DECENTRALIZING TAXATION AND PUBLIC SERVICES TO LOCAL GOVERNMENTS IN SOMALIA
FINDINGS FROM PUNTLAND, GALMUDUG, AND BENADIR

SOMALI PUBLIC AGENDA RESEARCH REPORT NO. 09

Farhan Isak Yusuf
April 2023
DECENTRALIZING TAXATION AND PUBLIC SERVICES TO LOCAL GOVERNMENTS IN SOMALIA
FINDINGS FROM PUNTLAND, GALMUDUG, AND BENADIR

Somali Public Agenda Research Report No. 09

Farhan Isak Yusuf
April 2023
Somali Public Agenda is a non-profit public policy and administration research organization based in Mogadishu, Somalia. Its aim is to advance understanding and improvement of public administration and public services in Somalia through evidence-based research and analysis.

With the exception of any third-party images and photos, the electronic version of this publication is available under a Creative Commons Attribution-NonCommercial-ShareAlike 3.0 (CC BY-NC-SA 3.0) licence. You are free to copy, distribute and transmit the publication as well as to remix and adapt it, provided it is only for non-commercial purposes, that you appropriately attribute the publication, and that you distribute it under an identical licence. For more information visit the Creative Commons website: <http://creativecommons.org/licenses/by-nc-sa/3.0/>.

Somali Public Agenda
Mogadishu
Somalia
Tel: +252(0)85 8358
Email: info@somalipublicagenda.org
Website: <https://www.somalipublicagenda.org>

Design and layout: Somali Public Agenda
Copyeditor: Peter Chonka
Acknowledgments

This research was conducted with the generous support of the National Endowment for Democracy (NED). The report was edited by Peter Chonka, Lecturer at King’s College London and Fellow at Somali Public Agenda.

About the Author

Farhan Isak Yusuf is the deputy executive director and the director of Center for Learning and Development at Somali Public Agenda. He is also a senior lecturer and Head of Department of Political science at the Faculty of Political Science and Public Administration of Mogadishu University. Farhan earned his BA & and MSc in political Science from Mogadishu University and Omdurman University in Sudan respectively. Farhan has over eight years of experience in research and teaching at university. His major research interests include post-conflict state building, governance & good governance, state and nation building.
# Table of Contents

- **Executive summary** ........................................................................................................................................................................... 1

1.0 **Background: A brief history of decentralization** ............................................................................................................................. 3
  1.1 Decentralization during the civilian government (1960-1969) ............................................................................................................. 3
  1.4 Decentralization in Somaliland and Puntland ................................................................................................................................. 8

2.0 **Methodology** .................................................................................................................................................................................. 11

3.0 **The current state of decentralization in Somalia** ......................................................................................................................... 13
  3.1 Overview ............................................................................................................................................................................................ 13
  3.1.1 Puntland ......................................................................................................................................................................................... 14
  3.1.2 Galmudug ......................................................................................................................................................................................... 15
  3.1.3 Benadir region .................................................................................................................................................................................. 16
  3.2 Legal frameworks .................................................................................................................................................................................. 17
  3.2.1 Puntland ......................................................................................................................................................................................... 17
  3.2.2 Galmudug ......................................................................................................................................................................................... 17
  3.2.3 Benadir Region ................................................................................................................................................................................. 18
  3.3 Local government structure .................................................................................................................................................................. 18
  3.4 Public awareness and understanding of decentralization .................................................................................................................. 20
  3.5 Priority setting at local governments .............................................................................................................................................. 21
  3.6 Local governments service provision .............................................................................................................................................. 23
  3.7 State of fiscal decentralization at local governments ....................................................................................................................... 28
    3.7.2 Local governments budgets ......................................................................................................................................................... 29
    3.7.3 Financial systems for local governments ................................................................................................................................ 30
    3.7.4 Fiscal transfers ................................................................................................................................................................................ 32
    3.7.5 Accountability mechanisms at local governments .................................................................................................................... 33

4.0 **Obstacles to fiscal and service decentralization in local level governance** .................................................................................. 35

5.0 **Conclusion** ...................................................................................................................................................................................... 39

6.0 **Policy recommendations** ................................................................................................................................................................. 40

7.0 **References** ............................................................................................................................................................................................ 43
Executive summary

