
17	SDA 2.3 - Prophylaxis and Treatment of Opportunistic Infections			"	"	0.16	0.13	0.16	0.15	0.17	0.77
18	SDA 2.4 - Care and Support for the Chronically Ill			"	"	0.08	0.12	0.17	0.20	0.18	0.75
19	SDA 2.5 - Support for Orphans and Vulnerable Children.			"	"	0.04	0.05	0.07	0.05	0.07	0.28
20	SDA 3.1 - Strengthening of civil society and institutional capacity building			"	"	0.20	0.32	0.22	0.10	0.05	0.89
21	SDA 3.2 - Policy development including workplace policy			"	"	0.05	0.04	0.05	0.05	0.05	0.24
22	SDA 3.3 - HSS: Leadership and governance			"	"	0.06	0.09	0.08	0.06	0.09	0.38
23	SDA 3.4 - Stigma Reduction in all Settings			"	"	0.38	0.14	0.14	0.11	0.11	0.88
24	SDA 4.1 - HSS: Information System			"	"	0.10	0.20	0.20	-	-	0.5
	Total HIV/AIDS Prevention Budget					3.57	3.22	3.44	2.92	2.69	15.84

5.4.3. Education Sector

Situation Analysis

History and Development: The development of education in Somaliland, as elsewhere in Africa, can be traced back to pre-colonial traditional education. Prior to the colonial era, Koranic schools provided traditional Islamic education which included theology, Arabic grammar, Arabic literature and Sharia Law. Arabic was the medium of instruction in these schools. The Koranic school still forms an important component of community education and culture in Somaliland. The colonial administration introduced western-style education in the first half of the 20th Century. The first primary school was opened in Berbera in 1938. Colonial education was designed and pragmatically implemented to meet the low-level technical needs of the British administration. Since the Somali language had no written form until the 1970s, English served as the language of government and education. On the eve of independence in 1960, although there were several schools established, education was largely limited to primary level and was beyond the reach of the majority of people.

Educational opportunities expanded from 1960 to 1980. The introduction of the Somali script, which adopted the Roman alphabet, in 1971, stimulated the development of education. The then socialist government's decision to use the Latin script for the writing of the Somali language, coupled with mass literacy campaign in mid-1970s as a move to facilitate learning and create a literate society, changed education fundamentally. It both stimulated the demand for education and increased school participation. Consequently, between the mid 1970s and early 1980s, the country experienced sharp increases in the literacy rate, and enhanced primary school enrolment. From the mid 1980s, even before the outbreak of the civil war educational development deteriorated, enrolment shrank and literacy rates fell dramatically. By 1991, there were just 46 primary schools. Since then, education has expanded quickly. In the academic year 1995/6, there were 159 primary schools, and only 3 secondary schools with total enrolment of just 8,667 and 329 students respectively. The Gender Parity Index was only 0.4 for primary education and 0.2 for secondary schools. This means that there were only four girls for every six boys in primary schools and just two girls for every eight boys in secondary schools. (See Table 2.5.4.1).

Table 5.4.5: Primary and secondary education enrolment 1995/6

	Schools	Enrolment			Gender Parity Index=Female/male	Teachers
		Male	Female	Total		
Primary	159	6,170	2,497	8,667	0.4	933
Secondary	3	278	51	329	0.2	29

These figures have changed considerably in the following years and by the year 2008/9, there were 627 primary schools and 68 secondary schools. Primary school enrolment shot up to

170,930, while secondary school enrolment rose to 20,460 (see Table 5.5.3.2). There was also a remarkable improvement in gender equality. By then, the Gender Parity Index (GPI) rose to 0.6 in primary education and 0.4 in secondary schools.

Table 5.4.6: Primary and secondary education enrolment 2008/9

	Schools	Enrolment			Gender Parity Index= Female/male	Teachers
		Male	Female	Total		
Primary	627	108,322	62,608	170,930	0.6	4,969
Secondary	68	14,843	5,646	20,460	0.4	546

Somaliland in figures 2011

Growth in tertiary education was equally remarkable. The first university, Amoud University, was launched in 1998. By 2011, the number of higher education institutions registered with the Ministry of Education reached 16, with a total student population of about 15,000. Every one of the original six regions has at least one university.

Structure and language: The educational system in Somaliland can be divided into Non-formal and formal. Quranic schools form the main component of Non-formal education. They function as early child development (ECD) centres for children normally in the 3-7 age brackets. The formal educational system of Somaliland comprises eight years of primary education (four years of lower primary and four years of upper primary) and four years of secondary education. University education normally takes four years to complete. Thus, it is a 2-4-4-4 system. The Somaliland Ministry of Education also recognizes non-mainstream adult and vocational education provided mostly by the private and not for profit sectors (NGOs) as integral parts of the education system. Currently the Somali language is the official medium of instruction for primary schools (1-8). English is introduced as a subject from Grade 2 and is the medium of instruction for Secondary education (9-12). Arabic is taught as a language subject from 1st to the 12th grade. There are also many private schools where Arabic is main medium of instruction.

Challenges and Opportunities

The main challenges facing the sector are:

- Low net enrolment ratio in primary education
- Low proportion of pupils completing primary education
- Low literacy rates
- Low ratio of girls to boys attending primary and secondary schools
- Limited classrooms facilities
- Lack of special education provisions
- Limited vocational and adult education facilities
- Insufficient qualified teachers

- Low teacher remuneration
- Lack of specialized teacher training institutions
- Lack of adequate management, planning , supervision, and curriculum development capacity
- Lack of adequate financial resources

Primary Education Net Enrolment Ratio

The net enrolment ratio (NER) is the percentage of the primary school-age children who are enrolled at primary schools out of the total primary school age children (6-13 years old in the case of Somaliland). The net enrolment ratio increased from 23% in 1999 to 40% in 2006, a trend which shows an average annual increase of 2.4%. Using the 1999 NER of 23% as a baseline and the average annual increase as the rate of change, we can see that the trend analysis yields a NER of only 49% in 2010, which means that approximately 443,000 primary school-age children were not attending school at the time. This fact is sufficient for analysts to conclude that Somaliland lags far behind the expected NER of 75% for 2010, which would be a prerequisite for achieving the MDG target of 100% by 2015. In addition to lack of sufficient schools, a main cause of the low primary school enrolment is that the existing school system is not suitable to the roaming lifestyle of the nomads, which make 60% of the Somaliland population. Therefore, introducing mobile and boarding schools for nomads could boost school enrolment. In the urban areas, distance between home and school and the cost of education constitute other barriers.

Proportion of 1st graders reaching the 5th grade

In 1996, only 50 percent of Grade 1 primary school enrolled students completed grade 4. Three years later in 1999, the proportion increased to 60%. Somaliland is expected to achieve this target of promoting all primary 1st grade enrolled students to the 5th grade by 2011, if the trend remains constant.

Literacy rate of 15-24 year-olds, women and men

The literacy rate of the population aged 15-24 years was only 26.9% in 1999, which means that there were about 508,000 illiterate persons in that age group in Somaliland. This high illiteracy rate is a major obstacle to achieving national MDG goals. Female literacy was half that of males, which proved the existence of gender disparity in Somaliland. Unfortunately, there is no data for later years to compare with these 1999 figures to assess progress towards MDG targets.

Ratio of girls to boys in primary, secondary, and tertiary education

The Gender Parity Index (GPI), which is the ratio of female to male primary and secondary net attendance ratios, is used to measure gender disparity. The Somaliland GPI was 0.6 in 2008/9, which means that 60 female students were enrolled alongside every 100 male students in

2008/9. Somaliland was supposed to achieve a GPI of 0.9 by 2010, which it missed. It is obvious that Somaliland will find it hard to eliminate gender disparity by 2015.

The most difficult challenge facing the gender disparity elimination initiatives in Somaliland is culture, ignorance and economics. There is still the belief among some people that a girl's place is at home not in school. But an important factor is economics. Education is not cheap in Somaliland. Many families are forced to send only some of their children to school, and in this case, it is mostly the boys who go and the girls who are left behind at home to help their mothers with the daily chores of the house.

Capacity

The number of primary schools, in particular, has increased dramatically over the years, but it is still well short of the numbers required, which is a major cause of concern for education officials. Because of resource constraints, the Ministry of Education is incapable of meeting the rising demand for education. There is strong commitment to the development of education by international organisations, but that is still insufficient to fill the existing gap. The shortfall is not only in quantity but also in quality. The rapid expansion of school facilities has not been matched by qualitative improvement in education. The Ministry of education has now to face the task of reforming the education, and raising standards by training teachers, providing better text books, improving classroom environment, and developing a curricula consistent with the needs of the local economy.

Shortage of funds aside, skills in general management, strategic planning, supervision, curriculum design and development, leadership and financial management, etc are lacking. Hence, there is an urgent need for an efficient organizational structure capable of providing well trained teachers, quality management and appropriate curricula.

The quality of education in both private and public schools leaves much to be desired, mainly as a result of a shortage of qualified teachers and low remuneration. Non-formal education is at an even greater disadvantage in terms of available resources. Adult literacy, family life education, and mobile schools for the nomadic population hardly receive any support worth mentioning from the Government.

Technical Vocational Education Training (TVET) is also very much underdeveloped. There is a lack of qualified TVET professional personnel, teachers, and support staff, a situation which has implications for the quality of instruction, supervision, and coordination of all TVET units. Moreover, currently there is no specialized national polytechnic to train TVET professionals and teachers. Equally important, proper coordination and collaboration does not exist among the TVET centres run by the government, INGOs, and the private sector. In most cases, TVET programs offered by private providers are inadequate and rarely lead to recognized qualification. The Ministry of Education, as of now, lacks proper mechanisms to monitor and evaluate TVET programs in the country.

Priorities and Strategies

During the plan period, the Ministry of Education will:

- Upgrade policies, rules and legal framework
- Develop institutional capacity
- Initiate teacher training college programs
- Introduce a new school inspection program that is holistic, i.e. covers all aspects of school and student achievements
- Design structured and continuous professional development courses for practicing teachers
- Provide incentives such as feeding centres to increase access and tackle retention problems
- Increase primary and secondary school enrolment rates
- Strengthen the human resource capacity of the TVET Department at MoE Headquarters
- Divide the TVET Department into 2 units--one for technical training and the other for vocational teacher training, and provide adequate staff to both units
- Strengthen Government-owned TVET institutions and provide policy guidelines for privately run TVET centres
- Strengthen the capacity of the Non Formal Education (NFE) Department at both the MoE headquarters and the regional level
- Integrate life skills and health education into formal and non-formal education curriculum
- Initiate gender mainstreaming policies at all levels of education and training. This could include:
 - Girls' education awareness campaign, advocacy, and legislation at Government level;
 - Creation of an enabling learning environment in schools
 - Professional development courses for practicing teachers relating to the promotion of the girls' education
 - Affirmative action/scholarships for girls
 - Recruitments of more female teachers and more training programs for those who are already working
- Strengthen the oversight authority of the Ministry of Education over private schools, colleges, and universities through the exercise of its accreditation powers
- Strengthen research and development

Policy, Legal, and Institutional Reform

The institutional and policy reforms to be undertaken in the course of the National Development plan will aim at:

- Transforming the management and planning of education
- Improving the quality and relevance of national curriculum
- Raising standards in primary and secondary education

- Striking the right balance between general and vocational education
- Regulating private education
- Establishing free primary education
- Strengthening non formal education
- Ensuring quality, relevance and access in tertiary education
- Achieving millennium development goals

Projects and Programs

The Ministry of Education is engaged in many programs and projects, which include:

- Building the capacity of MoE and HE
- Hiring and training more teachers
- Building new schools and expanding existing ones
- Improving and expanding special needs education
- Developing mobile and boarding schools for pastoralist groups
- Building a curriculum development centre
- Improving languages, science and IT
- Improving access, quality, and gender equity in primary education
- Improving access to secondary and higher education through investments in infrastructure
- Enhancing the relevance and quality of education by developing improved curricula
- Raising the standard of higher education and introducing an accreditation system which establishes minimum standards
- Expanding vocational training for youth and adults
- Initiating programs that target adult literacy and providing non-formal education for out-of-school children
- Building the management capacity of the Ministry of Education

5.4.3: Primary and Secondary Education Sector Budget and Implementation Matrix

GOALS		To Increase Children Enrolment And To Improve Relevance And Quality Of Education									
	Strategic Objectives	- To build up capacity of MoE & HE at all levels, to provide training, professional skills to teachers and administrators - To review and amend the sector key documents, the curriculum of both primary, secondary and to improve languages, science and IT - New construction extension, rehabilitation and fully furnishing of the primary, secondary schools, construction of at least one technical Institute for each region; two teacher training Institutes (West and East) and curriculum development centres; construction of four Regional Education Offices, Ten District Educational offices and additional offices at central of MoE & HE - To improve, expand women education, special need education and education for pastoralist groups - Re-implementation of annual primary survey									
		Objectives	Project output	Source of fund	Implementer	Required budget (USD Millions)					Total
						2012	2013	2014	2015	2016	
1	Capacity building for MoE & HE at all levels	To provide training, furniture, office equipment and server for IT development	Training provided, equipments and furniture supplied	Donors and SLG	MoE & HE	0.58	0.58	0.58	-	-	1.74
2	Additional classes to be constructed within the existing primary schools to respond free primary education policy of the new government	800 classes to be constructed within the existing primary schools, to prepare learning for the rush and increasing enrolment that we will expect in September 201	Completion of extension classrooms of those schools. Provided to the extended	"	"	6.4	-	-	-	-	6.4
3	Provision of furniture	Provision 12,400 sets to the extended classrooms	Provided furniture to the extended classrooms	"	"	0.496	-	-	-	-	0.496
4	Training the new 800 teachers, we were expecting to join teaching staff on September 201	To improve their academic and professional skills	To improve their academic and professional skills	"	"	1.104	1.104	-	-	-	2.208
5	Construction of 270 new primary schools	To give learning space for incoming school children	270 new primary schools constructed	"	"	2.16	2.16	2.16	2.16	2.16	10.8
6	Supply of furniture to those schools	To provide 25,200 sets t new constructed	Provided their furniture	"	"	0.181	0.181	0.181	0.181	0.181	0.905
7	Construction of 45 new family life education centres	To improve and expand women education	Constructed 45 new FLECs	"	"	0.288	0.288	0.288	0.288	0.288	1.44
8	Provision of furniture to those centres	To provide 21,000 to those centres	Provided their furniture	"	"	0.021	0.021	0.021	0.021	0.021	0.105
9	Construction of 13 new centres for special need Education	To improve and expand Special need Education	Construction of 1 new special education centre	"	"	0.06	0.06	0.06	0.06	-	0.24
10	Supply of furniture to those schools	To provide 720 sets for those centres	Provide their furniture	"	"	0.02	0.02	0.02	0.02	-	0.08
11	Construction of 26 boarding schools in Nomadic, poor	To give the pupils an opportunity to continue to complete their education	Pupils completed their education and reduced drop	"	"	0.018	0.018	0.018	0.018	0.018	0.09

	peasants and remote coastal areas	and reduce drop outs	outs								
12	Provision of furniture to those schools	To supply 2,250 sets to those schools	Furniture provided to constructed schools	"	"	0.004	0.004	0.004	0.004	0.004	0.008
13	Construction of 15 offices within the MoE & HE	To provide enough spaces for the departments	Provided enough spaces for the departments	"	"	0.06	0.06	-	-	-	0.12
14	Provision of furniture and equipment of those offices	To provide furniture and equipments needed	Supplied furniture and equipments	"	"	0.005	0.005	-	-	-	0.01
15	Construction of 7 regional offices and 20 district educational offices	To strength the regional, district administrations	Strengthened the regional, district and administrations	"	"	0.174	0.174	0.174	0.174	0.174	0.87
16	Supply of furniture to these offices	To supply their furniture	Supplied their furniture	"	"	0.007	0.007	0.007	0.007	0.007	0.035
17	Construction of 345 secondary class rooms	To prepare for space learning for incoming secondary school students	Given enough spaces of learning for students	"	"	0.552	0.552	0.552	0.552	0.552	2.76
18	Provision of furniture	To supply 63,625 chairs and 21,208 tables for those schools	Supplied chairs and tables needed	"	"	0.098	0.098	0.098	0.098	0.098	0.49
19	Rehabilitation and equipping of the existing Technical Institutes :- ○ Hargeisa Trades School ○ Burao Technical Institutes	To produce middle and high technicians, who will participate in the on-going development of the country	Produced highly qualified technicians	"	"	0.146	-	-	-	-	0.146
20	Construction of One technical Institute in each region in line with economic development	To produce high technicians participating development of the country	Produced highly qualified technicians	"	"	1.727	1.727	1.727	1.727	1.727	8.635
21	Construction of two Teacher Training Institutes (TTI) (one in the west, east)	To produce pre-trained academically and professionally qualified teachers	Produced highly qualified Teachers	"	"	0.116	0.116	0.116	0.116	0.116	0.58
22	Construction of Public National Library, fully furnished	To give reference resources for the students, researchers, and academicians	To give reference resources for all people	"	"	0.094	-	-	-	-	0.094
23	Construction of fully equipped CDC	To in place and develop the curriculum	Fully equipped CDC constructed	"	"	-	0.108	-	-	-	0.108
24	Training for staff operation institutions	To produce qualified professional cadres	Qualified professional cadres produced	"	"	0.02	0.02	0.02	0.02	0.02	0.1
25	Re-implementation of primary annual survey	To get actual accurate data and proper plan	Got actual accurate data and proper plan	"	"	0.200	-	-	-	-	0.2
26	Production of student textbooks	To in place very adequate text books to all primary schools	Textbooks produced to all primary schools	"	"	0.200	-	-	-	-	0.2

