



SOMALILAND ECONOMIC FORUM REPORT

2023

**SOMALILAND'S ECONOMIC FUTURE:
INVESTING IN DIVERSIFICATION AND MODERNIZATION**

<https://sef.govsomaliland.org>



Acknowledgements

On behalf of the Somaliland Cabinet Economic Subcommittee, I would like to extend our heartfelt thanks and recognition to everyone who contributed to the successful accomplishment of the 2023 Somaliland Economic Forum. Your dedication and commitment have been instrumental in shaping a productive and impactful event.

We are immensely grateful to the esteemed members of academia, our knowledgeable panelists, and the diligent private sector stakeholders who brought invaluable insights and perspectives to the discussions. A special thanks also goes to our development partners and government agencies whose collaboration and support were fundamental throughout the process.

Our technical team deserves particular recognition for their tireless efforts and attention to detail. Your hard work ensured the seamless organization of the forum and the creation of the outcome report, along with the prioritization of key projects that promise to guide our economic initiatives moving forward.

This forum has been a testament to what we can achieve when we come together, sharing expertise and visions for the future of Somaliland's economy. We are confident that the outcomes of this event will lead to significant advancements in our collective goals.

Thank you once again for your valuable contributions. We look forward to continuing this journey together, fostering an environment of growth and prosperity for all.

Warm regards,

Dr. Saad Ali Shire

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Background

The 2023 Somaliland Economic Forum, held in Hargeisa from October 14-15, 2023, builds on the achievements of the 2022 edition, which brought together more than 300 experts from Somaliland. Distinguished by its increased ambition, this year's forum placed a significant emphasis on formulating and implementing concrete policies for the vital objectives of economic diversification and modernization.

Theme

The overarching theme, "Somaliland's Economic Future: Investing in Diversification and Modernization" underscores the significance to steer the country towards a more resilient and competitive economic landscape.

The 2023 Somaliland Economic Forum is strategically designed to achieve several key objectives, aimed at fostering comprehensive discussions and generating impactful solutions for the economic landscape.

The primary goals include:

- Facilitate the gathering of seasoned professionals and thought leaders from diverse sectors to engage in robust conversations.
- Systematically identify and analyze the most pressing economic issues confronting Somaliland.
- Encourage participants to contribute innovative solutions grounded in their professional expertise and economic insights.
- Move beyond theoretical discussions and aim for tangible and lasting outcomes. The forum intends to provide concrete, actionable suggestions that can be implemented to bring about positive and enduring changes in the economic landscape of Somaliland.

Rationale for Economic Diversification and Modernization

Economic diversification and modernization are significant for Somaliland's long-term growth. A diversified and modernized economy is less susceptible to shocks, more productive, competitive, and attractive to investors.

Thematic Areas and Panel Discussions

Thematic Area 1: Economic Diversification in Primary Production Sector

- Panel Discussion 1: Building Sustainable Food Security in Somaliland
- Panel Discussion 2: Mining and Minerals

This area explores strategies for diversifying Somaliland's economy beyond livestock, focusing on the blue economy, mining and minerals, and food security.

Thematic Area 2: Modernizing Somaliland's Economy

- Panel Discussion 3: Trade and Regional Integration: A New Era of Cooperation
- Panel Discussion 4: Financial Sector Development
- Panel Discussion 5: Sustainable Government Budget Sources
- Panel Discussion 6: Investment Facilitation

This area explores into essential aspects of modernizing Somaliland's economy, including Investment facilitation, trade, regional integration, financial sector development, and adopting sustainable government budget sources.

Highlights of Studies and Researches

The 2023 Somaliland Economic Forum, distinguished for its focus on research-based discussions, featured a series of impactful studies conducted by leading institutions. These research topics and their respective institutions are outlined below:

Research Title	Institution
Government Revenue Diversification	CSI
Barriers of Mining and Minerals on Social Economics	Gollis University
Investment Facilitation Assessment	UoH
Agricultural Productivity and Sustainability	SARC
Livestock Productivity and Sustainability	Burao University
Marine Ecosystem Productivity and Sustainability	Amoud University
Financial Products Diversification: Challenges and Opportunities	Admas University
Technical Barriers to Trade along Berbera Corridor	TradeMark Africa

These studies¹, presented at the forum, explore into diverse facets of Somaliland's economic landscape, addressing critical issues such as revenue diversification, challenges in the mining sector, investment facilitation, agricultural sustainability, and the productivity and sustainability of livestock and marine ecosystems. The collaboration between renowned research institutions and the forum underscores the commitment to evidence-based decision-making and informed discussions aimed at shaping the economic future of Somaliland.

Exhibition Services

The forum had showcased innovative services and technologies through exhibitions, demonstrating the potential for growth and diversification within Somaliland's economy. Participants had the opportunity to explore cutting-edge solutions contributing to the envisioned economic transformation.

¹ <https://sef.govsomaliland.org/article/qr-code>

Sessions of the 2023 Somaliland Economic Forum

Session 1: Investment Facilitation

SN	Challenges addressed in SEF 2023	Proposed Solutions	Responsible	Timeline
1	Unreliable and Expensive Energy: The unavailability of affordable and reliable energy is a critical challenge hindering business growth and economic development in Somaliland. This energy crisis poses significant hurdles for businesses, particularly those engaged in large-scale production, as it hampers operational efficiency, increases production costs, and limits their ability to compete effectively.	<p>Establishment of Industrial Parks in strategic locations such as Hargeisa, Berbera, Borama, Burao, Erigavo, Las'Anod. This solution aims to address the energy crisis by creating localized zones with dedicated power generation facilities, ensuring a stable energy supply for businesses operating within these parks.</p> <p>This could include:</p> <ul style="list-style-type: none">• Foster the development of shared infrastructure within Industrial Parks, including centralized energy generation facilities.• Review and reform energy tariffs to ensure they are cost-reflective while remaining affordable for businesses and consumers.• Implement transparent and predictable tariff structures to attract investment.• Promote the development and utilization of renewable energy sources, such as solar and wind power, within Industrial Parks.• Collaborate with neighboring countries on cross-border energy initiatives.• Develop clear and supportive policies and regulations that facilitate the growth of the energy sector.• Streamline regulatory processes to attract investments and reduce bureaucratic obstacles.	MIID	Short term

2	Incomplete legal and regulatory framework: The legal and regulatory framework governing investment in Somaliland remains incomplete, creating uncertainty for potential investors.	<ul style="list-style-type: none"> • Conduct a thorough review of existing laws and regulations related to investments in Somaliland. • Identify gaps, inconsistencies, and outdated provisions. • Formulate a comprehensive legal framework that aligns with international best practices, promotes investor confidence, and addresses the specific needs of the local business environment. • Critical areas for immediate attention include legislation related to property rights, dispute resolution, business registration and licensing processes, energy, land, PPP laws, Investment laws and labor laws. • Launch comprehensive education and outreach programs to inform potential investors about the legal and regulatory landscape. Workshops, seminars, and informational campaigns can help businesses understand the requirements, rights, and obligations outlined in the legal framework, fostering a more informed investment community. • Invest in capacity building for government agencies responsible for enforcing and implementing regulations. Provide training to enhance their understanding of international best practices, efficient regulatory processes, and the evolving needs of the business sector. 	MIID	Short term
3	Limited Information Accessibility: The scarcity of readily available and comprehensive information about investment opportunities and regulations deters investors from exploring the potential of Somaliland. This lack of transparency makes it difficult for investors to assess risks and identify viable investment prospects.	<ul style="list-style-type: none"> • Establishment of an Investment Information Portal: This centralized online platform will serve as a one-stop repository for up-to-date and detailed information on investment opportunities, regulations, and relevant market data in Somaliland. 	MIID	Medium

