



# OBJECTIVE 2 ASSESSMENT REPORT - SOMALILAND

**STRENGTHENING SOMALI GOVERNANCE**

**Revised February 2015 (Originally December 15, 2014)**



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## ACRONYMS

ACU	Aid Coordination Unit
AfDB	African Development Bank
AMISOM	African Union Mission in Somalia
ASI	Adam Smith International
CSC	Civil Service Commission
CSI	Civil Service Institute
CSO	Civil Society Organization
DfID	Department for International Development
DG	Director General
EISA	Electoral Institute for Sustainable Democracy in Africa
FMIS	Financial Management Information System
GGACC	Good Governance and Anti Corruption Commission
GICA	Government Institutions Capacity Assessment
IDP	Internally Displaced Person
JPLG	UN Joint Program for Local Governance and Decentralized Services
KII	Key Informant Interview
MNPD	Ministry of National Planning and Development
MoF	Ministry of Finance
MoPIC	Ministry of Planning and International Cooperation
NDI	National Democratic Institute
PFM	Public Financial Management
PSG	Peace Building and State Building Goal
SSF	Somalia Stability Fund
SSG	Strengthening Somali Governance Project
TDR	Traditional Disputes Resolution
UNDP	United Nations Development Programme
UNHCR	United Nations High Commission for Refugees
UNSOM	United Nations Assistance Mission in Somalia
USAID	United States Agency for International Development
WB	World Bank

## **I. EXECUTIVE SUMMARY**

### **A. Overview of SSG Project**

The Strengthening Somali Governance (SSG) Project is designed to support the development of more effective and accountable Somali government institutions. SSG activities will include support for developing the capacity of governance institutions that are ready for, and in need of, assistance. The activities will be designed to improve the reach of government; systematize opportunities for representation and inclusion of citizen interests in the political process; increase the legitimacy of government institutions and representative bodies; and support women's empowerment and leadership. SSG focuses on three overarching objectives, which are designed to:

- 1) improve the legislative, representative, and oversight functions of the deliberative bodies;
- 2) improve the ability of targeted government institutions to carry out essential functions; and
- 3) increase citizen awareness of and engagement in government decision-making.

### **B. Addendum to Objective Two Assessment**

This assessment report focuses on SSG Objective 2, related to strengthening the ability of targeted government institutions – i.e., ministries, independent commissions, and other executive branch institutions – to carry out their essential functions in Somaliland. Because these functions can and should often times intersect with the work of the legislative assemblies, this report will at times refer to activities already identified in the Objective 1 Assessment Report. Because SSG's three objectives are designed to be inter-related and complementary to one another, this assessment report also considers cross-objective opportunities for engagement under Objective 3.

### **C. Structure and Purpose of the Report**

Section II (Methodology) provides information on the operating context with the governments in Somaliland and describe how the assessment team conducted meetings with key ministry and independent commission personnel, as well as donors and implementing agencies engaged in similar work.

Sections III provides an overview of executive branch agencies in Somaliland assessed by the assessment team and includes an overview of how these were assessed. These sections also provide an overview of other donor-funded organizations working with the assessed institutions, gap analysis, and suggestions for future activities. Some of the recommended activities are organized by a ministry or other executive branch agency and note their corresponding Key Result Area (KRA).

These proposed activities will be implemented with selected executive branch agencies, but are intended to serve as models that can be rolled out to other ministries and government bodies

during the life of the SSG project and after the SSG project ends. Some of these activities – including capacity building in basic public financial management, legislative drafting, and organizational development – are intended to be implemented with several agencies, all of which appear to have capacity gaps in those areas to some degree. Those activities are intended to institutionalize important systems and procedures, thereby improving the ministries’ overall performance and functionality.

Other proposed activities are aimed at addressing capacity gaps specific to particular agencies and are aimed at enhancing their performance and functionality with respect to key elements of their mandates.

## II. METHODOLOGY

The assessment was conducted in April and May 2015, with the purpose of determining which ministries and commissions SSG should focus on in Somaliland. The assessment team also focused on understanding the capacity of key ministries, including collecting baseline information, and providing recommendations for activity areas for an addendum to the existing Objective 2 ASOW. The assessment team included Team Leader Erik Landemalm and Institutional Capacity Expert Jawad Risheq.

The team conducted an initial desk review of the existing SSG documents and supporting documents and donor activity documents. Prior to starting on-the-ground meetings, the assessment team spoke by phone with the USAID COR for SSG, Leslie Schafer, to confirm the team's methodological approach, review logistical matters, and gain a preliminary overview of USAID's intended goals for the assessment report.

The team traveled to Hargeisa from April 4-15, and conducted discussions with the Ministry of National Planning and Development (MNPD), the Ministry of Finance (MOF) and especially the civil servants working on the PFM, the Civil Service Commission (CSC), the Civil Service Institute (CSI), and the Good Governance and Anti-Corruption Commission (GGACC). The team also met with the Hon. Speaker of the Somaliland HoR, staff and members of the Somaliland HoR, and representatives from the HoE briefly.

After a week in Hargeisa, Team Leader Landemalm traveled to Nairobi to meet with the USAID COR in person, while Institutional Capacity Expert Risheq remained in Hargeisa for a few more days.

During the assessment process, the team also contacted known donor-funded implementing partners providing similar support to SSG's target institutions, including UNDP and UNODC.

A full schedule of meetings in Somaliland can be found in Annex A.

### **III. SOMALILAND**

#### **A. Overview**

Somaliland, in northwest Somalia, is an area of gradual improvement governed by a democratically elected government that claimed independence in 1991; it still lacks international recognition. It has an elected central government and a system of local government. In June 2010, it held presidential elections for the second time and power was peacefully transferred to the opposition. Local elections were held in November 2012. Legislative power is held by the bicameral Parliament, comprising an upper house the House of Elders, and the lower house, the House of Representatives.