27	To activate the existing youth multi propose resource centres and construct 8 more fully furnished	To prepare for them a place where they can get a knowledge entertainment share, their opportunity and eradicate t/j/c	Activated and construct the youth multi purposed resource centres and fully equipped	"	"	0.090	0.090	0.090	0.090	0.090	1.74
Total Primary and Secondary Education Development budget						14.821	7.393	6.112	5.532	5.452	40.60
Education Sector Gender Unit Development Budget and Implementation Matrix											
						2012	2013	2014	2015	2016	Total
1.	Female Teachers Scholarship(Degree Programme)	To provide scholarships to female teachers working for the Ministry of Education and Higher studies	- To support teachers to build their knowledge and capacity in educational management - For teachers to use qualifications gained to be promoted to head teacher positions - For girls to have role models with high qualification and career position	Donors and SLG	Gender unit/MoE	0.029	0.029	0.029	0.030	0.030	0.147
2	Rural Advocacy for improving girls enrolment rate	To advocate for improvement in girls enrolment in all 6 regions of SL targeting schools were girls under achievement has been reported	To tackle girls low enrolment and retention in education by providing an advocacy project targeting hard to reach groups	"	"	0.025	0.025	0.025	0.030	0.030	0.135
3	Affirmative Action (Recruitment of more Female Teachers)	To increase the number of female teaching staff force in SL education system at all levels	- Female teachers empowered for better gender equality and equity - More role models will be created and stations in schools, which will have a direct impact on girl's enrolment and retention in education	"	"	0.360	0.360	0.810	0.810	0.921	3.261
4	Gender Transportation (Vehicle and Fuel)	Gender Unit to coordinate effects in a timely manner and for all staff members to be able to deliver on tasks specific to the deadlines set.	- Gender Unit will deliver project on time and in the most efficient and effective way, due to the assistance with transport needs - A vehicle will support Gender Unit in achieving their goals and objectives, which is to develop and plan effective strategies which create better gender equality and equity in education, and promoting for girls	"	"	0.019	0.360	0.360	0.360	0.360	1.459

			education.								
5	Office Stationary	To fully equip the Unit with all stationary needs in order to work efficiently and produce positive outcomes in promoting girls education and creating better gender equity in MoE	Gender Unit will be able to produce documents and resources for project activities, with the stationary provided for the Unit	"	"	0.006	0.006	0.006	0.006	0.006	0.03
6	Family Life Education Centre	Three family live Education centre (in Hargeisa, Burco and Borama) rehabilitated first year	- To provide support for FEC in SL will have a direct impact on adult female literacy, and overall educational development of women - FEC was an effective centre which supported the feeding program, and distributed food assistance from those centres.	"	"	0.165	0.220	0.220	0.220	0.220	1.045
7	Scholarship fund for need girls	To continue with the implementation of the AFPE girl's scholarship program established in 2011. Aim is to support this fund by allocating some funding	- More girls will be able to go to school by receiving funds to cover costs of gaining an education - Will directly contribute to tackling girl's lack of enrolment, retention and participation in education. This will be achieved through financial assistance to needy student, to cover all education expenses	"	"	0.100	0.100	0.150	0.150	0.150	0.65
Total MoE Gender Unit Development budget						0.70	1.10	1.60	1.61	1.72	6.73
Total Primary, Secondary and Gender Unit Education Development Budget						15.521	8.493	7.712	7.142	7.172	46.04

5.4.4: Higher Education Sector Budget and Implementation Matrix

	Goal	To Improve relevance and quality of Higher Education, and rearrangement of the Universities, Harmonization of the Curriculum of their faculties and to Provide the Learners quality marketable Education									
	Strategic Objective	- To build up the capacity of Dept. of Higher Education and to provide training - To review and develop Somaliland Education Policy - To Establish Research and development council - To establish Somaliland Commission for Higher Education - To expertise semi-annual National Consultations - To persist quality Assurance, Accreditation, License, Assessment, Study Tours and Auditing of the HEIs - To get Transport for Higher Education									
No.	Programs	Objectives	Project output/ outcomes	Source of Fund	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Higher Education (HE) sub-sector	To build the capacity of HE sub sector for improved service delivery	- The Head Quarter (HQ) Building of HE built in Hargeisa and provided with furniture and equipments - Training provided to staff	Donors and SLG	HE Department of MoE	0.21	0.2	0.3	0.2	0.2	1.11
3	Research and ODL	To undertake Research & ODL	Research and ODL undertaken	"	"	0.1	0.1	0.3	0.11	0.1	0.71
4	International scholarships	To provide scholarship to junior lecturers and outstanding students	20 Scholarships/year offered to junior lecturers and outstanding students	"	"	0.22	0.44	0.66	0.88	0.88	3.08
5	Commission for HE	To construct the building of the Commission for HE, train its staff and hire consultants for the commission	- HQ of Commission for HE built - Staff trained - Advisory consultants hired	"	"	0.28	0.2	0.2	0.2	0.15	1.03
6	Teacher training	To produce qualified teachers	1 teacher training college	"		0.05	1	0.5	0.25	0.2	2
7	Student Scholarships	To give the opportunity to go to school to bright students from poor background	50 scholarships per year			0.08	0.15	0.23	0.3	0.3	1.06
8	Research bursaries	To carry out quality research	10 research grants per year	"		0.1	0.2	0.3	0.4	0.4	1.4
9	HE-MIS	Designing and Development of Data Capture Formats for HE-MIS	Data Capture Formats designed and developed	"	"	0.08	0.2	0.2	0.1	0.1	0.68
10	Capacity Building for all HEIs	To get marketable Public Higher Education	Highly rated HEIs built in all regions	"	"	1	2	2	3	3	11
Total Higher Education Budget						2.32	4.69	4.89	5.54	5.53	22.97
Total Education Sector Development Budget						17.84	13.18	12.6	12.68	12.7	69.01

5.4.4. Labour and Social Affairs Sector

Situation Analysis

Labour Force and Employment

Somaliland has a population estimated at 3.5 million. The cohort between 15 and 64 years old, regarded as the working age group constitutes 56.4% of the total population according to the World Bank survey in 2002. This is equivalent to a working population of 1.6 million people.

Total employment (comprising self employment, paid employment) among the economically active population is estimated as 38.5% for urban, 59.3% for rural and nomadic. The weighted average national employment rate is estimated at 52.6%. Therefore, unemployment rates amount to 61.5% in urban areas, 40.7% in rural areas, and 47.4% for the whole country. Unemployment among the youth which stands at 75% is much higher than the national average. Even young university graduates are joining the unemployment ranks with little job prospects. These unemployment figures are only indicative, as they do not take into account the extent of under-employment, seasonal unemployment etc. In terms of sectoral distribution of employment; agriculture (including: fishing, forestry, farming and livestock) accounts for 67%, industry (including construction and utilities) 12% and services 21%.

The government of Somaliland is the biggest employer in the country. It employs 9,183 staff in civil service positions. The figure does not include security forces and employees of local authorities. They work for 23 ministries and 19 independent agents and commissions. The ministry of education accounts for 35% of government's civilian employees. The Ministry of Health employs 21%. Another 8% work for the Ministry of Finance. Women make up between 20-30% of the government's civilian work force. They are even less represented in the top hierarchy of the civil service: All general directors are men, and only 13 out of 285 department directors are women.

Civil servants work mainly in urban areas, particularly in the capital. A relatively small proportion of public employees are stationed in rural areas. The current government is committed to civil service reform. It has set up a cabinet committee for the task. The purpose of the reform is to ensure that the civil service force is right sized, competent and motivated. The civil service commission has already carried on site verification audit in ministries to ensure that there are no ghost employees claiming salaries. The commission also carried competence exams in several ministries to identify those who need training to upgrade their skill levels.

Social Welfare

Somaliland ranks among the poorest countries in the world and, hence, has a large number of socially and economically vulnerable population clusters. Among the most disadvantaged groups are the large numbers of orphans – estimated at about 11 percent of all children, most

of whom are affected economically, socially and psychologically. The problems this group faces include lack of access to income-earning opportunities, malnutrition, very limited access to education and health care, lack of legal support and protection, child labour and homelessness. Another vulnerable group which includes orphans are the street children, which are quite visible in the streets of Hargeisa. There are estimates of about 3,000 children, most of them boys between five and 18, living on Hargeisa's streets. Lacking families and home environment many of these children cling to gangs as a source of fraternity and stability. Internally displaced people who are mostly destitute from rural areas, who lost their flocks to drought constitute another vulnerable category.

There is no government run social welfare system in place to help these groups, but Somali communities have traditionally shown a great deal of generosity and have cared for the poor through use of religious, community and clan-based coping strategies and systems. However, with increasing urban population, and urban poor these coping mechanisms have been overwhelmed. What is needed is a national system to which the government, the private sector, the community and the Diaspora contribute, and which targets the neediest for assistance in ways that will help them achieve eventually financial independence.

Challenges and Opportunities

The Ministry of labour and social affairs aims, with regard to labour, to maximize labour-force participation, achieve full employment, promote vocational training, maintain sound labour relations and regulate occupational safety. With regard to welfare, it aims to provide services that promote personal and socio-economic well-being of the vulnerable and the disadvantaged within society including the very poor, the disabled and handicapped people, the mentally ill, victims of violence, addicts, the homeless, abandoned and orphaned children, elderly people without family support and troubled youth that need rehabilitation among others.

The ministry, however, faces many challenges in achieving its aims including:

- Lack of technical and managerial capacity
- Limited financial and physical resources
- Lack of labour market information
- ineffective labour market
- Unskilled or poorly trained workforce
- Limited employment opportunities
- Informal economy that is hard to regulate
- Poor work culture and socially acceptable dependence on others
- Lack of employment policy and strategy
- Economically and socially crippling widespread Qat addiction
- Lack of appropriate social and welfare policies
- Lack of policies for the protection of vulnerable community groups
- Absence of government pension and social security systems

- Lack of coordination among community based welfare schemes
- Social and cultural stigma that prevents some vulnerable groups to come out and seek help
- Lack of clear demarcation between the mandates of government institutions such as Ministry of Labour And Social Affairs (MoLSA) and the Civil Service Commission over labour issues
- Social, economic and political marginalization of women
- Poor social services such as health

Priorities and Strategies

In light of the challenges faced, the priorities for the NDP period will encompass:

- Strengthening the capacity of MoLSA by skilling staff and providing adequate facilities
- Developing a national manpower plan
- Formulating appropriate manpower policies and programs
- Introducing and implementing occupational health and safety regulations
- Promoting good employment practices
- Establishing credible and sustainable Labour Market Information System that will provide regular, accurate and time series data on employment
- Investing in youth development and reducing youth unemployment
- Providing labour market information to job seekers and employers, and providing counselling services to job seekers
- Encouraging the establishment of independent workers and employers associations; strengthening the capacity of labour associations and trade unions; and promoting social dialogue
- Eliminating gender inequalities/disparities in employment and Gender-Based Violence (GBV)
- Formulating a national FGM policy
- Mainstreaming women empowerment in all sectors of development; and promoting women's equal access to participation and decision making in the social, economic and political life of the nation
- Setting up social protection systems and establishing family centres in order to promote family cohesion
- Creating income generation schemes for vulnerable groups for social protection and economic empowerment
- Establishing national child protection systems; preventing and protecting children from all kinds of harm, violence, abuse and exploitation; and providing children with the welfare and social services they require and deserve
- Strengthening collaboration with international and national development partners and civil society organizations for promoting social development in the country

Policy, Legal, and Institutional Reform

The government of Somaliland has formulated and enacted some key policies and laws for promoting social and economic development in the country. The most notable ones are:

- The Labour/Employment Law (essentially Private Sector Employees Law) (2004) - amended 2008
- National Gender Policy (2008) - the cabinet approved this policy in late 2008, but discussion about it in the parliament (House of Representatives) and the Guurti (House of Elders) is still pending
- National Disability Policy

On the other hand, there exist the need to develop further policies and laws that are required for further promote social development and protect citizen's rights. These include:

- Public Sector Employees Law
- Family Law - since August 2010 MoLSA has set up a project to review the need for and pursue the development of the law
- Social security law
- Pension law
- Disabilities law
- Somaliland Bill of Rights
- Child Welfare Law
- FGM Policy

Projects and Programs

In line with its national priorities, the government of Somaliland is committed to the accomplishment of the following projects and programs in the course of the current NDP period:

- Building the Capacity of MoLSA by:
 - Rebuilding the Ministry's head office
 - Establishing five regional offices
 - Establishing a monitoring and Evaluation Section under the Planning and Statistics Unit
 - Supporting and Trainings for MoLSA staff
- Promoting Youth Development and Employment
- Developing social welfare policies and programs
- Implementing the National Gender Policy and National Labour/Employment Law
- Developing a national employment policy and a strategic plan
- Establishing a Labour Market Information System
- Establishing job counselling Centres
- Enhancing child protection and welfare
- Strengthening collaboration and coordination with partners

