

External Review of the Somaliland National Development Plan

For the Somaliland Ministry of National
Planning and Development

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Erik Bryld
Christine Kamau
Mohamed Farah



Table of Contents

- Table of Contents.....1
- Abbreviations2
- Executive Summary3
- 1 Introduction7**
- 2 Background7**
- 3 Assessment of the National Development Plan8**
 - 3.1 Assessment of the NDP document as a planning instrument..... 8
 - 3.2 Alignment and utilisation of the NDP by the Government of Somaliland as well as development partners..... 12
 - 3.3 Knowledge of the NDP among the Somaliland people, civil society and private sector 13
 - 3.4 M&E framework for the NDP..... 14
 - 3.5 Regional plans and the NDP..... 15
 - 3.6 Coordination structures under the NDP..... 15
 - 3.7 NDP implementation and results 18
- 4 Assessment of the Somaliland Special Arrangement Utility 19**
 - 4.1 SSA alignment with the NDP..... 19
 - 4.2 Utilisation of SSA..... 21
 - 4.3 Partnership principles..... 23
 - 4.4 Follow-up 25
- 5 Assessment of the Somaliland Development Fund Utility 26**
- 6 Conclusions 27**
- 7 Recommendations for the future National Development Plan..... 28**
 - 7.1 The principles for a new plan..... 28
 - 7.2 The roadmap for designing a new plan..... 29
 - 7.3 Funding the plan 31
 - 7.4 Implementing the plan 32
- Annex 1 – Terms of Reference 33**
- Annex 2 – Documents Consulted 39**
- Annex 3 – Persons met..... 40**
- Annex 4 - Example of requirements of national development plans 42**
- Annex 5 - Budget overview according to NDP pillar and PSG 44**

Abbreviations

DFID	Department For International Development
EU	European Union
GiZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HLACF	High-Level Aid Coordination Forum
M&E	Monitoring and Evaluation
MoNPD	Ministry of National Planning and Development
NDP	National Development Plan
NGO	Non-Governmental Organisation
NPC	National Planning Commission
OECD-DAC	Organisation for Economic Cooperation and Development – Development Assistance Committee
PC	NDP Planning Committee
PSG	Peace and Statebuilding Goal
SDF	Somaliland Development Fund
SDG	Sustainable Development Goals
SSA	Somaliland Special Arrangement
SWG	Sector Working Group
UN	United Nations
USD	United States Dollars

Executive Summary

This report presents the findings of the external review of the Somaliland National Development Plan (NDP) undertaken March-April 2016 for the Ministry of National Planning and Development (MoNPD) and funded by Danida. The objective of the assignment was to generate, discuss, and document lessons that can be learned from the NDP, the Somaliland Special Arrangement (SSA), and the Somaliland Development Fund (SDF) for the next cycle of national planning post-2016, leading to the next NDP.

In June 2010, a new Government was elected and Somaliland entered a new political era. The new administration had tremendous developmental challenges to address. Considering the fact that the Somaliland Government was not able to respond to these challenges alone, it decided to develop a national development plan to support the implementation of the Somaliland Vision 2030. The Plan was aimed at addressing pressing development needs, with an important factor being to share the findings with development partners in order to seek their contribution.

The MoNPD initiated the process of the development of the NDP, a commendable effort since the Ministry had no historical experience of developing a national plan. In practice, the Plan was developed based on contributions from Government institutions, whose inputs were provided in terms of programs and activities they would like to see implemented over the following five years. The MoNPD then collated this information and combined it into one document. As a result, the NDP provides the first full profile of the needs of each of the individual sector ministries and institutions over a five-year period. It provides the first comprehensive overview of Somaliland's development needs and, in principle, was meant to support more coordinated planning processes all contributing to meeting the Somaliland Vision 2030.

While the NDP is in many ways comprehensive, it is not fully aligned with international good practices for national development planning, and could be improved to enhance its utility as a development tool. The document is not aligned with basic Results-Based Management principles, and does not provide basic requirements for enabling enhanced accountability of those who are expected to fund and implement the Plan. Key areas of improvement include:

- A plan based on thorough consultations across the regions of Somaliland.
- A plan that is based on thorough analysis of Somaliland's needs, challenges and opportunities.
- Clearly defined overall, cross-sectoral and sector outcomes.
- Time-bound indicators and targets.
- A solid M&E framework or follow-up.
- Realistic costing and prioritisation of the plan.
- Sector plans designed to meeting overall NDP objectives and outcomes.

The Plan represents inverted alignment of Somaliland's needs where Government institutions define their outputs based on their own priorities, without attention to the overall goals and priorities of Somaliland. In this way the Plan provides little extra guidance for the institutions, thereby limiting their motivation to use it.

Additionally, the NDP is so broad that it allows all stakeholders to claim alignment to it. It thus provides very limited guidance for the Government to steer the development of Somaliland and support internal Government discussions on development prioritisation. Similarly, the document provides limited focus for internal development partners, which again limits its use for policy dialogue with the international community on Somaliland's priorities.

As a consequence of this lack of prioritisation, development partners found it a challenge to work with the NDP. Instead, the majority of them find it easier to use the SSA, which made an

attempt at prioritising the needs contained in the NDP. The SSA is a 'separate and distinct part of the Somali Compact' of the New Deal process and further, is an instrument aimed at providing a framework for international assistance to Somaliland, and at enhancing the engagement between the international actors and the Government

The SSA provided a new opportunity to address some of the shortcomings of the NDP by enabling appropriate prioritisation of Somaliland's broader development goals to support joint planning between the Government and its development partners. The development of the SSA was, however, rushed through very late in the process of developing the New Deal for Somalia, and the consultations carried out were said to be minimal and only in Hargeisa. The consequence is that the document is considered to be '*Hargeisa-centric*' as mentioned by many respondents.

Nevertheless, because of the efforts made in aligning the SSA to the NDP, it was said to contain Somaliland's broad priorities, and corresponds with Somaliland's Vision 2030. However, it was apparent from interviews that there is minimal buy-in of the SSA among the majority of government agencies. On the other hand, because of the international community's shift in focus to Somalia, Somaliland appreciates the fact that the SSA allows it to remain engaged with the international community, and to access funding pledged through the New Deal.

The SSA, however, suffers from most of the weaknesses of NDP, but with even less ownership at Government level. It has thus become a document primarily used for and by development partners. On the other hand, legally, it enabled development partners and international institutions that could not do so before to engage with Somaliland under the New Deal Framework of engagement since this was developed with Somalia; an internationally recognised Government.

Compared to the situation before, therefore, opinion among development partner agencies is that the SSA has been able to provoke greater interest in Somaliland's development agenda than was the case previously. On the other hand, during interviews, it emerged that not all development partners were open to aligning their programming with either the SSA or the NDP. Although much of this has to do with the different planning cycles of the Government and of various development partners, it was clear that there were some development partners that were reluctant to adapt their country strategies to Somaliland. On the other hand, as with the NDP, the priorities under the PSGs are broad enough to allow any development partner to align with the SSA, even if this is not by design.

The first real mechanism to instil a degree of urgency towards prioritising development in Somaliland is the SDF. All respondents agreed that the SDF is aligned with the NDP in as much as all the projects implemented under the Fund are derived from the NDP and the implementation process has the NDP as the cornerstone of the Fund. As such the Fund enjoys a high level of buy-in from the Government, especially considering that its implementation is designed to make use of Government systems in almost all its processes. Further, the modalities used for project prioritisation ensure that issues of key concern take precedence over the various other equally important needs in Somaliland.

Except for delays in implementation and complaints over 'time', there was general satisfaction with the SDF (though the regional governments appeared to have been by-passed in the decision-making process for projects implemented in their locations). The SDF and future multi-partner funds present an opportunity to act as a catalyst for Somaliland owned development. The Fund is the only mechanism that is able to provide accurate information on aid flows from international partners and fulfils the Principle of Aid Predictability. As such, it provides

development partners with a tool for aligning with the Government's NDP, and doing so in line with the New Deal Partnership Principles.

Based on the lessons learned from the design and utilisation of the present NDP and the supportive instruments of SSA and SDF, the team has identified recommendations for the design of a new NDP, focusing on making the Plan strategic, realistic, owned, and funded.

The new NDP needs to be a document that provides coherent goals for the development of Somaliland over the next five years. The document should be used as a political statement illustrating the development direction, which a united Somaliland will strive to achieve; it should provide appropriate details to allow for using the document as an overall planning instrument, from which all other plans at sectoral and institutional level can emanate.

To be a useful document for the Government of Somaliland, as well as other stakeholders contributing to the Plan, including the international community, civil society, the private sector and the diaspora, we suggest, that the plan should have the following features:

1. A solid background analysis of the challenges and opportunities Somaliland face based on thorough consultations and background analysis.
2. Clear and concise goals at objective (overall) and outcome level (cross-sectoral as well as sectoral level).
3. The goals should be supported by indicators and annual targets.
4. Sector strategies should be developed so that they are aligned with the NDP rather than the other way around. These sector strategies should not be included in the NDP, but aim to achieve the objectives of the NDP.
5. The plan should be prioritised and realistically costed.
6. The plan's development process should include wide consultations across regions and reach out to women, youth and marginalised groups.
7. It should be based on solid evidence of the development situation in Somaliland.
8. The M&E arrangements should be clear and implementable, and
9. The plan should be accessible to all in the Somali context. In practice, this means that the plan should be short and concise and translated to Somali.

A key challenge in the implementation of the current NDP has been the limited political leverage of the MoNPD vis-à-vis line ministries. To ensure overall guidance and legitimacy of the plan, the team suggests that a NDP Planning Committee (PC) should be established. The Committee could be a revised version of the existing National Planning Commission. The PC should serve three purposes: (i) oversee the implementation of the NDP roadmap, (ii) provide leadership in terms of coordinating the inputs from all stakeholders involved, and (iii) be the final authority in the NDP prioritisation process. To provide sufficient legitimacy and ensure future commitment to the plan, we suggest that the PC is chaired by the President of Somaliland with the Minister of National Planning and Development serving as a Vice-chair, and the MoNPD as secretariat for the PC and for the roadmap.

Even with the most thorough planning process, the plan becomes redundant if other institutional weaknesses are not addressed. Key to this is the continuation of the suggested PC as the lead authority overseeing the implementation of the plan, and a strong secretariat in the MoNPD in support of this.

For the line ministries to be able to respond to the leadership requests (and to simply get an overview of their own portfolio's performance), M&E capacity should be strengthened. This includes design of clear guidelines and directives for the M&E process from district to central level, with clear delineation of responsibilities; the establishment of an electronic data capture

system which can enable a solidified overview of the performance of each institution; and human resource capacity to oversee and implement this process.

Similarly, development partners and NGOs – as well as diaspora and private sector - need to register their funding and projects centrally with the MoNPD, to allow Somaliland to have a full overview of the development envelope. This is likely to require that Somaliland either stays engaged with the AIMS or establishes a different financial data system that has buy-in from the international community, and for which the Government has the necessary capacity to manage. At this point in time, having such a facility might prove too demanding for Somaliland, and any decisions in this regard will need to be made with this understanding.

For the NDP to be meaningful, the Government (across ministries, institutions and regional departments) should refrain from accepting development assistance that is not fully aligned to the new NDP (this does not apply to Somaliland NGOs). Similarly, development partners and NGOs should use the NDP as the main source of inspiration for deciding new assistance to Somaliland.

Finally, the team suggests that the Government of Somaliland takes into consideration the upcoming elections vis-à-vis the NDP formulation process. To ensure that there is backing to the new NDP from the Government institutions, the team suggests that the new plan is launched by the incoming government following the planned elections in 2017. The preparation process may start as planned as well as the initial drafting process, but to ensure ownership and buy-in, and to respect the democratic process, we suggest that finalisation of the document awaits the taking of office of the newly elected government.

1 Introduction

This report presents the findings of the external review of the Somaliland National Development Plan (hereafter referred to as the NDP or the Plan) undertaken March-April 2016 for the Ministry of National Planning and Development (MoNPD) and funded by Danida. The objective of the assignment was to generate, discuss, and document lessons that can be learned from the NDP, Somaliland Special Arrangement (SSA), and the Somaliland Development Fund (SDF) for the next cycle of national planning post-2016 leading to the next NDP.