The team met with five institutions, each chosen because it works with multiple executive institutions and for that reason includes a large number of beneficiaries. The five selected institutions included:

- Ministry of National Planning and Development (MNDP)
- Ministry of Finance (MoF)/Public Finance Management (PFM) project
- Civil Service Commission (CSC)
- Civil Service Institute (CSI)
- Good Governance and Anti-Corruption Commission (GGACC)

#### **B. Executive Branch Agencies**

##### **B1. Ministry of National Planning and Development (MNPDP)**

###### **Overall Assessment**

The ministry was established in 1997, and has become one of the bigger ministries within the Somaliland government with more than 120 staff located in all regions of Somaliland. The mandate of the ministry is to:

- Provide data that is accurate, relevant, and timely about the nation's people and economy
- Prepare and facilitate national and regional development plans
- Formulate and provide policy guidelines
- Mobilize domestic and external resources
- Register local and international nongovernmental organizations
- Coordinate development activities
- Ensure efficient allocation of resources
- Focal point of international development partners

The MNPDP's staff are divided between five departments, each led by a director. The five directors (one female) report to Director General (DG) Abdirashid Ahmed Guleid, who reports to Minister Dr. Sa'ad Ali Shire and Vice Minister Abdikarim Ahmed Moge. The departments are:

1. Central Statistics Department (Statistics Department)
2. Development Department
3. Coordination Department
4. Planning Department
5. Administration and Finance Department

The assessment team initially met with the DG upon arrival in Hargeisa. After giving a detailed overview to the team, the DG introduced the team to all five directors who met the team in a group, and later one by one, at the office of each respective department. The team also met with the vice minister, who explained he had been recently appointed, and reiterated the needs that had already been addressed by the directors.

During the initial meeting with the DG, he explained to the team that the MNPDP has developed its National Plan for 2012-2016 and Regional Plan for 2014-2016; this was made possible with funds from UNDP. The DG explained the role of the ministry in the national and international projects, with donors and implementing agencies with a focus on the coordination. He highlighted that the MNPDP is currently tracking the expected results of the PFM program, which he said would have positive impact on Somaliland in the future. The DG briefly explained the mandate and objectives of the four forums of coordination where the ministry takes a leading role.

1. High-level coordination – donors and UN agencies meet with the government to discuss priorities for the country. Held two times a year.
2. National aid coordination committee/National Planning Commission – 13 ministries plus civil society and University of Hargeisa meet to discuss the priorities of Somaliland. Meetings held every 4<sup>th</sup> month.
3. Inter-sectoral coordination meetings – Minister of Planning chairs the meetings. Chairs and co-chairs (possibly also the secretaries) of each sector take part. Meetings held every 3<sup>rd</sup> month.
4. Development sector meetings – Discuss priorities to avoid duplication and assist each other. Chair is from the government, co-chair is from the UN agencies, and secretaries are from local or international organizations. Most meet bi-monthly, except some sectors such as the health sector, which meets quarterly, and the education sector, which meets monthly.

The DG also mentioned the need for strong M&E systems with clear policies and processes that can be easily followed, something that was also highlighted by the vice minister. The M&E unit within the MNPDP's coordination department is responsible for monitoring and evaluating all development projects in Somaliland to ensure funding is used by the different agencies in a sensible way and to provide support when needed. Since all NGOs and international organizations have to register with MNPDP, the ministry has a unique overview. The assessment team however also notes that this overview from an executive branch can have negative effects if

used to push NGOs and other organizations working with supporting communities in certain directions and to gain control over how the organizations are using the funds.

## Activity Map

Currently the MNPD is receiving little support from external donors according to the information the assessment team was provided. The African Development Bank supports the Statistics Department with consultants working on demographics and Consumer Price Index (CPI). The consultants are from Uganda and they also conduct some in-house training for department staff. The department director also stated that four persons have been able to go to Dar Es Salam to conduct master studies through this support, and other staff members are currently conducting master studies in Somaliland.

The ministry has also received funding from UNDP, the World Bank, and UNICEF. However, it was unclear to the assessment team what kind of support had actually been provided. UNDP and the World Bank are currently assisting the ministry to conduct a functional review, but the directors made clear there had been no agreement to actually implement the findings of the review, if needed. There has also been a review of the ministry's database, but the assessment team could not find any information on the results of this review.

## Gap Analysis

The MNPD is one of the key ministries in Somaliland and it seems that the support provided currently is relatively limited compared to the needs outlined. UNDP provided a document showing a number of activities with the ministry might take place in the near future, but funding remains a problem.

Each of the five directors provided the assessment team with their specific needs as seen below; the needs do not necessarily reflect the assessment team's view:

DEPARTMENT	NEEDS, ACCORDING TO DEPARTMENT DIRECTORS
Central Statistics Department (Statistics Department)	<ul style="list-style-type: none"> <li>• Consultants to train the staff and assist the department with statistics, CPI, sociology, demography, GDP, national account</li> <li>• After conducted training, there is a need to conduct a study tour to further understand the above subjects</li> </ul>
Development Department	<ul style="list-style-type: none"> <li>• Short-term consultant to assist with policy development</li> <li>• Support in implementing the Regional Development Plans (RDP)</li> <li>• Training of staff on their specific duties</li> <li>• Develop a training manual for NGOs to improve their performance</li> </ul>
Coordination Department	<ul style="list-style-type: none"> <li>• Develop an M&amp;E manual to include systems, processes, procedures, reporting, and necessary forms to be used</li> <li>• Capacity building of staff and the different sectors' secretaries in how to take and prepare minutes, prepare coordination efforts, and leadership skills</li> <li>• M&amp;E unit: capacity building of staff so they know how to review the policy itself; need expert to come and train both the M&amp;E unit's capacity on M&amp;E as well as the M&amp;E staff of each ministry (each ministry has one person working on this). Have an M&amp;E strategy, will be part of the review</li> <li>• Support review of policy and strategy</li> <li>• Databases</li> </ul>
Planning	<ul style="list-style-type: none"> <li>• Management training for the director and senior staff</li> </ul>