Somalia adopted a federal arrangement in 2012 following years of devastating civil war and a series of weak transitional administrations. This arrangement is not yet complete. However, its adoption was in response to failed experiments in centralization during the military regime (1969-1991) where all powers were concentrated in the capital, Mogadishu. As a result, Somalis had to travel hundreds of kilometers to the capital to get services that they should have been able to receive from their immediate local authorities. Thus, the essence of the federal arrangement was to devolve power to local-level administrations in order to bring services closer to where most people live, and overcome the problematic legacies of centralized rule. Federalization of the country so far has mostly entailed the creation and strengthening of state-level institutions rather than local government. Federal Member States (FMSs) that were formed as a result of the federalization model have consolidated all powers in their respective state capitals. The first FMS-formed local government was established in Puntland in 2009. Other states such as Galmudug formed local governments as late as 2020.

This study takes stock of fiscal and service delivery decentralization in Puntland, Galmudug, and the Benadir Regional Administration. The study was undertaken in nine districts (three in each) of the three case study contexts to stimulate and inform serious discussions around the paramount importance of devolving fiscal and service delivery to local government in pursuit of Somalia’s federalized state-building efforts. To that end, the study used qualitative methods and interviewed a total of 84 respondents in the case study states. It arrives at the following important findings (among others) on the status of local government decentralization:

- The state government in Puntland has the basic legal frameworks; constitutional provisions, a local government Law (no. 7), and decentralization policy (developed in 2018 and expired in 2022) but successive FMS governments have not yet applied the decentralization as enshrined in these legal instruments.

- In Galmudug, legal and policy instruments governing decentralization at the local level are not complete but the state has a local government Law (no. 4).

- Both Puntland and Galmudug withhold fiscal and service delivery powers of their respective local government institutions under the guise that the latter are not up to the task. On the other hand, local government officials partially repudiate that claim and reject this argument as fear from the FMS officials of losing financial resources they accrue from the services projects being implemented in the local governments.

- FMSs collect most of the taxes of the local governments, but don't allocate some of the domestically collected revenue to these local governments as a form of fiscal transfer. The effects of this are acutely felt in Benadir region where some district administrations have not been able to pay utility bills and owe money to private companies.
Only Garowe, Galkacyo, and Qardho among the study locations have financial systems for the few taxes that these governments are allowed to collect and are processing local government expenditure through them.

Similarly, only Garowe, Galkacyo, and Qardho have rudimentary accountability mechanisms, e.g. a financial management information system (FMIS), annual budget, annual financial account closing, and internal audit, while their peers in Galmudug and Benadir don’t have any accountability mechanisms at all.

Local councils in Puntland (except Qardho, Eyl, and Ufeyn) and Galmudug are brought into office in an indirect process. Because of this, state government ministries have had an excuse to avoid devolving power to local governments as they can claim that local councils don’t wield popular legitimacy. Ironically, this accusation could also apply to the parliaments of all FMSs as they are selected by clan elders.

Nevertheless, Puntland did conduct its first one-person, one-vote local council elections in Qardho, Ufeyn, and Eyl in October 2021. However, these local councils are still deprived of powers. Galmudug deployed indirect elections to form local councils in the existing local government jurisdictions. Traditional elders selected five-member delegates to elect among at least two candidates for each local council seat. In other words: federalization and decentralization remains significantly incomplete and embryonic. They exist in name only.

Local governments face formidable challenges that include: a lack of political commitment towards decentralization, a lack of elected local government representatives, limited technical capacity, high staff turnover, and no or limited revenue mobilization.

To deal with these issues, the study recommends the following points (among others):

- FMSs, with the support of FGS and donor organizations, should build and improve the capacity of local governments to help them take over their responsibilities and the delivery of services.

- FMSs, particularly those where decentralization has existed on paper for a long time, should set timelines and action plans for fiscal and service decentralization.

- FMSs governments should provide a specified percentage to local governments in fiscal transfers. This should be taken from their domestically raised revenue and transfers they receive from the federal government. At present, local governments do not receive a regular or formalized share of these resources.