Following an initial meeting with the MoNPD, the team agreed to use a review-oriented approach to the assignment as opposed to one that was more evaluation-oriented. This was to ensure that there was sufficient focus on involving the Ministry in the process as a learning exercise and focus on using the lessons learned for providing recommendations for the next NDP process.¹

The mission included interviews with all major ministries and Government institutions at national, regional, and district level; civil society, the private sector as well as key development partners. Field visits were undertaken to major cities in three regions: Boroma, Berbera and Borao.

This report is structured in accordance with the ToR focusing first on the NDP, then the SSA, and eventually the SDF, followed by conclusions and recommendations. First, we provide an assessment of the NDP design process and the quality of the document. This is followed by an assessment of the utilisation of the document and the NDP follow-up mechanisms. We then present major findings on the assessment of the SSA as a vehicle for aligning development assistance with the NDP, and the use of the SDF as the key modality for supporting the NDP. Based on the findings, we present recommendations for the future design of the NDP; a suggested roadmap for the design process; as well as considerations for funding and implementing the Plan.

The team would like to thank the MoNPD for all its support during the review. It is particularly grateful to the efforts of Director of Planning Mubarik Abdillahi, as well as Head of M&E section Farhan Maygag, and Special Advisor to the Ministry Brett Rapley. However, the views expressed in this report are those of the external review team only and do not necessarily represent those of the MoNPD.

2 Background

In June 2010, a new Government was elected and Somaliland entered a new political era. The expectation of the public was high due to the promises made by the newly elected Government during their campaign as an opposition party. The new administration had tremendous developmental challenges to address. Considering the fact that the Somaliland Government was not able to respond to these challenges alone, it decided to develop a national development plan, aimed at contributing to the Somaliland Vision 2030. The Plan was aimed at

¹ The ToR use the terminology of evaluation and review interchangeably. However the nature of the assignment (including time availability, MoNPD involvement in the review, and the focus on documenting learning) suggests the use of a review approach. Thus, the review is in this sense seen more as an end-of implementation performance assessment, which allows the client MoNPD to join in the assessment. See also OECD-DAC Glossary and Key Terms in Evaluation and Results-Based Management: <http://www.oecd.org/development/peer-reviews/2754804.pdf>, and the OECD-DAC Quality Standards for Development Evaluation: <http://www.oecd.org/development/evaluation/qualitystandards.pdf>

addressing pressing development needs and to share the findings with the development partners in order to seek their support.²

Moving forward with the planning process, the 2030 vision for Somaliland was prepared to as a precursor to the Plan. The Vision adopts five key pillars such as; the development of the economy, infrastructure, governance, social, and environment. Subsequently, a national development plan was formulated in order to provide strategic guidance to the development of Somaliland. The intention with the NDP was to make a document that could be used by the government institutions and development partners for their development planning.

The MoNPD initiated the process of the development of the NDP although the Ministry had no historical experience of developing a national plan. This Plan was therefore the first of its kind to be developed in Somaliland by the Ministry. Prior to the initiation of the Plan, there was no unified government structural framework to initiate the process, and the MoNPD received support from UNDP in the form of acquiring technical assistance comprising six local consultants³ who then initiated the process of the formulation of the Plan.

The MoNPD had limited capacity in terms of drafting the Plan and there was no direct support to line ministries to ensure that the process received quality inputs from their side. Neither a process document nor road map was produced that captured the process of the formulation of the Plan. Consequently, the Plan was developed based on inputs from the Government institutions in the form of programs and activities they would like to see implemented over the following five years. The MoNPD then collated this information and combined it into one document. A MoNPD-led process directed the NDP, while there were no comprehensive government-owned procedures for the development of the NDP.

While some institutions were consulted, there was no broader consultation on the NDP, nor any follow-up outreach to inform about the Plan. The process of the development was thus highly centralized and the lack of a bottom-up approach negatively affected the successful implementation of the NDP. Consequently, the knowledge and use of the Plan has been limited ever since it was launched (see below). It has since day one been seen as the product of the MoNPD and not a whole-of-government document. In other words, the absence of the comprehensive process and structural framework for the development of the plan became an obstacle for the implementation of the plan.

3 Assessment of the National Development Plan

In the following we assess the NDP from the design, to the outcome, and its utility.

3.1 Assessment of the NDP document as a planning instrument

Being the first ever national plan for Somaliland, the NDP provides the first full overview of the needs of each of the individual sector ministries and institutions over a five-year period contributing to the Somaliland Vision 2030. As such, it provides the first comprehensive profile of Somaliland's development needs and, in principle, allows for coordinated planning processes (see box 3.1 below for key NDP characteristics). In the following section, we present main findings of a desk assessment of the NDP according to good planning practices.

² Previously development partners aligned first with the Joint Needs Assessment for alignment, which covered Somalia as well as Somaliland. This was then replaced by the UNDP supported Reconstruction and Development Programme. However, none of these had a complete overview of the sectoral requirements of Somaliland.

³ Different sources point to either one or six consultants from UNDP.

Box 3.1 NDP overview

NDP document basics

- National plan for 5 year period aligned with Vision 2030.
- Covers five thematic (development) pillars and 43 areas of funding (including the 36 sectors⁴).
- Financial envelope of USD 1,190 million in total 2012-2016.
- 5-12 priorities (written as outputs or activities) under each of the 43 areas.
- 3-26 programs in each sector/area.
- Program budget divided by year.
- Priorities and programs are listed as equally important.
- 328 page document.
- The document is published in English.

The comprehensiveness of the NDP is illustrated in the facts presented in the box above (box 3.1). The design of the Plan ensures that every ministry and Government institution is represented with clearly defined programs and outputs (even activities) in simple matrix format. The section with these institutional outputs and activities comprise 285 pages in the 328-page document. In effect, this makes the NDP a full (un-prioritised) catalogue of projected programs and activities over a five-year period at the individual institutional level.

There is no uniform requirement for how a national plan should look; however, there is agreement among the major development institutions about the basic prerequisites that should preferably be in place to make the Plan useful (see Annex 4 for examples of national plan recommendations of OECD, UN, and the World Bank). The NDP meets many of these suggested prerequisites for a good plan, but there is room for further improvements and additions to be taken up in the upcoming plan.

While the NDP is in many ways comprehensive, it is not fully aligned with good practices and could be improved to enhance its utility as a tool for development planning (as evidenced in table 3.2 at the end of this section). The document is not aligned with basic Results-Based Management principles⁵, and does not provide basic requirements for enabling enhanced accountability of those who are expected to fund and implement the Plan.

A key requirement for a strong NDP would be a hierarchy of clearly linked goals (causality links) and indicators at objective and outcome level, and the introduction of indicators and targets, which can be measured over time. The NDP does have a hierarchy of goals, but the linkages between these are not clear, and there are no outcomes identified to bridge the link between outputs and objectives at sector level (see table 3.1 below).

A clear goal hierarchy between the national level objective, the related development pillar objectives, and outcomes at the individual sector level would allow for a common understanding of the expected causalities leading to development in Somaliland. This would, in turn, enable

⁴ There is some inconsistency as to the terminology of the 'sector'. On page 23, the document lists 23 sectors in total aligned with the five pillars, however in the table of content the NDP refers to 36 sectors, and 43 areas of support (including the 36 sectors).

⁵ See e.g. the UNDG Handbook on Results Based Management (2011) or the Sida Model for strengthened results-based management in development cooperation (2009).

the government institutions to align with the overall and pillar (cross-sector) priorities and thus ensure joint contribution to Somaliland’s development.

Table 3.1 Example of causality links in the social pillar of the NDP

Results level	Result chain from NDP	Assessment
Social Pillar vision	A caring society upholding shared values and aspirations for equitable social development	Very broad vision with values that are difficult to influence through national development process
Water and sanitation vision	A society whose citizens enjoy access to safe and sufficient water	Serves as a good long-term vision (also beyond 5 years)
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	Goal in accordance with standards, but must be followed by indicators and targets
Strategic objectives (examples from six strategic objectives)	<ul style="list-style-type: none"> To increase availability of water by developing the surface and ground water resources To coordinate water infrastructure initiatives to optimize access 	In principle good standard if indicators and targets are attached to the objectives
Outcome	Not part of NDP design	This is the missing link, which should have explained how outputs would lead to strategic objectives
Outputs (examples)	<ul style="list-style-type: none"> 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 	Outputs according to definition, but causality link to strategic objectives and goals not clear and outcomes missing

The Plan provides very limited degree of development analysis to inform the goal hierarchy at the overall and thematic levels. Instead, focus has been placed on the 43 sectors/areas in the Plan. This focus on needs at ministry level makes the NDP prone to silo planning. The lack of clear goals at cross-sectoral level, and the fact that the individual institutions have contributed to the Plan individually rather than through joint cross-sectoral planning, limits the options for joint initiatives and for an integrated approach to national planning.

The output-based design of the NDP allows for assessing whether activities have been implemented and outputs produced at the end of the NDP in 2016.⁶ However, the lack of indicators limits the utility of the Plan as a management tool. Having short, medium and long-term indicators would have allowed the Government to track progress of the NDP implementation over time, and could have informed adjustments to the implementation and prioritisation according to progress.

⁶ Such an exercise was actually being undertaken by the MoNPD at the time of the review.

To remain aligned with the NDP, with the lack of opportunities for follow-up and reflection on progress against indicators, and without a rolling assessment and refinement of the Plan, the individual ministries are bound by the existing Plan; with activities and outputs identified in 2011(see also M&E section further below), without the flexibility to respond to emerging challenges and opportunities.⁷

Providing a realistic and implementable plan requires prioritisation of programs that is linked to a credible financial budget. The NDP has been designed without prioritising among the multiple programs listed in the Plan. Consequently, the total budget of the NDP is USD 1,190 million. This should be seen *in lieu* of a combined Government and development partner contribution of around USD 150 million/year on average⁸. In other words, there is only funding available for roughly 40-60% of the Plan. The discrepancy between budget and expected availability of funds illustrates the importance of prioritisation of programs to ensure that those that best contribute to the overall objectives and outcomes of the NDP take precedence in the funding.

Finally, the document could be improved by ensuring basic accessibility by users and citizens. In practice, this means that the document would have benefitted by being translated into Somali, and being reduced in size to motivate reading.

A summary overview of the team’s assessment of the NDP document against international good practice is presented in table 3.2 below.

Table 3.2 NDP assessment against key good practices in national planning parameters

Good practice for national development plans	Assessment of NDP
Base planning on comprehensive background analysis	Each of the 43 sectors and areas supported includes a situation analysis and list of key challenges and opportunities, which provides a good overview of immediate needs. There is a very short overall assessment of the development situation at the national level in the introduction with a reflection of against the five pillars of the Plan. There is however no reference to more in-depth technical and economic analysis informing the Plan
Cross sector policy integration	Each pillar, sector, and area is described individually. There is no cross-reference between pillars and sectors at either analysis or programme level
Clear medium and long-term goals	The NDP builds on Vision 2030, and the goals are reflected in the Plan. There is a list of overall goals in the introduction though none of these are time-bound and the bulk not measurable. The links between the goals are not made explicit
Linking short, medium and long term planning	The Plan is aimed at describing progress after five years. There are no short or medium-term goals in the Plan
Link the national, regional	The Plan refers to Vision 2030. There is no reference to

⁷ On the other hand, as will be highlighted further on, since the NDP comprises such a broad spectrum of needs, the ministries are still able to maintain some flexibility, while still remaining aligned to the NDP.

⁸ This figure is an estimate based on multiple sources, including the HLACF 8th meeting reports, and the World Bank 2011 social development assessments) of which none have a complete overview of the level of government funding and development assistance. Depending on the statistics used, the OECD development partners contributed between USD 120-140 million USD to Somaliland in 2015, or between 40 and 140 million USD less than budgeted in the NDP. See also section on the implementation of the NDP further below for further details on budget.

Good practice for national development plans	Assessment of NDP
and local level plans	regional or local plans. However, regional plans have since been developed based on the NDP
Ensure strong institutional leadership of planning and implementation	The MoNPD has the overall responsibility for overseeing the implementation of the plan, but no authority to enforce reporting on the Plan from government institutions
Prioritise and cost plans	All sectors and areas have their programs costed by year. There is no prioritisation between these programs. The annual budget of the Plan is between USD 180 and 280 million (the annual donor contribution is around USD 120 million/yr. and the Government development budget approx.. USD 10 million/yr)
Ensure realistic and time-bound indicators to allow measuring progress over time	There are no indicators or targets in the NDP
Establish a monitoring and evaluation scheme to monitor progress	There is no detailed M&E system designed or applied for the Plan, though government institutions are expected to report on progress (see section on M&E below), and the Plan outlines some general M&E requirements

3.2 Alignment and utilisation of the NDP by the Government of Somaliland as well as development partners

To have any effect the Plan needs to be used as a guide for implementing development investment. The NDP still needs to meet this criterion.