Department	<ul style="list-style-type: none"> <li>• Technical training for each staff on their specific duties</li> <li>• Consultant to develop a five-year strategy and to assist with development of the annual work plan</li> </ul>
Administration and Finance Department	<ul style="list-style-type: none"> <li>• Trainings for staff in HR development, accounts, finance, record keeping, logistical planning, and ICT</li> </ul>

The assessment team noted that there is a significant difference among the various departments in terms of capacity and funding. Statistics Department Director Hassan A. Jama has been working at the ministry since it was created and has built up a solid department that is now receiving its own support from external donors. Some of the other departments are understaffed and will need further support to fulfill their mandates.

### Suggested Activities

1. In SSG Year 3, provide workshops and on-the-job training for mid-level staff of MNPD and possibly also other ministries on preparation of FY2017, including development of budget statement describing ministry policy and objectives for new budget:
  - a. Articulation of each department's FY2017 objectives and monitoring and evaluation plan
  - b. Coordination at ministry level of department objectives and monitoring and evaluation plans
  - c. Initial preparation of each department's FY2017 budget and budget statement explaining how it will accomplish department objectives
  - d. Consultations with relevant civil society organizations
  - e. Design and implementation of internal budget tracking systems
2. Training to MNPD to improve coordination role of annual ministerial work plans, including development of work-planning guidelines for ministries and a consolidated annual work plan.
3. Basic organizational development 101, including training on:
  - a. Developing an M&E manual for the M&E unit, and building capacity of the unit's staff, as well as other ministries M&E staff, in M&E
  - b. Knowledge management – databases, repositories, basic filing/record keeping, ICT
  - c. Integration of budgeting and planning processes (in consultation with MoF and key line ministries)

## **B2. Ministry of Finance (MoF)/Public Finance Management (PFM)**

### Overall Assessment

As a main function, the MoF has the responsibility of formulating the financial and economic policies of Somaliland. The MoF is also responsible for developing and maintaining fiscal and monetary policies that facilitate socio-economic development. This responsibility makes the

MoF strategic and central to the country's economic management, as all sectors of the government look upon the MoF to create an enabling environment in which they can operate effectively and efficiently. The MoF regulates the financial sector, which is fundamental to the development of Somaliland and on which all other sectors depend for investment resources. Managing revenues, expenditures and borrowing by the government. The MoF must ensure that it mobilizes adequate resources to support government programs and activities. Consequently, the MoF has the task of developing sound fiscal policies that ensure sustainable budget deficits.

In addition, the MoF must ensure that government expenditure is within the revenue collected to reduce domestic borrowing, which tends to cause negative ripples in economic management.

The Ministry is also strategic as far as bilateral and multilateral development financing and technical assistance is concerned. Given the need for support from development partners to enhance the country's economic recovery and poverty reduction efforts, the performance of the MoF in effectively coordinating this support cannot be underscored. The MoF must therefore, provide direction in the identification, planning and management of donor support to ensure that it is targeted to those areas of the economy that need it most.

The MoF coordinates the other ministries and government agencies in the preparation of the annual national budget. It is the responsibility of the MoF to initiate and guide all ministries and departments to prepare their ministerial budgets. The MoF also provides Accounting, Internal Auditing, IT, and Procurement.

The first meeting the assessment team conducted at the MoF was with the State Minister of Finance, Dr. Osman Abdillahi Sahardeed along with Dr. Samater, the coordinator of the Public Financial Management reform (PFM reform). After this introductory meeting, the State Minister arranged a meeting the following day with Minister of the MoF, Mrs. Zam Zam Abdi Aadan to introduce the assessment team. The meeting with the Minister was held in the presence of the State Minister, the Coordinator of the PFM program, two of the Minister's advisors and the Accountant General. It was a short meeting but important and successful; this was evident as the minister permitted the assessment team to visit and meet with all directors of the MOF.

The assessment team spent a total of three days at the MoF, first meeting with the PFM-program, which was the main focus of the assessment. Dr. Samater explained in detail his view on what USAID's role should be and how SSG would be incorporated. He mentioned that USAID had already had discussions with him and that there was an understanding among the different donors on how each donor, through their respective implementing partners, would support the PFM-strategy designed by Adam Smith International (ASI), together with WB and the MoF.

The PFM strategy was launched in October 2013 and was a result of the tabling of the 2012 Somaliland's National Development Plan (NDP) and Vision 2030. The PFM-program has developed out of the requirement of the government of Somaliland to be democratic, transparent, accountable and efficient. The PFM reform itself, is based on a number of principles, one of which is to strengthen the MoF's PFM leadership and at the same time making sure that other ministries can take a more active part in PFM. The different donors that support the PFM-program in different ways are: UN (different agencies), WB, DFID and USAID. The assessment

team learnt that USAID is, outside of potentially supporting the PFM program through SSG, already supporting the PFM-program through a program to rehabilitate buildings holding PFM institutions across Somaliland.