- FMSs governments, local government officials, civil society organizations, and decentralization supporting organizations should join efforts and undertake intensive awareness-raising campaigns to educate local people on how local government should work, in order to counter current popular misrepresentations/misunderstandings of these authorities.
To understand the current status of federalization/decentralization in Somalia one must briefly review the historical experience of local government in terms of service delivery and legal frameworks in independent post-colonial Somalia. This section revisits the experience of decentralization in Somalia and is divided into four sub-sections. The first two sections examine the legal frameworks that have underpinned decentralization, in particular constitutional provisions and local government acts and regulations. It also looks at the services local governments used to provide and the revenues they were permitted to collect according to the laws that established them. The third section reviews efforts to address the legacy of the military regime and reverse its damaging centralizing tendencies. These efforts were first manifested in the post state-collapse period by the 2000 Arta peace conference, which adopted a national charter establishing a decentralized unitary system of government (and which led to the formation of the TNG). Later on, the 2004 Mbathati conference saw Somalia’s elites adopt a federal charter, which then evolved into the provisional constitution that was adopted in 2012. The fourth section discusses the evolution of decentralization in Somaliland, the break-away Republic, which was established in 1991 when it unilaterally proclaimed its separation from Somalia. Although Puntland (founded in 1998) introduced decentralization well before the establishment of the federal government, it is discussed in detail in subsequent sections as a case study for this report.

1.1 Decentralization during the civilian government (1960-1969)

After Somalia attained independence in July 1960, it adopted a centralized unitary system of government, which was the preferred model in many newly post-colonial states in Africa. The country was been using a centralized governance system up until 1991 when the Somali state collapsed (ConstitutionNet, 2018). However, the nature of the centralized unitary system; the form of government under which it operated; constitutional/legal provisions allowing/underpinning local administrative units; the degree of autonomy of local administrative units; and the level of service delivery markedly varied across both the civilian government (1960-1969) and the military regime (1969-1991).

Somalia’s post-independence civilian government, formed from the merger of Italian Somaliland and British Somaliland, emerged with a democratic constitution identifying the new state as a representative, democratic and unitary Republic (Constitution of the Somali Republic, 1960). Under this unitary system, however, the constitution provided for decentralization, particularly administrative decentralization. Article 86 established that “Whenever possible, administrative functions shall be decentralized and performed by the local organs of the State and by public bodies” (Constitution of the Somali Republic, 1960).

Article 86 of the 1960 constitution remains the only article of the Somali Republic that fully mentions decentralization. But the article left the nature of decentralization and the role and powers of local government ambiguous and unclear. This was a major lacuna for realizing a
Decentralizing taxation and public services to local governments in Somalia: Findings from Puntland, Galmudug, and Benadir

The principal tenet of democracy, which is to allow people to elect local representatives who are responsive and accountable in their areas. Also, the framers of the constitution tied the fate of this unspecified decentralization to the discretion of the ruling government and their decision as to whether to apply it or not. As such it did not constitute a constitutional obligation that had to be observed (Ismail, 2010). As to why this was the case, Ismail Ali Ismail (2010) assumes that the drafters of the constitution “did not take time and trouble in familiarizing themselves with the nature of decentralization”. He further argues that the framers of the constitution did not either foresee the establishment of local government or they inadvertently thought that local organs prescribed in article 86 fell within the rubric of “administrative decentralization” (Ismail, 2010). On the contrary, the apparent obscurity of the matter could be related to the complexity and elusiveness of the idea of decentralization itself (Smoke, 2003).

Moreover, the confusion and ambiguity inherent in article 86 extended to what the framers of the constitution meant with local organs and public bodies to which functions of the central government were to be decentralized. Did local organs imply local government or ministerial/agency field branch offices? If the former, this kind of decentralization was to be devolution. If it was the latter, the corresponding governance arrangement corresponds to administrative decentralization.

Despite all the confusion the decentralization article created, decentralization of the first Somali Republic featured both de-concentration (administrative decentralization) and devolution (political decentralization) (World Bank Group, 2015). This itself raises many critical questions such as why the government opted for two arrangements that are on both sides of the decentralization spectrum. How serious were central policymakers in devolving the functions to elected local governments to enable equitable service delivery? Were policymakers suspect of local-level capacity in delivering political decentralization? Were they aware of how the adoption of de-concentration cobbled together with devolution would compromise the assumed efficacy of the latter?