4	<p>Absence of investor-centric investment facilitation services: This presents several challenges for potential investors, hindering their ability to direct the local business environment and hindering their investment decisions. This lack of investor-centricity manifests in various ways:</p> <ul style="list-style-type: none">○ Prolonged and Expensive Investment Process: Investors face significant time and financial burdens navigating the complex and bureaucratic investment process, primarily due to a lack of effective coordination among government agencies. This disjointed approach leads to delays, redundancies, and uncertainty, discouraging potential investors.○ Delays and Obstacles in Permitting: Obtaining the necessary permits and approvals often involves protracted procedures, unnecessary complexities, and a lack of clear guidelines. These hurdles can significantly delay investment projects and increase the overall cost of doing business in Somaliland.○ Inadequate Investor Support Mechanisms: Investors lack access to essential support services that could facilitate their business operations and increase their chances of	<ul style="list-style-type: none">• Establishment of Investment Facilitation Center: This center will serve as a focal point for coordinating, streamlining, and enhancing the overall investment process in Somaliland. This consolidated approach brings together representatives from relevant government agencies to streamline the entire investment process. Investors can submit applications, obtain permits, and fulfill regulatory requirements in a cohesive and efficient manner.• Appoint dedicated Investor Liaison Officers within the Investment Facilitation Center. These officers will act as direct points of contact for investors, providing guidance, addressing queries, and facilitating communication between investors and relevant government departments. This personalized approach aims to reduce bureaucracy and enhance investor experience.• Introduce comprehensive investor support programs within the Investment Facilitation Center. These programs may include mentorship initiatives, networking opportunities, and access to local expertise.• Conduct capacity-building programs and training sessions for government officials involved in the investment process. This initiative ensures that personnel are well-equipped to provide efficient and investor-friendly services. Training may cover customer service, inter-agency coordination, and the latest industry practices.• Establish mechanisms for collecting feedback from investors regarding their experience with the Investment Facilitation Center. Regular feedback loops allow for continuous improvement	MIID	Medium
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	success. The absence of dedicated support programs, such as mentorship, networking opportunities, and access to local expertise, can hinder investors' ability to navigate the local market effectively.	and adjustments to better meet the evolving needs of investors. This commitment to feedback underscores the center's dedication to enhancing investor satisfaction.		
5	Land availability: Access to land, particularly in urban areas, poses a challenge for investors seeking to establish or expand their operations.	<ul style="list-style-type: none">• Conduct a comprehensive land feasibility assessment and their potential uses. Develop a clear zoning plan that designates specific areas for industrial, commercial agriculture, and residential purposes. This ensures efficient land use and prevents random development.• Establish a digital land registry system to centralize and streamline land records. This system should provide accurate and up-to-date information on land ownership, boundaries, and potential availability. A transparent and accessible registry reduces uncertainty for investors and facilitates faster decision-making.• Develop and implement comprehensive land use planning and master plans for urban areas. These plans should align with the overall economic development goals of Somaliland, ensuring that land is allocated in a manner that supports sustainable growth and meets the needs of both investors and the community.• Simplify and expedite land allocation processes for investors. Implement a one-stop-shop approach within relevant government agencies to facilitate the application and approval procedures. This minimizes bureaucratic hurdles, reduces delays,	MIID, MOA, MOPW, MOFD, LAS	Medium

		<p>and enhances the overall ease of securing land for investment purposes.</p> <ul style="list-style-type: none">• Launch public awareness campaigns to educate citizens and stakeholders about the importance of efficient land use and allocation. Promote understanding of the economic benefits associated with responsible land development and encourage cooperation in the allocation process.• Involve local communities in the land development process through transparent and inclusive consultation mechanisms. Addressing community concerns, incorporating local input into development plans, and ensuring fair compensation for land acquisition contribute to positive community relations.• Mandate EIAs for proposed land development projects to assess and mitigate environmental impacts. Integrating sustainable practices into development plans safeguards the environment and aligns with global standards, promoting responsible and socially conscious investment.• Review and update the legal framework governing land ownership, use, and allocation. Clarify property rights, streamline dispute resolution mechanisms, and ensure that the legal environment is conducive to attracting and protecting investments.		
6	Skill gap: Somaliland faces a shortage of skilled labor, making it difficult for businesses to find the talent they need to succeed.	<ul style="list-style-type: none">• Conduct a thorough skills assessment and gap analysis to identify the specific areas where the workforce lacks necessary skills. This analysis should involve collaboration with industries, educational institutions, and relevant stakeholders to pinpoint the most pressing skill shortages.• Enhance vocational and technical education programs to align with industry needs. This	MIID, MOE, MOF, MOTT/CoC	MEDIUM

		<p>involves updating curricula, incorporating emerging technologies, and establishing partnerships with businesses to provide real-world exposure. By creating a direct link between education and industry requirements, the workforce can acquire relevant and in-demand skills.</p> <ul style="list-style-type: none">• Foster collaboration between educational institutions and industries to ensure that academic programs are designed to meet the evolving demands of the job market. Establish advisory boards comprising industry professionals to provide insights, offer internships, and guide curriculum development.• Encourage a culture of continuous learning and upskilling among the workforce. Implement training programs, workshops, and online courses to enable employees to acquire new skills or upgrade existing ones. Incentives such as certifications or career advancement opportunities can motivate individuals to invest in their professional development.• Introduce apprenticeship programs that provide practical, on-the-job training for individuals entering the workforce. Additionally, establish mentorship programs where experienced professionals guide and share their knowledge with those who are developing their skills. These initiatives enhance the transfer of practical knowledge and industry-specific insights.• Collaborate with the private sector to identify industry-specific skill requirements and develop targeted training programs. Government incentives, such as tax breaks or grants, can encourage businesses to actively participate in		
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		<p>skill development initiatives. Joint efforts ensure that training programs directly address industry needs.</p> <ul style="list-style-type: none">• Establish entrepreneurship and innovation hubs to nurture a culture of creativity and problem-solving. These hubs can serve as platforms for skill development in emerging fields, encouraging individuals to explore entrepreneurship and contribute to economic diversification.• Collaborate with international institutions and organizations to facilitate specialized training programs. Leveraging global expertise can bring in best practices, exposure to advanced technologies, and insights into industry trends, enhancing the overall skill set of the workforce.		
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Session 2: Sustainable Food Security

SN	Challenges addressed in SEF 2023	Proposed Solutions	Responsible	Timeline
Agriculture:				
1	<p>Subsistence farming: The majority of agriculture in Somaliland is subsistence farming, meaning that farmers produce only enough food to feed themselves and their families. This limits the surplus available for export and hinders the sector's contribution to the national economy.</p>	<p>Promotion of Commercial Agriculture and Diversification: To address the incidence of subsistence farming and unlock the full potential of the agricultural sector in Somaliland, a multi-faceted approach focusing on commercialization and diversification is proposed.</p> <ul style="list-style-type: none">○ Agricultural Land Suitability Assessment○ Zoning and Planning	MoA	Short term

		<ul style="list-style-type: none">○ Stakeholder Engagement. i.e Local community consultation, address concerns and ensure participatory decision-making process○ Review and update the legal framework governing land ownership, use, and allocation.○ Ensure that land tenure is secure for commercial farmers, providing a conducive environment for long-term investments.○ Implement zoning regulations that designate specific zones for agriculture, making it easier for investors to identify available land.○ Invest in necessary infrastructure such as roads, irrigation systems, and storage facilities to support commercial agriculture.		
2	Water scarcity: Water scarcity poses a significant challenge to agriculture in Somaliland due to a combination of factors, including climate change, recurrent droughts, and limited water storage infrastructure. Without adequate water resources, it is difficult to expand agricultural production and meet the growing food demands of the population.	<ul style="list-style-type: none">• Reservoirs, Dams, and Rainwater Harvesting Systems: Allocate funds for the construction, rehabilitation, and maintenance of reservoirs and dams to capture and store rainwater during wet periods. Incorporate climate-resilient features in water storage infrastructure to withstand the impact of climate change.• Promote water-efficient irrigation technologies such as drip irrigation and sprinkler systems.• Water Storage Tanks: Invest in the installation and maintenance of tanks at various scales, including community-level tanks and large-scale storage facilities.• Feasibility Studies: Conduct comprehensive feasibility studies to identify suitable sites for water storage infrastructure, assess water availability, and determine potential storage locations.	MoW, MoA, MoPW, MoFD	Medium

		<ul style="list-style-type: none">• Routine Maintenance: Prioritize regular maintenance and repairs of existing water storage infrastructure to ensure longevity and optimal functionality.• Capacity Building: Invest in training programs for local personnel to enhance their skills in the operation and maintenance of water storage facilities.• Public Awareness Programs: Dedicate resources to public awareness campaigns aimed at educating local communities about the importance of water storage and their role in its sustainable use.• Community-Based Projects: Support community-driven initiatives related to water storage infrastructure, encouraging local participation and ownership.• Inter-Ministerial Collaboration: Ensure collaboration between relevant government ministries and agencies involved in water management to streamline efforts and avoid duplication of projects.• Impact Assessment: Implement continuous monitoring and evaluation processes to assess the impact of water storage projects on local water availability and agricultural productivity.		
3	Loss of home-grown seeds: Somaliland has lost many of its indigenous seeds, which could be used to develop drought-resistant and disease-resistant crops. This	<ul style="list-style-type: none">• Establish and support seed banks dedicated to collecting, storing, and preserving indigenous seeds for future agricultural use.	MOA	Short term