5.4.5: Labour and Employment Sector Budget and Implementation Matrix

Goal		To contribute to poverty alleviation through decent work with the focus on the youth									
	Strategic objectives	• To increase employment creation for poverty alleviation									
		• To strengthen the capacity for the tripartite system labour administration and governance									
		• To promote conducive legal and regulatory frame work for enterprise development with a special focus on start ups									
		• To develop new legislations and regulatory labour laws that will improve industrial peace and harmony at workplace									
No.	Programmes	Objectives	Project outputs/outcomes	Source of funds	Implementer	Required Budget (USD million)					
						2012	2013	2014	2015	2016	Total
1	Youth Employment	To reduce youth unemployment through skill training job placement	• 5000 young people trained and placed	Donors and SLG	Ministry of Labour and Social Affairs (MoLSA)	1.0	1.0	1.0	1.0	1.0	5.0
		To reduce youth unemployment through the provision of seed capital	• 2500 young people helped to start their own businesses			0.5	0.5	0.5	0.5	0.5	2.5
2	Policy development	To develop laws, polices and standards for the labour administration	• Consultants hired to develop policies and legal frameworks	"	"	0.10	0.10	-	-	-	0.2
3	Labour Market Information System	To establish credible and sustainable Labour Market Information System that will provide regular, accurate and timely series data on employment	• LMIS established	"	"	0.06	0.20	0.02	0.03	0.03	0.34
4	Establish five regional offices and HQ rehabilitation	To build five new regional offices and rehabilitated Ministry's HQ	• 5 Regional offices built and Ministry's HQ rehabilitated	"	"	0.17	0.09	0.04	0.03	0.02	0.35
5	Establishment of job Centres	To provide labour market information to job seekers and employers through labour exchange, and provide counselling services to the job seekers	• 10 Job centres established, and website and job bulletin developed	"	"	0.12	0.12	0.12	0.12	0.12	0.60
6	Establishment and strengthening Tripartite System and Social Dialogue	To establish independent workers and employers associations; strengthen the capacity of labour associations and trade unions; and promote social dialogue	• Labour associations established and strengthened, and social dialogue promoted	"	"	0.05	0.15	0.10	0.07	0.03	0.4
Total Labour Development Budget						2.00	2.16	1.78	1.75	1.70	9.39

5.4.6: Social Affairs Sector Budget and Implementation Matrix

Goal		Promote Social, economic and political rights of the marginalized groups									
	Strategic objectives	- To promote socio economic and political rights of the marginalized groups including disabled people - To reduce the dependency of the individuals and families - To eliminate social inequalities in access to control of, and benefit from resources and services - To promote equal access to all social aspects									
		To reduce the poverty of the vulnerable groups									
		Objectives	Project outputs/outcomes	Source of funds	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Implementation of national Gender policy	To eliminate gender inequalities; mainstream women empowerment in all sectors of development; and promote women's' equal access to participation and decision making in social, economic and political life of the nation	National Gender Policy fully implemented and women enjoyed equal access to every aspect of the life	Donors and SLG	MoLSA	0.5	0.5	0.5	0.5	0.5	2.5
2	Social protection programs , systems, legislations and policies	To set up social protection systems, establish family centres in order to promote family cohesions, and create income generation for vulnerable groups for social protection and economic empowerment	Social protection system established, legislations and policies adopted and implemented; and economic status of the vulnerable people improved (Family centres established in 13 regions)	"	"	0.5	0.5	0.5	0.5	0.5	2.5
3	Disabilities inclusion in education, income generation and capacity building initiatives	To include disabled people as crosscutting issues in decision making, education right, income generation activities, and capacity building initiatives	- National Disabilities policy implemented - Disabled people enjoy and access every aspects of life - Establishing rehabilitation centre in 5 regions		MoLSA/ SNDF	0.15	0.2	0.3	0.25	0.2	1.1
4	Child protection and welfare	To establish national child protection systems; guidelines, prevent/ protect children from any kind of harm, violence, abuse and exploitation, and provide the children the welfare and services they need	- Child protection systems, legislations and policies, guidelines established; and children protected from harm, violence, abuse and exploitation - Needed services provided	"	"	1.50	1.50	1.50	1.50	1.50	7.5

5	Develop methods and strategies for coordination, collaboration and partnership agreements with local and INGOs on community outreach programs	To strengthen collaboration with INGOs.	• Collaboration with INGOs strengthened	"	"	0.05	0.05	0.10	0.05	-	0.25
6	Building the Capacity of the Ministry	To enhance the capacity of Ministry of Labour and Social Affairs for better service delivery	• The capacity of MoLSA improved	Donors and SLG	MoLSA	0.06	0.25	0.01	-	-	0.32
7	Development of Child Sensitizing Budgeting Guideline	MOLSA will support the process of developing child sensitive budgeting mechanism to ensure child priorities	• Collaboration with other government stakeholders, UN-Agencies	"	"	0.2	0.2	0.2	0.2	0.2	1
8	Needs Assessments to the Ministry's functions, structures , efficiency and effectiveness	To conduct needs assessment to for the Ministry	• Needs assessments conducted	"	"	0.06	-	-	-	-	0.06
9	Monitoring and Evaluation	To develop Monitoring and evaluation systems, and establish M &E section within the planning and Statistics unit of MOLSA	• M &E section established and M &E systems developed	"	"	0.04	0.04	0.03	0.02	0.50	0.63
Total Social Development Budget						3.06	3.24	3.14	3.02	3.4	15.86

5.4.5. Youth, Sports and Cultural Sector

Situation Analysis

There are no official national statistics regarding the current youth population in Somaliland. However, there are estimates that young people below the age of 30 constitute about 65–70 percent of the population, which is approximately 3.5 million. These young people are the future of the country but they face many challenges in realizing their potential and contributing to the development of the country. Some of these challenges are traditional others are economical and social. Traditional attitudes which favour experience and older men in leadership often stand in the way of young people participating in the political process and decision making in a meaningful way. Lack of employment opportunities prevents them from putting their energies and creativity to good use and thereby fulfilling their ambitions. This leaves them with a sense of frustration and hopelessness that drives some of them to take desperate measures. Each year hundreds decide to try their luck against all odds to getting to the shores of Europe crossing continents, deserts and dangerous seas. Most of them do not make it, and many perish on the way. Others may join criminal gangs or extremist groups in search of a more meaningful life, or just take to Qat addiction to pass away time. Lack of sports and recreational facilities, cultural venues, and opportunities for voluntarism and work experience add to their feeling of alienation and desperation.

The situation of the youth in Somaliland is well described in a study carried out by the Somaliland National Youth Organization (SONYO), in partnership with Oxfam-Novib, in December 2010. The term “youth” in the study was defined to mean young people between the ages of 15 and 30. Altogether, 800 individuals were interviewed, distributed across the regions. The median age of the participants was 21. 51% of the survey sample came from urban areas, while rural communities accounted for 49%. The gender break down of the sample was 61% male, 39% female. This study covered both qualitative and quantitative variables about the challenges facing youth with regard to employment, education, health, HIV/AIDS, young girls/women situation, sports and recreation, political participation, information communication and technology. The Key findings of the study are summarized here below.

Education: Despite the expansion of formal as well as informal education in the last twenty years, there are still a large number of young people who cannot access education. 76.6% of the respondents reported to have attained some education, out of which 81% have attained primary school education. The findings show that 23.4% of the youth never attended a school. The main reason was economical. Most of them could not just afford to go to school. Those who were unable to attend school indicated that they worked instead. This could be because the majority of this group lived in rural areas. Of the group that never attended school, 83% were illiterate, but almost all of them indicated a willingness to go to adult education if they were given the opportunity. Other reasons for not attending school mentioned by the respondents, particularly those in rural areas, were that schools were situated in far away

locations and that they did not see any benefit in going to schools that far (contrary to the view held by urban youth).

Health: 88.4% of the surveyed youth indicated that they did not have major health problems. Among the respondents who indicated that they did have health problems, rural residents accounted for only 30%. However, the availability of health care facilities in rural areas remains limited and is sometimes totally absent. In urban settings, despite the low quality, health care facilities are available. The fact that most of the people cannot afford medical care expenses adds to the inaccessibility of health services. This inaccessibility to health services results in deaths from treatable diseases such as pneumonia, typhoid and TB. The study found out that there was a gradual rise in the mortality rate of young people. 60% of respondents reported having witnessed the death of a kin or friend (between 15 to 25 years) as a result of respiratory system-related diseases or kidney failure. These are diseases most associated with Qat chewing and smoking [tobacco].

Perceptions about HIV/AIDS: 81% of the respondents said that HIV affects people regardless of their clan, sex, age, colour and religion. In contrast, 17% of the respondents believed that HIV affects only non-Muslims. Asked whether HIV/AIDS was curable, 88% stated that the virus/syndrome could not be cured while 10% thought HIV/AIDS was curable. 2% did not know. Asked about preventive mechanisms of HIV/AIDS, 86% mentioned that being faithful was the only preventive mechanism. 12% stated that using condoms could prevent them from being infected. The majority of youth, 86%, affirmed that they have received some kind of information about HIV/AIDS. Only 10% admitted that they knew their status. Stigma and discrimination against people with HIV among the participants stood at 76%.

Female Genital Mutilation: 57% of the respondents supported legal ban on the practice of FGM in the country. 35.3% of the respondents believed that FGM should be upheld and maintained as it was a Somali traditional norm. 62% of the respondents stated that FGM was still practiced. At the same time, 37% of the female respondents mentioned that FGM was an old tradition and custom which was out-of-date and should have been stopped. The majority of both male and female participants (76%) agreed that more education and awareness was necessary to reduce/eradicate the practice.

Female Sexual Violence: Only 4% of the female respondents stated that they had been victims of sexual violence. 96% of the female respondents revealed that they had not experienced any sexual violence throughout their lives. The 4% may not reflect the real picture, since most respondents, were reluctant to answer fully, given the stigma associated with involvement in sexual activities before marriage.

Employment and Livelihood: On the issue of employment, participants were asked if they had any type of employment, paid or unpaid. 75% indicated that they had none. This was in away to be expected, because youth between the ages of 15—22 could still be in school or university. In the Somali culture, young people who go to school are not normally expected to work. Only 25% of the youth stated that they had some employment. 43.1% of the employed group were

engaged in business, 40.6% were employed in the private sector, whereas 14.4% were employed in the public sector. Of those employed, 77% were confident that they had job security. As the business sector is the biggest employer of young people and is not yet well formalized and regulated, the youth who worked for this sector were not mostly satisfied with the remunerations they received for the work they did. 69.1% of the unemployed youth had been unemployed for more than 3 years, despite the fact that 53.2% of them had skills for different trades.

Housing: 60% of the youth interviewed responded that they owned or rented (though irregularly) the houses they lived in. 15% of those who owned houses stated that they inherited them. 37% of the respondents indicated they were living with their parents. As for the source of water, only 41.1% had piped water, while the rest (58.9%) were getting their water from kiosks, tankers, ponds, ground water reservoir (berkads), shallow wells and boreholes.

Sports and Recreation: The study indicated that 58% of the youth had access to football grounds but no other facilities. Asked how they spent most of their spare time, 17.2% play football, 15% chew Qat, 11.6% attend mosques, and 45.1% spend their time in other activities not specified. Only 1% indicated knowledge of a library in their neighbourhood.

Substance Use (Drugs): The study shows that 24% of youth chew Qat, of which 48.7% chew every day. In addition, 63.2% of the group of Qat consumers stated that they pay for the cost of the Qat they consumed, whereas 31.6% rely on friends to pay for the habit. When asked about what induced them to chew, 60.6% pointed fingers at their friends, while 16.6% said they started chewing as a matter of curiosity. 24.1% of respondents replied they smoked cigarettes. The majority (52.2%) smoke for pleasure, while 29.2% smoke to ease stress. The study found out that 98% of the respondents do not consume alcohol while 1.25% stated that they had consumed alcohol. 0.75% refused to respond to this question citing religious grounds.

Information and Communication Technology (ICT): 63.25% of the respondents stated that they knew about computers. Of this group, 98.8% viewed computers as very important. When asked if they could operate computers, only 53.8% replied they could. Furthermore, 58% of this group affirmed that they used computers in internet cafés, which implies they did not have computers in their homes or offices. 19.4% had computers in their homes and 9% used computers at their places of work. Asked whether they used internet or not, 86% stated they did, out of which 73% had access to internet at internet cafés.

Political Participation: With regards to youth views of national politics and elections in particular, 57.5% thought that young people were allowed to stand for election while 41.2% believed that youth were not allowed. Asked why they were not allowed, 53% of them believed that was due to legal obstacles. Therefore the majority of the 41.2% considered the age limitation to be the biggest challenge preventing youth from taking part in elections as candidates. Culture was mentioned as another problem facing youth. When asked if males had greater chance to be elected than their female counterparts, 73.8% believe that that was the case.

A number of NGOs are providing skills-oriented training programs to the youth. EDC, USAID funded, Shaqadoon employment program which targets out of school youth aged 15-24 is one of them. While useful, these initiatives are neither wide enough nor deep enough to make significant difference in reducing the ranks of the unemployed youth.

The Ministry of Youth, Sports and Culture is responsible for the overall development of youth in Somaliland. Its aim is to empower them, build their confidence, develop their physical and artistic talents, and provide sports and cultural facilities in a safe environment. To that effect, it holds an annual football tournament, and 21 Km athletics cross-country run competition twice a year in Hargeisa. The Ministry also holds some athletics tournaments on important occasions such as the Aids Day, Women's Day, Youth Day and Children's Day. There are 12 Division-A teams in Hargeisa. Series-A football league is held once a year in Hargeisa. Division-B teams play in all the regions where football leagues are organized once a year. Similarly, there are district level football tournaments which are hosted in major towns. The Ministry holds occasional inter-school football tournaments. Basketball teams exist only in Hargeisa and Borama. There also plans to establish similar teams in Berbera and Burao. There are no women-specific games in Somaliland but the Ministry is planning to establish them in the future under the 5-year National Development Plan.

As for cultural venues, there are no proper purpose built theatres in Somaliland. But in all the main towns there are places where videos of old movies are run and viewers are charged an admission fee. A privately-owned national theatre is now under construction in Hargeisa and is expected to be opened soon. There are about nine youth centres in Somaliland. There are two boys and one girls youth centres in Hargeisa. Then there is only one in each of the following towns: Borama, Berbera, Salahley, Daarbudhuq, Burao and Erigavo.

Challenges and Opportunities

After demobilization in the years following the end of the civil war, no serious effort was made to create effective youth development and cultural revitalization programs designed to channel youth energies into productive pursuits. In the absence of any meaningful intervention, an increasing number of school-age youngsters went astray, a problem which has since grown exponentially: Large numbers of youth are getting hooked to narcotic drugs, especially Qat; others are slowly sinking into a life of crime or joining Islamist groups with jaundiced worldviews. Apparently the role currently played by the ministry is too limited to help young people guard against these pitfalls. SONYO has put forward a "National Youth Policy for Somaliland", under the auspices of the Ministry of Youth, Sports and Culture, which was approved by the Parliament and now awaiting implementation. The policy seeks to provide a direction and framework for all institutions committed to youth development. Young Somalilanders face immense challenges, but also unlimited opportunities.