The two institutional directions/solutions, which independent Somalia pursued, combined the weakest (de-concentration) and strongest (devolution) forms of decentralization. De-concentration entails establishing functional branch offices or outlets rather than new levels of government while devolution involves establishing lower levels of government with direct accountability to the local people. In this latter case, lower levels of government enjoy autonomy and responsibility for exercising their power but the central government furnishes these local level governments with broad policy directives without interfering in their mundane activities (Max Planck Foundation for International Peace and Rule of Law, 2016).

Under the civilian government (1960 to 1969), the country was divided into six regions in the former Italian colony – Benadir, Lower Juba, Upper Juba, Hiiraan, Mudug, and Majertenia – and two regions in the former British Somaliland protectorate – northeast and northwest. The eight regions were further split into forty-eight (48) districts, of which seven were in the north. The administration of these regions and districts was handled by regional governors and district commissioners respectively appointed by the interior minister (Ismail, 2010). So effectively these were all top-down appointments.
In the very early years of independence, local administrations of the merged regions were characterized by marked dissimilarities due to the colonial legal legacies left behind by Italian Trusteeship Administration in Southern Somalia and the British colonial administration in Northern Somalia. This made their integration into one national polity very difficult. The major disparities between former Italian Somalia and former British Somaliland were notable in the management structure, the tax structure, and the manner of exercising executive functions. A marked difference was how local councilors came to office. In the south, all councilors were voted into office whereas the councilors in the north included both elected and appointed councilors. Northern councils collected house taxes, land rents, and fees in contrast to the south where the central government allocated a share of specific taxes such as customs duties and income tax to local authorities. However, both southern and northern councils engaged in market fees, accounting for a major source of revenue (Ismail, 2010). The differences did not stop here and were also reflected in the areas of jurisdiction for both the northern and southern regions. The northern councils administered both the urban and rural areas compared to southern councils that only covered urban areas (Ismail, 2010).

To mend and bridge the aforementioned administrative differences, the new civilian government enacted the Local Administration and Local Council Elections Law (Law No. 19 of 14 August 1963). It aimed at integrating the heterogeneous local administrations' practices in the south and north as part of efforts to integrate existing distinct systems in the new republic to surmount difficulties the government was facing.

Importantly, the new Law No. 19, particularly Article 3, clause 1, categorized local administration into four classes: class A was designated only to the local administration of Mogadishu; class B included local administrations established in regional headquarters; class C comprised of local administrations located in district headquarters while a group of sub-districts called ‘other local administration’ fell in class D (Local Administration & Local Council Elections Law, 1963). Clause 2 of Article 3 gave the interior minister the power to upgrade the class C & D districts to the next higher status taking their population, area, economic importance, and financial viability into consideration.

1.2 Role of local government during the military regime

Despite many criticisms of the kind of decentralization under the civilian government (Elmi, 2015), it was not sustained for long as the regime itself was overthrown in a bloodless coup by a military junta in October 1969. This occurred under the pretext of pervasive corruption in the civilian government (Laitin, 1976). The new military regime dismantled the democratic institutions and mechanisms and adopted a more centralized form of governance. Consequently, it swept aside the elected ‘local governments’ that existed under the deposed national government. However, it maintained a de-concentration element of decentralization (World Bank Group, 2015).

In its first edicts, the military junta issued a decree (Decree No. 1 of October 1969) according to which it established Regional Revolutionary Councils (RRCs) and District Revolutionary Councils (DRCs). Men in military and police fatigues were installed as regional governors and district commissioners while maintaining the former civilian governors and commissioners merely as members of their respective councils (Ismail, 2010).
By June 1972, the military regime enacted the Local Government Reform Act (Law No. 58 of 8 June 1972). It falls into five chapters, 35 articles, and one attached schedule. Under Article 2(1), the act proclaimed that the pattern of local administration adopted in the ‘Democratic Republic of Somalia’ is based on Socialist Democratic Centralism. It is noteworthy that socialism and the structures of a military regime do not correspond with the idea of autonomous local governments. No socialist country run by a one-party state has ever been truly ‘decentralized’ or ‘federal’. However, the Act allowed the local administration to raise revenue from some minor fees and taxes and the sale of some city services to partially fund some of their basic municipal services. However, all other taxes and expenditures were handled at the central government level (World Bank Group, 2015).