According to Dr. Samater, the discussions resulted in the support of USAID, through a contracting agency, for the PFM-program with four main activities:

1. Establish an Internal Audit Office within the MoF;
2. Establish an Economics Management Office;
3. Capacity building support to the Budget and Economics Committee and the Audit Committee of the HoR; and
4. Provide trainings related to above offices/components, for example so the committees can review financial statements and audit reports

Dr. Samater emphasized to the assessment team that SSG should focus on the PFM components, since the PFM program technically represents the national systematic programs, activities and processes for the benefit of the MoF as a whole, a view that was repeated by others at the MoF. After hearing the magnitude of the PFM-program, the assessment team noted that it will be very important for SSG to review the PFM components and to coordinate very closely with other donors in order to avoid duplications during the implementation process; the assessment team also noted that this program can have a long-lasting positive effect in Somaliland.

After having briefed the assessment team, Dr. Samater also assisted in arranging the meetings with the Directors of the MoF. The Assessment Team acknowledged that most likely the main component that SSG would support, would be the PFM-program, it was still very important to get a full picture of the MoF to see if there are other needs that can be supported outside the PFM-program, something to which Dr. Samater agreed. The assessment team was able to meet with five of the six Directors at the MoF, and the only Director who was not present at the time was the Director of the Internal Audit department, who happened to be on a study tour at the time of the assessment.

The six departments are:

1. Administration and Finance Department
2. Budget Department
3. Customs Department
4. Inland Revenue Department
5. Internal Audit Department
6. Planning and Statistics Department

The Assessment team met with six staff members of the Internal Auditing Department and received basic information from them. The assessment team also tried to meet with the Accountant General on numerous occasions, but his busy schedule did not permit him to meet with the team. The assessment team later came to learn from the directors at the MoF, that the needs of the Accountant General's office are fully covered by the WB.

## Administration and Finance Department

Responsibilities:

- Plan and estimate the MoF's annual budget, in processing, developing, procedure and policies to forecast revenue, expenditure, and capital needs
- Carry out activities to acquire funds from state sources
- Distribute and allocate financial, physical and human resources to other departments
- Control and evaluate the efficient uses of financial, physical, and human resources accordingly
- Effect reconciliations of financial records of the ministry with that of the bank statements
- Manage all material and equipment of the ministry
- Identify MoF staff needs
- Select and train new employees
- Develop and implement performance evaluation systems
- Process all employees' assistance, programs and problems, such as leaves, transfers, promotions, separations, complaints, and disciplinary action.

The Administration and Finance department is divided into five sections:

	<b>Administration and Finance Department</b>	<b>Mandate</b>	<b>Job Description</b>	<b>Operational manual</b>	<b>Total staff</b>	<b>Male</b>	<b>Female</b>
A	Logistics section	Available	Available	Available	3	2	1
B	Personnel section	Available	Available	Available	4	2	2
C	Accounts section	Available	Available	Available	3	2	1
D	ICT section	Available	Available	Available	4	3	1
E	Archiving section	Available	Available	Available	3	1	2
<b>TOTAL</b>					<b>17</b>	<b>10</b>	<b>7</b>

Since the director of the Administration and Finance Department, Bahja Hassan Yusuf, does not speak English, Dr. Samater assisted with translating. In general this department follows the rules and regulation of the Civil Service Commission in regard to recruitment, induction, and the annual performance appraisals of staff. The director is adopting three types of approaches to training to enhance staff skills. First, the necessary training is taken at the Civil Service Institute. Second, some trainings, seminars, and workshops can be conducted at the Hargeisa University. Third, some employees also will receive master degree scholarships in Ethiopia in several fields of study and have the costs covered. Currently, the CSC, CSR, and PFM programs cover most of the training needs of the Administration and Finance Department. The director requested that the staff receive advanced computer training to enhance their computer skills.

## Budget Department

The Budget Department plans the budget preparation and allocation, monitors budget expenditures, controls budget variation, and reports on the budget account. The department has four operational sections as follows:

	<b>Budget Department</b>	<b>Mandate</b>	<b>Job Description</b>	<b>Operational manual</b>	<b>Total staff</b>	<b>Male</b>	<b>Female</b>
A	Financial section	Available	Available	Available	3	3	0
B	Data and Information section	Available	Available	Available	4	2	2
C	Treasury section	Available	Available	Available	7	6	1
D	M&E section	Available	Available	Available	4	4	
<b>TOTAL</b>					<b>18</b>	<b>15</b>	<b>3</b>

The assessment team's view is that the Budget Department functions well in general, and the size of staff is acceptable. The staff members are qualified and all have BA degrees, some even studying at master level with scholarships provided by the ministry. Most of their training needs have been met through the Civil Service Institute. Staff members also attend a special training course at Hargeisa University. Most of their technical needs are covered in the PFM program according to Director Kayse Ahmed Osman.

Mr. Osman expressed his interest in advance computer training courses and the need to have a consultant from Uganda's MoF assisting him during the budget preparation process. During the meeting with staff from the above-mentioned sections, they emphasized their interest in improving the system and developing their skills, knowledge, and experience. The Budget Department does not conduct performance appraisals, the archiving can be improved, and the department lacks databases requiring all work to be done manually.