	<p>loss of genetic diversity threatens the long-term sustainability of agriculture and makes the sector more vulnerable to climatic shocks.</p>	<ul style="list-style-type: none">• Collaborate with agricultural research institutions and local communities to systematically catalog and study the genetic diversity of native crops and indigenous plant varieties. This particularly includes those with drought-resistant and disease-resistant traits.• Provide comprehensive training and capacity-building programs for farmers, extension workers, and local communities, emphasizing sustainable agriculture practices. Focus on the importance of preserving and utilizing indigenous seeds.• Develop and enforce policies that actively promote the conservation and sustainable use of indigenous seeds.• Introduce incentives for farmers and communities involved in preserving and utilizing local seed varieties.• Facilitate community seed exchange programs to encourage the sharing of indigenous seeds among farmers.• Collaborate with international organizations, NGOs, and research institutions to access resources, expertise, and support for indigenous seed preservation programs.• Establish networks dedicated to sharing information and best practices in seed conservation and utilization.		
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		<ul style="list-style-type: none">• Integrate the significance of preserving indigenous seeds into educational curricula at all levels.• Conduct awareness campaigns to emphasize the value of native seeds in building resilient agricultural systems.		
4	Insect pests and diseases: Insect pests and diseases cause substantial damage to crops, reducing yields and affecting food security. Invasive weeds further exacerbate the challenge by competing with crops for resources, leading to additional losses.	<ul style="list-style-type: none">• Establish monitoring systems to detect pest and disease outbreaks early.• Train farmers and agricultural extension workers in recognizing early signs of invasions and diseases for timely intervention.• Conduct training programs for farmers on pest and disease management techniques, emphasizing sustainable and environmentally friendly practices.• Advocate for crop rotation to disrupt the life cycles of pests and diseases.• Promote diversified cropping systems to reduce the risk of widespread damage from a single pest or disease.• Establish community-based pest and disease monitoring and control groups.• Foster collaboration among farmers, local authorities, and agricultural extension services to collectively address pest and disease challenges.• Invest in agricultural research to understand local pest and disease dynamics and develop context-specific solutions.• Formulate and enforce policies that promote sustainable pest and disease management practices.• Allocate resources for the development and implementation of programs aimed at pest and disease control.	MOA	

5	Inadequate extension services: Farmers in Somaliland often lack access to extension services that could provide them with essential information and training on modern farming techniques, improved crop varieties, and effective pest management strategies. This lack of knowledge and support limits their ability to optimize productivity and adapt to changing conditions.	<ul style="list-style-type: none"> • Establish new extension offices or strengthen existing ones to ensure a wider distribution of information and support. • Develop and promote agricultural apps, SMS services, and interactive voice response systems to disseminate timely and relevant information. • Conduct regular training programs for extension workers to enhance their knowledge and communication skills. • Establish adequate demonstration farms where farmers can observe and learn best practices in agriculture. • Foster community involvement in extension services by establishing local farmer groups. • Train lead farmers to serve as community extension agents, disseminating information and practices within their communities. • Collaborate with non-governmental organizations (NGOs) and the private sector to supplement government-led extension services. • Conduct regular field visits and outreach programs to engage directly with farmers. • Provide on-site consultations, answer queries, and address challenges faced by farmers. • Include market-related information in extension services to help farmers make informed decisions about crop selection and pricing. • Promote linkages between farmers and markets to improve market access. 	MOA	Long term
6	Lack of agricultural infrastructure: The absence of critical infrastructure, such as modern agricultural equipment, irrigation systems, and post-harvest storage facilities, hinders the development of a modern and efficient agricultural sector.	<ul style="list-style-type: none"> • Provide financial support and incentives for farmers to acquire modern and efficient agricultural machinery. • Establish machinery-sharing schemes or cooperatives to make expensive equipment more accessible to smallholder farmers. 	MOA	Long term

	<p>These limitations impede productivity, increase production costs, and reduce the quality and shelf life of agricultural products.</p>	<ul style="list-style-type: none">• Construct and upgrade post-harvest storage facilities, including warehouses and cold storage units, to reduce post-harvest losses and improve the shelf life of agricultural products.• Establish modern marketplaces with adequate facilities for trading, storage, and processing of agricultural products.• Provide training programs for farmers on the proper use and maintenance of modern agricultural equipment.• Review and update policies and legal framework related to agricultural infrastructure to create an enabling environment for investment.• Establish financial support mechanisms, including affordable loans and grants, to assist farmers and businesses in investing in agricultural infrastructure.• Explore innovative financing models, such as public-private partnerships and community-based funding.		
7	<p>Skill gap: The agricultural sector in Somaliland faces a shortage of skilled labor in various areas, including farming, animal farming, and agricultural engineering. This lack of expertise hinders the adoption of modern practices, the implementation of effective resource management strategies, and the development of innovative agricultural technologies.</p>	<ul style="list-style-type: none">• Establish or enhance vocational training programs and agricultural schools to provide formal education in farming.• Develop curriculum content that aligns with modern agricultural practices and includes practical, hands-on training.• Strengthen existing extension services to provide continuous training and capacity-building programs for farmers, extension workers, and agricultural professionals.• Establish and use demonstration farms and field schools to showcase best practices and provide practical training.• Customize training programs to address specific skill gaps identified in the agricultural sector.	MOA, MOE	Medium

		<ul style="list-style-type: none">Assess the needs of different regions and communities to tailor training initiatives accordingly.		
Livestock:				
1	Lack of international market diversification: Somaliland's livestock exports are heavily concentrated on Saudi Arabia, making the sector vulnerable to fluctuations in that market.	<ul style="list-style-type: none">Conduct comprehensive market research to identify potential markets for livestock exports.Analyze the demand, regulations, and preferences of various countries to tailor export strategies accordingly.Engage in diplomatic efforts to strengthen trade ties and negotiations with countries beyond the current primary market (Saudi Arabia).Establish trade collaborations that facilitate the entry of Somaliland's livestock products into new markets.Develop targeted marketing campaigns to promote Somaliland's livestock products in potential new markets.Participate in international trade fairs and exhibitions to showcase the quality of the livestock industry.Provide training and capacity-building programs for exporters to understand the requirements and distinctions of entering new markets.Support exporters in adapting to different market regulations and standards.Collaborate with private sector entities, such as export companies and traders, to leverage their networks and expertise in exploring new markets.Offer incentives for exporters exploring new markets, including tax breaks, and reduced regulatory barriers.	MOL/CoC	Medium

		<ul style="list-style-type: none"> • Create a platform for exporters and stakeholders to exchange insights on market trends and demands. • Establish a Livestock Exporters Association in Somaliland as it can be a valuable initiative to bring together stakeholders in the livestock export sector, facilitate collaboration, and address common challenge. 		
2	Limited value-added exports: Somaliland primarily exports live animals, missing out on the potential to increase export value by processing them into value-added products, such as meat, dairy, and leather goods.	<ul style="list-style-type: none"> • Explore the production of a diverse range of value-added products, including processed meats, dairy products, leather goods, and by-products. • Conduct market research to identify potential markets for value-added livestock products. • Implement effective marketing strategies to promote the uniqueness and quality of the products. • Encourage partnerships between the government and private sector for the establishment and operation of processing facilities. • Collaborate with financial institutions to create tailored financing options. • Participate in trade shows, exhibitions, and marketing events to showcase the quality and variety of processed products. • Provide incentives, such as tax breaks or subsidies, to encourage businesses to invest in value-added processing facilities. • Develop supportive policies and regulations that facilitate the growth of the value-added export sector. 	MOL/CoC	Medium
3	Frequent livestock diseases: The frequency of livestock diseases, such as Contagious Bovine Pleuropneumonia (CBPP) and Rift Valley Fever (RVF), cause	<ul style="list-style-type: none"> • Implement regular and widespread vaccination campaigns against prevalent diseases such as Contagious Bovine Pleuropneumonia (CBPP), Rift 	MOL	Medium