The regime reorganized the eight regions of the local administration from the civilian government into sixteen regions while keeping the forty-eight districts. The authority at the local level lay in the hands of regional and district councils. These councils’ members were appointed by the central government (Metz, 1992). Despite the decentralization rhetoric and pretenses of a decentralized state structure, the policy formulation and implementation were a privilege reserved for the council chairman – Mohamed Siad Barre (Samatar, 1989). During this time, military men were at the helm of the regional and local administrations. These leaders did not have an understanding of local government, while civilian technocrats executed the operations (Ismail, 2010).

1.3 Federalism (or federalization) as a response to state collapse

The weak local government structures were torn asunder as Siad Barre’s authoritarian regime collapsed under the military pressure of the armed resistance groups that coalesced to unseat him from power. However, the state collapse crisis that galvanized Somalia invited intervention from the international community in a bid to stop the bloodletting and deliver humanitarian aid. Amid the turmoil, the UN-mandated its mission, United Nations Operations in Somalia (UNOSOM), through resolution 814 of March 1993 to ‘assist the people of Somalia to promote and advance political reconciliation, through broad participation by all sections of Somali society, and the re-establishment of national and regional institutions’. Drawing on that mandate, the constitution for the districts was drafted. It set out that districts would have 21 members, to be drawn from traditional elders, new leaders, and one woman (Bradbury, 1994). The assumption was that each region would have five districts and that the UNOSOM would establish 39 district councils in southern Somalia, with the Somaliland case being dealt with differently. UNOSOM claimed to have formed 21 district councils as of August 1993. However, the process was met with much criticism from within the UN and from local NGOs. The process led to armed conflict in the areas such as Qoryoley, Baraawe, and Jowhar where it was undertaken. This attempt floundered as the whole mission failed to achieve its goal. Further, the bid agitated friction among clans and within sub-clans that dwelled in the areas where the local councils were to be established (Bradbury, 1994).

Along with this attempt, there was an intellectual endeavor championed in the western capitals, particularly the European Union, in search of options for decentralized political structures. These were envisioned to replace the centralized authoritarian system that had been in place for almost 20 years and culminated in the outright degeneration of the Somali state. The study for this purpose, which was entitled “Decentralized Political Structures for Somalia:
A Menu of Options", was commissioned by the European Union and was conducted in 1995 by Ioan M. Lewis and James Mayall from the London School of Economics. The decentralized political structure and government form options study elucidated options that could inform the discussions intended to reconstruct and sustain the dismembered Somali state. These included confederation, federation, decentralized unitary state with a guarantee of regional and local autonomy, and lastly consociation (Lewis & Mayall, 1995).

The disintegration of the country culminated in the emergence of clan fiefdoms that provided some semblance of order, at least in some parts of the country, whereas other parts remained mired in violence (Bradbury, et al., 2011). Therefore, voices demanding an effective decentralized form of government forcefully dominated the center stage of the subsequent discussions of the peace conferences. Advocates for this dispensation pushed for it to curtail potential power abuse by the center, ensure autonomy for the local people in determining their destiny and to get rightful and equitable access to public services.

Though the idea was raised in the many earlier unproductive ‘peace conferences’, it was not until the Arta (Djibouti) conference in 2000 that Somalia adopted a charter that established a decentralized system of government that guarantees autonomy to the regions (ConstitutionNet, 2018). Nevertheless, the Transitional National Government (TNG) that was mandated to realize the charter became confined to the interim presidential palace in the Hodon neighborhood in the Benadir region. This followed a serious challenge to its authority and legitimacy that emanated from the powerful warlords in Mogadishu at the time.

Following the apparent failure of the TNG in projecting its authority across the country and seeking legitimacy from the opposing factions, a series of peace conferences, the last-ditch effort of an array of conferences, was organized under the auspices of the Intergovernmental Authority on Development (IGAD) in Kenya in 2002-4. The outcome was the adoption of a charter instituting a federal arrangement, a stronger form of decentralization substituting the decentralized unitary system of TNG. The new Federal Charter stipulated the formation of the Independent Federal Constitution Commission (IFCC) to draft a constitution in line with the principles outlined in the federal charter (ConstitutionNet, 2018). The Transitional Federal Government that came out from the 2004 Nairobi peace conference was essentially a government in exile. It was formed in Kenya, then moved to Baidoa and then Mogadishu. So ‘federalism’ was essentially decided and engineered by political elites – with heavy international involvement – outside of the country. This partly explains why it has not been successful.