Government utilisation

There is generally a high level of awareness of the NDP among the government institutions at the central level in Hargeisa. All interviewees consulted were aware of the Plan, though detailed knowledge of its content varied considerably.

There is a high degree of alignment of the Government institutions to the NDP (when it comes to programs where the institution has had a role in deciding on the kind of support needed). This high level of alignment is *inter alia* a consequence of the NDP formulation process, where the Government institutions themselves fully identified the list of activities and programs to be supported (without being bound by overall national development objectives). This approach has *de facto* generated 'inverted alignment' where the NDP then becomes aligned with the Government institutions' plans rather than the other way around. In practice, the high degree of alignment means that the institutions do not use the NDP *per se* but, instead, follow their own strategic plans, which are already aligned with the NDP. For institutional strategic planning purposes, the NDP is thus not used as a planning instrument in itself, as it provides only limited national guidance beyond the individual institutional plans. The only important exception to this is the SDF funding, which itself goes through a more thorough NDP prioritisation process (as described further below).

For most central level government institutions not accessing SDF funding, there is a perception that most of their externally funded work is non-aligned with the NDP. The institutions complain that programs implemented by NGOs and some UN organisations are pre-designed without proper consultations. While this bypasses the Aid effectiveness principles (Paris, Accra and Busan), the team has found that most of these interventions in one way or another, are aligned

with the NDP. This is primarily a consequence of the very broad a non-prioritised nature of the NDP, allowing for most types of development interventions to fit the Plan.

None of the institutions at regional and district level interviewed relates directly to the NDP and, as was the situation in Hargeisa, several interviewees were not aware of the content of the Plan; as one interviewed stated, *'the NDP is for Hargeisa only'*. Most interviewed at this level were aware of the regional plans, which are aligned to the NDP, though the utilisation of these is also negligible (see more on this further below).

Development partner utilisation and alignment

In principle, all development partners who have signed up to the SSA are also aligned to the NDP as the SSA draws on the NDP. In practice, however, this also means that the development partners consult and refer to the SSA, leaving the NDP largely ignored in their planning process, save by a few. (See example of exception in box 3.2)

Box 3.2 Example of NDP alignment

GiZ has recently launched its Sustainable Road Maintenance Project for Somaliland. As part of the dialogue with the Government GiZ used the NDP to discuss opportunities for support to Ministry of Public Works. Through this process the Ministry identified one of its listed projects in the NDP, which GiZ has then agreed to support.

For several development partners the existence of a national development plan is of less relevance to their programming process. This is partly a consequence of the fact that the SSA serves as a legal framework for their development assistance to Somaliland. But equally, it is a consequence of the influence of other external factors, such as the overall political priorities of the development partners, including the articulated focus on Somalia as the entry point for assistance to Somaliland. As one development partner stated, *'the current or any future development plan for Somaliland is unlikely to have any major influence on our development priorities'*.

However, the development partners still encourage the development of a new NDP. They more or less all pointed to the need for improved outcomes and indicators in the Plan and the use of prioritisation against realistic budget estimates. And for most of them, it remains a key concern that the Plan is aligned with their overall development priorities for Somalia rather than being Somaliland specific.

The limited financial contribution of the Government to the NDP implementation also seems to be a demotivating factor for development partner alignment. Several interviewees pointed to the fact that the Government is only committing 10% of its own budget for the NDP, and thus showing limited ownership and commitment to its own plan. Consequently, the development partners feel less obliged to align to the NDP.

3.3 Knowledge of the NDP among the Somaliland people, civil society and private sector

As indicated above, general knowledge about the NDP outside Hargeisa is negligible. Within Hargeisa, there is greater knowledge among civil society actors of the NDP, but in relation to other members of the society including the private sector, *'We hear it talked about sometimes, but we have nothing to do with it'* said one respondent. As also mentioned, governors, mayors and civil servants at the regional and district level had very limited knowledge of the NDP (they knew of its existence but had never actually seen it). This indicates that the general population

has scant knowledge of the Plan, which is further substantiated by the fact that no outreach activities have been undertaken to inform about the Plan.

The limited knowledge is a consequence of the lack of NDP consultations beyond Hargeisa. None of those interviewed outside Hargeisa had been involved in the drafting of the Plan (including line ministry representatives at regional level). The representation of the regional and district level needs have thus been limited to the assessments/judgements by the ministries at central level.

Civil society institutions are aware of the NDP, but their inputs have been limited to initial discussions at the design phase of selected institutions.⁹ Consequently, they do not see the NDP as 'their Plan', but rather as a central government document. The knowledge and input is even less when it comes to the private sector and the diaspora. For all three stakeholders this is unfortunate, as they all contribute substantially to the national development either through involvement of the citizens (including marginalised groups and women and youth), or through direct financial contributions to specific development activities.

There is no comprehensive registration of the financial contributions to development of Somaliland by non-government entities, although the Diaspora Commission has identified multiple contributions to the building of schools and health facilities by the diaspora, while the private sector provides substantial obligatory annual charity contributions as well as non-obligatory contributions to development.¹⁰ None of these are captured in the NDP or the follow-up of the NDP.

3.4 M&E framework for the NDP

The NDP outlines general requirements for undertaking output and outcome monitoring in accordance with OECD-DAC criteria. However, in practice, monitoring has been weak. The MoNPD has an M&E department responsible for monitoring at the national level. The data for this exercise is supposed to be derived from annual reports from the individual government institutions implementing the NDP. However, there is not a uniform data capture and analysis system for the NDP within the MoNPD, and very few of the line ministries have reported on progress to the MoNPD so far. Interviews revealed that M&E has been more through *ad hoc* field visits to observe progress of programs, rather than through the use of systematic collection of evidence. The exception is the 2013 'NDP achievement report'¹¹ of the MoNPD. This report however, contradicts the ongoing output reporting assessment by the MoNPD and leaves more questions than answers as to the statistics and numbers of the report, again illustrating challenges in terms of ensuring high quality M&E.¹²

⁹ But, some civil society members have been involved with the Plan, by publishing position papers on the progress made, and its position vis-à-vis the SSA, although this has been mainly confined to conversations with other civil society members and with Government, without necessarily trickling down to the general public.

¹⁰ As an example, the team participated in a joint meeting in Boroma between the Vice-President, several line ministries, and representatives from the Somaliland business community. During the meeting more than USD 70,000 were committed by the business community to combat drought in the region.

¹¹ Achieved priorities on NDP 2012 and 2013, MoNPD (2013)

¹² The report states that a total of 170 out of 322 project had been implemented by end 2013. This however, is in contrast to the output report being developed by MoNPD, which states that the overall implementation rate of the NDP till 2015 is 39%. Similarly the statistics for government and development partner spending varies with more than 100% between the two years covered by the report. The inconsistencies challenge the validity of the report. None-the-less, it represents the first efforts of mapping progress against the NDP, in a context where regular reporting and M&E is limited.

The poor M&E reporting is, in part, a consequence of lack of capacity in terms of staff, hardware and procedures to guide and implement regular monitoring of programs, thereby limiting the ability of ministries to monitor progress at their level. Further, there is a clear lack of standardised and practical technical resources to support the implementation of M&E methodologies and processes at the operational level.¹³ These challenges have, in turn, resulted in a deficit of NDP output as well as input data.

The lack of data is also evident when it comes to capturing development assistance to Somaliland. Currently, there is no complete overview of Aid flows to Somaliland. The international community is funding the Aid Information Management System (AIMS) being established by the World Bank and UNDP for Somaliland as well as Somalia, but as the anchoring of this system is in Mogadishu the Government of Somaliland is considering terminating its participation in the AIMS, to the frustration of several development partners. Thus, Somaliland needs to reengage with the AIMS or a new system needs to be designed for the future. In the meantime, Somaliland must rely on reports from development partners and NGOs for registering development assistance that is not already captured in the Government budget. So far, none of the development partners have been systematic with their reporting to Somaliland.

The difficulties in assessing aid flows is further complicated by: (1) the fact that several development partners fund programmes that cover Somaliland as well as Somalia, without a clear distinction in the Aid flows between the two, (2) there is no clear data capture of funds for development from the diaspora and private sector, and (3) there are international NGOs and charities from development partner countries as well as the Middle East that support development activities, which are not reported to the MoNPD.

3.5 Regional plans and the NDP

In 2014 the MoNPD introduced regional development plans for Somaliland, adding a new layer of plans to the existing NDP and sector plans. The regional plans were developed based on a process similar to the NDP formulation, requiring sector institutions to provide a list of planned programs and activities that were then assessed to ensure alignment with the NDP, and inserted into what is *de facto* regional development catalogues. In this way, the regional plans replicate the inverted alignment of the NDP without adding new regional objectives and indicators for the institutions implementing the Plan.

As there is neither a devolved budget nor authority at regional level, the regional plans are not being used. Interviews with regional representatives of central ministries confirmed that there is no development planning or prioritisation taking place at the regional level. Instead, the deconcentrated representatives of the sector ministries request and act on planning and prioritisation instructions from the central level.

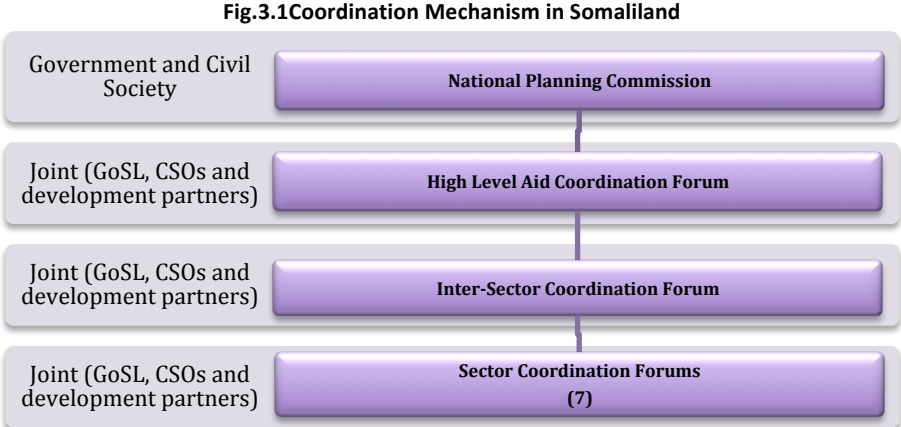
3.6 Coordination structures under the NDP

The NDP does not outline coordination structures, but the MoNPD has since established a coordination system. The 'Structure of Coordination Forums'¹⁴ establishes four levels of coordination for a: (1) the High Level Aid Coordination Forum (HLACF), which is a joint development partner and government forum aimed at improving alignment and coordination at

¹³MoNPD together with UNDP has conducted a number of workshops with line ministries in support of improved M&E and the standardisation of these. This is likely to improve the performance in the future, but also insufficient as a stand-alone approach to provide the needed basis for robust M&E implementation with the line ministries in the future. This requires standardised implementation procedures, a cross-ministerial ICT system, and human resources with the capacity to implement this.

¹⁴MoNPD (no date): Aid Coordination Structures in Somaliland

overall level and report on Somaliland progress, (2) the National Aid Coordination Forum which in practice has been replaced by the National Planning Commission and serves as an internal Somaliland forum for cabinet, private sector and civil society aimed at overseeing aid delivery and development and endorsing sector plans (and later used for prioritising SDF funds – see below), (3) the Inter-sector Coordination Forum for cross-sectoral coordination, and eventually, (4) the Sector Working Groups (SWG) aimed at joint development partner, NGO and Government coordination and prioritisation through sector strategy development (see fig. 3.1 below).



Source: High-Level Aid Coordination Forum. October 29, 2013

Interviewees mentioned that this structure has made some improvement in the coordination efforts of the Government, development partners, and international agencies. Even with the perceived focus of donors on Somalia, there is still an appreciation that with this structure, development partners are more visible in Somaliland at the HLACF that take place twice a year in Hargeisa, while international development actors are active in both the HLACF and at the inter-sector and sector coordination committees.