Dr. Samater, the PFM coordinator, proposed SSG assist the MoF by establishing an institute of certified accountants in terms of system, framework, and processes. The following list of capacity building and training needs was emailed to the team from the staff of the department:

- Budget preparation
- Financial reporting
- Monitory and evaluation
- Expenditure control
- Standard methods of revenue estimation
- Budget documentation: a system of comparing revenue and budget to determine whether there's a surplus or deficit on historical basis

## Customs Department

The Customs Department is one of the largest departments at the MoF, with 519 employees distributed between headquarters in Hargeisa and 21 regional offices. Mohamed Ahmed Dualeh is the director of the department. The main responsibilities of the department are to do as follows:

- Implement customs law, procedure, and tariffs
- Implement revenue collection of all imports/exports goods
- Prepare statistical data of monthly and yearly basic of imports and exports
- Grant exemptions of duties according to law

- Maintain regular supervision and implementation measures to eliminate smuggling
- Maintain up to date customs valuation list
- Control currency emanating from declaration forms
- Supervise and control transit goods as per law

The Customs Department in Hargeisa has 110 employees recruited to serve in the headquarters; 76 employees being trained but the remaining 34 staff members are distributed to the five sections as follows:

	<b>Customs Department</b>	<b>Mandate</b>	<b>Job Description</b>	<b>Operational manual</b>	<b>Total staff</b>	<b>Male</b>	<b>Female</b>
A	Exemption section	Available	Available	Available	2	1	1
B	Statistics section	Available	Available	Available	7	5	2
C	Auditing and Check section	Available	Available	Available	20	16	4
D	Revenue section	Available	Available	Available	4	4	0
E	Archive section	Available	Available	Available	1	0	1
<b>TOTAL</b>					<b>34</b>	<b>26</b>	<b>8</b>

All training courses related to customs are planned with Civil Service Commission and implemented at the Civil Service Institute. The director mentioned the quality of the training is below expectations; his staff members need more advanced, modern, and accurate training. This department never received funds to improve staff. The director emphasized his urgent needs for training and capacity building for all staff. He requested support in the tax collection process, system, and reporting. His last request to the assessment team was for SSG to provide the department with legal consultants to review the customs law. Deputy Director Ahmed Abdilahi Omar also confirmed the need for training the staff on tax issues due to the lack of qualified local trainers at CSI. It is a new system and some people are not familiar with it.

### Inland Revenue Department

The largest department within the MoF and physically separated from the main building of the MoF, it shares the premises with the Internal Audit Department. The department's main responsibilities are to:

- Manage and coordinate the department headquarters and the revenue officers of the regions and districts
- Manage operations to ensure the revenues reach the planned targets
- Inspect and investigate the revenue leakages (departmental auditing)
- Draft and amend the law and acts of Inland Revenue Department for approval
- Examine and evaluate the improvement of the department
- Educate and orient taxpayers of Inland Revenue law and services
- Organize the revenue campaigns and other important communication tasks required to increase revenue collection
- Prepare the revenue case files for adjudication

The department just recruited 169 new employees and they will join the department when they complete the training and the induction course. There are nine regional offices with a total of 548 staff members.

The director of this department is the youngest of all the directors at the MoF. He holds two masters degrees, one in finance and the other in management. He mentioned that USAID funded the building that houses the department. The department has qualified staff members that take initiatives to do their respective work, but their main problem is funding, according to the director. Necessary equipment is not available and the available computers do not cover the current needs.

The director's first request was to assist the department to conduct an awareness campaign for the public about taxation. He stated the employees of his department need the proper trainings to enable them to function in a professional manner. The productivity of the research center in this department is weak and below average and there is a need to have a consultant assist with development of systems, procedures, and to provide training to the staff on their respective duties.

### Internal Audit Department

The Internal Audit department has an annual work plan to follow as a main reference and guidance for accomplishments and objectives. When the assessment team visited the department, the director was away on a study tour, but the assessment team had the opportunity to meet with some of his staff members and talked to them about the department's responsibilities and needs. Ahmad Mahh, one of the staff members, summarized the department's responsibilities:

- Oversee the work of the internal and external auditing functions
- Resolve any disagreements between officers and auditors regarding audit findings and recommendations
- Retain independent counsel, accountants or others concerned and/or assist in the conduct of an investigation
- Seek any information from employees as requested by the Audit Committee
- Meet with the department's officers, external auditors or outside counsel
- Review and check the income, revenue and customs of the MoF

All staff interviewed at the department strongly believe that the system of internal audit must be updated and upgraded to match modern available systems. The internal audit process and the reporting are all recorded manually, which is very time consuming. The department is also lacking the proper equipment, such as laptops, scanners, and copiers. Only four laptops are available and utilized by 32 employees of the department. There is some confusion between staff on their duties due to absence of job descriptions; therefore a request to rebuild the department with a new functional professional system was made.

### Planning and Statistics Department

The six sections of the Planning and Statistics Department are:

	<b>Planning and Statistics Department</b>	<b>Mandate</b>	<b>Job Description</b>	<b>Operational manual</b>	<b>Total staff</b>	<b>Male</b>	<b>Female</b>
A	Planning section	Available	Available	Available	1	1	0
B	Statistics section	Available	Available	Available	1	1	0
C	Services section	Available	Available	Available	1	0	1
D	Macro-economic section	Available	Available	Available	1	0	1
E	M&E section	Available	Available	Available	1	0	1
F	Loan section	Available	Available	Available	1	0	1
<b>TOTAL</b>					<b>6</b>	<b>2</b>	<b>4</b>

The Planning section's responsibilities are to:

- Collaborate with departments in the Ministerial Development Plan
- Coordinate and formulate the strategic plan of the Ministry, policies, and programmers within the departments
- Participate and guide the of the production of Departmental Development Plans and sectionals papers
- Forecast and amendment of the local and central government taxation
- Forecast the revenue of the state
- Prepare annual budget policy paper/directive
- Prepare and coordinate budgets for the ministry departments
- Prioritize, plan and coordinate the development plan of the departments and
- Review the departmental planning activities and their implementation, monitor, and evaluate performance.