Challenges:

There are many challenges facing young people in Somaliland today including:

- High unemployment rate or Lack of employment opportunities
- Lack of volunteering and work experience opportunities
- Lack of adequate sports facilities
- Lack of cultural and entertainment venues
- Lack of youth centres
- Low level education attainment
- Limited access to education
- Lack of career and education counselling
- Shortage of vocational training schools and teachers
- Limited education opportunities for disadvantaged communities and marginalized groups
- Low level of Information Technology & Communication Technology knowhow
- Lack of awareness among some parents about the importance of education
- Illegal perilous migration
- Lack of strong sense of patriotism and pride
- Qat addiction
- Exposure to extremist ideology
- Limited political participation
- Gender inequality

Opportunities:

The opportunities include:

- Increasing number of educational institutions such as universities and schools;
- Growing realization among international organizations of the importance of dealing with youth issues
- Government commitment to create employment and job training opportunities
- National awareness of the need for the provision of proper and adequate sports and recreation facilities
- Increasing indigenous private investment
- Proximity to large labour markets in the Middle East
- Prevailing peace and stability in the country

Priorities and Strategies

Sector priorities and strategies include:

- Building the human resource and physical capacity of the ministry

- Promoting sports activities
- Conserving cultural heritage
- Promoting youth programs
- Advancing healthy life style
- Encouraging youth participation in decision making and political life
- Promoting patriotism and sense of national identity through intercity and inter-regional youth activities
- Encourage greater involvement of the private sector in youth development

Policy, Legal, and Institutional Reform

Legal and policy framework initiatives that need to be addressed include:

- Implementation of the National Youth Policy of Somaliland
- Initiation and development of a national sports policy
- Formulation of a national cultural policy
- Developing sports policies and procedures manuals

Programs and Projects

The following programs and projects will be carried out during NDP period:

- Building the ministry's national head office and regional branch offices
- Training staff and volunteers
- Establishing youth centres for both young men and women in towns and neighbourhoods
- Developing a national youth volunteer program
- Establishing a national youth summer program
- Undertaking research on the introduction of post-secondary school national service program
- Building a national football and athletics stadium in the capital and regional stadiums in the regional capitals
- Building a national and regional Basketball stadiums
- Establishing national football and basketball teams
- Developing a national athletics team
- Establishing a network of neighbourhood sports facilities in every town
- Organizing annual sports competitions
- Promoting the development of competitive professional sports
- Creating annual sports awards ceremony
- Facilitating national sports talent to participate in international competitions
- Promoting sports, national and local stars
- Integrating sports programs into school curriculum
- Establishing a national sports academy

- Building a national theatre in the capital and regional theatres in regional capitals
- Establishing a national museum and heritage archives
- Establishing a national heritage research and development institute
- Commissioning scientific research into the language, heritage, history, handicrafts, fine arts, oral literature, traditional lore, beliefs, astrology, customary law, traditional medicine and other cultural features, which constitute the identity of the Somaliland people
- Promoting cultural and sports cooperation and exchange with other nations
- Supporting youth organizations

5.4.7: Youth, Sports and Cultural Sector Budget and Implementation Matrix

Goal		To create favourable condition for youth development									
	Strategic Objectives	- To Ensure that youth development is prioritized - To expand sport activities - To improve recreational infrastructure - To facilitate the development structures for the management of heritage resources - To promote culture									
No.	Programmes	Objectives	Project outputs/outcomes	Implementer	Source of funds	Indicative budget(USD million)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Ministry of Culture, Youth and Sports (MoCYS)	To strengthen the capacity of MoCYS for effective service delivery	• Ministry's HQ office constructed in Hargeisa	MoCYS	Donors and SLG	0.5	-	-	-	-	0.50
			• 5 branch offices constructed in 5 regions	"	"	-	0.35	-	-	-	0.35
			• Ministry staff trained and exposure tours conducted	"	"	-	0.2	-	-	-	0.20
	Promotion of Youth development in Somaliland	To engage young people in activities	• 35 Youth Centres established in Somaliland in 5 years	"	"	1.25	1.25	1.25	1.25	0.25	5.25
			• A Youth volunteering and summer programme	"	"	0.50	0.50	0.5	0.5	0.5	2.5
3	Promotion of sports and sporting events	To promote sports in Somaliland for the development of healthy citizens	• 1 standard National Football Stadium	"	"	-	5.00	-	-	-	5.00
			• 27 medium and small level football stadiums built	"	"	0.6	1.2	1.2	1.2	1.2	5.40
			• 1 standard National Basketball Stadium constructed in Hargeisa.	"	"	-	1.00	-	-	-	1.00
			• 5 medium/small level basketball stadiums built at appropriate locations in Hargeisa (1 each year).	"	"	0.015	0.015	0.015	0.015	0.015	0.075
			• 5 medium/small level basketball stadiums built in 5 regions (1 in each region and each year).			0.02	0.02	0.02	0.02	0.02	0.10
			• Annual national sports competitions			0.25	0.25	0.25	0.25	0.25	1.25
			• International sports competitions			0.2	0.2	0.2	0.2	0.2	1.00
			• One standard National Sport Academy built in Hargeisa	"	"	-	0.3	-	-	-	0.30
4	Development of progressive cultural	To enhance the flourishing of	• A National Museum constructed in Hargeisa.	"	"	0.5	-	-	-	-	0.50

	events and infrastructure	constructive community cultures, and cultural events and infrastructure	• The National Theatre re-established in Hargeisa.	"	"	-	0.5	0.5	-	-	1.00
			• An up-to-date National Library built in Hargeisa.	"	"	-	-	0.5	0.5	-	1.00
			• 5 regional libraries built in the 5 major regions indicated above (1 in each region and each year)	"	"	0.2	0.2	0.2	0.2	0.2	1.00
			• 5 regional theatres established in the 5 major regions (1 in each region and each year).	"	"	0.2	0.2	0.2	0.2	0.2	1.00
			• National heritage institute			0.2	0.05	0.05	0.05	0.05	0.40
	Total Culture, Youth and Sports Development Budget					4.435	11.235	4.885	4.385	2.885	27.83

5.4.6. Internally Displaced People (IDPs) and Refugees Sector

Situation analysis

Internally displaced Persons

The number of IDPs in Somaliland is currently estimated at 379,818 consisting of 58,303 households. There are IDPs in all the six regions. Most of the IDPs are citizens of Somaliland who were formerly pastoralists or agro-pastoralists who moved to urban centres after having lost all their assets to drought. Some of them are returnees from former refugee camps in Ethiopia. These IDPs and returnees live in very poor conditions, often in makeshift slums on the periphery of main towns and villages. They lack adequate shelter, water supply and sanitation facilities. Access to social services such as education and health is limited and opportunities for employment and income generation are very scarce.

The resources for IDP programs are limited. The Ministry for Resettlement, Rehabilitation and Re-integration (MRR&R) is the lead government agency responsible for coordinating assistance to IDPs. There are several international organizations that support projects which target IDPs. Local authorities and other government ministries are also involved in the provision of basic social services. But the need is far greater than what can be met by the limited means of the government or the current inadequate intervention of the international community. What is needed is a joint, comprehensive, multi-sector program that addresses the current basic needs of the IDPs and their long term reintegration into society.

Refugees and migrants

There are only 1,772 recognized refugees registered in Somaliland. The vast majority are Ethiopian nationals who claimed to have fled their homeland for fear of political persecution. There are also about 1,850 Ethiopian asylum seekers applying for refugee status in Somaliland. In addition, there are *80,000 to 90,000 illegal economic immigrants in the country. Almost all of them are Ethiopians from the Oromia region. They are mostly labourers hired as farm hands, construction workers, garbage collectors, watchmen and domestic workers. Among them are also mothers with children who roam the streets in groups begging people for money. They live in awful conditions and are sometimes forced to resort to anti-social activities including child trafficking and prostitution to survive. There has been growing resentment among the indigenous population that these undocumented immigrants were taking jobs from locals and constitute a security threat. Mounting pressure from the community finally forced the government to order all illegal immigrants to leave the country in September 2011. There has been massive exodus since. Some of them left on their own, while others have been returning with assistance from the International Organization for Migration (IOM).*

Challenges and Opportunities

Challenges

- Large influx of economic, political, and illegal immigrants/refugees
- Lack of accurate information on the number and nature of refugees in Somaliland
- Inadequate capacity of the Ministry to deliver services to IDPs and refugees
- Lack of resources to resettle IDPs and re-integrate returnees
- Institutional weakness in terms of facilities, equipment, and human resources

Opportunities

- Government commitment to resettlement and re-integration of IDPs into society
- Growing awareness among local and international organizations of the importance of creating employment opportunities for young people who are at risk of resorting to illegal migration

Priorities and Strategies

In the course of the current NDP, priority attention will be given to:

- Improving living conditions for the IDPs
- Ensuring economic reintegration of IDPs into society
- Promoting economic opportunities and job creation in rural areas
- Taking preventive measures to deal with the causes of internal displacement such as droughts and conflict
- Ensuring better coordination among IDP programs lead by UN agencies, International and local NGOs, local authorities and central government ministries
- Building the capacity of the Ministry for Resettlement, Rehabilitation and Re-integration

Policy, Legal, and Institutional Reform

The key reform activities during the plan period shall include:

- Developing a comprehensive strategic plan to guide Ministry activities in the next five years
- Restructuring the Ministry to align it with its new strategic plan

Projects and Programs

- Training staff to build their skills
- Developing an information management system for registering IDPs
- Building regional centres to deal with IDPs

- Creating an emergency response unit
- establishing counselling centres
- Promoting legal protection for refugees and IDPs
- Providing adequate shelter and permanent housing
- Proving basic social services
- Initiating training and employment programs
- Providing tools, equipment, and livestock for rebuilding livelihoods
- Establishing job placement programs for youth at risk of illegal migration

5.4.8: IDPs and Refugees Sector Budget and Implementation Matrix

	Goal: Create enabling Environment for Prosperous and Thriving Rural Communities										
	Strategic Objectives:	1. Resettle and Repatriate Somaliland IDPs back to their communities; 2. Establish mechanisms to organize and support refugees									
No	Programs	Objectives	Project Output/outcomes	Source of Funds	Implement By MRR&R	Required Budget (in USD Millions)					
						2012	2013	2014	2015	2016	Total
1.0	Capacity Building for the Ministry	Provide to the Ministry necessary equipment, transportation, and qualified staff. information management system to register IDPs, conduct workshops, and counselling to the refugees;	Equipment and qualified staff for information management system to register IDPs and Refugees; 6 four wheel drive vehicles; Offices and equipment for six regional centres; 100 workshops to sensitize government decision makers; Counselling centres for refugees; Emergency Response Unit within the Ministry; 150 Advocacy campaigns for Refugees; Legal protection of Refugees 4 consultants, one each for the four directorates – Refugees, 2 IDPs departments, Administration			2.50	1.80	1.00	1.00	1.00	7.30

2.0	Livelihood and shelter to resettle IDPs and returnees	Provide small scale production equipment, access to electricity from renewable sources, decent housing, clean water, marketable skills, and critical community facilities to 20 rural and coastal villages to expand employment opportunities and facilitate resettlement of 12,000 IDPs in 5 years.	30 communities gain access to a shared wind and solar based electricity systems, appropriate small scale production and refrigeration equipment to preserve, package and transport output, pump and process water; 12,400 shoats distributed; 8,610 small farms established; 33,000 job opportunities created in fisheries, farming and pastoral activities; 24,750 permanent houses built for IDPs; 7450 pit-latrines built; 46,800 humanitarian relief kits distributed; 5 training centres established; 3050 youth IDPs trained receive marketable skills; Gums and Resins production industry revitalized; Increased production and profitability from fisheries; Increase income from livestock production			5.30	4.90	3.20	1.20	1.20	15.80
3.0	Job Placement for Migration Risk Youth	Generate employment for youth in migration at risk communities	5,000 high school and university graduates gain employment as accountants, IT professionals, project managers, and Administrators;			1.20	1.20	1.20	1.00	1.00	5.60
4.0	Repatriation of Refugees	Provide re-integration packages to 23,000 voluntary returnee refugees	23,000 returnees			1.00	1.00	1.00	1.00	1.00	5.00
5.0	Total Budget					10.00	8.90	6.40	4.20	4.20	33.70

5.4.7. Religious Affairs and Endowments Sector

Situation analysis

The entire population of Somaliland are Muslims who belong to the Sunni branch of Islam and the Shafi'i school of Islamic jurisprudence. Islam, in Somaliland, is almost as old as the religion itself. It dates back to the time of the Hijra. Shortly after the Hijra (670s), the Quraish started persecuting Muslims, and hundreds of the prophet's followers fled across the Red Sea landing on the shores of present day Eritrea and Somaliland. Some of them came to Zaila which was then a thriving port city. It was at this period that Somalis converted to Islam for the first time.

Prior to the colonial rule Somaliland practiced Islamic law and customary law. During the colonial rule the British-Indian common law was introduced, and after independence statutory law was adopted, but the roles of customary and Islamic laws were recognized and maintained. It was during the socialist military regime 1969-91 that Islam became marginalized and suppressed. Since it collapsed there has been a strong resurgence of Islam led mainly by a young generation of imams and Sheiks filling the leadership, spiritual, legal and social cohesion gap left by the previous regime.

Islam is the official state religion of Somaliland, Article 5 of the Somaliland constitution states:

- Islam is the religion of the Somaliland state, and the promotion of any religion in the territory of Somaliland, other than Islam, is prohibited
- The laws of the nation shall be grounded on and shall not be contrary to Islamic Sharia. Every law enacted by the parliament which is not consistent with the principles of Islamic law shall be null and void
- The state shall promote religious tenets (religious affairs) and shall fulfil Sharia principles and discourage immoral acts and reprehensible behaviour
- The calendar shall be the Islamic Calendar based on the hijra, and the Gregorian calendar

The Ministry of Endowment and Islamic Affairs is responsible for the promotion and the preservation of the Islamic heritage of the nation. Its mission is to improve religious affairs and contribute to national development through human resource development and the promotion of righteous values and ethos especially in religious/Quranic schools and Mosques.

In Somaliland, religious practice is very much fragmented and decentralized. In most towns and villages each neighbourhood or community builds its own mosque and runs it independently without central authority interference. The ministry's mandate is mainly limited to four areas: First, it is the final arbiter with regard to all religious questions. Second, it supports Sharia laws within the existing three strand legal system in Somaliland which combines customary, statutory, and Islamic Sharia laws. Under Article 6(3) of the Somaliland Organization of the Judicial Law, District Courts have jurisdiction over all Islamic law issues including family and personal matters. Third, it supports religious studies and institutions. Fourth, the word

‘Endowment’ in its title indicates, the ministry has a social service function. However, due to lack of funds, this is a function it has yet to perform.

There is no official grand mufti who can issue edicts unlike many Islamic Countries. But article 115 of the constitution requires an independent Ulema Council to be set up. The Council is yet to be appointed, but when it is established, it will be responsible for:

- Formulating formal declarations on:
 - religious disagreements that may arise; *and*
 - Matters in which there is a conflict as to whether they are contrary to the Sharia [210], or appear to the Council as being contrary to the Sharia.

The Council shall forward their declarations to the offices which have requested the declarations or to the Constitutional Court, as they deem fit.

- Undertaking research of all kinds from a religious perspective and, particularly, in a way which advances scientific and religious knowledge.
- Reviewing, and validating translated religious Sharia works, and specially those (prior to their acceptance legally) which the courts rely on in their rulings and those which are included in the educational syllabus and relate to religious traditions and knowledge.