National Planning Commission

The National Planning Commission (NPC) is the forum at which the priorities to be funded under the SDF are discussed and decided on. Several interviewees mentioned that the efficacy of this commission is constrained by a number of factors:

- The MoNPD chairs it, but since this Ministry is considered to be at par with the other ministries, the decision-making process becomes more drawn out than it should be, especially because the deliberations on projects to be funded are by negotiation and consensus, and not underpinned by adequate data and analysis.
- Currently, the membership is at 19 individuals, and in relation to the point above about decision-making by consensus, this large number is perceived to be an impediment to speedy and effective decision-making, more so because some of the members do not have the technical expertise required.
- According to several interviewees, the NPC meets every five months, and more frequently when the need arises for approving SDF projects or in the preparation for the HLACF. However, the meetings are not frequent, which according to interviewees, at times caused delays in the selection and approval process of project proposals submitted by Ministries.
- The regional governors are not represented in this forum, and it is perceived that decisions are made in Hargeisa without due consultations, even with the recipient regions. This limits the degree of ownership of some of the projects implemented,

notwithstanding that they have all proven to be beneficial to the communities in these areas, and that they are already included in the regional plans.

In general, however, the setting up of the NPC is well appreciated as a mechanism to support development priority setting for Somaliland.

HLACF

The Peace and Statebuilding Goals (PSGs) form a basis from which the Government and development partners can engage in dialogue through the HLACF, which key ministries and government institutions, as well as development partner representatives attend. The Forum presents an opportunity for the Somaliland Government to present its progress against the PSGs, as well as to discuss with the development partners about their implementation and way forward. Considering the situation in previous years, this Forum provides a platform for engagement between the Government and the international community that has never before existed in Somaliland. However, its efficacy as a coordination mechanism for development partners and Government was questioned by both parties during this exercise.

According to development partners, the Government does not fully avail itself of the opportunity it presents in terms of this being a venue at which they can engage with development partners more strategically, rather than only reporting on progress made by various ministries. According to some partners, this is a lost opportunity. Both parties agreed that the Forum is used more as an information sharing occasion; and according to some respondents, *'these meetings turn into a bashing fest, with Government criticising donors and donors criticising Government'*.

The recent cut-backs in development assistance by many western countries means that they have also had to cut down on human resources; this is the case for Somaliland's development partners, most of whom are based in Nairobi.¹⁵ This means that development partners simply lack the capacity to participate fully in two parallel coordination structures: one in Mogadishu and one in Hargeisa; and Somaliland has suffered as a result.

Inter-sector and sector coordination forums

Inter-sector and sector coordination forums have enabled humanitarian and development actors to engage with each other as well as with the Government, and the recent fusion of the various sector coordination forum is likely to achieve greater coherence, and provide an opportunity to better link relief, recovery and development in Somaliland.

The SWGs are important as the NDP is not a prioritised document, and thus sector prioritisation should preferably take place in the SWGs. However, the level of commitment of the actors, both from Government and from implementing agencies was said to be lacklustre for all but two of the sectors: Education, health and to some extent, water. These three were said to enjoy the kind of support that enables them to become functional forums due to the fact that they have been receiving support long before the SSA, the NDP, or the SDF came onto the scene. They have therefore had longer experience of trying to coordinate efforts than the newer sectors such as energy, trade, and infrastructure, for example. One main challenge with regard to retaining the interest of stakeholders in these forums was said to be the lack of tangible outcomes from the meetings; *'These meetings are not well organised, and there are no action points for follow-up actions. People just meet and talk. If we don't see tangible results from these meetings, what is the point of attending? You find many people give excuses and do not attend because of this.'*

¹⁵ Denmark has a Somaliland Country Office in Hargeisa, and GIZ is in the process of setting one up as well.

Furthermore, the representation of development partners in SWGs (with the exception of the UN) is limited to the few who are regularly represented in Hargeisa, limiting the options for greater discussions on strategy and alignment at sector level. Several of the interviewed development partners stated that it was unlikely that they would participate in SWGs due to human resource constraints, further limiting the prospects of the sector groups improving in terms of NDP alignment and strategisation in the near future.

To enable sectors to continue their coordination efforts, some sub-sectors have established their own parallel sector coordination forums that have proven to be more effective for their purposes; for example, the Justice Sector Coordination Forum. So clearly there is a need for such coordination mechanisms, as long as they provide real coordination and opportunities for joint learning and planning among interested stakeholders.

3.7 NDP implementation and results

As there has been no solid M&E system in place, there is no complete overview of the actual achievements against the NDP. However, the MoNPD is in the process of undertaking a mapping of outputs achieved. At the time of the review mission they had received 24 responses covering 45% of the institutions in the NDP. The preliminary survey results show that that 131 (39%) of outputs were achieved, 177 (53%) were unachieved, and 28 (8%) are unknown (whereby 'unknown' refers to those responses that were stated explicitly as unknown, or left blank).

The preliminary results are not surprising, as the level of funding never matched the budget of the NDP. In the survey, the lower success rate is also stated by the institutions to be a consequence of lack of funding.

Overall the funding for the NDP has been less than projected. The Plan was expected to be funded from four sources: government, private sector, diaspora and donors (development partners). Of these, the development partners were expected to provide the bulk of the funding (calculated at 82%), while the Government funding would be limited to around 6% (officially 10%, but the actual calculation of the budget in the NDP lands on 6%). An overview based on the NDP can be found in table 3.3 below.

Table 3.3 projected financing of the NDP

	2012	2013	2014	2015	2016	Total	Total %
Government Allocations	10	12	15	18	19	74	6,22
Private Sector Investment (domestic and foreign)	8,97	25,63	43,94	33,59	19,98	132,11	11,10
Dispora	0,45	0,63	0,81	0,99	1,17	4,05	0,34
Donors	164,77	243,55	221,57	196,91	153,04	979,84	82,34
Total	184,19	281,81	281,32	249,49	193,19	1190	100,00

Source: Table 6.1.3 in the NDP¹⁶

The actual level of funding provided by Government and development partners is unclear at best. From the Government side, among interviewees, the budget allocation is estimated to be around 10%¹⁷ (which is assessed to be a reflection of the overall reduced envelope of the NDP against the budget than an actual increase in the funding level). However, in practice it is difficult to assess. An analysis of the 2015 budget (in Somali)¹⁸ shows that projected allocations

¹⁶ Note that there is an inconsistency with donor table 6.1.5, however table 6.1.5 seems to show overall budget for the NDP and thus has a mistake in the title.

¹⁷ There are no updated analysis of the Somaliland Government development expenditures, but a 2014 presentation by the World Bank (29 Sept. 2014) found that the government used USD 2.7 million on health and 5.9 million on education in 2011. The same year USD 42 million were spent on the security sector.

¹⁸ Excel sheet received form the Ministry of National Planning and Development.

for actual development investments are limited. Instead, the bulk of the budget allocated is for salaries and reimbursables (see table 3.4 below). Some of this funding is likely to have been targeted development related salaries and reimbursables, and the 7% plus 2% allocated for capital investments may have been targeting development.

Table 3.4 Analysis of 2015 Somaliland Government budget

Description	Budget year 2015	Percentage
Civil servants expenses	USD 71,858,691	48%
Operations cost	USD 36,778,710	25%
Government supplies	USD 16,880,675	11%
Maintenance	USD 1,490,028	1%
Capital goods	USD 2,637,417	2%
Construction of new buildings	USD 7,825,885	7%
Government assistance	USD 2,894,276	2%
Government debt +fuel levy+2% of eastern regions	USD 9,634,313	6%

The donor contribution is equally challenging to assess as there is currently no comprehensive data capture of development assistance to Somaliland.¹⁹ Depending on the statistics used, the OECD development partners contributed between USD 120-140 million USD to Somaliland in 2015, or between 40 and 140 million USD less than budgeted in the NDP.

The limited Government and development partner accountability to NDP implementation is, in part, a consequence of weak institutions. The MoNPD is the ministry that oversees the implementation of the NDP. Through a presidential decree, the Ministry requests other line ministries and institutions (as well as development partners) to report on NDP progress on an annual basis. In practice, however, the MoNPD has not been able to assert its authority as: (i) the institution is at par with other government institutions and thus is not regarded by other institutions as having the required leverage to instruct them to conform to reporting requirements, and (ii) limited funding from the Government and development partners to the MoNPD and sector ministries limits Government capacity to properly monitor and assess delivery against the NDP.

Further, as already mentioned, some international organisations come with already pre-designed programmes/projects, and because of the level of need in Somaliland, the ministries compromise and accept this support even though it might not be underpinned by the NDP (however, in light of the comprehensiveness of the Plan most funding provided is in one way or the other aligned to it).

4 Assessment of the Somaliland Special Arrangement Utility

4.1 SSA alignment with the NDP

The SSA is a 'separate and distinct part of the Somali Compact'²⁰ and was endorsed at the New Deal Conference on the Somali Compact held in Brussels in September 2013. It is an instrument aimed at providing a framework for international assistance to Somaliland, and is meant to provide a framework for improving international assistance by articulating partnership principles and mechanisms for coordination and monitoring. In addition, in the broader

¹⁹ See: Data from the High Level Aid Coordination Forum 8th meeting (2015); Assessment of Partnership Principles in Somaliland Special Arrangement (no date), and; the Somalia Aid Coordination Unit Aid Flow Analysis (draft Sept. 2015), which also captures some of the funding to Somaliland.

²⁰ Somaliland Special Arrangement (2013 -2016).

discourse around the New Deal are the PSGs that are meant to form the foundation for making progress on the MDGs (and more recently, the SDGs), as well as to guide countries in the determination of their national development priorities.²¹

However, as opposed to the prevailing situation in other fragile and conflict-affected contexts where the New Deal is being implemented, and specifically in South Somalia, Somaliland already had an existing NDP at the time of the SSA development. But since Somaliland is not recognised as an independent state, the international community lacked a legal basis against which to anchor its assistance to the Government. In addition, and as has been mentioned before, the NDP lacked appropriate prioritisation of Somaliland’s broader development goals that the development partners could use to undertake joint planning, and the SSA was able to fill this gap to some extent. Consequently, in Somaliland’s case, the New Deal and NDP process was reversed and has led to some of the challenges experienced with the framework.

According to interviewees, the development of the SSA was rushed through very late in the process of developing the New Deal for Somalia. Although consultations were held with a wide range of Government representatives, civil society and development partners, for the role that such a document is meant to play in the development trajectory of a country, the consultations carried out were said to be minimal and only in Hargeisa.

Nevertheless, the SSA presents Somaliland’s broad priorities in line with those articulated in the NDP, and corresponds with Somaliland’s Vision 2030. In this way then, it can be said to comprise the majority of needs of Somaliland. This is well appreciated by the Government representatives interviewed. Somaliland’s needs as articulated in the NDP are captured in the SSA under the five PSGs of the New Deal:

- PSG 1 – Legitimate politics
- PSG 2 – Security. (This was not in the initial SSA, but was added after the 6th HLACF decided that it did, after all, comprise a priority area for the Government).
- PSG 3 – Justice
- PSG 4 – Economic growth
- PSG 5 – Revenue and services.

The NDP comprises five main pillars: governance, infrastructure, economy, environment and social sector. In comparing how well these PSGs align with the NDP, the table 4.1 below presents a snapshot of this:

Table 4.1 PSG alignment with NDP pillars

SSA PSGs	NDP Pillar 1 Governance	NDP Pillar 2 Infrastructure	NDP Pillar 3 Economy	NDP Pillar 4 Environment	NDP Pillar 5 Social Sector
PSG 1 - Legitimate politics	Democracy and good governance; international cooperation				
PSG 2 - Security	Security and defence				
PSG 3 - Justice	Justice				
PSG 4 - Economic foundations		Transport, communication and ICT; energy;	Agriculture, livestock and fisheries; trade and financial services,	Land resources; coastal and marine	

²¹ The current Somali Compact, and the SSA will come to an end in 2016.

	water; solid waste	tourism; mining and drilling; private sector, diaspora and civil society	resources; forests and woodlands; biodiversity and wildlife
PSG 5 – Revenue and services	Public sector administration		Education; health; housing; social protection; water and sanitation; youth and sports

So, the SSA is broadly aligned with the NDP. However, the contention is that the security component is not as relevant to the Somaliland context in the same way that it is in Somalia. Initially, this PSG was omitted from the SSA, but with the realisation that there were still sectors that could benefit under it and that were prioritised by development partners, it was later included by the Government for support to related sectors such as security sector reform, the coast guard, and support to strengthening Somaliland’s border police force.