The IFCC, which was formed in Baidoa in 2006, drafted a provisional constitution, albeit two and a half years behind the anticipated schedule. The Committee of Experts was formed in 2011 to support and assist the IFCC to redraft the constitution. After a long and complicated constitution drafting and redrafting process, the constitution was provisionally adopted in August 2012 by the National Constituent Assembly of 825 members representing different segments of Somali society (ConstitutionNet, 2018).

The provisional federal constitution in article 48 establishes two levels of government: the federal government and federal member states, which comprises local governments. Accordingly, the first Federal Government of Somalia (FGS) led by Hassan Sheikh Mohamud (2012-2016) was mandated to form the federal member states (FMSs), the first step forward in implementing the federalization experiment in Somalia. The formation of
of the complete set of FMSs took place in an incremental fashion: Jubaland (2013), South West (2014), Galmudug (2015), and HirShabelle (2016). Puntland state predated the adoption of the federal system while Somaliland remains outside of the arrangement, pending future negotiation between the FGS and Somaliland government. As this was going on, Somaliland accumulated experiences with a more devolved/decentralized government than (the rest of) Somalia.

Although the FGS was mandated to create constituent units, the provisional constitution does not oblige FGS to the form local-level governments. It means that ‘federalism’ in Somalia was never really (at least not at the beginning) about strengthening or building up local government. It was more of an institutional elite power sharing answer to the question of how could peace be achieved, how the country could be held together, and how complete state failure could be avoided. The responsibility of establishing and devolving power to local governments rests on the shoulders of the FMSs. As most of the FMSs are new and nascent, the formation of the third-level government structures has yet to be fully undertaken, and consequently powers have not yet been devolved. However, marked differences exist among existing FMSs in this regard.

Somaliland and Puntland are the leading lights in local government decentralization. These two administrations have some essential baselines for the local government such as provisions in their constitutions that establish local governments, authorize decentralization, and stipulate powers of the local governments; local government laws; decentralization policies and strategies; and fiscal decentralization policies. These legal provisions and infrastructures are at an early formative stage in the other Federal Member States (UN-Habitat, 2016).

In line with the federal arrangement that Somalia adopted, the FGS worked on and introduced frameworks that guide and facilitate the establishment and interventions of the local governance structures at the local level. These frameworks include the Wadajir Framework, the National Local Government Law (Law No. 116 of 1st August 2013), the Somalia National Development Plan (NDP), and the National Stabilization Strategy.

1.4 Decentralization in Somaliland and Puntland

Somaliland, though not a federal member state, has achieved remarkable progress in decentralization. From 1993–2002, Somaliland nominated district commissioners and on December 12, 2002, it held its first democratic local-level elections (Bradbury, 2011). These provided the first real chance of introducing meaningful decentralization of government authority since independence in 1960. Somaliland’s 2001 constitution provides decentralized structures including local governments. Recognizing its critical importance, the constitution devoted articles 109–112 to the local governments. The constitution stipulates that the regions and districts are responsible for services such as health, education (up to intermediate school), livestock husbandry, internal security, water, electricity, and communications (Haas, 2017).

Though the Somaliland constitution laid the foundations for decentralization, it is not the only legal document that underpins this. There is a Regional & Districts Law (Law No. 23 of 2002), which was amended extensively in 2007. Article 45(2), of the amended Law No. 23 sets forth the special taxes that districts collect. These include commercial licenses tax, livestock sales tax, sign tax, entertainment tax, agricultural tax, buildings value tax, land value tax,
temporary structures tax, street markets tax, transfer tax, abattoir and butchers tax, water reservoirs tax, registration tax, people registration tax, goods and qat tax (10%), production tax, and electricity use tax.

The process of decentralization in Somaliland has faced difficult challenges including the weak tradition of decentralization; inadequate legal framework; lack of political will; and a widespread shortage of skilled personnel (Academy for Peace and Development and Interpeace, 2006).