	substantial losses in livestock production and pose a threat to public health.	<p>Valley Fever (RVF), and other common infections.</p> <ul style="list-style-type: none">• Establish and strengthen disease surveillance systems to monitor the prevalence of livestock diseases.• Implement early warning systems to detect outbreaks promptly and respond proactively.• Facilitate collaboration and information sharing among veterinary authorities, research institutions, and relevant stakeholders.• Establish a centralized database for disease information to support rapid decision-making.• Provide training programs for veterinarians, animal health workers, and livestock owners on disease identification, reporting, and control measures.• Enhance the capacity of local communities to respond effectively to disease outbreaks.• Engage with local communities and pastoralists to raise awareness about the importance of disease prevention and control.		
4	Drought and water shortages: Droughts and water shortages are recurrent challenges in Somaliland, posing a significant threat to livestock production.	<ul style="list-style-type: none">• Invest in rainwater harvesting systems, such as surface runoff capture, to store water during periods of rainfall.• Construct water catchment basins to capture and store rainwater for later use.• Establish community-based water management committees to oversee the sustainable use and conservation of water resources.• Involve local communities in decision-making processes related to water infrastructure development.• Establish strategically located watering points for livestock to reduce the distance animals need to travel for water.	MOL	Medium

		<ul style="list-style-type: none"> • Conduct awareness campaigns and educational programs to inform local communities about sustainable water management practices. • Provide training on water-efficient farming and livestock rearing techniques. 		
5	Absence of a livestock research center: The lack of a dedicated livestock research center hinders the development of new technologies, improved breeding practices, and effective disease control strategies.	<ul style="list-style-type: none"> • Promote for the creation of a dedicated Livestock Research Center that focuses on practical research, technology development, and innovation in livestock management. • Develop training programs and capacity-building initiatives for researchers, veterinarians, and livestock farmers. • Enhance the skills and knowledge of the workforce in areas such as data collection, analysis, and application of research findings. • Involve local communities, pastoralists, and livestock farmers in the research process. • Integration of research findings into national livestock policies and regulations. 	MOL	Short Term
6	Absence of livestock feeding programs: The lack of livestock feeding programs during dry periods intensifies the impact of droughts on the sector.	<ul style="list-style-type: none"> • Develop and implement a strategic plan for creating feed reserves during periods of abundance, ensuring an adequate supply during dry seasons. • Collaborate with local communities to identify suitable storage facilities for feed reserves. • Establish fodder banks at community levels to store and distribute feed during dry periods. • Implement a system for monitoring and managing fodder banks to ensure efficient utilization. • Establish financial support mechanisms to assist pastoralists in purchasing supplementary feed during emergencies. 	MOL	Medium
Fishery:				

1	Outdated fishing practices: The fishing industry in Somaliland lacks the infrastructure necessary to support modern fishing practices, such as cooling systems and storage facilities. This, coupled with the use of traditional fishing methods and outdated equipment among most fishers, limits productivity and hinders sustainable fishing practices. Additionally, the lack of adequate workshops and spare parts for maintenance further impedes the sector's efficiency.	<ul style="list-style-type: none"> • Introduce and promote the use of modern, efficient, and sustainable fishing gear and equipment. • Facilitate access to financial resources for fishers to invest in modern equipment and infrastructure. • Collaborate with financial institutions to create tailored financing options for the fishing industry. • Invest in the development of cooling systems and storage facilities in main cities to maintain the quality of the catch. • Establish cold chain logistics to ensure that fish can be stored and transported in a way that preserves freshness. • Set up workshops equipped with the necessary tools and spare parts for the maintenance and repair of fishing vessels and equipment. • Provide training on basic maintenance practices to fishers. 	MoF	Long term
2	Incomplete and unclear legal and regulatory framework: The legal and regulatory framework governing the fishery sector remains incomplete and unclear, creating uncertainties that discourage investment and hinder effective management of marine resources.	<ul style="list-style-type: none"> • Conduct a thorough review of existing fisheries laws and regulations to identify gaps, ambiguities, and inconsistencies. • Ensure alignment with international best practices and standards. 	MOF	Short term
3	Insufficient storage and processing facilities: The scarcity of adequate cold storage and processing facilities leads to significant post-harvest losses, reducing the quality and quantity of fish available for both domestic consumption and export.	<ul style="list-style-type: none"> • Invest in the construction and upgrade of cold storage and processing facilities at strategic locations along the coast. • Establish community-based fish processing centers that serve multiple small-scale fishers. These centers can be equipped with shared cold storage facilities and processing equipment. 	MOF	Medium

		<ul style="list-style-type: none"> Public private partnership mechanism can be used for the establishment of shared cold storage facilities and processing equipment. 		
4	Inadequate fishery markets: Somaliland's fishery markets are underdeveloped, and there is limited access to international markets. This restricts opportunities for fishers to sell their catch at fair prices and limits the sector's overall growth potential.	<ul style="list-style-type: none"> Create and facilitate well-regulated fishery markets in major urban areas, designed to support and encourage sustainable fishing practices. Facilitate linkages between fishers, processors, and buyers to establish a more integrated and efficient supply chain. i.e roads rehabilitation Encourage networking opportunities through industry events, trade fairs, and business forums. Develop and implement strategies to promote fishery product exports to international markets. Work with relevant authorities to meet international quality and safety standards for export Implement certification programs to ensure that fishery products meet domestic and international standards. Negotiate preferential trade agreements with neighboring countries and international partners to facilitate smoother exports. Establish a fishery export association to streamline and enhance the export activities of the fishery sector. 	MOF	Medium
5	Inadequate data and information on fish stocks: The lack of comprehensive and up-to-date data on fish stocks poses a major challenge in assessing the true state of marine resources and implementing effective management strategies. Without accurate data, it is difficult to determine sustainable catch	<ul style="list-style-type: none"> Collaborate with research institutions, universities, and marine science organizations to conduct scientific studies on fish stocks. Support research initiatives focused on understanding the dynamics of marine ecosystems and the behavior of fish populations. Conduct regular stock assessments using scientific models to estimate fish population sizes, growth rates, and reproductive capacities. 	MOF	Medium

	limits and ensure the long-term viability of the fishery sector.	<ul style="list-style-type: none"> • Use the results of assessments to establish sustainable catch limits. 		
6	Skill gaps: The fishing industry in Somaliland faces a shortage of skilled labor, particularly in areas such as resource assessment, vessel maintenance, and fish processing. This lack of expertise hinders the sector's ability to adopt modern practices and implement sustainable management strategies.	<ul style="list-style-type: none"> • Develop and implement specialized training programs for fishers and industry professionals in collaboration with vocational training institutes, fisheries research institutions, and relevant organizations. Cover key areas such as fishery resource assessment, vessel maintenance, navigation, fish processing, and quality control. • Collaborate with universities, technical schools, and maritime academies to incorporate fisheries-related courses into their curriculum. • Establish dedicated fisheries training centers equipped with simulation facilities and practical training resources. • These centers can serve as hubs for skill development and knowledge exchange 	MOF, MOE	Medium
7	Stringent certification, testing, and inspection requirements: Meeting the stringent certification, testing, and inspection requirements for exporting fish products to international markets poses a significant challenge for Somaliland's fishery sector. The lack of adequate facilities and expertise makes it difficult to comply with these standards, limiting export opportunities.	<ul style="list-style-type: none"> • Collaborate with recognized international certification bodies to establish mutual recognition agreements. • Seek assistance and guidance from these bodies in meeting and maintaining certification standards. • Engage reputable third-party certification agencies to assess and certify the compliance of fishery products with international standards. • Leverage third-party certifications to build credibility and trust in Somaliland's fishery products. 	MOF	Medium