Challenges and Opportunities

Challenges:

- Limited physical and human resource capacity of the Ministry
- Poorly qualified teachers in Quranic and religious schools
- Lack of standard, approved curriculum for Quranic and religious schools
- Inability to register and supervise Islamic education institutions
- Fragmentation of religious affairs and services
- Religious extremism
- Practice of un-Islamic traditional rituals like the FGM
- Lack of resources for maintaining National Islamic Heritage
- Absence of Ulema Council yet to be appointed
- Lack of multimedia based strategy for promoting religious values
- Inability to perform Hajj services due to lack of recognition
- Inability to organize and distribute Zakaa

Opportunities

- Religious harmony – 100% of the community are Suni Muslims
- Thriving mosque based religious orientation and education

- Good relationship between the Ministry and the imams and Islamic leaders
- Willingness of the Quranic and Islamic education institutions to collaborate and work with the Ministry

Priorities and strategies

The priorities and strategies during the NDP period include:

- Building the physical and human resource capacity of the Ministry
- Reforming and mainstreaming the Quranic schools curriculum
- Improving the quality of educators working in Quranic and Islamic schools
- Organizing and raising the standard of the mosque based religious affairs services
- Countering extremism
- Promoting moderate Islam

Policy legal and institutional reform

- Carrying out a comprehensive policy and regulations review of the Ministry
- Establishing a policy for Pre-school Quranic education
- Developing policy and plan for Hajj services
- Formulating policy and strategy for the collection and distribution of Zakaa
- Establishing a strategy for the promotion of the true Islamic values and norms

Programs and project

- Reviewing policy
- Training Quranic and Islamic schools teachers
- Training Imams and Ulema
- Registering Quranic and Islamic schools and Mosques
- Preparing a standard curriculum for Quranic schools
- Organizing and distributing Zakaat
- Planning and organizing Hajj
- Raising awareness about the prevention, causes and consequences of HIV/AIDS, FGM, Qat, and smoking from an Islamic perspective
- Raising awareness about extremism and terrorism
- Strengthening the family and promoting parental responsibilities
- Establishing a more comprehensive system for documenting marriages and divorce cases
- Organizing conferences, debates and seminars on topical issues
- Exchanging visitors of Islamic learning with international institutions
- Developing a website and an online service
- Establishing a telephone and a TV program question and answer service
- Building a library and a resource centre

5.4.9: Religious Affairs and Endowments Sector Budget and Implementation Matrix

	Goal	To improve relevance and quality of more									
	Strategic objectives	To build the capacity of Ministry of Religion (MoR)									
		To rehabilitate and construct koranic schools									
		To supply materials and equipments to mosques									
No.	Program	Objective	Projects outputs/outcomes	Source of funds	Implementer	Required Budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	To build the capacity of Koranic schools	To provide skill training teachers about teaching and learning methodologies in Koranic school	• Trainings provided Koranic school teachers to build their capacity	Donors and Somaliland Government	MoR	0.1	0.10	0.10	0.1	0.1	0.50
2	Written curriculum of the Islamic studies and the development of syllabus for Islamic primary schools	To develop curriculum and syllabus for koranic primary schools	• Syllabus and curriculum for Kornic schools produced	"	"	0.1	0.1	-	-	-	0.20
3	Awareness created/ raised on HIV/AIDS in mosques and TVs	To raise public awareness on HIV/AIDS prevention and provide trainings to the religious leaders	• Workshop organized to create public awareness and religious leaders trained on HIV/AIDS prevention	"	"	0.030	0.045	0.046	0.053	0.043	0.217
4	Capacity building for MoR	To build the capacity of MoR for improved service delivery	• Appropriate trainings provided to Ministry staff	"	"	0.05	0.100	0.20	0.10	-	0.45
			• The Head Quarter (HQ) Building of MoR built in Hargeisa and provided with furniture and equipments	"	"	-	1.50	0.15	0.05	0.10	1.80
			• Five regional offices built and furnished for MoR								
			• A library and resource centre			0.1	.10	0.05	0.05	0.05	0.35
			• Conferences, seminars and exchange of scholars			0.10	0.15	0.10	0.05	0.05	0.45
5	Application of IT technology	To provide online information and service	• ICT system established at HQ, web-site developed and swift connections with regional offices maintained			0.10	0.05	0.03	0.02	-	0.20
6	Reducing FGM	To provide trainings to combat FGM	• Awareness campaigns conducted to combat FGM	"	"	0.1	0.10	0.10	0.05	0.05	0.4
7	Strengthening anti-terrorism initiatives	To provide awareness and to community groups to prevent and fight terrorism	• Lectures and presentations conducted to the public for preventing terrorism	"	"	0.1	0.20	0.25	0.20	0.10	0.85
Total Religion Development Budget						0.78	2.45	1.03	0.67	0.49	5.42

5.5. ENVIRONMENT PILLAR

5.5.1. Environmental Protection and Rural Development Sector

Situation Analysis

Somaliland is situated in the Horn of Africa. It lies between the 08°00' – 11°30' parallel north of the equator and between 42°30' – 49°00' meridian east of Greenwich. It is bordered by Djibouti to the west, Ethiopia to the south, and Somalia to the east. Somaliland has 850 kilometres coastline lying along the Gulf of Aden. It has an area of 137,600 km².

The country has four distinct topographic zones: The low-lying coastal plains known as the Guban, running from few to 70 kilometres inland with a very hot summer climate; a high escarpment known as Golis range, running east-west parallel to the coast and rising to over 2000m at Erigavo; A plateau to the south of the mountains known as Ogo, extending to Ethiopia, with an average altitude of 1200m, and Further inland and to the south is the Haud, red sandy plains stretching southwards into Ethiopia, where altitudes fall to some 500m.

Somaliland has a tropical monsoon type of climate. However, there are four distinct seasons: A main rainy spring season from April to June, followed by a dry summer season from July to September. Then there is a short autumn rainy period from October to November, and finally a long dry winter from December to March. Annual average precipitation ranges from less than 50 mm on the coast to 500 mm inland along the Golis range where it may reach sometimes 900 mm. Rain variability is very high. Hargeisa, the capital, for instance, with a long term average of some 400 mm has recorded a range from 209 mm to 810 mm per annum. Temperatures also show some seasonal variations. The winter months are normally cool with average December temperatures in the range of 15 - 26°C, while the summer months are the hottest averaging 26 - 32°C in June.

In the coastal area where rainfall is very low, the vegetation consists of scattered low trees, including various acacias. As elevations and rainfall increase, the vegetation becomes denser, and in parts of the higher plateau areas and the Golis range the vegetation gives way to woodlands. At a few places above 1,500 meters, the remnants of juniper forests and areas of *Euphorbia candelabrum* (a chandelier-type spiny plant) occur, and in the eastern highlands *Boswellia* and *Commiphora* trees, which are sources, of the frankincense and myrrh respectively are common. The Haud, south of the Ogo plateau, is covered mostly by a semiarid woodland of scattered trees, mainly acacias underlain by grasses and low shrubs.

There are many animals that are native to Somaliland. Among the prominent wild native animals are the kudu, wild boar, Somali wild ass, warthog, antelope and cheetah. Domesticated native animals include sheep and camel. Unfortunately some of them are extinct or on the verge of extinction. There are also, many birds and different types of fish found in and around Somaliland.

Travelling across Somaliland today may reveal unbroken stretches of semi desert, with severely degraded vegetation devoid of wildlife. But it wasn't always like that. The scenes described by early travellers in the 19th and up to the middle of the 20th century could not have been more different. Lieutenant Cruttendon (1849), one of the earliest British travellers to the country, commented on the big game that thrived in the interior: 'elephants, lions, leopards, white rhinoceros, ostriches, wild ass, white antelope, dik-dik, kudu, scimitar-horned antelope, cheetah, Oryx, a variety of deer species, gazelle, jerboas, toucan and numerous species of birds, large and small'. Major Swayne, who travelled through Somaliland seventeen times between 1884 and 1893, stated that the country was 'one of the best and most accessible of hunting grounds to be found at present anywhere in the world'. Drake-Brockman (1912) wrote about the biodiversity of the interior plateau of Somaliland: 'The elephants, lions, leopards, Soemerring's gazelle, beisa, dik-dik, quaint hornbills, the babblers and brilliant starlings, the larks, the sweet notes of the nightingale, the tall cedars, the wooded valleys and plains covered with grass..'. Douglas James Jardine (1923), describing the high escarpment vegetation, put it, was covered with 'grass, box trees, acacia, a variety of flowering aloes with crimson and golden blossoms, gum, myrrh, and frankincense trees and almost everywhere the giant euphorbia lends an artificial and stage-like effect to the scene'. Drake-Brockman (1912) characterized the range as 'a park-like country'.

The people of Somaliland have always depended on natural resources for their livelihoods, and this continues to be the case today. But in the past, the population was much smaller, and the pressures on the environment were much less. Increased population, overgrazing, urbanization, and deforestation are turning the 'park-like country' into a waste-land. According to the 1900 British Somaliland Census, the population of the protectorate was only 300,000, compared to the 3.5 million of day, and if the size of livestock per head of the population has not changed, total livestock in Somaliland was about 1.6 million instead of today's 18 million. The urban population in 1900 was also very small. Hargeisa was just a watering point at the time. It was a small town even when it became the capital of the colonial administration in 1941 with a population no more than few thousands compared to nearly 1 million in 2011.

Given the pastoral nature of the Somaliland economy and its reliance on natural resources, economic development can be neither achieved nor sustained without effective management and protection of the environment. This should be based on sound policy formulation, community participation; public promotion of environmental protection; research; capacity building in bio-diversity conservation and renewal, and rigorous enforcement of environmental regulations.

Before colonial times local customary law (the *Xeer*) was used for sharing of pastures, water and other natural resources. Every member of the clan had the right of access to the rangelands and water resources of the territory inhabited by his/ her clan community.

During the British colonial rule in Somaliland a new land tenure and management system was introduced. The colonial administration allocated some communal grazing land to those who

wished to change their livelihood from pastoralism to agro-pastoralism and then demarcated a boundary between grazing and arable land. Land registration, title deeds and land taxation, were introduced in urban centres. Agricultural land was leased for 50 years, and urban land for an indefinite period. Other new land management systems were also introduced: Grazing reserves were made to increase forage availability during the dry season (Jilaal), and Forest reserves were established in the Golis Mountains.

During the civilian government rule (1960-1969), the traditional free grazing in the rangelands and the colonial land rights were maintained. Commercial livestock production was encouraged. Grazing reserves were used as holding grounds for export animals, and rangelands were increasingly privatized.

During the socialist, military regime (1969-1991) a new land tenure law was adopted, declaring that all the land belonged to the state and would be administered by the government. This effectively nationalized the communal rangelands, agricultural schemes and other properties. They also nullified the customary treaties between pastoralists over rangeland management (Bradbury, 1996). But the government made an attempt to maintain and improve the long-term productivity of livestock production and to raise the living standard of pastoralists. Rotational grazing systems, grazing reserves, improved water supply, marketing facilities and veterinary services were introduced. Reserves were fenced and/or controlled by the National Range Agency. The Law for Conservation of Flora and Fauna was enacted for the protection of the natural forests. The law differentiated between forest reserves and unreserved land and included policies for full community participation in proper utilization, conservation, preservation and management of the natural forests. In the 70s the Northwest Region Agricultural Development Project was established in degraded areas in the Waqooyi Galbeed region (Somaliland). Soil conservation, water harvesting (soil bund formation) and improved crop management techniques were implemented.

After the collapse of the central government of Somalia in 1991, Somaliland declared its independence, but all the institutional structures for land management broke down, and appropriation of land and water resources by illegal means started. Any positive impact of land management interventions by previous governments became reversed.

Challenges and Opportunities

The Ministry of Environment and Rural Development is the public body responsible for environmental protection, natural resource conservation, and sustainable rural development. The Ministry faces the following challenges, among others, in achieving its mandate:

Institutional Capacity: The Ministry suffers from:

- Inadequate capacity, both institutional and human resources
- Inadequate funding
- inadequate policies and fragmented institutional frameworks

- weak implementation / enforcement of existing policies
- inadequate legal and regulatory framework

To overcome the above challenges, the Ministry intends to take or is taking the following actions:

- development of a national environment policy
- Capacity building and institutional strengthening
- Reforming sector policies, legal and institutional framework
- Forging and sustaining strategic partnerships
- Enforcing compliance with existing policies
- Mobilisation of domestic and foreign resources for environmental protection

Environment: Unsustainable use of environmental resources and ecosystems is a major problem in Somaliland. The vegetative cover of Somaliland has decreased considerably as a result of deforestation and degradation of its woodlands, rangelands and coastal mangroves. The degradation of its biological resource base in turn has affected the productivity of the agricultural sector, both crop and livestock production, negatively. The situation has been exacerbated by high population growth and climate change as exhibited in environmental refugees and recurrent droughts in the region. The mismanagement of the environmental resources has led to:

- scarcity of water resources,
- soil erosion and loss of soil fertility
- loss of biodiversity and the extinction of indigenous plants and animals
- Natural resource depletion, including forests, rangelands, and fisheries
- Shortage of energy sources
- Wildlife habitat degradation
- Loss of marine habitats
- Overgrazing
- Droughts
- Dropping water tables and increasing water salinity
- Clearance and cultivation of marginal land
- Establishment of unauthorized settlements and villages
- Illegal enclosures of large tracks of grazing land
- Plastic bags pollution
- Gullies and sand dunes
- Invasion of foreign plant species, particularly Prosopis (mequite)(Garanwaa)
- Surface and ground water contamination
- Improper management of urban waste disposal

Charcoal production stands out as one of the main, if not the main environmental challenge facing Somaliland today. It is a major cause of deforestation and environmental degradation

across the country. Charcoal production is both supply and demand driven. On one hand, it is an important provider of employment and income in rural areas, and does not need much of an initial investment. On the other hand, demand is very high, and prices are rising all the time. Almost every family in urban and even rural settlements relies on charcoal as a source of energy for cooking. A common spectacle as you travel from Hargeisa to Berbera is the piles of sacks of charcoal that line up the road. An average household consumes about 3 sacks a month. Each sack weighs 15-20 Kg. In Hargeisa, there are about 150-200,000 households consuming about 9,188 tons of charcoal a month or around 110,000 tons a year. Assuming an average tree produces 150Kg(7-10 bags) of charcoal, 735,000 trees are cut every year to satisfy current demand for charcoal in Hargeisa. Charcoal trade is a big business. A sack or a bag of charcoal costs SSh. 44,000 or about US\$8, which means annual sales of about US\$50,400,000 in Hargeisa alone.