4.2 Utilisation of SSA

Government

It is apparent from interviews that there is minimal buy-in of the SSA among the majority of government agencies; most of them dismissed it as a ‘donor document’. At the MoNPD where it was expected that there would be more engagement with the document, only a handful of officers had actually even read the SSA. On the other hand, because of the international community’s shift in focus to Somalia, Somaliland appreciates the fact that the SSA allows it to remain engaged with the international community, and to access funding pledged through the New Deal. This opinion was expressed by both civil society and government respondents.

It was intended that an SSA secretariat would be set up at the MoNPD to support the NPC, to liaise with partners, especially in relation to supporting the Government in preparation for the HLACFs, and in tracking overall implementation progress of the SSA. However, the secretariat was constrained by: (i) lack of funding to enable active engagement with SSA follow-up, and (ii) the lack of active participation by development partners and sector ministries in sector working groups (bar education and health). Besides the HLACF there was thus limited commitment to follow up on the SSA implementation at sector level.

Aside from the MoNPD, and the Ministry of Finance, none of the other nine line ministries interviewed knew much about the SSA or made reference to it in their activities. This was the same at the regional level. One of the challenges highlighted by Government respondents was that development partners recognise the SSA ‘at the expense of the NDP’; and further, that in terms of planning, having two parallel documents has proved to be ‘ineffective and time consuming’. On the other hand, planning at the level of the individual ministries is still very much constrained by a lack of capacity both in terms of human capacity and other planning infrastructure such as up-to-date and accurate national data to facilitate planning.

There was greater awareness about the SSA among the civil society. This is to be expected considering that they were engaged in the negotiations that went towards developing it. But this awareness has not been further translated from the CSOs to the general public. Aside from the Somaliland Civil Society Platform that has remained engaged in the Aid Effectiveness debate, and therefore with the SSA, the majority of the other civil society do not have much direct association with the framework. Coupled with the lack of buy-in from Government, the utility of the SSA then for Somaliland in general is in question.

In terms of monitoring of development progress, there were discussions about setting up an M&E system for the SSA, and a framework was endorsed at the 6th HLACF. This in turn would have supported the Government in monitoring progress against the NDP. However, progress on implementation of the framework was constrained by a lack of infrastructure and resources to support such a monitoring exercise. Although it could be argued that lack of buy-in to the SSA affected this activity, the team found that the NDP suffers from the same challenge. Important information on Aid flows, as well as statistics still do not exist to support this function, and further, the failure of the SSA secretariat also compromised this activity.

The team assesses that there are three main reasons why the SSA is not regarded highly in Somaliland:

- The SSA was developed as part of Somalia's New Deal framework. Due to historical factors and the political divisions between Somalia and Somaliland, this fact deters the level of acceptance of the framework. It is also this reason that resulted in Somaliland boycotting the Brussels conference that endorsed the New Deal and Somali Compact on which the SSA is based.
- The level of consultation in developing the SSA was even more limited compared to that of the NDP resulting in an even lesser degree of ownership of the framework in Somaliland. In addition, and as already mentioned above, Somaliland already had an NDP in place, and the development process of the SSA attempted to fit the NDP into the PSG structure; in other words, the process in Somaliland's case was reversed.
- The SSA was never followed by a PSG aid architecture (besides the HLACF), and only few of the development partners can (and will) commit resources to engaging in PSG or sector level aid coordination to follow-up on the SSA, and thus without this commitment, there is little interest in Government institutions for engaging in the process.
- Due to the implementation arrangements of the SDF, and its perceived level of effectiveness as assessed from Government interviews, it is not immediately clear to the Somaliland Government what the added value is of the SSA. As such, there is no wide communication to Government agencies or to the citizens about the SSA and its role.

Development partners

Relative to the Government, the SSA has more traction in the development partner community. One of the reasons being that in terms of prioritisation of Somaliland's development needs, the SSA went one step further than the NDP, and narrowed down the list of needs in the NDP to key priority areas. Additionally, legally, it enabled development partners and international institutions that could not do so before to engage with Somaliland under the New Deal Framework of engagement since this was developed with Somalia; an internationally recognised Government.

Compared to the situation before, therefore, opinion among development partner agencies is that the SSA has been able to provoke greater interest in Somaliland's development agenda than was the case previously. This is mainly due to the fact that the ownership, coordination and alignment principles enshrined in the New Deal framework and in the SSA recommend that development partners and the Government do so.

On the other hand, as already mentioned, during interviews with development partners, it emerged that not all were open to aligning their programming to either the SSA (or the NDP). Although much of this has to do with the different planning cycles of the Government and of various development partners, it was clear that there were some development partners that were reluctant to adapt their country strategies to Somaliland. Nor was there an interest in

committing resources for Somaliland aid coordination. On the other hand, the priorities under the PSGs are broad enough to allow any development partner to align with the SSA, even if this is not by design. The limited commitment is however, also evidenced by the fact that the development partners are still to appoint representatives for the aid architecture for the SSA implementation²².

In general, however, the decision of development partners to lay emphasis on the SSA, a framework that is considered as being externally imposed, as opposed to working with directly with NDP has been a key point of contention and has affected its implementation.

4.3 Partnership principles

In the New Deal and therefore the SSA, development partners committed themselves to supporting nationally-owned and led development plans, and to work towards enhancing greater Aid Effectiveness, with the SDF being the preferred vehicle of funding activities, at least for some of the development partners.²³ The SSA set out a number of partnership guidelines – the TRUST principles – which both the Government and development partners pledged to use as a guide towards enhancing Aid Effectiveness. These are transparency; joint risk management; use of country systems; strengthen capacities; and timely and predicable Aid. Below, we provide a snapshot of the status of these principles.

Transparency

A key component under this principle is availability of information on Aid flows, as well as transparency of the Government budget and budgeting processes. An Aid Information Management System (AIMS) known as the Development Assistance Database (DAD) was developed in 2010 with assistance from UNDP. The DAD's utility has been brought to question and efforts are underway, with support from the World Bank, to redesign it for greater effectiveness as an aid information tool. Some of the reasons that it has not worked so far include:

- It was said not be user friendly thereby limiting the updating process by development partners and implementing partners. As such it never had up-to-date data to support planning, and it also proved cumbersome to use.
- Not all development partners and implementing agencies used the system so data on Aid was patchy and therefore not as useful as it could be for planning.

In addition to the complexity of the DAD was the perceived reluctance of some development partners to actually report on their funds for Somaliland. This was also complicated by the fact that the DAD required that the agencies report on Somaliland funding separately from Somalia, which was time consuming and often ended up with double accounting considering that funding by some of the development partners is not demarcated by administration.

As the AIMS is developed as a Somalia database, with a possible addition of a Somaliland part of this database, the Somaliland Government is of the opinion that this setup does not effectively reflect the independence of the Somaliland state. Consequently, the Government has communicated to the technical staff at the World Bank and UNDP that it would no longer be part of the AIMS for Somalia, but instead aim to have a separate system for Somaliland. For the time being and considering the falling levels of Aid, unless the Government can secure other sources of support for its own AIMS, this position might prove detrimental to Somaliland's efforts at Aid transparency. Further, the Government will need to convince its development partners to

²² See 8th HLACF minutes section 2.2. page 5.

²³ For some development partners, for example the EU, it is not possible to contribute to a Fund that is managed by a private contractor.

provide data or to upload information into the system, thereby requiring them to work with two Aid information systems. So far, most development partners have been reluctant to provide this data, again making it difficult to assess development partner progress against the SSA.

Risk Management

This principle is grounded in the premise of 'Do no harm'. One of the most obvious risks observed at the time of the review was the danger of Somaliland taking a tougher political stance due to the continued efforts by the international community to link it to the activities taking place in Mogadishu. It is evident that there needs to be a rapprochement with regard to how this is carried out going forward, considering that Somaliland is not recognised, and that continued and progressive engagement with some key development partners will need to be underpinned by country agreements that, at this stage, can only be made in Mogadishu. In other words the international development partners will either need to make commitments directly with the Government of Somaliland or the Government will need to agree to make arrangements for dialogue in Mogadishu.

Use of and strengthening country systems

Previous practice by international agencies operating in Somaliland has been to create parallel structures to Government, side lining the Government and missing the opportunity to undertake much needed system strengthening in the process.

The key system in question here is the Government's Public Financial Management (PFM) system. Dialogue between the Government and international development partners has been going on since 2013, but progress on passing key legislation on the part of the Government has been very slow. At the time of writing, a number of bills, specifically the PFM bill and the banking sector bill – aimed at supporting reforms in this sectors – were already in parliament for debate and key ministry officials were confident that the key ones would be passed soon.

The SDF has attempted to build capacity of Government to prepare them for the eventual transfer of functions – key among them being financial management of such multi-partner funds – to Government. The Fund utilises the Government procurement guidelines in its project procurement procedures. These guidelines have been developed with support from the World Bank. With capacity building and the enactment of the above PFM systems, the aim of the SDF is to gradually transfer all fiduciary processes from the Secretariat to Government.

The project selection process of the SDF projects goes through a rigorous exercise that takes anywhere between 30-140 days; although the more experienced ministries are able to cut down this time considerably in subsequent funding requests. Each of the steps in the process is aimed at building capacity of the Government counterparts on the project and while at the same time institutionalising the formalisation of project prioritisation, procurement, management, monitoring and evaluation. The SDF therefore provides an example of how such multi-partner funds can work with the Somaliland Government to strengthen systems.

Strengthening capacities

In tandem with the systems strengthening is the capacity development of staff in the public service. This has traditionally been done through short training sessions, which many respondents said had not been value for money considering the results achieved in their respective ministries. Development partners such as DFID and Denmark, and the UN as well, have been increasingly seconding technical advisors to work alongside Government staff to enhance the capacity of counterpart staff. The SDF has also supported two capacity surges aimed at capacity building of Government staff in Project Cycle Management, with a total of 190 staff to be trained by the end of 2016.

Timely and predictable Aid

The majority of Government as well as civil society respondents lamented the falling level of aid to Somaliland. Further, it became apparent that it was not clear what funds were provided by whom and how much. The only predictable and well known funding was that to the SDF. A common refrain in Government interviews was that the funding pledged under the SSA was 'old money' and did not actually mean that new funds were to be channelled to Somaliland. With a dysfunctional AIMS, the Government and development partners will need to agree a way forward in terms of ensuring that this information is captured and used for planning purposes.

To monitor the implementation of these Principles, it was planned to have an annual monitoring of the status of the Principles. A monitoring framework was developed to guide this process, but so far, this has not been undertaken. This was primarily because it was a system running parallel to the M&E systems of the NDP, although this too was not so effectively implemented due to a lack of resources. Discussions with the Ministry revealed that plans are underway to harmonise these two M&E frameworks along the lines of the NDP structures. The World Bank has funded a separate study of the implementation of the partnership principles, but the study is still to be released.

In summary, therefore, adherence to the TRUST principles is patchy but has not been a complete failure. Even with the finalisation of the SSA, the assessment indicates that, with continued efforts from joint mechanisms such as the SDF, it is still possible to continue strengthening Government and donor relations and improving Aid practices enshrined in these principles.

4.4 Follow-up

Mid-2015 in Somalia, the Government and international partners signed the Somalia Development and Reconstruction Facility that will be a channel through which funding to the PSGs will be realised. According to interviewees, this is worrying for Somaliland due to the fact that, at the moment, access to funds under this Facility has to be signed off by the Federal Government of Somalia. This goes against the Government of Somaliland's efforts at recognition as a separate state apart from Somalia.

As mentioned above, for some of the development partners, the SSA provides a legal framework through which they can engage financially with Somaliland's development process. However, for the Government, aside from the SSA and its structure providing a forum for engagement with international partners, it remains largely separate from its development efforts in-country. The SSA will come to an end in 2016 so the key question here is whether there exists another option through which the international community would still be able to engage with the Somaliland Government without requiring the existence of parallel development frameworks. However, the SSA's partnership principles are an important guide to Government and donor engagement and a subsequent NDP should explore ways in which these principles can still form part of the framework.

On the part of the Government, it will need to be commonly understood by both Government representatives and the citizens that, due to its position as an internationally unrecognised Government, there are members of the international community that cannot engage with Somaliland without a sign off from the Federal Government of Somalia; at least in the near future. And decisions on the way forward can then be taken with the realisation that it might mean that Somaliland loses access to some funding channels available through Mogadishu.