Session 3: Mining and Minerals

SN	Challenges addressed in SEF 2023	Proposed Solutions	Responsible	Timeline
1	Inadequate Geological Knowledge, Skills, and Geodata Information Infrastructure: Limited access to accurate and up-to-date geological data hinders effective exploration and resource assessment.	<ul style="list-style-type: none">• Comprehensive Nationwide Geo-Data Collection and Mineral Resources Mapping.• Conduct extensive geology mapping aimed at identifying regions with high mineral prospectively, thereby paving the way for in-depth ground-based surveys.• Utilize geographic information system (GIS) technologies and engage in remote sensing• Establish specialized training programs and workshops to enhance the skills of professionals in the geological and mining sectors.• Comprehensive rehabilitation efforts, strategic equipment upgrades, and the facilitation of the full operationalization of the mineral sampling and particle analysis laboratory.• Foster collaborations between government agencies, private companies, and research institutions to pool resources and expertise.• Establish joint ventures and initiatives to promote knowledge exchange, technology transfer, and the development of innovative solutions for geological exploration	MOE	Medium
2	Incomplete Legal and Regulatory Framework: An unclear and inconsistent legal framework governing the mining sector creates uncertainty for investors and discourages responsible mining practices.	<ul style="list-style-type: none">• Conduct a thorough review of existing mining laws and regulations to identify gaps, inconsistencies, and ambiguities.• Engage stakeholders, including industry experts, environmentalists, and local communities, in the revision process to ensure diverse perspectives are considered.• Establish a multi-disciplinary task to oversee the legal framework's review and propose comprehensive reforms.	MOE	Short term

3	<p>Lack of Formalization of Artisanal and Small-Scale Mining (ASM): The informal nature of ASM operations poses significant challenges, including environmental degradation, safety concerns, and revenue losses for governments.</p>	<ul style="list-style-type: none">• Complete a thorough baseline survey focusing on Artisanal Small Mining (ASM) activities in identified regions, providing essential insights into the current state of artisanal mining, environmental impact, and potential areas for improvement.• Initiate the formal registration process for artisanal miners, ensuring legal recognition and enabling them to participate in regulated and sustainable mining practices.• Develop a robust database system specifically tailored for artisanal miners, facilitating efficient record-keeping, monitoring, and regulatory compliance. This database will serve as a crucial tool for effective management and coordination.• Establish cooperatives for artisanal miners, fostering collaboration, resource-sharing, and a unified voice. This collective approach aims to enhance the socio-economic conditions of artisanal miners while promoting responsible mining practices.• Organize training sessions, seminars, and workshops for artisanal miners, covering technical, legal, regulatory, financial, environmental, and health and safety aspects. Empowering ASM communities with knowledge and skills is essential for fostering sustainable and responsible mining practices.• Strengthen the management and coordination of the mining sector by implementing effective governance structures. This involves improving communication channels, streamlining decision-making processes, and fostering collaboration among relevant stakeholders.• Open regional mining offices to facilitate seamless communication and coordination between the	MOE	Short term
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		<p>Ministry of Energy and Mines (MoEM), landowners, regional and district administrations, as well as local authorities. These offices will serve as regional hubs for addressing mining-related matters and ensuring efficient interaction.</p> <ul style="list-style-type: none">• Structure a comprehensive market plan to optimize the marketing and sale of mineral deposits. This involves market analysis, identifying potential buyers, and implementing strategies to enhance the economic value of mineral resources.		
4	<p>Lack of Social Services for Mining Communities: Inadequate provision of basic amenities like health centers and police stations in mining areas undermines the well-being of local communities and can lead to social unrest.</p>	<ul style="list-style-type: none">• Initiate the formation of dedicated Community Committees in the East Regions, fostering local representation and engagement. These committees will serve as essential platforms for community members to voice their concerns, provide insights, and actively participate in decision-making processes related to mining projects.• Conduct a comprehensive baseline assessment focusing on critical infrastructure such as health centers, schools, roads, police stations, and other basic facilities. This evaluation will identify existing gaps and serve as a foundation for targeted community development initiatives.• Implement skill development programs aimed at enhancing the capabilities of community members.• Launch educational and awareness programs designed to empower communities in effectively engaging with mining projects. These campaigns will provide essential information on the benefits, risks, and sustainable practices associated with mining activities, ensuring informed decision-making and fostering a sense of ownership among community members.	MOE	Short term

Session 4: Trade Integration

SN	Challenges addressed in SEF 2023	Proposed Solutions	Responsible	Timeline
1	Tariff and non-tariff barriers: High tariffs and non-tariff barriers, such as sanitary and phytosanitary (SPS) measures (Standards), hinder businesses' ability to export goods effectively. This is exacerbated by the lack of trade agreements with neighboring countries.	<p>Negotiation of Preferential Trade Agreements (PTAs): Negotiating to address tariff and non-tariff barriers, such as regulatory harmonization.</p> <ul style="list-style-type: none"> Regulatory Alignment: i.e aligning policies and regulations related to product standards, safety regulations, and other trade-related measures. Technology Integration (trade facilitation): i.e Implementing technological solutions, such as digital documentation and automated customs processes. Capacity Building: i.e customs officials, regulatory bodies, and businesses. Transparency and Information Sharing: i.e Improving transparency in trade policies and procedures, as well as sharing information among trading partners (trade information portal). This reduces uncertainties. Infrastructure Development: i.e Transportation and logistics, can enhance connectivity and reduce the costs associated with cross-border trade, contributing to the mitigation of trade barriers. 	MoTT, MICT, MoFD, MoTR	Medium
2	Certification to conform to international standards: Businesses lack the certifications required to export their goods to international markets, limiting their market access.	<ul style="list-style-type: none"> Improve capacity of the SLQCC testing laboratory to assist businesses in conducting necessary tests to meet certification requirements rather than to send samples abroad. Work towards mutual recognition agreements to make it easier for locally certified products to be accepted in international target markets. 	SQCC	Medium

		<ul style="list-style-type: none"> Jointly develop initiatives and projects aimed at enhancing the certification capabilities of local businesses. Seek assistance from international development agencies and organizations to support capacity-building programs related to certifications. Engage in knowledge exchange programs with countries that have successfully addressed similar certification challenges. 		
3	<p>Low productivity: The underperformance of key productive sectors, particularly fisheries, agriculture, and industries, in Somaliland poses a significant challenge to the country's economic development. This stagnation in productivity limits Somaliland's ability to expand its export base, leading to trade imbalances and hindering economic growth.</p>	<ul style="list-style-type: none"> Enhance energy infrastructure to support industrial activities and reduce production costs. Facilitate access to credit for small and medium-sized enterprises (SMEs) in the targeted sectors to enable them to invest in modern technologies, equipment, and processes (Fisheries, agriculture, Frankincense, Livestock, energy etc.) Encourage the adoption of modern agricultural practices, fishing techniques, and industrial processes through training programs and awareness campaigns. Implement training programs for farmers, fishermen, and industrial workers to enhance their skills and knowledge. Promote the establishment of cooperatives and producer organizations to enhance collective bargaining power and streamline the supply chain. Review and implement policies to create an enabling environment for businesses in the targeted sectors. 	MoE, MIID, MOA , MoTT, CBoSL, MoFD/CoC	Medium
4	<p>Transport and transit Agreement: The lack of an agreed-upon transport and transit agreement with neighboring countries creates obstacles to the</p>	<ul style="list-style-type: none"> Strengthen diplomatic efforts to engage with neighboring countries and establish a framework for transport and transit agreements. 	Corridor Committee	Short term

	movement of goods between Somaliland and its neighbors.	<ul style="list-style-type: none">• Establish transit trade agreements that allow goods to pass through each country's territory without unnecessary delays or restrictions.• Strengthen customs cooperation between Somaliland and neighboring countries to improve information sharing and coordination.• Establish joint trade facilitation committees involving representatives from both Somaliland and its neighboring countries.		
5	Absence of common insurance framework: The absence of a common insurance framework for cross-border trade adds to the complexities and costs associated with transporting goods between Somaliland and its neighbors.	<ul style="list-style-type: none">• Develop and implement policies and regulations that specifically address cross-border trade insurance.• Work with neighboring countries to establish common insurance standards that apply to cross-border trade.• Harmonize insurance requirements and documentation to simplify the process for businesses engaged in international trade.• Negotiate bilateral or multilateral agreements with neighboring countries to facilitate the recognition and acceptance of insurance policies across borders.• Establish mutual recognition agreements that acknowledge the validity of insurance coverage obtained in each country.• Create dedicated insurance facilitation centers or units that specialize in cross-border trade insurance.• Conduct public awareness campaigns to educate businesses about the importance of cross-border trade insurance.	SNIA	Short term