The Statistics section's responsibilities are to:

- Collect, compile, analyze, store, and disseminate all statistical data and information from the line departments of the ministry for their areas of responsibilities
- Produce statistical data at the ministerial level for planning, monitoring, and evaluation purposes
- Initiate research relevant to the areas of responsibilities
- Expedite all statistical data to the documentation sections of the ministry in the department of planning
- Prepare statistical trainings, conferences, workshops, and seminars;

The assessment team could tell that the Planning and Statistics Department was a well-functioning department and that the educational level of the staff members is high. They are qualified and experienced enough to run the department properly. When the assessment team asked the director about the needs of the department, he answered very clearly that all department needs are included in the PFM-program and he expressed there is no extra support needed for his department.

### Suggested Activities

The assessment team suggests that the PFM program will be the main focus and the outlined needs were discussed with the USAID COR.

### **B3. Civil Service Commission (CSC)**

#### **Overall Assessment**

The Civil Service Commission (CSC) in Somaliland was established in 1993 and was one of the first agencies established in Somaliland. Its mandate, which derives from the Somaliland constitution, includes:

- Policy development
- Recruitment, promotion, transfer, demotion, and termination of civil servant
- Evaluation and conducting of competitive examination
- Functional review of the government institutions, ministries, and agencies
- Advise the president on any matter concerning public service on which advice is sought

The assessment team held a preliminary meeting at the CSC with Chairman of the Commission Mohamed Mihileh Boqoreh, who had recently been appointed. Professor Boqoreh had previously managed the Civil Service Institute in Somaliland. Omar H. Said, the commission's advisor, also attended the meeting. During the meeting, the Chairman instantly requested technical support in capacity building and training at all levels of the CSC and approved the assessment team to meet with the directors at the commission.

The assessment team conducted several meetings at the CSC with Ahmad Hassan, the commissioner; Hassan Adam Geedi, the director of the Planning Department; Abdi Mousa, the director of the Recruitment Department; and Adan Askar, the director of the HR Department.

The directors explained the responsibilities and the nature of work and functions for each of the four departments at the CSC:

1. Administration and Finance Department – 21 staff (10 female)
2. Recruitment Department – 8 staff (1 female)
3. Human Resources Department – 8 staff (3 female)
4. Planning and Statistics Department – 3 staff (0 female)

The commission is the main supplier of personnel to all ministries, in addition to other critical missions and responsibilities for ministries. The commission is very active and all interviewees felt that CSC receives ample support from local ministries and institutions. They also stated that CSC engages with donors in implementing critical projects, such as the Civil Service Reform (CSR) program and the Strengthening Institutional Program (SIP). All ministries rely on the CSC when it comes to recruitment and training and performance appraisals. However, more support is required to enable the staff and departments to implement their duties.

The existence of the Civil Service Commission as an independent institution is a good sign for civil servant's permanent stability; one of its main pillars, in any country, is believing in equity, transparencies, and fair labor system.

### Activity Map

The support for the CSC from international donors is currently limited and exclusive to UNDP and the World Bank.

#### **UNDP**

CSC was, at the time of the assessment, conducting a functional review along with UNDP; this functional review is of four ministries.

UNDP provided an expert to supervise and provide technical support to CSC, GGACC, and CSI in completing phase one of the functional review for four ministries (MoI, MNPD, MoH, and the MoE in Somaliland). There has not been any discussion about support from UNDP with phase two of the functional review, according to the directors with which the assessment team spoke.

UNDP has, however, discussed and proposed to work on developing job descriptions and functions of the staff and the commission, but so far nothing has been decided on, according to the interviewees.

#### **World Bank**

The directors at CSC mentioned that the World Bank discussed the collaboration and assistance for the pension law and management structure of the commission, but the MOU has not been drafted yet.

### Gap Analysis

The CSC directors continuously expressed their deep interest in enhancing and developing the commission at all levels. Areas of interest included upgrade/develop the existing systems, enhance skills of staff, and develop modern functional communication systems to match with the current mandate. This would enable their different departments to continue serving the different ministries and provide civil servants with access to better systems.

The above-described participatory approach of functional review (phase one) is practical and useful, but the functional review team members need technical support to complete the review for the remaining ministries. The interviewees also expressed their requirement for technical support in the second phase of the functional review, which is the implementation phase. They need appropriate training on report writing, project management, advanced computer skills, and require training to learn the processes of how to develop Standard Operating Procedures (SOPs).

Currently, most of the staff are not trained on how to develop job descriptions. There is also a need for a functional, user-friendly database to save, document, and track the ministries' progress and success.

The main priorities and needs of the CSC, described by the Commissioner accompanied by the directors at the final meeting with the assessment team, are as follows:

- Consultancy on the amendment of the Civil service Law. The original law was established in 1962, then amended in 1996 but still needs to be amended
- Support in the clarification of the central and local government roles and responsibilities
- Drafting Code of Conduct
- Consultancy for human resources management; to prepare a manual and a functional system for the HR management
- Support to enhance and update the performance and staff management
- Update/develop user-friendly databases for the HR and recruitment departments. The HR Department currently has a very basic database, but the Recruitment Department urgently needs a database to save, document, retrieve, organize, and facilitate the daily work of the department. Currently all functions at the Recruitment Department are done manually.
- Consultancy in drafting and developing a policy, regulations, and systems mainly for the Planning and Statistics Department
- Consultancy to amend/update/upgrade the existing recruitment policy. The last update was 1997 and not comprehensive
- Support in establishing a new archiving system. Currently, all filings are done manually and there is no back up, security, and efficiency sustainability for the filing. Files go missing and lost easily. No protection on classified documents

### Suggested Activities

The assessment team suggests that SSG will support the CSC with start in second part of Year 2 and Year 3.