With regard to the HLACF, the Government needs to explore ways in which it can use this Forum to leverage its position vis-à-vis development in Somaliland. Although there are

concerted efforts to prepare adequately for the meeting, going forward, the agenda items should be more strategic, and rather than having ministries present on their progress against the PSGs, change the approach to a higher level development goal oriented engagement. To support this, the Government needs to have as accurate data as possible with which to argue its position at the meetings.

5 Assessment of the Somaliland Development Fund Utility

As has been mentioned above, all respondents agreed that the SDF is aligned with the NDP in as much as all the projects implemented under the Fund are derived from the Plan. But, as mentioned earlier on, the needs articulated in the NDP are so broad that it is difficult not to align with it. What is different in the SDF's case is that it makes a concerted effort to do so with the guidance of the NPC. The Fund enjoys a high level of buy-in from the Government, especially considering that its implementation is designed to make use of Government systems in almost all its processes. Further, the modalities used for project prioritisation ensure that issues of concern take precedence over the myriad of needs that compete for primacy in Somaliland.

Interviews at regional level revealed that the majority of citizens are not aware that the SDF is responsible for the projects it funds; examples being the activities funded under the Hargeisa Water Company and the Kalabaydh-Dilla Road. So in terms of building the legitimacy of the Government with the local population, the SDF modality appears to be an effective way of doing so.

According to most respondents, one of the set-backs of the SDF is the long process from conception to implementation. However, these are assessed as being aimed at fulfilling two key aims:

- Capacity development of Government counterparts with regard to following strictly, a set of procurement guidelines
- Institutionalising the practice of carrying out rigorous prioritisation from a large set of needs
- In addition, the long exercise ensures fiduciary risk management in a context where systems are still nascent.

One additional criticism was by the regional governments who appeared to have been by-passed in the decision-making process for projects implemented in their locations. The representatives from the three regions visited all had the same complaint.

However, for the SDF and for future multi-partner funds, they present an opportunity to act as an equalisation mechanism especially for some of the regions in Somaliland that have suffered neglect. The SDF is already implementing projects in two such locations: Sool and Sanaag, but this could become more succinct in the design of the Fund.

Currently, the Fund is the only mechanism that is able to provide accurate information on aid flows from international partners and fulfils the Principle of Aid Predictability. As such, it provides development partners with a tool for aligning with the Government's NDP, and doing so in line with the Partnership Principles.

The success of the SDF in using the NDP demonstrates that with the right structures, such multi-partner funding mechanisms can use existing Government plans effectively. The design of the SDF recognised the shortcomings of the NDP, and worked towards finding a way of working with it despite this.

6 Conclusions

The NDP provides the first comprehensive national development plan for Somaliland. It provides a full overview of the desired plans of all Government institutions and thus the first catalogue allowing the Government and development partners to target funding according to the Plan.

The NDP was developed through a mostly internal Government process, which has resulted in limited ownership and use among the Government institutions as well as civil society and the private sector. The Plan represents inverted alignment of Somaliland needs where the institutions define the outputs based on their own priorities without attention to the overall goals and priorities of Somaliland. In this way the Plan provides little extra guidance for the institutions and thus limited motivation for further use (for an overview, see box 6.1).

Part of the challenge of the limited ownership, is the lack of clear overall goals, indicators, prioritisation and costing of the Plan. This combined with the limited institutional support, including lack of support for a well functioning aid architecture, to enforce and monitor the implementation of the Plan has *de facto* made the NDP all but redundant.

The NDP is so broad that it allows for all stakeholders to claim alignment to the Plan. It thus provides very limited guidance for the Government to steer the development of Somaliland and support internal Government discussions on development prioritisation. Similarly, the document provides limited focus for internal development partners, which again limits its use for policy dialogue with the international community on Somaliland priorities.

With regard to the NDP and the SSA, there is a need for the Government and the development partners to discuss the utility of two parallel planning frameworks, although it is also recognised that for some development partners, the SSA provides a legal framework against which they can support Somaliland. So the decision might revolve around how to resolve the legal issue while retaining and supporting one planning document.

The SDF provides useful lessons that can be used by subsequent multi-partner funding arrangements. Despite the limitations of the NDP, the Fund found a way of working with the document, while at the same time adhering to the Partnership Principles articulated by the SSA.

Box 6.1 Short summary assessment of NDP implementation according to OECD-DAC evaluation criteria

Relevance. The NDP covers all sectors of Somaliland and identifies needs as per the individual Government institutions. In this way the NDP is assessed relevant to those who are designated to implementing the Plan. However, as the Plan does not build on thorough needs assessments and broader consultations, relevance to the context and the people of Somaliland has not been ensured.

Effectiveness. The lack of effectiveness is a consequence of the poor utilisation of the Plan by implementing institutions and the international development community. This is further constrained by the lack of a robust monitoring framework by which progress is assessed. This again is a consequence of lack of clear goals and priorities to steer the development of Somaliland.

Efficiency. The limited effectiveness is in part a consequence of poor efficiency. The Plan lacks basic requirements pertaining to clear goals, indicators, targets, aid coordination structures, and M&E mechanisms to allow for the monitoring and follow-up. Similarly, the present institutional arrangement overseeing the implementation of the Plan is insufficient to

ensure Government and development partner compliance with the Plan.

Impact and sustainability. With limited relevance, effectiveness and efficiency of the Plan the impacts and sustainability is negligible. However, through the SDF, the plan has provided an example of how development partners can use such funds for alignment to the country's priorities.

7 Recommendations for the future National Development Plan

Based on the lessons learned from the design and utilisation of the present NDP and the supportive instruments, below, we present recommendations for the design of a new NDP focusing on making the Plan strategic, realistic, owned, and funded.

7.1 The principles for a new plan

The new NDP needs to be a document that provides coherent goals for the development of Somaliland over the next five years. The document should be used as a political statement illustrating the development direction, which a united Somaliland will strive to achieve; it should provide appropriate details to allow for using the document as an overall planning instrument, from which all other plans at sectoral and institutional level can emanate.

To be a useful document for the Government of Somaliland, as well as other stakeholders contributing to the Plan, including the international community, civil society, the private sector and the diaspora, we suggest, that the plan should have the following features:

1. **Clear and concise goals at objective and outcome level.** The plan will provide the overall goals for Somaliland in terms of: (i) overall objective aligned with Vision 2030, (ii) cross-sectoral immediate objectives outlining higher level goals, which multiple sectors contribute to achieve, and outcomes at sectoral level outlining the key goals for the individual sector (there is likely to also be cross-sectoral outcomes identified by appropriate analysis). To ensure alignment with international development efforts, it is suggested that the outcomes are aligned with the United Nations (UN) Sustainable Development Goals (SDG)²⁴.
2. **Goals supported by indicators and annual targets.** The goals should be supported by clearly identified indicators and medium and long-term targets, which will allow the Government to monitor progress over time. It is suggested, that these are aligned with the targets identified for the relevant SDGs.
3. **Sector strategies aligned with the NDP.** Based on these overall objectives and outcomes, institutions will revise or develop sector strategies and institutional plans, aimed specifically at meeting the targets set out in the new NDP. It is thus suggested that the NDP does not outline specific output level initiatives, but that these are fleshed out in the sector strategies and institutional plans linked to the NDP (the institutional plans will then be linked to the sector strategies). These plans can (and should) be updated yearly to allow for changes to meet the needs and challenges of Somaliland. The sector strategies and plans should also include specific annual targets for each of the outcomes and outputs identified in the strategies and plans. As long as there is no fiscal and decision-making delegation or devolution to the regional level in Somaliland, the team furthermore suggests that no new regional plans are developed. At the same time district plans, which do have their own budget should remain a key tool for local level planning.

²⁴<https://sustainabledevelopment.un.org/?menu=1300>

4. **Prioritised and costed.** The new NDP (and the aligned sector strategies) should be prioritised and costed to ensure that the funding is allocated according to the needs of Somaliland and that the plan is realistic vis-à-vis the projected financial envelope. The identified targets should reflect this financial realism.²⁵
5. **A document for all in Somaliland.** The identification of the overall objectives of the plan should be through a participatory and inclusive process to ensure that the ensuing plan is owned by the people of Somaliland and those who are expected to contribute to the plan (see next section). This will increase the chances of the plan to be used and implemented.
6. **Based on solid evidence of development situation in Somaliland.** The identification of outcomes and targets should be based on thorough background analysis of the situation of Somaliland across all major sectors. This analysis should thus be used as evidence for informing the needs and prioritisation at NDP as well as sector level.
7. **Clear implementation and M&E arrangements.** To ensure focused implementation and follow-up, the plan should include specific reference to the implementation arrangements with clear delineation of responsibility as well as a monitoring and evaluation framework (see also implementation below). This should include reporting procedures between implementing and funding institutions and actors and annual reviews as well as a mid-term and end-evaluation.²⁶
8. **Clear Aid architecture.** The plan must be followed by a clear Aid architecture with overall and thematic sector working groups with representation of sector ministries, NGOs and development partners to ensure funding allocation and coordination in line with NDP priorities.
9. **The plan should be accessible to all in the Somali context.** In practice, this means that the plan should be short and concise to motivate reading in a society that primarily relies on verbal communication. It should be translated and distributed in Somali (in addition to English), and it is further suggested that a communication strategy is developed to populate the plan. This communication strategy may include suggestions for a shorter (pixie) version of the plan as well as radio messages to reach out to the considerable illiterate section of the Somaliland community²⁷.

7.2 The roadmap for designing a new plan

To ensure that the formulation of the next phase of the NDP is based on solid development diagnostics and that the plan is based on the needs and desires of the people of Somaliland, thorough background analysis and consultations are required.²⁸ It is suggested that the following steps are introduced as part of the NDP roadmap (for visual overview, see fig. 7.1 below):

- 1) **To ensure overall guidance and legitimacy of the plan a NDP Planning Committee (PC) should be established.** The Committee could be a revised version of the existing NPC (but revised to cater for the challenges outlined in chapter 3 above). The PC should serve three purposes: (i) oversee the implementation of the NDP roadmap, (ii) provide leadership in terms of coordinating the inputs from all stakeholders involved, and (iii) be the final authority in the NDP prioritisation process. To provide sufficient legitimacy and ensure future commitment to the plan it is suggested that the PC is chaired by the

²⁵ The plan may build on the lessons learned of prioritisation undertaken by the NPC for the SDF funding.

²⁶ The team assess that there is currently sufficient capacity within the MoNPD to oversee the annual review processes.

²⁷ According to the World Bank: Poverty and Inflation, presentation to the Somaliland Economic Conference January 2014, the literacy rate in rural Somaliland is 47%.

²⁸ It may well build on the good experience with prioritisation and costing as undertaken by the National Planning Commission for the SDF funds.