Session 5: Government Budget Diversification

SN	Challenges addressed in SEF 2023	Proposed Solutions	Responsible	Timeline
1	Lack of Public-Private Partnership (PPP) Programs: Limited utilization of PPP models restricts the government's ability to leverage private sector expertise and resources to expand revenue streams.	<ul style="list-style-type: none"> The government needs to work on creating comprehensive PPP legislation and policies that provide a clear legal framework for private sector involvement in various sectors, include public services. Build the capacity of government officials and relevant institutions to effectively structure, negotiate, and manage PPP projects. This may involve training programs and workshops to enhance the understanding of PPP models and best practices. Conduct thorough assessments to identify projects suitable for PPP collaboration. This involves evaluating the feasibility, potential risks, and benefits of involving the private sector in specific infrastructure or service projects. Engage with the private sector through consultations, forums, and dialogues to understand their concerns, expectations, and suggestions. Building a positive relationship with potential investors can foster a more conducive environment for PPP collaboration. 	MoFD, MiiD	Medium
2	Absence of Government-Established Joint Ventures: The lack of state-owned enterprises capable of forming joint ventures with international companies limits the government's capacity to attract foreign investment and secure a larger share of mining, energy, and other resource-based projects.	<ul style="list-style-type: none"> Create state-owned enterprises (SOEs) that have the competence to engage in joint ventures. These entities should be well-structured, transparent, and accountable, with a focus on professionalism and efficiency. The SOEs must be tailored to specific sectors of priorities such as mining and energy. These entities should be equipped with the technical expertise and management skills necessary to effectively 	MoFD	Short term

		collaborate with international companies in these industries.		
3	Limited Scope of Current Revenue Collection: Narrow reliance on inland revenue collection restricts the government's ability to tap into diverse revenue sources.	<ul style="list-style-type: none"> Increasing the Tax Base: Expand the tax base by identifying and taxing currently untaxed or under-taxed sectors. This can include introducing or increasing taxes on luxury goods, services, digital transactions etc. Exploring Alternative Revenue Sources: Promote tourism sector and levy taxes on tourist accommodations or services, PPP projects. Modernizing Tax Administration: Implementing modern technology and digital systems can streamline tax collection processes, making them more efficient and less prone to errors or fraud. Digital platforms can facilitate easier filing, payment, and processing of taxes. 	MoFD and MoTT	Short term
4	Lack of Accountability and Public Trust in Government: Low public trust in government institutions hinders tax compliance and limits the government's ability to collect revenue effectively.	<ul style="list-style-type: none"> Ensure transparency in the budgeting process, including the allocation and utilization of public funds. Make budgetary information accessible to the public through user-friendly platforms and engage in public consultations to gather input on budget priorities. Provide ethics training for public officials to promote a culture of integrity and accountability within government institutions Leverage technology to improve transparency and efficiency in government operations. Strengthen the current existing Public Financial System (PFM) electronic systems for public services, financial transactions, and procurement to enhance accountability. Undertake measures to modernize and streamline the tax payment process. Implementing user-friendly digital platforms and simplified procedures will not only enhance 	MoFD	Short term

		<p>convenience for taxpayers but also contribute to increased compliance,</p> <ul style="list-style-type: none">• To build public trust and promote accountability, the government should proactively share and transparently display the annual revenue collected and its allocation. This accessible presentation of financial information allows citizens to clearly understand how public funds are utilized, promoting transparency and reinforcing accountability in government spending.		
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Session 6: Financial Sector Development

SN	Challenges addressed in SEF 2023	Proposed Solutions	Responsible	Timeline
1	Limited Financial Products Diversification: The narrow range of financial products available restricts access to credit and investment opportunities for businesses and individuals.	<ul style="list-style-type: none">• Develop and implement a comprehensive policy framework, known as the Financial Product Diversification Policy, designed to motivate financial institutions to expand their range of product offerings. Offer tax incentives to financial institutions that develop and offer new financial products, especially those that promote financial inclusion or sustainable finance.• Encourage financial institutions to diversify their product offerings to meet the varied needs of businesses and individuals. This could include introducing new types of loans, savings accounts, and investment products tailored to different small scale business segments.• Develop and promote specialized loan products specifically designed for Micro, Small, and Medium Enterprises (MSMEs). These loans could offer	CBoSL, MOFD, SLNIA	Medium

		<p>favorable terms, lower transaction rates, and flexible repayment schedules to support the growth and sustainability of small businesses.</p> <ul style="list-style-type: none">• Implement financial education programs to enhance awareness and understanding of available financial products. This can empower individuals and businesses to make informed decisions about their financial needs and utilize the available services effectively.		
	<p>Incomplete Legal and Regulatory Framework for MSME Financing: Insufficient regulatory support for financial institutions to provide financing to SMEs hinders access to capital for this crucial sector of the economy.</p>	<ul style="list-style-type: none">• Conduct a comprehensive review of existing regulations related to Micro, Small and Medium Enterprises (MSMEs) financing.• To strengthen the operational landscape for financial institutions in Somaliland, it is important to address the existing risks and challenges arising from incomplete legal frameworks. Key areas that require attention include:<ul style="list-style-type: none">○ Develop an Auction Law to provide a clear and robust legal foundation for financial institutions when dealing with collateral assets.○ Establish a dedicated Commercial Court to expedite legal proceedings related to financial matters. A specialized court can streamline dispute resolution, reduce delays, and provide a more conducive environment for addressing financial disputes, thereby enhancing the overall efficiency of the legal system.○ Develop a credit information bureau that compiles and maintains credit. This can help financial institutions assess creditworthiness more accurately, reducing information irregularity and encouraging responsible lending.	<p>CBoSL , MOFD</p>	<p>Medium</p>

		<ul style="list-style-type: none">○ Establish collateral registration systems to ensure the secure and efficient recording of collateral details.○ Facilitate availability of national ID cards, especially in remote areas. This ensures that individuals in all regions have access to formal financial services, promoting financial inclusion and facilitating the establishment of credible customer identities.○ Introduce reliable and standardized financial accounting systems tailored for small businesses.		
	Absence of Sector-Specific Banks: The lack of specialized banks dedicated to specific sectors, such as agriculture and development, limits the availability of tailored financial solutions for these industries.	<ul style="list-style-type: none">● Conduct comprehensive feasibility studies to assess the practicality and potential impact of establishing sector-specific banks. This involves analyzing the specific needs, challenges, and opportunities within the targeted sectors, ensuring that the proposed banks align with the economic landscape of Somaliland.● Establish dedicated banks for the agriculture and development sectors. These banks should have a clear mandate to provide financial services, including loans, investment, and other financial products, exclusively for businesses and projects within the designated sectors.● Explore the possibility of forming public-private partnerships to establish and operate sector-specific banks. Collaborating with private entities can bring in additional resources, expertise, and efficiency in the management of these specialized financial institutions.● Provide financial and regulatory support from the government to encourage the establishment and sustainable operation of sector-specific banks. This support may include capital injections,	CBoSL	Medium

		<p>favorable regulatory frameworks, and tax incentives to attract private investors.</p> <ul style="list-style-type: none">• Invest in training programs for the personnel of sector-specific banks to enhance their understanding of the details and dynamics of agriculture and development finance. Well-trained staff can effectively evaluate risks and support the growth of businesses in these sectors.• Collaborate with international development agencies that specialize in agriculture and development. This collaboration can bring in technical assistance, funding, and knowledge transfer to strengthen the capabilities of sector-specific banks.		
	<p>Limited Awareness of Banking Services: Inadequate financial literacy and awareness among the population hinder the utilization of banking services for deposits and savings.</p>	<ul style="list-style-type: none">• Launch targeted campaigns through various media channels to raise awareness about banking services, focusing on their benefits for saving, investing, and managing money.• Conduct workshops and seminars in collaboration with banks, NGOs, and community organizations to educate people about different banking products and how to use them.• Collaborate with non-governmental organizations (NGOs) and community-based organizations to extend the reach of financial education programs. These organizations often have established networks and can help disseminate information effectively.• Integrate financial literacy into the national education curriculum to ensure that individuals receive this vital education from early age.• Leverage technology to provide easy-to-understand digital banking services and educational tools, making banking more accessible and understandable.	<p>CBoSL</p>	<p>Medium</p>