Contact should be held with the CSC during this time and SSG should follow up on what other donors, such as UNDP, will support with, especially in terms of the second phase of the functional review. This is an area where SSG could provide limited support, but other donor-funded organizations will have to also take part.

Assisting the commission will definitely serve the accuracy, transparency, accountability, and punctuality of the departments.

### **B4. Civil Service Institute (CSI)**

#### Overall Assessment

The assessment team met with CSI's Director General Guled Hagoog, who also included some of his staff in a group meeting held the following day.

CSI started in 2005 as part of the CSC in Somaliland. The CSI's Board of Advisors includes the director generals of the MoF, MNPD, MoI, MoL, CSC, and a representative from UNDP. Since January 1, 2015, the institute has been funded completely on its own; the assessment team acknowledges this as a big achievement and a change from previous years, when UNDP used to

fund roughly 55 percent of the total budget. The annual budget is around \$500,000 USD and it keeps 48 staff members, plus 42 part-time trainers.

The main mandate of the institute is to build the capacity of civil servants through its different programs that range from short courses to one-year degree programs to three-year degree programs (BA). As a management development institute, it does not engage on sectoral topics such as agriculture or engineering, to name a few. Trainings are delivered in English since there are no books available in Somali. The interviewees at CSI told the assessment team that many of the civil servants in Somaliland need much training since some of them have worked at their respective institutions for many years, but lack education and/or specific training in their particular duties.

When civil servants attend training it is free of charge, but when staff from private companies attend trainings, they have to pay. Out of the 600 students currently at the CSI, 450 are civil servants and 150 are from the private sector, according to the interviewees.

CSI also works with similar institutions in Uganda and Ethiopia and is now trying to take part in international networks.

### Activity Map

CSI is currently not receiving any international funding. It used to be heavily funded by UNDP. UNDP more or less supported the creation of the institute, paying for infrastructure, equipment, and other costs.

### Gap Analysis

CSI is currently not in real need of the services SSG can potentially provide and since the institute is self-sustaining, the assessment team's focus was more on the role CSI could have as a potential venue for SSG's trainings and activities and how these could have a positive effect on CSI as an institution; for example by having internationally recognized trainers facilitating trainings at the institute and sharing experiences with the locally hired teachers.

### Suggested Activities

The assessment team suggests that SSG not provide any direct support to the CSI, but go into discussions with the institute about whether trainings can be held there, especially for Objective 1 and Objective 2 in Somaliland. If possible, SSG can have international trainers come and train staff while CSI trainers can take part to further build their own capacity and share their experiences, to make the trainings to be as effective as possible.

## **B5. Good Governance and Anti-Corruption Commission (GGACC)**

### Overall Assessment

The GGACC was established by a presidential decree in August 2010, shortly after President Silanyo was voted into office. In 2012, the Somaliland Parliament enacted the establishment of

GGACC by law No. 58/2012 and later also the Good Governance Parliament Act No 05 of 2013. The GGACC is to be an autonomous, independent, and impartial body.

The vision of the GGACC is *‘to realize transparent, democratic, and effective institutions accountable to its citizens and a system of governance free from all forms of corruption with zero tolerance of corruption.’* The GGACC works with all ministries in Somaliland in the field of good governance and has a five-year mandate to do the following:

- Institutionalization of good governance
- Elimination of corruption in the public offices and agencies
- Public sector reforms
- National integrity mechanism
- Monitoring and evaluation
- Research and publication
- Reporting on status of good governance and anti-corruption initiatives in Somaliland
- Promotion of civic education within the context of good governance to include but not be limited to the development of a policy framework for promoting civic education and the nurturing of citizens, advocacy with NGOs, CBOs, and CSOs working on civic education; coordinating capacity building initiatives for promoting civic education so as to make the citizenry aware of their rights, responsibilities, and obligations as citizens; and monitoring and evaluating the impact of civic education interventions.

GGACC currently has 24 staff according to the director general, out of which five are support staff and 19 are office staff that all hold a first degree but with limited experience according to the director general. Out of these 19, four are female but there are no female staff in leadership. The GGACC reports to the President every three months and is supposed to have a board comprising of five people, but currently only the chairman and the vice chairman are in place. The remaining three board members will be nominated by the President and then approved by the Somaliland HoR.

The staff members are divided into five departments:

1. Admin and Finance Department
2. ICT Department
3. Good Governance Department
4. Anti-Corruption Department
5. Public Awareness Department

The total budget received from the government for the Commission is roughly \$333,000 USD, and about 60 percent of the budget goes to paying salaries and the rest goes to projects.

The GGACC has, together with a local consultant, developed a Strategic Plan for 2013-2015. The Strategic Plan outlines the commission’s vision, mandates, and vision. It is intended to enable the commission to carry out operations in line with the given mandate, to ensure the vision and mission will be achieved.

When the assessment team met with the commission, the team was positively surprised of the professional attitude shown by the leadership and the openness to contribute information. The assessment team met with the chairman, the DG, all the directors, and some senior staff members during the two days spent there.

The GGACC also provides surveys in how Somaliland's citizens view the government's service delivery and the level of corruption.

### Activity Map

UNDP has supported the GGACC for some time and plans to continue this support, depending on funding. UNDP have outlined a few areas they hope to find funds to support the GGACC with, such as development of an organizational performance management system for the Somaliland government. UNDP was during the assessment conducting a functional review of the GGACC and some other government institutions. UNDP also intends to assist the GGACC with the development of 'a sound approach towards corruption prevention'. UNDP might also support the GGACC with the establishment of an 'Innovation and R&D programme' with specific attention to civic engagement methodologies (i.e. a cross-cutting issue in the Somaliland Special Arrangement). UNDP will also support the GGACC with diaspora or national advisors and technical experts as well as financial support.