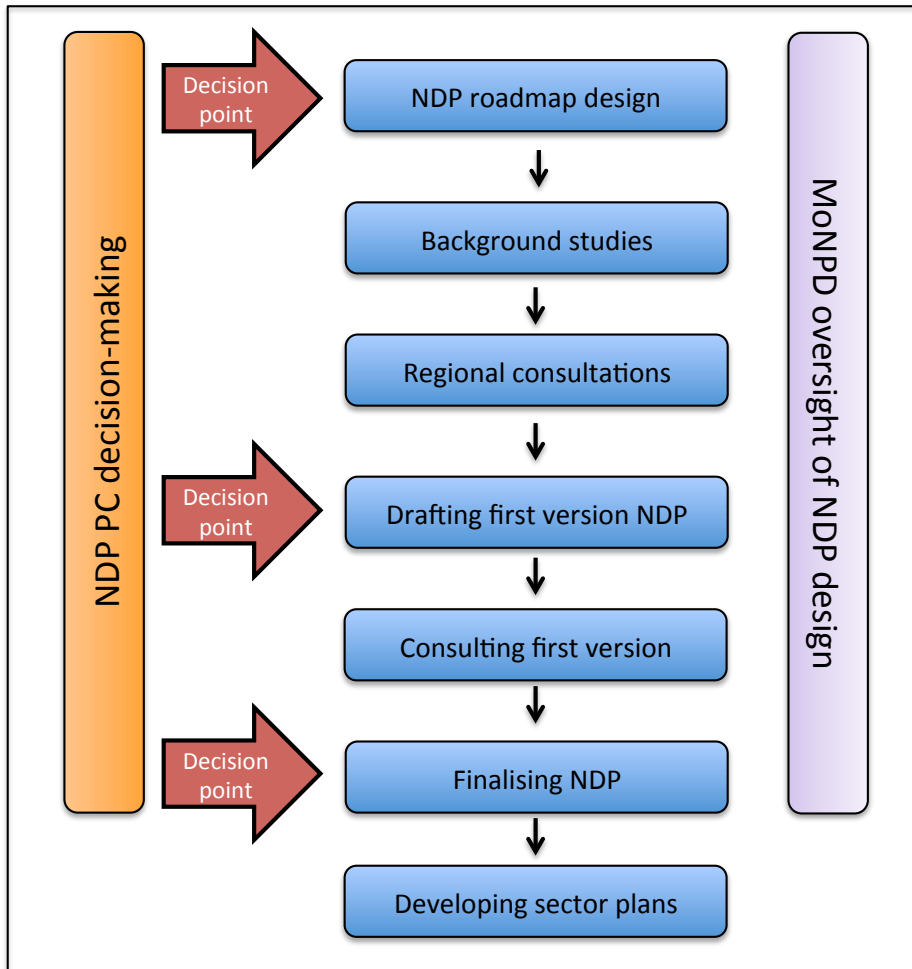
President of Somaliland with the Minister of National Planning and Development serving as a Vice-chair, and the MoNPD as secretariat for the PC and for the roadmap.²⁹

- 2) **Studies should be conducted and collected to inform the process.** This includes compiling existing updated studies (such as the World Bank poverty assessment and thematic assessments, IOM's study on youth employment, UNICEF's sector capacity assessments etc.) and undertaking new diagnostic studies at overall cross-sectoral levels as well as at sectoral level as required. Studies should also be undertaken to assess the expected projections in Government revenue and future contributions from the private sector, diaspora, and development partners to the NDP. The studies should focus on immediate needs, challenges, solutions as well as costing of possible interventions to inform the NDP design and prioritisation.
- 3) **The needs, objectives and priorities should be consulted with all relevant stakeholders.** Through a participatory process, the PC should ensure that the objectives and immediate objectives of the NDP are discussed and agreed with civil society, diaspora, the private sector as well as with the international community who are expected to fund a great part of the plan. The process should ensure to involve discussions across all regions of Somaliland and involve marginalised groups and clans as well as special emphasis on the voice of women and youth. Material produced before and after these sessions must be made available in Somali.
- 4) **Based on the studies and consultations, the PC, with assistance of the MoNPD secretariat, will draft a first version of the new NDP.** The output will be a consultation draft aligned with the principles outlined in the section above.
- 5) **The draft NDP will be consulted with key stakeholders.** This includes representatives of regions, ministries and private sector and civil society representatives. Development partners should be invited for this process as well.
- 6) **Once finalised, the sector groups will be asked to revise or design new sector strategies** specifically aimed at meeting the objectives and outcomes of the new NDP. The combined NDP and sector strategies thus provide the full five year planning framework for Somaliland.³⁰
- 7) **Once complete, the Aid architecture will need to be revisited.** Aid coordination fora will need to be revised at overall, thematic and sector level and Government will need to take the lead in chairing the meetings while international partners will need to appoint focal points for the individual groups.

Figure 7.1 NDP design roadmap

²⁹ In practical terms, the PC will meet frequently under the auspices of the Vice-Chair. The President will preside the meeting at key intervals when decisions are to be endorsed.

³⁰ Note that sector strategies and plans may be updated throughout the five-year period as long as they remain aligned with the new NDP.



Finally, the team suggests that the Government of Somaliland takes into consideration the upcoming elections vis-à-vis the NDP formulation process. To ensure that there is backing to the new NDP from the Government institutions, the team suggests that the new plan is launched by the incoming government following the planned elections in 2017. The preparation process may start as planned as well as the initial drafting process, but to ensure ownership and buy-in and respect the democratic process, we suggest, that finalisation of the document awaits the taking of office of the at the time newly elected government.

7.3 Funding the plan

As in the current plan, the new NDP will require multiple funding sources. Based on the lessons learned we suggest the following in considered for funding the plan:

- 1) **The Government will need to increase its contribution to the NDP** to ensure legitimacy of the document. The current level of 6-10% funding has the disadvantages of limiting ownership of the document among Government institutions on the one hand, and allowing other contributors to question the commitment of the Government to its own plan. While the team recognise the limited revenue generated by the Government, more efforts need to go into prioritising existing revenue towards development assistance, and thus the NDP, and striking an appropriate balance between development and other Government concerns such as security.
- 2) **Diaspora and private sector.** The Diaspora remains a key source of funding for families and communities in Somaliland through remittances and the myriad

development projects they support in many parts of the country. Through the Diaspora Commission, there is an opportunity to consolidate information to map more clearly the kind of support they provide, and how much. In addition, the Government could further elicit a more structured approach to this support by having a popular NDP in place, as well as by undertaking the necessary PFM reforms. A similar approach could be taken with the private sector involving the Chamber of Commerce, Industry and Agriculture.

- 3) **Development partners will still be expected to provide the bulk of the funding.** For the development partners to fully align with the NDP, the team assesses that the following basic requirements must be fulfilled: (i) the Plan must be of decent quality and reflect the actual needs and priorities of Somaliland and thus fulfil the requirements outlined in section 7.1 above, (ii) the parliament must approve the public financial management bill ensuring sound public financial management of development funding, and (iii) a solution to the legal requirements for funding to Somaliland by development partners must be found.
- 4) **To ensure alignment with the NDP it is suggested that funding is provided through the SDF and similar arrangements.** In light of the positive impact in terms of prioritisation, alignment, and ownership from the projects implemented by the SDF, funding arrangements like the SDF (or the World Bank Multi Partner Fund for Somaliland) should be the preferred modality of development assistance for Government led development and service delivery.

7.4 Implementing the plan

Even with the most thorough planning process, the plan becomes redundant if other institutional weaknesses are not addressed. Key to this is the continuation of the suggested PC as the lead authority overseeing the implementation of the plan, and a strong secretariat in the MoNPD in support of this.

For the line ministries to be able to respond to the leadership requests (and to simply get an overview of their own portfolio's performance), M&E capacity should be strengthened. This includes design of clear guidelines and directives for the M&E process from district to central level with clear delineation of responsibilities; the establishment of electronic data capture system which can enable a solidified overview of the performance of the institution; and human resource capacity to oversee and implement this process.

Similarly, development partners and NGOs – as well as diaspora and private sector - need to register their funding and projects centrally with the MoNPD (who will report to the Ministry of Finance), to allow Somaliland to have a full overview of the development envelope. This is likely to require that Somaliland either re-joins the AIMS or establishes a different financial data system.

Finally, for the NDP to be meaningful, the Government (across ministries, institutions and regional departments) should refrain from accepting development assistance that is not fully aligned to the new NDP.³¹ Similarly, the development partners and NGOs should use the NDP as the main source of inspiration for deciding new assistance to Somaliland.

³¹ Funding to Somaliland Non-Government institutions and demand-side governance activities may be funded irrespective of the NDP to ensure the voice of rights holders in Somaliland irrespective of the NDP prioritisation.

Annex 1 – Terms of Reference

Terms of Reference Somaliland National Development Plan Evaluation

1. Introduction

Since declaring independence in 1991 Somaliland has made remarkable progress across the spheres of politics, security and socio-economic development. Emerging from a conflict where cities were in ruins; integral government structures destroyed and social services in health and education were basically non-existent, Somaliland has experienced tangible development through a decade's long commitment to the principles of democracy, peace and security. As a self-declared Republic, Somaliland has a functioning constitution; a democratically elected President and a multi-party parliamentary system and government Ministries that are responsible for providing key social services and policy direction. Despite these great strides, significant development challenges remain. Food and water security are ever present challenges with large parts of Somaliland susceptible to drought. Tired and insufficient infrastructure and underdeveloped civil servant capacity has equated to expensive utilities, long travel times and inconsistent improvements in social services such as health and education indicators. To sufficiently address these challenges, the Federal Government of Somaliland has committed itself to a series of national reforms and to the creation of ground-up national planning and policy frameworks.

In 2011, the government in partnership with community leaders, civil societies and international partners met with the purpose of envisioning what a future Somaliland could be; a social imaginary that all stakeholders could support and work towards. Through constructive discussion and in-depth analysis a pivotal policy and development document came into fruition; *The Somaliland National Vision 2030: A Stable, Democratic and Prosperous Country Where People Enjoy a High Quality of Life*. More than just a vision statement, the SNV 2030 is a foundation document that purposefully embodies Somaliland's aspirations with a clear sense of policy guidance. It provides decision makers with an outline of where Somaliland should fulfil its potential over the long term across five key development pillars: **Economic Development, Infrastructure Development, Governance and Rule of Law, Social Development, and Environmental Protection.**

Soon after the completion of the SNV 2030, a mid-term plan that turned the vision into action was required. The Somaliland National Development Plan (2012-2016) became Somaliland's first government owned and developed mid-term planning policy; focusing specifically on achieving sustainable development and poverty reduction. Leading its development, the Ministry of National Planning and Development applied a bottom-up whole of government approach through engaging with regional and national stakeholders in a series of workshops, meetings and intensive discussions on how the NDP should be developed, what technical processes should be applied and what should be included. Through this consultation, the NDP was principally aligned with the development pillars of the SNV 2030 and then technically collated with sector specific data and key stakeholder recommendations. This process culminated into 50 development sector strategies each with its own specific challenges, opportunities, priorities and strategies. With each sector strategy also containing a clear emphasis on economic growth and poverty reduction.

Following from the National Development Plan and principally drawing from it and the SNV 2030, the Somaliland Special Arrangement (SSA) represents an important element of a larger shift in approach to development partner engagement. The SSA is the sole framework for engaging with Somaliland's development process under the 'New Deal' principals of partnership, peace and state building. The SSA is a separate and distinct part of the Somali Compact and while these two planning documents were simultaneously endorsed in the spirit of the 13 April Ankara Communiqué signed by the Government of Somaliland and the Federal Government of Somalia, the two planning policies were developed through separate processes and will be implemented using separate government systems and mechanisms. The SSA was developed using the five foundational 'New Deal' Peace and State Building Goals; Legitimate Politics; Security; Justice; Economic Foundations and Revenue and Services. Each goal having its own strategic objectives and priorities drawn directly from the NDP. To assist with SSA implementation a separate monitoring and evaluation framework, partnership principals and aid architecture encouraging the use of Multi-Partner Trust Funds was developed.

The Somaliland Development Fund is the first Multi-Partner Trust Fund implemented in Somaliland, linked directly to the SNV 2030, NDP and SSA. The SDF is a harmonised aid delivery mechanism that seeks to improve core state functions, increased public service delivery, enhanced aid effectiveness and strengthened mutual partnership and accountability. It achieves this through

improving the capacity of government institutions and promoting the use of government systems for the design, approval and delivery of a variety development projects. The SDF is the only cross-sectoral programme disbursing funds and giving technical assistance at the central level with projects designed based upon the targets and gaps identified by the NDP. A key and innovative feature of the SDF is its integration into the government's planning and budgeting processes and the gradual transfer of fund control from the Fund Manager to the GoSl. This will be done in distinctive phases based upon monitored progress against public financial management and revenue benchmarks.

2. Purpose of the Evaluation

The overall purpose of this evaluation is to generate, discuss and document lessons that can be learned from the National Development Plan, Somaliland Special Arrangement and Somaliland Development Fund for the next cycle of national planning post-2016. To achieve this the external review will include:

- a) A collective bottom-up evaluation of the Somaliland National Development Plan, Regional Plans and Somaliland Special Arrangement using the DAC framework principles of relevance, effectiveness, efficiency, impact and sustainability
- b) A review of the Somaliland Development Fund's alignment of development partner aid to the National Development Plan and Somaliland Special Arrangements
- c) Practical recommendations that will guide the next national development planning cycle and improve early aid alignment particularly of multi-partner trust funds post-2016

3. Outputs

The following are the outputs of the evaluation:

- a) A review report including the observations, analysis and conclusions of the team as well as a set of specific recommendations which will provide the basis for a post 2016 national development plan strategy.
- b) A summarised version of the report preferably not exceeding 10 effective pages, including key observations, best practices and key recommendations will be produced for wider dissemination and potential translation.