The above environmental problems and challenges have compromised not only the ability of the environment and its ecosystems to provide the necessary goods and services, but also the efforts of the Government to achieve sustainable development. There is therefore a need to develop a national environment policy to harmonize the interests of the different sectors and environmental resource users. It is also necessary to harmonize sectoral policies in line with the national environment policy, enact legal and policy instruments as well as strengthen international cooperation and partnerships to reverse the degradation of the environment. The following steps need to be taken to improve the situation:

- Enhancing environment and natural resources management
 - Develop a national environment and natural resources policy
 - Develop sectoral policies for forests and woodlands, biodiversity, marine resources, wildlife resources, rangelands, water resources, renewable energy, etc.
 - Strengthen/initiate environmental Impact assessment (EIA) and strategic environment assessment (SEA)
 - Undertake environmental research and environmental economics analysis
- Building human resource and institutional capacity
 - Build human resource capacity at the Ministry of Environment and rural development and other sectoral institutions
 - Strengthen / develop physical and organizational capacity of the Ministry
- Improving access to sustainable environmental resources
 - Improve tenure and access to land
 - Ensure equitable sharing of ecosystem goods and services
 - Avoid resources-based conflicts
 - Introduce land use planning
 - Promote community participation
 - Address social and gender issues

- Strengthening/developing appropriate information and communication strategy
 - improve coordination and collaboration among different stakeholders
 - Improve sharing of information and best practices
 - Enhance environmental education and public awareness
 - Lobby and advocate for proper environmental management, protection and conservation
- Mainstreaming of environmental issues into developments plans
 - Mainstream environmental issues into the national development plan
 - Mainstream environmental issues into development partners' development frameworks
 - Mainstream environmental issues into private sector plans and activities
 - Mainstream environmental issues into regional development plans
- Improving ability to generate and use innovations and technologies
 - Promote the transfer of environmentally sound technologies
 - Construct a national herbarium
 - Improve water harvesting techniques (Construction of Haffir dams -large earth dams- in drought prone areas of Somaliland)
- Strengthening/establishing cooperation with environmental and pastoral development concerned agencies / organisations
- Developing integrated monitoring and evaluation systems for environmental protection and pastoral development

Rural Development: About 2/3 of Somaliland's population live in rural setting – villagers, pastoralists and agro-pastoralists. The majority or over 1/2 consists of pastoralist nomads. This is the least developed group of the population in terms of their standard of living, quality of housing, educational attainment, life expectancy at birth, access to health services, clean water, sanitation facilities and electricity. The development aspiration of Somaliland as a nation will remain just an unfulfilled dream unless a way is found for raising the standard of living of the rural community. The challenges in the way of rural development are many and include:

- Lack of appropriate policies and strategies
- Lack of land use plan
- Lack of rural development planning
- Lack of policies for community participation
- Inadequate resources (both human and financial)
- Inadequate infrastructure
- Low literacy level
- Etc.

Some of the major problems in rural development are:

- Low productivity
- Unemployment/underemployment
- Limited alternative employment activities
- Little value added to primary products
- Deteriorating terms of trade
- Declining land productivity
- Shrinking communal pasture land
- Dwindling herds
- Vulnerability to natural elements
- Illiteracy
- Low school enrolment rates
- Malnutrition
- Poor sanitation
- Limited access to human and animal health services
- High infant mortality
- High maternal mortality
- Poor housing
- Lack of access to electricity
- Lack of infrastructure such as roads

Priorities and Strategies

Given these severe challenges facing the natural environment of Somaliland and the rural population, decisive measures are urgently required to be taken. Towards that end, the following key areas will receive priority attention in this NDP period:

- Improving agricultural production and productivity and rural families' incomes
 - Empowerment of the pastoral community to control resource utilization
 - Establishment of alternative economic activities in rural areas
 - Adoption of strategies for disaster preparedness and management
 - Introduction and enforcement of urban planning and rural land management
 - Improvement of watershed areas
 - Investment in rural electrification and water development programs
 - Promotion of cultural tourism
 - Domestication, cultivation and commercialization of indigenous plants
 - Establishment of appropriate education and health service infra-structures
 - Construction of feeder roads
 - Development of strong research and extension program on environment and rural development
 - Promotion of non timber forest production (gum and resins, honey etc)
 - Introduction of microfinance schemes

- Improving live stock production and sustainability of livestock economy
 - Improvement of rangelands
 - Improvement of pastoral community livelihoods
 - Regulation of the establishment of rural settlements and water points
 - Establishment of facilities to address livestock disease
 - Development of rural markets
- Promoting Sustainable fishing
 - Investigation of alleged toxic waste sites /pollution at sea
 - Promotion of fishing and salt harvesting as alternative of source of employment
 - Development of the fishery sector to support the food security of Somaliland
 - Dealing with illegal fishing
- Sustainable management of natural resources
 - Reduction of charcoal use and introduction of alternative sources of fuel and energy, such as gas, coal, solar and wind
 - Enforcement of the ban on charcoal exports
 - Environmental conservation and proper resource utilization
 - Conducting a thorough field-based State of the Environment report to assess the status of natural resources and to guide future resource management and development decisions
 - Investigation of alleged toxic waste sites/ pollution on land
 - Building institutional capacity to manage public policy on sustainable use of natural resources
 - Establishment of game parks and forest reserves
 - Development of reforestation programs
- Supporting public/private partnerships (PPP)
 - Creation of farmer and pastoralist associations
 - Establishment of credit unions and cooperatives
 - Promotion of small scale and craft industries
 - Development of rural markets
 - Development of strong research and extension program on environment and rural development
 - Development of policies to promote PPP

Policy, Legal, and Institutional Reform

Somaliland has drafted an environmental policy, which is yet to be approved by the cabinet. The policy aspires to improve the quality of life of the Somaliland people by conserving and protecting the environment as required in the national constitution, which makes these stipulations:

- Everyone has the right to have an environment that is not harmful to his/her health or well being.
- The environment must be protected for the benefit of the present and future generations through legislations and measures that:
 - Prevent pollution and ecological degradation
 - Promote conservation and secure ecologically sustainable development

The policy is still in the working and needs critical review to ensure that it is clear, coherent and enforceable for the purpose of practical, sustainable management of natural resources and environmental protection.

A crucial requirement for the successful implementation of this policy is the strengthening of the legal framework regulating land and property rights. This will have implications for taxation, economic activity, and people's livelihoods. Currently, there is no consistent and comprehensive legal framework for land and property management; hence, a land commission will have to be established to review the current system for dispute management and draft a new land law. A land tenure survey is also needed, as well as a proper registration system. Likewise, there is an urgent need to develop regulations governing new settlements and water points, plastic bags, and waste disposal.

The Ministry for Environment and Rural Development will have to take the lead in the formulation of an integrated rural development strategy and programs. These must be inclusive and multi-sectoral, building on cooperation between the community, local governments, the private sector, non-governmental organizations and central government institutions.

Programs and Projects

Projects and programs planned under this NDP include:

- Development of new policies and regulatory frameworks for environmental protection and conservation
- Capacity building of the Ministry's physical infra-structure and human resources
- Establishment of nurseries
- Community forestry development schemes
- Restoration of seasonal and drought pasture reserves
- Range rehabilitation and development of agro-forestry and fodder production schemes
- Promotion of alternative sources of energy: gas, coal, solar
- Promotion of 'modern', more efficient charcoal stoves
- Demarcation between rangeland and agricultural land –enforcement of land use planning
- Mobilization of pastoral communities through trainings/workshops and awareness raising aiming at environmental preservation/conservation and at sustainable utilization of natural resources

- Forest protection and conservation and shelter belt programs
- Water and soil conservation schemes at key pastoral grazing areas
- Monitoring of land degradation
- Distribution of audiovisual/print handouts for environmental and pastoral development initiatives
- Establishment of a rural development institute within the Ministry
- Commissioning of a comprehensive rural development needs and opportunities assessment
- Preparation of a rural development policy and strategy document
- Establishment of rural development research and extension program
- Organization of rural community associations and cooperatives to mobilize and pool resources
- Coordination of rural development programs
- Establishment and coordination of inter-ministerial national rural development committee
- Establishment of national agricultural research centre
- Production of non timber forest and dry land products (gum and resins, honey etc)
- Development of microfinance schemes
- Control of invasive plant species
- Rehabilitation of degraded coastal mangrove areas

5.5.1: Environment and Rural Development Sector Budget and Implementation Matrix

	Goal	Promote environmental protection and conservation for securing ecologically sustainable economic development in Somaliland									
	Strategic objectives	To review, update and develop policies and regulatory framework for Environmental protection and conservation									
		To launch various environmental protection and conservation initiatives such as soil and water conservation, and afforestation practices in all regions									
		To improve community awareness towards protection and conservation of natural resources									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of fund	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Capacity Building for Ministry of Environment and Pastoral Development (MoEPD)	To build the capacity of MoEPD for better service delivery	The HQ building of MoEPD constructed in Hargeisa and Regional Offices	Donors and SLG	MoEPD	-	0.50	0.10	-	-	0.60
			Four regional offices established in the capital towns of three regions and provided with office furniture and equipments	"	"	0.30	0.30	0.30	0.30	0.30	1.50
			- Limited number of transport vehicles (not more than six) purchased for the Ministry - MoEPD staff trained in environmental protection and pastoral development	"	"	0.20	0.20	0.20	0.20	-	0.80
			- ICT /data base system established at HQ, web-site developed and swift connections with regional offices maintained - Standardized data collection mechanisms established	"	"	0.02	0.03	0.02	0.01	0.01	0.09
			An Environmental Protection and Pastoral/Rural Development and Research institute established and required accessories provided	"	"	0.50	-	0.50	-	-	1.00
			A Pastoral/Rural development research and extension program established	"	"	1.00	0.80	0.80	0.50	0.50	3.60
2	Policy development	To develop and apply environmental and Pastoral/Rural development policies for protecting and conserving natural resources (rangeland,	One consultant hired for developing forestry, rangeland, wildlife conservation, pastoral, and pollution control policies and related laws	"	"	0.20	0.10	0.20	0.10	-	0.60
			One consultant hired for developing Pastoral/Rural development policy and strategy document, and other laws	"	"	0.05	0.05	-	-	-	0.10

		forest, water and wildlife) and enhancing Pastoral/Rural development in Somaliland	A comprehensive Pastoral/Rural development needs and opportunities assessment conducted	"	"	-	0.20	-	-	-	0.20
3	Wildlife resources management, conservation and protection	To restore, develop and sustainable manage the landscape, ecosystem and the wildlife habitat in Somaliland	- Orphanage centres created in the main towns of Somaliland - Protected areas as national parks and game reserves established and effectively managed	"	"	0.40	0.25	0.15	0.10	0.10	1.00
4	Improvement of range and forest resources coverage in the country	To enhance range and forest cover through reforestation and improvement of natural resources conservation	Watershed and water catchments protection and rehabilitation measures implemented in especially densely populated areas	"	"	1.00	1.00	1.00	1.00	1.00	5.00
			- Forest nurseries sites established in 6 major regions of Somaliland - Tree plantation and shelterbelts formation programs conducted at village level and equipments provided to local communities	"	"	-	1.00	0.50	0.50	0.50	2.50
5	Establishing and strengthening partnership with environmental and pastoral development concerned agencies/organizations	To establish internal and external coordination and collaboration mechanisms for enhancing environmental protection and pastoral development	Effective working relationships established with various government and non-government agencies for fostering environmental protection and pastoral development	"	"	0.10	0.20	0.20	0.20	0.20	0.90
6	Environmental Impact Assessment (EIA) programs	To administer EIA into all planning and implementation processes of development programmes, projects and private sector initiatives	- An EIA unit established in MoEPD and staffed with qualified personnel - EIA undertaken before launching environmentally sensitive programs/projects in Somaliland	"	"	0.03	0.03	0.05	0.05	0.05	0.21

7	Lobbying and advocacy on environmental management, protection and conservation	To lobby and advocate for the protection of Somaliland pastoral society and facilitate the review of legal instruments	• Environment and pastoral lobby and advocacy mechanisms established • Legal instruments addressing pastoral communities reviewed • Locally initiated environmental protection programs and projects promoted and supported • Workshops organized for policy makers • Pastoral environmental Association established	"	"	0.03	0.04	0.04	0.05	0.05	0.21
8	Develop integrated monitoring and evaluation system towards environmental protection and pastoral development	To integrate monitoring and evaluation system in environmental protection and pastoral development initiatives	• M & E system, with qualified staff, established in MoEPD	"	"	0.50	0.40	0.30	0.30	0.01	1.51
			• Purchase of boats for monitoring mangrove plants located in islands of Somaliland for environmental conservation and maintenance of biodiversity	"	"	-	0.30	0.10	-	-	0.40
			• Highly required Environmental and Pastoral/Rural area monitoring tools purchased, and essential seeds collected	"	"	-	0.20	-	-	-	0.20
9	Enhancement of environmental education and public awareness	To create environmentally informed public and cultivate sustainable environmental practices in Somaliland	• Restoration of 12 grazing reserves in Somaliland • Environmental education in schools and universities promoted, and curriculum developed • Nationwide awareness creation campaigns conducted for improving public knowledge on environmental protection • Pastoral/Rural community associations and cooperatives established to mobilize and pool resources	"	"	0.5	0.5	0.5	0.5	0.5	2.50
10	Construction of national herbarium centre	To create storage system and centre for plant specimens	• Appropriate data centre for plant species established in the country	"	"	0.30	0.30	0.30	0.30	0.30	1.50
11	Construction of haffir dams (large earth dams) in drought prone areas of Somaliland	To increase the availability of water in dry grazing of the country and mitigate severe water shortages in pastoral areas	• 20 haffir water dams, with the capacity of 100,000 C.M of water each, constructed in selected drought prone pastoral areas	"	"	0.80	0.80	0.30	0.80	0.80	3.50

12	Eradication of invasive plant species	To control environmentally devastating invasive plant species	Eradicated and cleared approximately 100,000 hector of land occupied by invasive plant species	"	"	0.50	0.50	0.50	0.50	0.50	2.50
13	Promote high quality of natural gum production	Increase gum production and fight poverty and climate change	Establishment of Micro credit finance to support pastoralist to produce gum and resin, train 1000 persons from pastoralist in gum taping and harvesting techniques and business management	"	"	1.00	2.00	1.50	1.00	1.00	6.50
Total Environment Protection and Pastoral/Rural Development Budget						7.43	9.70	7.56	6.41	5.82	36.92

5.5.2. Disaster Preparedness and Management (DPM) Sector

Situation Analysis

Disaster hazards in Somaliland

Somaliland is mainly composed of arid lands with poor rainfall distribution pattern ranging from 50 to 500 mm per annum. Population vulnerability to disasters is predominantly influenced by variations in climatic pattern (e.g. delayed rains or partial failure of rains, floods, droughts etc.). The structural causes of the high degree of vulnerability of the population (especially pastoral communities) to disasters and the factors affecting them are complex and varied. However, focusing on pastoralism, which is the backbone of Somaliland's society and economy; one finds that pastoralist livelihoods are being made increasingly vulnerable to disasters by the factors listed below:

- Poor natural resources management practices such as the burning of rangelands and forests for charcoal production
- Environmental degradation
- Poorly managed droughts
- Conflict (or its threat)
- Privatization and enclosure of rangelands
- Marketing structures that fail to work for the benefit of the poor (including successive bans on the export of livestock by the gulf states)
- Limited access to and availability of basic social services (health, water, emergency services)
- The effect of widespread poverty
- Lack of international recognition that disqualifies Somaliland from entering into formal trade agreements with foreign governments and receiving multi-lateral financial assistance from international banking institutions for building community capacities

Somaliland as a country faces multiple hazards that include droughts, floods, civil conflict, epidemics, pest infestation (locusts), earthquakes, and oil spills. Even in normal times, nomads and agro-pastoralists spend most of their time searching for the basic essentials of life: food and water for themselves and their animals. The entire country suffers from perpetual but unpredictable water shortage due to failure of seasonal rains. That causes, sometimes, prolonged droughts with devastating consequences. This is more common in the eastern regions of Sool, Sanaag and parts of Togdheer. Droughts are known to occur in Somaliland in a cycle of 4 or 7 years.

Epidemics are not as common as droughts, but they do occur from time to time. The last serious outbreak was the rift valley epidemic which affected most of IGAD countries in the Horn of Africa. That resulted in the imposition of a ban on animals coming from this area by the main importing country, Saudi Arabia, from February 1998 to May 1999, and from September

2000 to November 2009. This ban exerted serious economic impact on Somaliland for nine consecutive years.