UNDP has already assisted the GGACC with the development of a M&E tool. UNODC has also showed interest in supporting GGACC and there is a written concept paper where UNODC explains how it would like to support the GGACC with an anti-corruption project, but at the time of the assessment, this had not been funded.

### Gap Analysis

The GGACC told the assessment team there are a number of activities that currently are unfunded, such as:

- Supporting the commission to host public debates about corruption and good governance
- Setting up dramas where actors show citizens what corruption is and how they can take part in fighting it
- Conducting more awareness campaigns raising citizen's awareness of how to fight corruption and promote good governance

GGACC tries to visit each ministry in Somaliland every second month, but a lack of staff and lack of funds means this does not always take place. GGACC also needs support to monitor the different ministries staff working hours; at the moment this is being done through questionnaires.

The directors also requested the assessment team that if possible, they would like to have consultants come to perform on the job trainings for the different departments, something that was reinforced in the interviews with the Director General and the Chairman.

### Suggested activities

The assessment team suggests that SSG support the GGACC starting in the second part of Year 2, but continuously be in contact with the commission and follow what other donors such as UNODC are providing. SSG activities will depend on this.

### **C. Summary**

All five of the executive branch agencies that SSG assessed in Somaliland demonstrate that they have reached a level of competence where they can function without external support, but without this support it will be hard for them to progress further and reach some of their ambitious goals. SSG will be able to fill some of the gaps by providing technical assistance but the main support needed is from the Somaliland government itself, which will need to disburse funds to add more staff members and provide salaries to attract more professional staff.

All five institutions showed a good understanding of their mandates; the problems the institutions have, in general, is to actually implement what has been decided on, both due to too few staff and limited capacity among some of the existing staff.

The assessment team suggests that in Year 2 of SSG, emphasis should be on providing services to the MNPD and the PFM-project at the MoF in Somaliland. If possible, trainings, and other capacity building activities that are not held at the work place should be held at CSI.

The assessment team also suggests that SSG should engage with the GGACC and CSC, but starting from second half of Year 2 since the team believes the priority should be the MNPD and the PFM project initially.

## ANNEX A. MEETINGS CONDUCTED

No.	Name	Title	Organization	Organization Type	Phone/Email
1	Abdillahi Rahid Guleid	Director General	MNPD	SL Gov	N/A
2	Ahmed Abdullahi Nadif	Director of Planning Department	MNPD	SL Gov	P 252.63.4424434 ahmednad20@hotmail.com
3	Abdikarim Ahmed Moge	Vice Minister	MNPD	SL Gov	N/A
4	Ali Abdillahi Dahir	Director of Development Department	MNPD	SL Gov	P: 252.63.4619640 adahir55@gmail.com
5	Hassan Abdillahi Jama	Director of Statistics Department	MNPD	SL Gov	P: 252.63.4424980 hassanjama196@gmail.com
6	Osman Jama Abdillahi	Director of Admin & Finance department	MNPD	SL Gov	P: 252.63.4424331 Othman181@hotmail.com
7	Ubah Mohamed Mohamoud	Director of Coordination Department	MNPD	SL Gov	
8	Osman Abdillahi Sahardeed	State Minister of Finance	MoF	SL Gov	P: 252.63.4240209 mosf@somalandgov.com
9	Dr. Mohammed Samater	Coordinator of PFM-program	MoF	SL Gov	msamater2@gmail.com
10	Suleiman Jama Dirie	Director General	MoF	SL Gov	P: 252.63.4240219
11	Bahja Hassan Yusuf	Director of Admin and Finance Department	MoF	SL Gov	P: 252.63.4240219 bahjayusf1@gmail.com
12	Weli Da'ud Egal	Director of Planning and Statistics Department	MoF	SL Gov	P: 252.63.442102 weligal@hotmail.com
13	Ahmed Abdillahi Omar	Deputy Director of Customs Department	MoF	SL Gov	P: 252.63.4241049 ahmedomaar4242@gmail.com
14	Ahmed Muhumed Mader	Chairman	GGACC	SL Gov	P: 252.63.571080 <a href="mailto:horilaah@hotmail.com">horilaah@hotmail.com</a>
15	Hassan Omer Hoorri	Director General	GGACC	SL Gov	P: 252.63.4705863 <a href="mailto:hassanhorri@gmail.com">hassanhorri@gmail.com</a>
16	Muse Abdullah Mohumed	Director of Anti-Corruption	GGACC	SL Gov	P: 252.63.4241100 <a href="mailto:majeex2004@hotmail.com">majeex2004@hotmail.com</a>
17	Ali Haji Adan	Special Finance Facility TIU Head	GGACC	SL Gov	

No.	Name	Title	Organization	Organization Type	Phone/Email
18	Guled Hagoog	Director General	CSI	SL Gov	P: 252.2.4437003 csi02director@gmail.com
19	Mustafa Ahmad	Director of Administration and Finance Department	CSI	SL Gov	P: 252.63.4478830
20	Professor Mohamed Mihileh Boqoreh	Chairman	CSC	SL Gov	P: 252.63.445938
21	Omar H. Said	Consultant	CSC	SL Gov	P: 252.63.4424661
22	Hersi Abdillahi Ismail	Deputy Director General	CSC	SL Gov	P: 252.63.
23	Adan Abdi Askar	Director of HR Department	CSC	SL Gov	P: 252.63
24	Sergei Pushkarev	Technical Specialist	UNDP	UNDP	P: 252.63.4872479 Sergei.pushkarev@undp.org