4. Scope of Work

The Consultant(s) in carrying out the purpose of this evaluation will apply the DAC evaluation framework of relevance, efficiency, effectiveness, impact and sustainability to address all issues found to be pertinent to meet the stated purposes. Hereunder, but not necessarily limited to, the following activities:

- a) Summarize available government information on national and regional development budgets and actual expenditures by year and in total with specific aid flow breakdowns (international/ government/diaspora/private investment);
- b) Collate various government and development partner reports with interviews of key government and international informants, to evaluate the achievement of objectives, outputs and activities of the National Development Plan, Regional Plans and Somaliland Special Arrangement as of December 2015. This will also include an analysis of the effectiveness in application, performance and sources of resources used to support these plans;
- c) Through the application of key informant interviews assess the contribution of the Somaliland Development Fund modality to the alignment of donor assistance and the advancement of the aid effectiveness agenda in Somaliland.
- d) Review national statistical indicators to determine what NDP and SSA achievements have been made in reaching target groups taking into account gender and social exclusion issues?
- e) Based on the information gathered and international best practices develop a framework outline for the next five year National Development Plan 2017-2021

5. Risk Management

Assess the major risks experienced during the implementation of the National Development Plan, Regional Plans, Somaliland Special Arrangement and Somaliland Development Fund and to what extent have these plans and funding mechanisms addressed and mitigated these risks.

6. Implementation and Reporting

Sources of information and methodology to be employed

Documents: The consultant shall make themselves familiar with all relevant and available background information, such as national planning and vision documents, addendums, decision documents, work plans, progress reports, and minutes from the High Level Aid Coordination Meetings etc.

Interviews: In addition, the review will be done through interviews with key informants. The consultant is expected to have extensive meetings with stakeholders, women as well as men, and government counterparts, other donors and other partners providing relevant input for purpose of the review. Interviews will be in both Nairobi and Hargeisa.

Field trips: One field visit to nearby areas at the end of the first week of mission will be organized for a maximum period of 3 days to familiarize and assess the field activities. A detailed field visit plan will be prepared prior to the arrival of the review mission. The review team shall meet with beneficiaries particularly of the SDF programme.

Timetable for preparation, field work and reporting

Preparations: Upon signing of the contract, the Consultant will study relevant documents, and work out a mission preparation note.

Field work: The Consultant(s) shall undertake a 2-week fact-finding mission to Somaliland, tentatively during **February 2016**, to conduct interviews, review additional documents and visit field sites. This will include 3 days in regional areas.

Reporting: The final evaluation report shall be written in English and shall preferably not exceed 30 effective pages, plus an executive summary and attachments. The report shall be submitted on paper and electronically. The preparation of the final review report shall be based on the following process:

- a) A mission preparation note shall be submitted to Ministry of National Planning and Development, and Embassy of Denmark (Kenya) prior to the consultant's arrival to Somaliland. The note should include the key issues identified, building upon a preliminary assessment of the national plans and SDF, referring to the outlined Scope of Work, and based on all available references.
- b) The Consultant is expected to present a draft report to the parties, including summary of main findings, conclusions and recommendations, within 10 working days after the field work in Somaliland.
- c) The final report is to be submitted within 2 weeks after the parties have delivered their comments to the draft report.

- d) A summarized final report including key observations, best practices and a minimum six key recommendations (including the 2017-2021 NDP framework outline) for a wider dissemination.

Indicative volume of the assignment

The following assumptions indicate the volume of the assignment. The final budget is below DKK 500,000 however exact to be proposed by the Consultant(s).

- 2 international experts and 1 national expert
- Preparations: 1 week of five working days (for the whole team)
- Nairobi mission: 2 working days (International Experts)
- Somaliland mission: 2 weeks of six working days (for the whole team)
- Reporting: 1 week of five working days (for the whole team)
- Approximately 4-5 weeks in total for the team.

7. Qualifications of the Consultants

Two consultants will have overall responsibility for the assignment but will also be supported by one local expert. The Consultants should cover the following disciplines and qualifications:

- Knowledge of and experience of development planning and policy in Somaliland and/or Africa
- Experience from similar evaluation assignments using the DAC evaluation principles.
- Knowledge of and experience from work with gender and social inclusion issues.
- Knowledge of and experience from project management and sector wide approaches.
- Aid effectiveness, the New Deal and Partnership Principles
- Experience of working with or evaluating Multi-Partner Trust Funds
- Strong critical analysis skills

8. Background Documents

- Somaliland National Vision 2030
- Somaliland National Development Plan 2012-16
- Somaliland Special Arrangment, various supporting documentation and reports
- Somaliland Development Fund project outline; various guidelines and reports
- Minutes from High Level Aid Coodrination Fora

Annex 2 – Documents Consulted

Annex 3 – Persons met

Name	Description
Sarah Louise Cramer	World Bank
Angus Miller	DFID
Pauline Seenan	DFID Somalia Head of Economic and Human Development Team
Pernille Brix Jorgensen	Danida Development Counsellor – Somalia
Anne Marinussen	Netherlands Embassy
Tyler Beckelman	Director - USAID Somalia
Hodan Hassan	Political/Economic Officer USAID Somalia
Lily Beshawred	Supervisory Programme Officer - USAID Somalia
Christoph Schmidt	GIZ Programme Manager – Sustainable Road Maintenance Project
Kira Smith Sindbjerg	Danida – Deputy Head of Mission
Gavin Roy	Resident Coordination Advisor – Office of the UN Resident Coordinator
Sergei Pushkarev	Head of Area Office, Somaliland, UNDP Somalia
Brett Rapley	Senior Advisor - MoPND
Guilherme Suedekum	Economic Adviser - ODI Fellow -MoPND
Ali Hussein Ismail	Minister - MoPND
Hassan Abdillahi Jama	Director of Statistics - MoPND
Mustafa Farah	Development Director – MoPND
Dr Saad Ali Shire	Minister – Ministry of Foreign Affairs
De Mohamed Farah Duale	State Minister – Ministry of Finance
Mohamed Hassan	DG – Ministry of Finance
Dr. Mohamed Samatar	PFM Consultant – Ministry of Finance
Abdirashid Ahmed Guleid	DG – Ministry of Trade and Investment
Mohamed Awale	Director of Investment
Rima das Pradhan-Blach	Former Advisor to MoPND
Said Ahmed Jibril	DG – Ministry of Energy and Minerals
Suleiman Abdulhakim Jama	Director - Energy
Abdullahi Ismail Farah	DG – Ministry of Agriculture
Farhan	Director of Planning - Ministry of Livestock
Mohamed Ali Mohamud	Director of Regions – Ministry of Interior
Ahmed Farah	Consultant00
Amb. Abdifatah Said Ahmed	DG – Ministry of Interior
Khadar Ahmed Diriye	DG – Ministry of Justice
Yassin Mohamed	Director of Planning
Jama Mohamed Odawa	DG – Ministry of Fisheries
Zaam Omer Gedi	Director of Planning
Mohamed Ahmed Mohamud	Executive Director – SONSAF
Dr Yussuf Ahmed Ali	DG – Higher Education. Ministry of Education
Naja Adan	Deputy team leader – SDF
Shukri Haji Ismail	Minister – Ministry of Environment
Abdikarim Adam Omer	Director of Planning
Mohamed Farah	Project Manager SDF - Ministry of Water
Ibrahim Siyad Yonis	CEO – Hargeisa Water Agency

Prof. Mohamed MihilehBoqoreh	Chairman – Civil Service Commission
Saeed M Ahmed	Executive Director – SONYO
Borama Regional Meetings	
Abdirahman Dahir Abtidon	Regional Coordinator-MoNPD Regional Education Officer
Fardous Sa'ed Sh. Hassan	Regional Coordinator –Labour&Social Affairs
Professor Suleiman Ahmed Guleid	President – Amoud University
Berbera Regional Meetings	
Jama Yusuf Ahmed	Governor
Abdishakur Edin	Mayor
Dr. Abdirahim Abdillahi	Regional Coordinator Health
Abdalle Ismail Yasin	Regional Coordinator MoPND
Burao Regional Meetings	
Mohamed Abdi Arab	Regional Coordinator- MoPND
Hassan Yusuf Abdi	Regional Officer - MoPND
Yusuf Warsame	Regional Coordinator - Ministry of Environment
Hassan Jama Warsame	Regional Education Officer
Dahir Mohamed Jama	NERAD
Ali Mohamed Ajab	Regional Coordinator – Ministry of Water
Mohamed Diriye	Deputy Governor
Abdi Mohamed	Regional Secretary
Ibrahim Ismail Elmi	Secretary General - Chamber of Commerce
Shukri Harir	Vice Minister – Ministry of Information
Abdirahman Abdullahi Hersi	Chairman – Somaliland Diaspora Commission
Ubah Mohamed Mohamed	Aid Coordination Office - MoPND

Annex 4 - Example of requirements of national development plans

OECD and UN basic requirements for sustainable development strategies:

Main elements	OECD	United Nations
Policy integration	Integrate economic, social and environmental objectives Ensure comprehensive and integrated strategy	Integrate economic, social and environmental objectives Link different sectors
Inter-generational timeframe	Develop consensus on long-term vision.	Develop shared strategic and pragmatic vision Link short term to medium/long term
Analysis and assessments	Base strategy on comprehensive and reliable analysis Build on existing processes and strategies	Anchor strategy in sound technical and economic analysis Build on existing mechanisms and strategies
Coordination and institutions	Embed strategy in high-level government commitment and influential lead institutions	Ensure a strong institution or group of institutions spearheading the process
Local and regional governance	Link national and local levels	Link national, regional and global levels
Stakeholder participation	Ensure effective participation Develop a people-centred strategy	Ensure access to information for all stakeholders, transparency and accountability Develop partnerships among government, civil society, private sector and external institutions
Indicators and targets	Include targets with clear budgetary priorities	Base strategy on realistic, flexible targets
Monitoring and evaluation	Incorporate monitoring, learning and improvement	Include integrated mechanisms for assessment, follow-up, evaluation and feedback

Source: OECD (2006): *Good Practices in the National Sustainable Development Strategies of OECD Countries*

World Bank basic requirements for Poverty Reduction Strategy Papers:

The core principles underlying the PRSP approach suggest that PRSPs would be expected to include:

- *A description of the participatory process* that was used — A PRSP will describe the format, frequency, and location of consultations; a summary of the main issues raised and the views of participants; an account of the impact of the consultations on the design of the strategy; and a discussion of the role of civil society in future monitoring and implementation.
- *Comprehensive poverty diagnostics* — A good understanding of the poor and where they live allows the PRSP to analyze the macroeconomic, social, structural and institutional constraints to faster growth and poverty reduction.
- *Clearly presented and costed priorities* for macroeconomic, structural, and social policies — In light of a deeper understanding of poverty and its causes, the PRSP sets out the macroeconomic, structural, and social policies that together comprise a comprehensive strategy for achieving poverty reducing outcomes. It is important that policies are costed and prioritized as far as possible so that they do not become a "wish list."
- *Appropriate targets, indicators, and systems for monitoring and evaluating progress* — A PRSP will define medium and long-term goals for poverty reduction outcomes (monetary and non-monetary), establish indicators of progress, and set annual and medium-term targets. The indicators and targets should be consistent with the assessment of poverty and the institutional capacity to monitor, and the policy choices in the strategy.

Source:

<http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPRS/0,,contentMDK:22283891~menuPK:384209~pagePK:210058~piPK:210062~theSitePK:384201,00.html>

Annex 5 - Budget overview according to NDP pillar and PSG

NDP Pillars	PSG 1: Legitimate Politics	PSG 2: Security	PSG 3: Justice	PSG 4: Economic Foundations	PSG 5: Revenue and Services	NDP-Capital Investment Requirement by Pillar (Total, US\$ Millions)	NDP-Capital Investment Requirement by Pillar (% of total requirements)
Governance	Democracy and Good Governance; International Cooperation	Security and Defense	Justice	Economy and Planning		191,13	16,06
Infrastructure				Transport; ICT; Telecommunication; Water; Energy and Solid Waste Management	Water and Sanitation	486,99	40,92
Economy				Trade and Financial Services; Tourism; Mining and Drilling; Private Sector; Dispora and Civil Society; Agriculture; Livestock; Fisheries; Industries		174,55	14,67
Environment				Land Resources; Costal and Marine Resources; Forests and Woodlands; Wildlife and Biodiversity		42,83	3,60
Social Sector					Health and Social Protection Education; Sports; Youth	294,5	24,75