Political conflicts from the liberation wars of the late eighties to the internal conflicts of 1995-7 created a refugee and displacement crisis that is apparent to the present day. Most of urban centres suffer from strains on the meagre resources, such as water, as a result of refugee resettlement programs.

The cost of disasters in Somaliland have clearly been enormous both financially and in terms of lives and livelihoods lost, social structures eroded and development prospects either not realized or curtailed. At the present time, there is a functioning disaster management coordination structure in the country. There is also a UN managed food and nutrition surveillance system. However, there exist serious deficiencies in the management, effectiveness, efficiency and coordination of these structures and systems.

NERAD

In recognition of the hazards that the country faces and acknowledging the high level of vulnerability of the population to these hazards, the government of Somaliland established the National Environment Research and Disaster Preparedness Authority (NERAD) in 2003, which got its legal status in June 2007 being placed under the office of the Presidency (proclamation NO.35/2007). NERAD is an autonomous public institution of the government of Somaliland empowered by legislation as the official lead government institution with respect to disaster management and coordination in Somaliland. However, the authority faces several difficulties with respect to disaster management; including:

- Defining its relationship with other government institutions, international organizations, and the local community
- Building up its human, financial and physical resource base; and
- Implementing its early warning system and drought response (EWS &DR) strategic plan

Oxford GB and UNICEF have been jointly giving support to NERAD since its establishment especially on training the NERAD team on SPHERE standards, financial management and basic early warning system (EWS). Oxfam GB has also supported NERAD to develop a strategic plan; an early warning and drought response (EW&DR) programme, and a draft policy framework. Both the strategic plan and the EW&DR programme implementation strategy identified the need for strong early warning system (EWS), a drought contingency plan, a drought contingency fund, and functional structures for implementing the EWS & DR programmes. UNOCHA is another organization that supports and works with NERAD.

The drought of 2004 taught the government of Somaliland and all other stakeholders about the need for not only a policy for dealing with disasters, but also for the capacity to predict and prepare for them. The government recognizes that although drought (disasters) cannot be

avoided, its impact on food insecurity, livestock loss and family livelihoods can be mitigated through effective timely interventions.

Challenges and Opportunities

Challenges

Key challenges facing the Disaster Preparedness and Management sector in Somaliland are:

- **Weak coordination**

NERAD coordination mechanisms of disaster management in Somaliland are weak and insufficient. This is mainly attributed to the lack of clear and distinct mandates for the various government institutions involved in disaster management, especially among NERAD and line ministries. Overlapping mandates, roles and responsibilities cause unnecessary competition for resources, lack of cooperation in information sharing, and inadequate delegation of responsibilities to NERAD staff to harmonize implementation plans. In addition, there is lack of clear departmental roles and responsibilities within NERAD, and an inability to station focal points at regions, coupled with lack of willingness by the regions to employ monitoring staff to provide the necessary information link between the field and the national centre.

Such inadequacy in the coordination of disaster management interventions causes untimely interventions resulting in unnecessary high human and livestock casualties, and wastage of resources.

- **Low institutional capacity of NERAD**

The institutional capacity of NERAD for coordinating preparedness and response to disasters is very low. NERAD suffers from lack of qualified staff; limited access to information due to inadequate ICT skills, and lack of operational Management Information System (MIS). Clear, well defined job descriptions, and roles and responsibilities for its staff and departments are also lacking. Inadequate physical infrastructure and lack of appropriate means of transport is a major obstacle. Lack of capacity among disaster management regional and district committees constitutes another problem.

- **Environmental degradation**

The existence of extreme and continuous environmental degradation in Somaliland, especially in rangelands and mountain areas, and the lack of national land use policy exacerbate disasters and undermine disaster preparedness and management (DPM) efforts in the country.

- **Lack of sustainable livelihood programs**

There is lack of promotion of sustainable livelihood programs in Somaliland. The promotion of sustainable natural resources management; the enhancement of traditional disaster/drought coping mechanisms, and development alternative income generation activities are all lacking or limited. This situation tends to perpetuate community vulnerability to disasters and undermine its resilience to dealing with hazards.

These challenges can be summarized as:

- Poor coordination
- Overlapping roles and responsibilities between NERAD and some line ministries
- Inadequate institutional capacity in both NERAD and concerned line ministries
- Lack of disaster contingency fund
- Lack of professional staff with knowledge and experience on disaster management
- Lack of information
- lack of understanding of indigenous drought coping mechanisms
- Lack of monitoring and evaluation systems
- Inadequate public awareness about disaster management issues at all levels
- Lack of knowledge, skills and resources for disaster preparedness and response at regional, district and community levels
- Lack of disaster contingency plans at regional and district levels
- Absence of NERAD branch offices at regional and district levels
- Lack of communication facilities at national, regional and district levels
- Lack of established and functioning disaster preparedness and management committees at regions and districts
- Inadequate infra-structure and means of transportation
- Slow response from the international community to dealing with disasters (droughts)

Opportunities

Despite the above challenges, there are factors that favour better disaster preparedness and management. These are:

- Establishment of NERAD, which is responsible for coordinating response to disasters
- International resolve to combating climate change and associated environmental and humanitarian calamities
- Commitment of the government of Somaliland to environmental protection and disaster management
- Financial and technical support offered by international organizations in monitoring and dealing with the effects of disasters

Priorities and Strategies

The country needs to have an effective disaster management strategy to be able to prepare for, respond to, and mitigate the effects of disasters. Such a strategy would include:

- Disaster management policy and plan
- Committed central government in charge of coordination, management and leadership
- Effective DPM institutional structure that is multi-agency in composition and multi-sectoral in approach, extending down to the region and district levels for implementation purposes
- Credible, timely and appropriate information systems to guide planning and response (including early warning, vulnerability assessments, needs assessments and monitoring and evaluation)
- mainstreaming disaster management in national policies , plans, strategies and budgets

Policies, legal and Institutional Reform

The establishment of NERAD in 2003 was the first step in institutionalizing DPM functions in Somaliland. NERAD was set up as the official lead government institution for disaster management and coordination in Somaliland. A National Disaster Management Committee (NDMC) was also created by an Act of Parliament and a proclamation signed by the President in June 2007.

In 2005, with the support of Oxfam GB, NERAD prepared the first five year (2005 – 2009) National Disaster Preparedness and Management Strategic Plan, and a draft National Drought Preparedness and Management Policy Outline (as a supplement of the National DPM Strategic Plan). NERAD coordinated the preparation of a National Emergency/Contingency Plan in 2006. An Early Warning and Drought Response (EW&DR) Program Implementation Strategy was developed by NERAD in 2007 with the support of Oxfam GB. In 2008, NERAD organized a workshop and reviewed the previous DPM strategic plan and developed a revised five year (2008 – 2012) National Disaster Preparedness and Management Strategic Plan. Despite these developments, there still exists the need to take robust and focused action in promoting DPM and dealing with disasters in Somaliland, which means:

- Formulating a National Drought Preparedness and Management Policy
- Continuously updating/revising Disaster Preparedness and Management Strategic Plans in conformity with national policies, development plans and strategies
- Developing and updating Disaster Contingency Plans at national, regional and district levels
- Developing a National Land Use Policy, and
- Strengthening DPM mandated institutions
- Establishing nationwide metrological stations.

Projects and Programs

The main projects and programs to be launched through this NDP are:

- Building the institutional capacity of NERAD and associated line ministries
- Establishing Early Warning systems
- Developing Disaster Preparedness and Management System in the country including formulation of appropriate policy and strategy
- Enhancing public awareness about Disaster Management and Preparedness
- Developing and establishing effective information system and networking
- Establishing and implementing appropriate intervention coordination mechanisms
- Promoting Research and enhancing the creation of environmentally friendly livelihood systems especially in disaster prone areas

5.5.2: Disaster Preparedness and Management Budget and Implementation Matrix

	Goal	To build local capacities of communities and other actors to create disaster resilient society in Somaliland (SL)									
	Strategic Objectives	To review, update and develop policies and regulatory framework for guiding Disaster Preparedness and Management operations in SL									
		To improve community awareness towards Disaster Preparedness and Management									
		To launch various Disaster Preparedness AND Management Initiatives to create disaster resilient communities in SL									
No.	Programs	Objectives	Project Outputs/Outcomes	Source of funds	Implementer	Required budget (USD Millions)					
						2012	2013	2014	2015	2016	Total
1	Building institutional capacity of NERAD	To build the institutional capacity of NERAD for better service delivery	- Institutional need assessment carried out - Trainings provided to the staff of NERAD and other related line Ministries in DPM, and workshops and exposure tours organized - Three regional offices established in Hargeisa, Borama and Burao, and provided with office furniture and equipments - Four transport vehicles purchased for Hargeisa, Borama, Burao and Berbera regional offices - Rector measurement and observation materials established in Awdal region for measuring earthquake	Donors and SLG	NERAD	0.70	0.51	0.42	0.30	0.25	2.18
2	Establishing Early Warning systems	To develop a nationwide Early Warning System for Disaster Risk reduction	- An Early Warning system established and functional in Somaliland - Rapid Emergency assessment and response monitoring conducted regularly - Disaster Risk data and information Unit established within NERAD - A study on drought and water trucking conducted for investigating the dynamic effects such interventions	"	"	0.25	0.10	0.11	0.13	0.13	0.72
3	Developing Disaster Preparedness and Management Systems	To initiate a National Disaster Preparedness and respond mechanism for Disaster Risk reduction	- A Disaster Contingency Plan prepared at National, regional and district levels, and being updated every 6 months - National Food Reserve Stocks and warehouses established and strengthen at Berbera, Burao, and Hargeisa - Boreholes dug at strategically selected locations within drought prone regions in	"	"	0.55	0.25	0.15	0.15	0.12	1.22

			collaboration with mandated line Ministries and development partners Public awareness raised on disaster risk preparedness and management mechanisms through the use of Radio, TV, drama, poetry, and related plays								
			- Disaster preparedness and management operations coordinated and overlaps avoided - Regional disaster management committees established, strengthened and their functions sustained	"	"	0.12	0.16	0.25	0.16	0.16	0.85
4	Promoting Research and enhancing environmentally friendly livelihood systems	To promote sustainable livelihood endeavours through innovative research that builds the local capacity of the vulnerable population	- Community based adaptive research conducted in drought prone areas - Traditional drought coping mechanism identified and documented - Sustainable livelihood promoted and supported through drought training demonstration and research - Establish functional Meteorological data collection sites in all districts - Drought reserve selected, one in each region, as a prototype - Fodder production promoted and protected Bio-diversity areas established - On farm food reserves promoted especially in potential agricultural districts	"	"	0.13	0.21	0.21	0.25	0.15	0.95
Total Disaster Preparedness and Management Budget						1.75	1.23	1.14	0.99	0.81	5.92

6. FINANCING NDP

6.1. Capital Requirement

The National Development Plan is basically a public investment program (PIP) that stretches over a five year period and organized under five-pillar headings as the following tables show: (see also appendix 1).

Table 6.1.1: NDP-Annual Capital Investment Requirements (2012-2016)

Year	Total (US\$ millions)	% of total requirement	%of GDP(US\$1050 million)
2012	184.19	15	18
2013	281.81	24	27
2014	281.32	24	27
2015	249.49	21	24
2016	193.19	16	18
Grand Total	1190.03	100	113

Table 6.1.2: NDP-Capital Investment Requirement by Pillar

Pillar	Total (US millions)	% of total requirement	%of GDP(US\$1050 million)
Economy	174.55	15	17
Infrastructure	486.99	41	46
Governance	191.13	16	18
Social	294.5	25	28
Environment	42.83	4	4
Grand Total	1190.03	100	113

The total capital investment required, which is **US\$1190.03** million is based on the projections provided by more than 49 public entities (ministries, agencies, commissions etc.) through which the government conducts its business. Assuming a nominal per capita income of US\$300, this is equivalent to about 113% of the GDP. Annual requirements vary from 18% to 27% of the GDP. The average annual requirement is around US\$238 million or about 23% of GDP. This is quite reasonable figure given the small base of the GDP and decades of neglect in public investment. 7-10% of GDP in public Investment Programs on annual basis is often recommended to achieve and sustain high economic growth in a country. In terms of sector requirements, infrastructure accounts for the biggest share or 40.9% of the total, followed by the Social sector accounting for 24.7%. These are critical sectors that have not received due attention until now.

These capital requirements are beyond the means of the government whose total annual budget for 2011 was less than US\$90 million which is equivalent to only 8% of the GDP and had no capital investment component in it.

6.2. Sources of Financing

In order to ensure adequate financing of the NDP, the Government intends to optimize and mobilize all the resources—both domestic and foreign—which are needed for the attainment of NDP investment targets, and to ensure rigorous and effective management of these resources.

The main potential sources are:

Domestic Sources

- Government Revenues (from budget)
- Domestic Private sector investments

External Sources

- Diaspora Contribution
- Aid
 - Bilateral
 - Regional institutions (IGAD)
 - INGOs
 - Private donors and trust funds
 - UN agencies
 - International financial institutions (ADB, WB, IDB)
- Direct Foreign Investment

These sources are expected to contribute to the **US\$1190.03** million public capital investment required over the five-year National Development Plan as follows:

Table 6.1.3: NDP-Financing by Source

Year	Total (US\$ Millions)	Government	Private	Diaspora	Donors
2012	184.19	10	8.97	0.45	164.77
2013	281.81	12	25.63	0.63	243.55
2014	281.32	15	43.94	0.81	221.57
2015	249.49	18	33.59	0.99	196.91
2016	193.19	19	19.98	1.17	153.04
Total	1190.03	74	132.12	4.05	979.86
%	100	6.22	11.10	0.34	82.34

Government Revenues

Over the NDP period, the government projects to increase tax revenues from US\$90 to US\$150 million. In terms of GDP, the government intends to raise domestic revenues as share of GDP

from about 8% to 12%. It plans to allocate 7% of the projected budget in 2012 to public investment programs and increase its share to 10% by 2016. The increase in revenue will come from various sources: first, from improved efficiency in the collection and enforcement of payments; second, from broadening the tax base by introducing a value added tax that applies to all transactions except those related to most basic necessities; fourth from increasing tax rates on luxury items and non-essential health damaging consumer goods such as Qat and cigarettes.

Private Sector Investment (Domestic and Foreign)

The private sector is expected to contribute substantially to the five year investment program, particularly in the productive sector and public utilities, where it is projected to invest up to US\$132.12 million or one third of the total investment required in these areas (see table 6.1.4). Industry accounts for the bulk of private investments, i.e. 53.54%. This is due to expected investment in Berbera Cement Factory which will cost about US\$70 million. Utilities follow suit, accounting for 30.58% of the projected total private investment. Investment in public utilities i.e. water and energy will be mainly in the form of public private partnership (PPP). In the Plan period, the Government will endeavour to encourage and facilitate Public Private Partnership (PPP) projects in all areas of the economy and social services sector.