In the face of the multifaceted challenges to the process of decentralization, an array of projects and initiatives were launched to help establish necessary structures for local governance, inject lacking capacities, and develop required legal frameworks for the efficient and effective performance of local governance. A major initiative introduced in this regard is the United Nations Joint Programme on Local Governance and Decentralized Service Delivery (JPLG) in Somalia. The three-phased program is jointly implemented by five UN agencies – the International Labor Organization (ILO), the United Nations Human Settlement Programme (UN-Habitat), the United Nations Capital Development Fund (UNCDF), the United Nations Development Programme (UNDP), and the United Nations International Children's Emergency Fund (UNICEF).

The first phase extended in the period between 2008-2012 while the second phase was concluded in the period between 2012-2017. The program aimed at ensuring that communities have equitable access to efficient basic services through local government entities and to promote accountable and transparent local government. It hopes to improve the legislative and regulatory framework for decentralized service delivery in the Somali region, provide funding for service delivery through district councils and build the capacity of demand-side governance at the local level (UN-Habitat, 2016). Each of the four UN agencies implementing the program plays different and complementary roles. With the support of the implementing agencies, particularly UN-Habitat, it assisted in laying the primary grounds: policies, legal frameworks, and strategies, on which decentralization can be built and sustained in Somaliland and Puntland, where the program first focused before turning its attention to the new FMSs.

Benefiting from that help, Somaliland - similarly to Puntland which will be examined in the discussion sections of the study - adopted new decentralization policies in 2003. Subsequently, local government finance policies were developed (UN-Habitat, 2016). The adoption of the two foundational bases for decentralization gave way for developing systems that facilitate revenue generation for the local governments without which decentralization cannot be realized practically. These systems include a geographic information system (GIS) database, which contains information on the location and quality of properties, as well as land use, infrastructure, ownership, and the number of occupants, to define the tax rate for each property and notify occupants of their tax obligation to the municipality (UN-Habitat, 2016).

In the same vein, the Accounting Information Management System (AIMS) and the Billing Information Management System (BIMS) were introduced by Somaliland and Puntland local governments to improve transparency, accountability, and efficiency (UN-Habitat, 2016). According to the UN-Habitat’s 2016 report on Building Local Governance in Somalia, the systems resulted in significant revenue increases from property taxes. The intervention to address
challenges in local governments did not stop at developing systems and policies but also included developing legal frameworks that constitute a prerequisite for the operations of local governments.

The wave of decentralization was not limited to Somaliland but interest in this model has appeared in Puntland, which is an autonomous administration formed in 1998 in midst of raging infighting between armed militias in the south and central Somalia that formerly all joined forces in deposing the dictatorial regime in Mogadishu. The 1998 charter of Puntland contained provisions for decentralization, for example, it establishes local councils. To advance the spirit of decentralization, Puntland enacted Local Council Law (Law No. 7 of 2003), the first legal framework necessary for local governance formation (PDRC & Interpeace, 2015).

In the meantime, decentralization has remained in the early stages in new FMSs, Jubaland, South West, Galmudug, and HirShabelle in terms of local council formation and development of policy and legal frameworks to guide local governments. This has been hampered by conflict, political instability, lack of budget, and other things. So far, Galmudug state formed 6 local councils since 2020 and is due to continue forming local councils for the remaining districts. In South West state, the administration formed five local councils in the state. On the other hand, Jubaland and Hirshabelle states are the states with fewest local councils formed. Both have one local council in each state.

Against this background, this study goes on to examine and critically assess the state of fiscal and service decentralization in the local governments, with a particular focus on nine districts across Benadir, Puntland, and Galmudug. The findings from this research are expected to generate discussions and advance efforts to decentralize fiscal and service provision to local governments by mostly nascent federal member states in Somalia in order to enact the principles of federalism and improve the lives of local people through engagement with their local governments. The study also aims to inform citizens, the federal government, federal member states, local governments, local government officials, and the development community with evidence-based analysis and policy considerations.
2.0 Methodology

This study is based on a qualitative methodology with key informant interviews (KIIs) used to generate data on fiscal and service decentralization at local level governments in Puntland, Galmudug, and Benadir.