		<ul style="list-style-type: none"> Organize banking awareness days or financial fairs in communities at district level to provide information and demonstrations on banking services. 		
	Limited knowledge about insurance products and schemes among the public restricts the uptake of insurance coverage.	<ul style="list-style-type: none"> Launch extensive and targeted awareness campaigns to educate the public about the importance of insurance. Utilize various channels, including radio, television, social media, and community events, to disseminate information about the benefits and relevance of insurance coverage. Develop awareness materials in local languages that are culturally relevant and easily understood by the population. Partner with community leaders, influencers, and religious figures to promote insurance awareness. Their endorsement and active involvement can significantly influence public perception and encourage community members to consider insurance options. Organize workshops and seminars specifically tailored to different demographic groups, such as business owners, farmers, and households. Provide information about insurance products relevant to their needs and demonstrate how insurance can mitigate financial risks. Incorporate basic insurance education into school curricula to introduce students to insurance concepts at an early age. This not only builds a foundational understanding but also encourages a culture of risk awareness and financial planning. 	SNIA	Medium
	Scarcity of Micro-Insurance Schemes: The lack of micro-insurance products designed for low-income populations leaves vulnerable households exposed to	<ul style="list-style-type: none"> Conduct thorough market research and needs assessments to understand the specific risks faced by low-income populations in Somaliland. Identify the types of insurance coverage that would be 	SNIA	Medium

	financial shocks. Developing accessible and affordable micro-insurance schemes can provide much-needed financial protection for marginalized communities.	<p>most relevant and beneficial for lower income communities.</p> <ul style="list-style-type: none"> • Design micro-insurance products that are tailored to the needs and affordability levels of low-income households. Consider risks such as health emergencies, crop failure, livestock losses, and other challenges specific to the livelihoods of lower income communities. • Implement extensive education and awareness programs to inform low-income populations about the benefits of micro-insurance. Use community-based approaches, including local leaders and influencers, to disseminate information and build trust in these financial products. 		
	Limited Local Currency Deposits: Low levels of local currency deposits in private banks hinder the effectiveness of monetary policy and constrain lending capacity.	<ul style="list-style-type: none"> • Collaborate with private banks to implement promotional initiatives that allow local currency deposits. Offer special savings accounts, or other benefits to individuals and businesses that choose to keep their funds in the local currency. • Foster partnerships between the government, private sector, and non-governmental organizations (NGOs) to jointly implement financial literacy programs. • Leverage technology to provide easy-to-understand digital banking services for local currency deposits. This will help small scale businesses and lower income families. 	CBOSL, MoFD	Medium
	Excessive Service Fees Impede Financial Inclusion and Economic Activity: High service fees, particularly those charged by private banks, pose a significant obstacle to financial inclusion and economic growth in Somaliland. These excessive fees discourage individuals and businesses from engaging in financial	<ul style="list-style-type: none"> • Establish clear and transparent guidelines to prevent the imposition of excessively high fees that deter individuals and businesses from using financial services. • Implement measures that ensure fair and reasonable fees, balancing the interests of financial institutions with the need for affordability and accessibility for the public. 	CBOSL	Short term

	transactions, limiting their access to essential financial services.	<ul style="list-style-type: none">• Engage in dialogue with private banks and financial institutions to encourage them to voluntarily reduce certain fees. Foster collaboration between the government and the private sector to find mutually beneficial solutions that support both business viability and public access to financial services.• Prioritize small businesses maintaining accounts, savings and established financial transparent systems to be given lower transactions rates to ensure use of formal banking systems.• Establish mechanisms for regular monitoring of service fees and gather feedback from consumers. Use this information to assess the impact of fee reductions, identify any emerging issues, and make data-driven adjustments to fee structures.		
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Annex 1: Priority Projects Overview for 2024

2023 Somaliland Economic Forum: Priority Projects Overview for 2024							
SN	Project Activities	Infrast	Start Year	End Year	Lead agency	NDP3 Outcom e	NDP III Sectors
1	Livestock Export Market Expansion Strategy	Soft	2024	2024	MoL	Outcome 3	Production
2	Disease Management and Prevention Program	Soft	2024	2024	MoL	Outcome 2	Production
3	Livestock Extension Services Program	Soft	2024	2024	MoL	Outcome 3	Production
4	Strategic Agricultural Land Security in Key Regions	Soft	2024	2024	MoA	Outcome 2	Production
5	Seed Policy	Soft	2024	2024	MoA	Outcome 4	Production
6	Agro Chemical Policy	Soft	2024	2024	MoA	Outcome 4	Production
7	Agricultural Cooperatives Policy	Soft	2024	2024	MoA	Outcome 4	Production
8	Agricultural Marketing Policy	Soft	2024	2024	MoA	Outcome 4	Production
9	Establishment of Fishery Export Association	Soft	2024	2024	MoF	Outcome 5	Production
10	Fish Value Chain Development through Capacity Building Initiatives	Soft	2024	2024	MoF/TMA	Outcome 6	Production
11	Transit and Transport Agreement with Ethiopia	Soft	2024	2024	MoTR	Outcome 1	Infrastructur e
12	Joint Oversight of Corridor Technology Cooperation Agreement with Ethiopia	Soft	2024	2024	MICT	Outcome 1	Infrastructur e
13	Transport Sector Development Policy	Soft	2024	2024	MoTR	Outcome 4	Infrastructur e
14	Feasibility Study of Hargeisa-Odweyne-Burco	Hard	2024	2024	MoTR	Outcome 1	Infrastructur e
15	Construction of Lawyacdo-Fardaha-Borama Road	Hard	2024	2025	MoTR	Outcome 1	Infrastructur e
16	Berbera Corridor GPS Coverage	Hard	2024	2024	MICT	Outcome 1	Infrastructur e

17	Enhancing Network Coverage Along the Corridor: A Connectivity Project	Hard	2024	2024	MICT	Outcome 1	Infrastructure
18	Assessment of Tax Compliance Gaps in Economic Sectors	Soft	2024	2024	MoFD	Outcome 2	Economy
19	Annual Government Revenue Transparency and Allocation Report	Soft	2024	2024	MoFD	Outcome 2	Economy
20	Formalization of Artisanal and Small-Scale Mining	Soft	2024	2024	MoEM	Outcome 7	Energy and Extractives
21	Amendment of Electricity Act	Soft	2024	2024	MoEM	Outcome 3	Energy and Extractives
22	Exploration on Mineral Potential Reserve	Soft	2024	2024	MoEM	Outcome 5	Energy and Extractives
23	Establishment of a State-Owned Enterprise: A National Energy Company	Soft	2024	2024	MoEM	Outcome 2	Energy and Extractives
24	Finalization of Industrial Act	Soft	2024	2024	MiiD	Outcome 3	Economy
25	Amendment of the Investment Act	Soft	2024	2024	MiiD	Outcome 3	Economy
26	Finalization of Public-Private Partnership Act	Soft	2024	2024	MiiD	Outcome 3	Economy
27	National Trade Policy	Soft	2024	2024	MoTT/CoC	Outcome 3	Economy
28	Frankincense Export Facilitation	Soft	2024	2024	MoTT/CoC	Outcome 5	Economy
29	Small-Scale Trade Acceleration in Tog-Wajale through Cross-Border Collaboration	Soft	2024	2024	MoTT/CoC	Outcome 5	Economy
30	Commercial Code	Soft	2024	2024	MoTT/CoC	Outcome 3	Economy
31	Intellectual Property Act	Soft	2024	2024	MoTT/CoC	Outcome 3	Economy
32	Trade Agreement with Ethiopia	Soft	2024	2024	MoTT/CoC	Outcome 5	Economy
33	Mutual Recognition of Standards Agreement with Ethiopia	Soft	2024	2025	SLQCC	Outcome 5	Economy
34	Mutual Insurance Coverage for Trade and Transport Activities	Soft	2024	2024	SLNIA	Outcome 2	Economy
35	Barrier-Free Berbera Corridor Development (i.e., Elimination of Unnecessary Checkpoints)	Soft	2024	2024	MoTR	Outcome 5	Economy
36	Customs Process improvement for effective trade facilitation	Soft	2024	2024	MoFD/TMA	Outcome 5	Economy