Table 6.1.4: Private Investment by Sector

Sector	2012	2013	2014	2015	2016	Total	%
Agriculture	1.06	2.29	1.84	1.41	1.17	7.77	5.88
Livestock	0.77	1.17	1.16	1.11	0.85	5.06	3.83
Fisheries	0.6	0.39	0.27	0.24	0.44	1.94	1.47
Industry	1.72	10.54	28.94	19.27	10.27	70.74	53.54
Energy	0.48	2.30	0.45	0.71	1.12	5.06	3.83
Water	3.42	4.18	3.07	3.13	2.31	16.11	12.19
Hargeisa Water Agency	0.43	2.42	4.9	0.77	2.47	10.99	8.32
Berbera Port	0.46	0.32	0.48	4.73	0.21	6.2	4.69
Somaliland Electricity Agency	0.03	2.02	2.83	2.22	1.14	8.25	6.24
Total	8.97	25.63	43.94	33.59	19.98	132.12	100

Diaspora Contribution

The Diaspora will be asked to contribute just US\$1 for every send transaction to a special trust fund. Annual remittance from the Diaspora is estimated to be in the order of US\$500 to US\$600 million. Average remittance is about US\$300, which implies 1.8 million transactions per year on average. Assuming that only 25% of the remitters comply in the first year and that an annual 10% increase thereafter is realized, achieving 65% compliance by 2016, contributions in the first year will amount to US\$0.45 million and are expected to rise to US\$1.17 by 2016. The trust fund will be managed by a trust board with members representing the government, the private

sector and civic societies. The fund will be used exclusively to finance capital projects within the five-year National Development Plan. The government will also encourage the Diaspora to invest in the country and will provide the necessary incentives to entice them.

Donors

Given the meagre resources available to the government from its budget, and the absence of credit facilities, the bulk of the capital investment for the National Development Plan, i.e. **US\$979.86 million**, will have to come from external sources, which include UN agencies, the EU, individual countries, international NGOs, trust funds, regional organisations, international financial institutions, companies and individuals. The sum required may seem large, but in GDP terms, the average annual capital investment expected from donors is just about 18% of GDP. The financial assistance required under the Reconstruction and Development Program (RDP) for Somaliland over the five year period 2008-2012 was US\$551.6, which is about half the current plan requirement, but nevertheless significant.

Table 6.1.5: Projected Donor Contribution to NDP (2012-2016)

Year	2012	2013	2014	2015	2016	Total
US\$ (Millions)	184.19	281.81	281.32	249.49	193.19	1190.03

Table 6.1.6: Projected Donor Contribution to RDP (2008-2012)

Year	2008	2009	2010-2012	Total
US\$ (Millions)	90.90	124.60	336.10	551.60

Somaliland national sovereignty is not yet recognized officially by the international community. This creates an impediment for the Somaliland authority to access direct bilateral and multilateral aid and to access credit from international financial institutions. Somaliland has hence relied heavily on aid through the UN and international agencies since its inception. This has been crucial during the relief and recovery stages and still is. But aid could have been more effective, if it were more aligned with national priorities, better coordinated, more transparent and outcome oriented.

In the present NDP period, we expect international donors to adhere to the five principles of Paris declaration i.e.;

- Ownership,
- Alignment,
- Harmonization,
- results and
- Mutual Accountability.

Ownership awards us the right to determine our own strategies for development which are embodied in our vision 2030 and the five-year national development plan (NDP). Alignment requires donors to support these strategies and plans. Harmonization obliges donors to streamline and better coordinate their activities to avoid wasteful duplication. Results means donor intervention must be directed to achieving clear goals and progress towards these goals must be monitored; Mutual Accountability imposes upon us and the donors the responsibility to ensure that these goals are achieved.

6.3. Implementation and Monitoring

NDP Implementation

The implementation of Vision 2030 and NDP (2012-2016) will be overseen by Somaliland National Planning Commission (SNPC). The SNPC is lead by the Minister of National Planning and Development and consists of the following 16 members:

1. Minister of National Planning and Development
2. Minister of Finance
3. Minister of Education
4. Minister of Health
5. Minister of Mining, Energy and Water Resources
6. Minister of Livestock
7. Minister of Agriculture
8. Minister of Fisheries
9. Minister of Trade, Industry and Tourism
10. Minister of Public Works
11. Minister of Labour and Social Affairs
12. Minister of Environment and Pastoral Development
13. Governor of the Central Bank
14. Chairman of Chamber of Commerce
15. Chairman of SONYO (Local NGOs umbrella)
16. Dean of the Faculty of Economics of the biggest national university

The functions and duties of the SNPC are:

- To provide policy advice on development to the President
- To set national priorities and goals and bring about consensus among government agencies
- To review and appraise progress of the National Development Plan mid-year (end of June) and end-year (end of December)
- To assess the human, natural and capital resources of the nation
- To oversee the formulation and preparation of long-term, medium-term and short-term national development plans
- To co-ordinate, monitor and evaluate development plans, policies and programmes

- To advise on changes and adjustments in institutions and management techniques necessary for the alignment of actions with plan targets and goals
- To conduct research into various issues of interest to the National Development Plan
- To mobilize popular support for Government development policies and programs
- To mobilize resources for the National Development Plan
- To oversee international aid, technical assistance and cooperation
- To deal with matters relating to regional economic co-operation
- To carry out such other duties as are necessary or expedient for the full discharge of all or any of the functions conferred on the Commission

The SNPC is supported by a secretariat office within the MoNPD. The functions and responsibilities of the Secretariat are as follows:

- To convene the meetings of the National Planning Commission
- To prepare agenda for its consideration
- To act as the Secretariat of the various committees which SNPC may constitute to carry out its functions
- To coordinate the Planning Units of ministries and autonomous agencies
- To prepare quarterly progress reports for SNPC
- To work as the executing agency for the decisions made by the Commission

At the sectoral level, the planning units of each Ministry are responsible for the implementation and coordination of development programs. The planning units will work closely with the MoNPD, which coordinates them and provides technical support.

NDP Monitoring and Evaluation

The purpose of national development plans is to achieve defined results in priority areas by mobilizing limited resources and using them effectively. Hence, there is an increasing consensus internationally that facts and figures are crucial for the success of the development planning process. In many countries, development efforts have been compromised by not focusing on results.

There are also growing citizen pressures throughout the world to improve the performance of their governments, and Somaliland is no exception. One strategy now being employed in both developed and developing countries is to design and construct performance-based monitoring and evaluation systems, so as to track the results produced by governments.

M&E is a legal and mandatory process which must be executed by the government, because the constitution requires efficient public institutions that serve the people, and embody the principles of good governance, ***transparency and accountability***, and participatory decision making. Thus, to ensure transparency, accountability and effectiveness all programs and

projects implemented in Somaliland by humanitarian and development partners, as well as the government must be subjected to M&E.

In line with this, a Presidential Decree, issued on February 2008, mandated all governmental institutions to establish Planning and Statistical Units (PSU) that serve as the focal point for planning, and monitoring and evaluation.

Thus, the implementation process of the five year NDP of Somaliland needs to encompass monitoring and evaluation activities of all programs and projects to ensure transparency and accountability, and above all success of the plan and fulfilment of national aspirations. The M&E system should be participatory and comprehensive. Monitoring and evaluation will be, therefore, carried out at the following levels and stages over NDP period.

- **At the national level:** A National Monitoring and Evaluation Committee, whose composition is to be determined by SNPC, will be established. The committee will be supported by a monitoring and evaluation team based within the Ministry of National Planning and Development to assess programs and projects, and appraise sector level evaluation reports.
- **At the sectoral level:** The chairperson and co-chair of each sector forum will lead a team which represents the ministries within the sector. The team will evaluate the performance of the sector as a whole on quarterly basis. The sectoral M&E teams will work closely with the National M&E committee and MoNPD.
- **At the institutional level,** Director Generals will be ultimately responsible for monitoring and evaluation which will be carried out by the planning and statistics unit in each ministry and institution. **At the sub-administrative unit level:** the highest officer who is responsible for the implementation of NDP programs will be also charged with the task of monitoring and evaluation at that level, i.e. region, district, department etc.

All the parties responsible for administering and effecting M&E during the NDP implementation phase shall adhere to and follow the reporting guidelines and operational procedures set out by the Somaliland M&E policy.

M&E Implementation Strategy

Three types of evaluation shall be carried out on quarterly basis and as required. These are:

- pre-implementation plan review;
- process evaluation, and
- output evaluation

- **Pre-implementation plan evaluation**

All new projects must receive a Project Implementation Approval (PIA) from the Ministry of National Planning and Development. The Ministry will assess project alignment with sector and national priorities. It will also review the new project's logical **cause-and-effect** link by evaluating whether the project's result-chain or its operational sequence to achieve expressed objectives is realistic. It will evaluate stated program or project inputs, processes, and results. This type of evaluation will answer the question of whether a specific project or program is in line with national priorities and can realistically achieve the desired outcome.

- **Process and Interim Monitoring and Evaluation**

Evaluation and monitoring of an initiative underway requires on site assessment to oversee the initiative's loyalty to the project document planned activities. An M&E team lead by the Ministry of Planning will visit and oversee project assets, activities and sites, such as construction sites, trainings, equipment and material, workshops, etc to ensure loyalty between the realities on the ground and project plans.

- ***Output and end project monitoring and Evaluation***

Projects and programs will be evaluated on conclusion. They will be evaluated on whether the project or program was completed on time, on budget and according to plan specifications in terms of output and results. A joint monitoring and evaluation team from the Ministry of National Planning and Development and the Planning Unit of the project or program line ministry will carry out the evaluation at this stage.

Measuring Dimensions

Relevance, Effectiveness, efficiency, equity, and sustainability are the five standard parameters that will be assessed in program and project evaluation.

- **Relevance** – Evaluation on the basis of this dimension will establish on whether the project or program meets the priority needs of the beneficiary
- **Effectiveness** – This determines how well the project yields desired and anticipated results
- **Efficiency** – This is a cost effectiveness measure which establishes if maximum output possible has been achieved from unit cost, or whether cost could have been minimized.
- **Equity** – This is about equal opportunity and accessibility, and evaluation on this dimension will determine whether there are groups excluded from benefiting from the project on the grounds of social, cultural, economic, age, ethnic or disability background.

- **Sustainability** – This is an important dimension and measures the survivability or the self sustainability of the project after handover or completion or cessation of external intervention and support.

6.4. Assumptions and Underlying Risks

The realization of Somaliland Vision 2030 depends on the successful execution of this first five year NDP (2012-2016). But successful implementation of the plan depends on the materialization of the following assumptions whose failure will pose serious risk to its accomplishment.

- **Existence of sustainable peace and political stability:** This is critical and must be strengthened as progress cannot be made without peace and stability
- **Strong cooperation and coordination:** A successful implementation of the plan essentially depends on close cooperation between public entities, strong public-private partnership; broad community participation, and good coordination among government, international donors and implementing agencies
- **Existence of public and political will:** Strong public support and commitment from the political leadership are extremely important for the effective execution and smooth implementation of the National Development Plan
- **Availability of funding:** - This is crucial as the plan cannot be executed and will remain just a dream on a piece of paper unless it is adequately resourced. Most of the funding is expected to come from the donor community and its commitment and support for the plan is absolutely critical

7. ANNEXES

Annex 1: Financing required by Sector

No.	Sector	2012	2013	2014	2015	2016	Total 5Yrs
I: Economy (US\$ 174.55)							
1	Finance	5.00	4.10	2.80	2.30	1.10	15.30
2	Central Bank	0.56	1.40	0.56	0.55	0.56	3.63
3	Planning	3.49	2.99	2.95	2.58	4.3	16.31
4	Agriculture	3.47	7.08	5.82	4.22	3.50	24.09
5	Livestock	4.48	5.99	5.51	4.78	4.48	25.24
6	Fisheries	1.80	1.17	0.81	0.72	1.32	5.82
7	Industry	1.91	11.71	32.16	21.41	11.41	78.60
8	Mining	0.13	0.08	0.02	0.03	0.15	0.41
9	Private sector	0.3	0.55	0.55	0.35	0.25	2.00
10	Diaspora	0.35	0.60	0.60	0.60	1.00	3.15
Total Budget of Economic Pillar		21.49	35.67	51.78	37.54	28.07	174.55
II: Infrastructure (US\$ 486.99)							
1	Roads	9.20	34.72	75.56	69.58	56.59	245.65
2	Transport & Housing	4.22	3.63	0.74	1.10	1.34	11.03
3	Post & Telecommunication	1.99	3.48	3.27	0.31	0.27	9.32
4	Civil Aviation	5.00	13.15	13.00	7.75	5.50	44.40
5	Information & Media	2.14	2.43	1.88	2.28	1.32	10.05
6	ICT	2.75	2.38	1.15	1.05	0.55	7.88
7	Berbera Port	1.39	0.97	1.43	14.20	0.64	18.63
8	Las-Qoray Jetty Re-Development	0.74	4.85	1.20	7.01	0.20	14.00
9	Energy	1.44	6.90	1.36	2.12	3.35	15.17
10	Electricity	0.10	6.05	8.50	6.65	3.45	24.75
11	Water	10.26	12.54	9.20	9.40	6.94	48.34
12	Hargeisa Water Agency	14.08	7.06	4.60	0.46	5.86	32.06
13	Somaliland National Printing Agency	0.36	0.14	1.23	1.74	2.24	5.71
Total Budget of Infrastructure Pillar		53.67	98.30	123.12	123.65	88.25	486.99
III: Governance (US\$ 191.13)							
1	Justice & Attorney	6.75	8.30	4.75	4.43	1.60	25.83
2	Attorney General	0.71	0.72	0.47	0.08	0.00	1.98
3	Human rights	0.49	1.88	0.73	0.69	0.15	3.94
4	Home Security	4.28	7.76	5.17	3.00	1.72	21.93
5	Mine Clearance	1.09	0.62	0.63	0.62	0.62	3.58

6	National defence	0.40	2.40	2.05	0.00	0.00	4.85
7	National Demobilization	2.42	3.42	3.35	2.10	2.10	13.39
8	Local Government	16.29	14.81	14.81	14.81	14.81	75.53
9	International Cooperation	0.60	2.17	0.84	1.71	0.67	5.99
10	Good governance	1.98	3.33	2.94	1.98	2.02	12.25
11	Auditing General	2.10	1.30	0.75	0.80	0.30	5.25
12	Quality Control	0.55	2.35	0.80	0.05	0.00	3.75
13	Civil Service	5.18	0.29	0.14	0.12	0.70	6.43
14	Civil Service Institute	0.12	0.19	0.19	0.14	0.14	0.78
15	Parliament	0.00	2.07	1.58	0.25	0.25	4.06
16	Civil Society (NGOs)	0.26	0.26	0.46	0.26	0.26	1.50
Total Budget of Governance Pillar		43.22	51.87	39.66	31.04	25.34	191.13
IV: Social (US\$ 294.53)							
1	Health	14.94	40.65	24.78	20.24	16.88	117.49
2	AIDs	3.57	3.22	3.44	2.92	2.69	15.84
3	Primary, Secondary and Gender Education	15.52	8.49	7.71	7.14	7.17	46.03
4	Higher Education	2.32	4.69	4.89	5.54	5.53	22.97
5	Labour & Employment	2.00	2.16	1.78	1.75	1.70	9.39
6	Social Affairs Sector (Social Welfare)	3.06	3.24	3.14	3.02	3.40	15.86
7	Youth, Sports and Culture	4.44	11.24	4.89	4.39	2.89	27.83
8	IDP's	10	8.9	6.4	4.2	4.2	33.7
9	Religious affairs	0.78	2.45	1.03	0.67	0.44	5.42
	Total Social Pillar	56.63	85.04	58.06	49.87	44.9	294.53
V: Environment (US\$ 42.83)							
1	Environment	7.43	9.70	7.56	6.41	5.82	36.92
2	Disaster Preparedness	1.75	1.23	1.14	0.98	0.81	5.91
Total Budget of Environmental Pillar		9.18	10.93	8.70	7.39	6.63	42.83