37	Establishment of One Stop Border Post at Tog-wajale Cross border trade	Soft	2024	2024	MoFD/TMA	Outcome 5	Economy
38	Logistics sector development strategy	Soft	2024	2024	MoFD/TMA	Outcome 5	Economy
39	Strategy for National Financial Inclusion	Soft	2024	2024	CBoSL	Outcome 2	Economy
40	Finalization of Auction Law for Collateral Assets	Soft	2024	2025	CBoSL	Outcome 3	Economy
41	Incorporating the Commercial Court Establishment Act into the Commercial Code	Soft	2024	2024	MoTT/CoC	Outcome 3	Economy
42	Sectoral Banking Establishment Viability Study	Soft	2024	2024	CBoSL	Outcome 2	Economy
43	Insurance Literacy Program	Soft	2024	2024	SLNIA	Outcome 2	Economy
44	Affordable Micro-Insurance Program	Soft	2024	2024	SLNIA	Outcome 2	Economy
45	Establishment of high level Public Private Dialogue	Soft	2024	2024	MoTT/CoC	Outcome 7	Economy
46	Industrial Zones Development Initiative for Hargeisa, Gabiley, and Berbera	Hard	2024	2024	MiiD	Outcome 6	Economy
47	Financial Literacy and Awareness Expansion Project	Soft	2024	2024	CBoSL	Outcome 2	Economy
48	Establishment of Somaliland Banking Institute	Soft	2024	2024	CBoSL	Outcome 2	Economy
49	Mobile money regulation	Soft	2024	2024	CBoSL	Outcome 2	Economy
50	Foreign exchange regulation	Soft	2024	2024	CBoSL	Outcome 2	Economy
51	Streamlining Clearinghouse Regulation Implementation	Soft	2024	2024	CBoSL	Outcome 3	Economy
52	Establishment and Operationalization of Somaliland Data Center	Hard	2024	2024	MoPND/MIC T	Outcome 3	Cross cutting

Annex2: Terms of Reference Regarding the Implementation of 2023 SEF Priority Projects

- 1. Background:** The Somaliland Economic Forum serves as a platform for stakeholders to deliberate on economic development strategies, policies, and initiatives aimed at fostering sustainable growth and prosperity within the region. Following the successful convening of the 2023 forum, it is imperative to translate the outcomes and recommendations into actionable plans for implementation. To facilitate this process, Director Generals are delegated by the economic subcommittee of the cabinet to oversee the execution of activities stemming from this forum.
- 2. Objectives:** The primary objective of this Terms of Reference (ToR) is to delineate the roles, responsibilities, and expectations of Director Generals tasked with implementing the outputs of the Somaliland Economic Forum. The key objectives include:
 - To ensure timely and effective implementation of recommendations and initiatives outlined in the 2023 forum.
 - To coordinate and collaborate with relevant stakeholders including government agencies, private sector entities, NGOs, and international organizations under the economic sector of the National Development Plan III (NDPIII).
 - To monitor progress, evaluate outcomes, and provide regular updates on the status of implementation activities to both ministers and the economic sector stakeholders.
 - To address challenges and bottlenecks hindering the implementation process and propose solutions accordingly.
- 3. Scope of Work:** The scope of work for Director Generals includes, but is not limited to, the following tasks:
 - Develop detailed action plans based on the recommendations and resolutions formulated during the Somaliland Economic Forum.
 - Allocate resources including human, financial, and technological, required for the successful execution of implementation activities.
 - Ensure that project proposals are in alignment with the sector-based strategies outlined in NDP III.
 - Develop and implement IT project monitoring system to track progress, identify challenges, and ensure timely completion of proposed projects.
 - Establish mechanisms for coordination and communication among relevant stakeholders to ensure alignment and synergy in implementation efforts.

- Monitor and assess the progress of implementation activities against predetermined milestones and targets.
- Identify risks, issues, and constraints affecting the implementation process and devise mitigation strategies.
- Prepare regular progress reports and updates to be submitted to economic subcommittee of the cabinet and stakeholders in the economic sector under NDPIII.
- Facilitate capacity-building initiatives aimed at enhancing the skills and capabilities of individuals involved in implementation activities.
- Liaise with international partners and donors to secure additional support and resources for implementation projects.

4. Deliverables: The Director Generals are expected to deliver the following outputs within the stipulated timeframe:

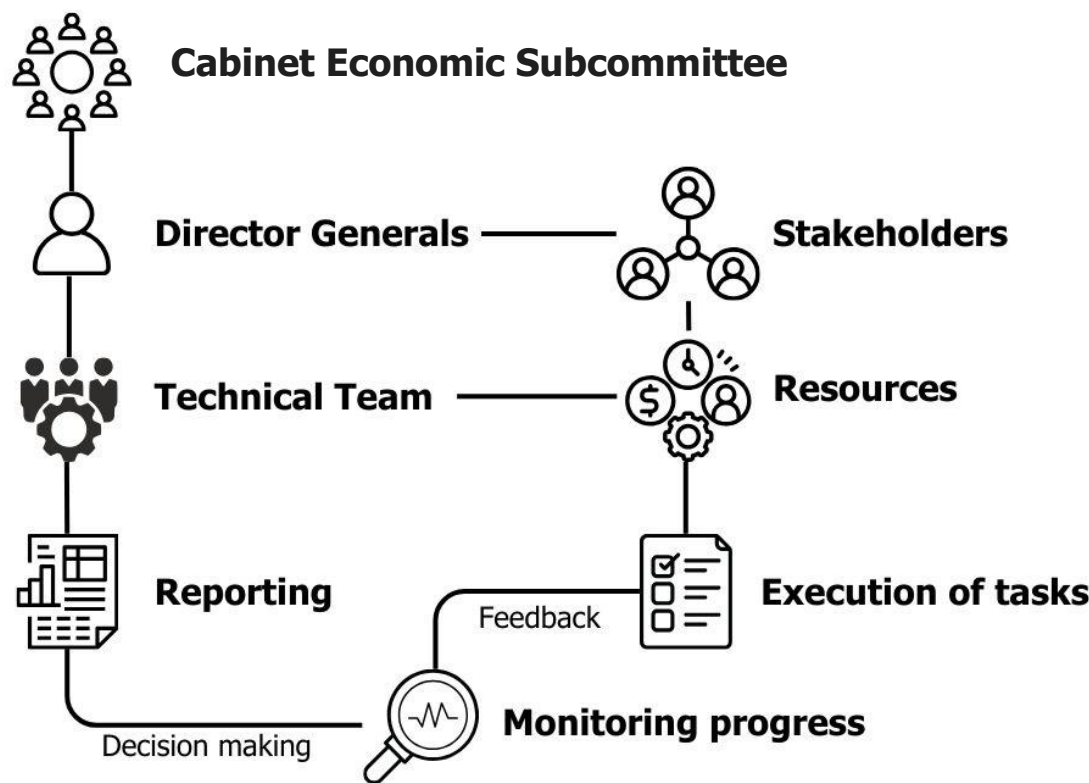
- Comprehensive action plans detailing the tasks, timelines, responsibilities, and resources required for implementation.
- Quarterly progress reports highlighting achievements, challenges, and recommendations for course correction.
- Documentation of best practices, lessons learned, and success stories arising from the implementation process.
- Facilitated workshops, seminars, or training sessions aimed at enhancing the capacity of stakeholders involved in implementation activities.
- Stakeholder engagement activities to foster collaboration, partnership, and consensus-building around implementation efforts.

5. Duration: The duration of this assignment shall be 9 months, commencing from the date of appointment of 30 March 2024 up to December 31, 2024.

6. Reporting and Accountability:

- The Director-Generals are scheduled to convene on the final day of each month. These meetings will primarily focus on evaluating the progress made towards the objectives outlined in the SEF project action plans.
- Schedule quarterly review and reporting meetings at the Cabinet level, with a pre-determined calendar, to evaluate project implementation status and address any emergent challenges.

Figure 1: Implementation Structure



- 7. Monitoring and Evaluation:** The performance of Director Generals shall be periodically evaluated by the Ministry of National Planning and Development under its NDPIII Sectors based on predefined performance indicators including but not limited to adherence to timelines, achievement of objectives, stakeholder satisfaction, and effective resource utilization.
- 8. Project Monitoring and Evaluation System –** The Ministry of ICT will create a system to track and evaluate projects. The MICT will also train the Ministry of Planning and National Development on how to use it.
- 9. Amendments:** Any amendments to these Terms of Reference shall be made in writing and agreed upon by all relevant parties.

2023 Somaliland Economic Forum Pictorial Link:

<https://sef.govsomaliland.org/article/day-1-shirwaynaha-madasha-dhaqaalaha-ee-heer-qaran-2023?category=photo-gallery-1-1-1-1-14>