The study began with revisiting the existing literature on the topic under scrutiny. The available literature that this study consulted includes books, government publications, laws and regulations enacted during civilian governments (1960-1969), military regime (1969-1991), the federal government of Somalia (FGS), and Federal Member States (FMSs), reports by think tanks and Somalia’s decentralization supporting organizations, and news media.

Following the write-up of the literature, Somali Public Agenda organized a preliminary focus group in Mogadishu on May 2022 for selected participants who were drawn from organizations supporting local government decentralization in Somalia; academics who have particular knowledge and interest in decentralization; and practitioners. These focus groups were intended to enable the understanding of key issues in Somalia’s local level decentralization and also help formulate interview guide questions. Subsequently, the Somalia Public Agenda research team formulated an interview guide questions to be utilized for the fieldwork. The interview guide questions adopted a semi-structured design aligned with the purposes of the study. The semi-structured interview covered topics such as local government formation processes in the case study states; legal frameworks governing local level governments; local government structures; taxes that local governments collect (if any); services that local government provide; (non) existence of state-level fiscal transfers to local governments; financial management systems that local governments use (if any); obstacles that local governments face.

Data for this study were collected from the Puntland state of Somalia, the Galmudug state of Somalia, and the Benadir Regional Administration (BRA). In that regard, the study chose three districts from each of these administrations, nine districts in total, as a sample; Galkacyo (north), Garowe, and Qardho from Puntland; Adaado, Dhusamareb, and Abudwaq from Galmudug; and Waberi, Hodon and Wadajir districts under the Benadir Regional Administration. The case study districts in the three states were chosen specifically to provide understanding and comparison on the state of local level decentralization. The rationale behind the selection of these districts was as follows:

- the three districts in Puntland are the four major local governments in the state along the Bosaso local government and have had a local government since 2005;

- in Galmudug, Adaado district was selected for having a local government at the time of the study design, while Dhusamareb is the capital city of the state government and Abudwaq is among the populous districts in the state;
in Benadir region, the three selected districts (Hodon, Weberi, and Wadajir) are among the most populous districts in Benadir region and are home to Mogadishu’s businesses, private and public service provision institutions such as schools, hospitals, entertainment, and hospitality industries.

Within these nine sample districts, the study selected a sample population of 90 key informant interviewees distributed equally among them, – 10 for each location. These key informant interviewees included senior officials from the two FMSs’ interior ministries, BRA senior officials, concerned local government officials such as mayor, deputy mayor, local governments’ revenue departments, local commissioners, women, youth, business people, elders, and decentralization supporting organizations.

Data collection from the study locations was concluded in the period between August and early November 2022. During this period, SPA managed to interview 84 KIIIs out of the 90 sampled KIIIs across the study locations. To conduct these interviews smoothly, Somalia Public Agenda sought the assistance of a facilitator in each district with a reputation and network to help arrange contacts and introductions for the Somali Public Agenda team in the field. Consequently, interviews were transcribed and coded thematically.

However, the fallout of Somalia’s protracted elections caused a delay in the start of the fieldwork, which required the team to wait until the dust had settled. Despite this, the research team was not able to interview the FGS’s Interior Ministry senior officials as they were busy with new changes at the ministry resulting from the appointment of a new minister. A similar case was the planned interviews with senior BRA officials. Officials from BRA whom we contacted for interviews initially accepted being interviewed and asked the team to make arrangements convenient for their busy schedule. However, when the team communicated with them to confirm interview appointments, they did not respond.
Since 2012 and the establishment of the federal model, decentralization has been emerging as a policy issue. However, it has not been a dominant concern, in comparison to other problems that have overwhelmed policy forums of the executive and legislative branches in both FGS and FMSs. One expectation from the federal arrangement, was that power will be decentralized to lower levels to enable locals to effectively participate in deciding matters of their particular concerns, including devising local-level policies that reflect their immediate needs, such as the provision of essential services.

With the high hopes that the federal arrangement would engender services being brought closer to citizens, what is the current status of decentralization in Somalia? Are local governments able to play meaningful roles in public life and shoulder governance tasks? What are the main challenges they face? Are there significant differences across FMS in regard to decentralization and what explains these differences? What does the political economy of decentralization look like? What are the politics of local government? How stable are local administrations? What are the relationship between local governments and FMS-level politicians, policies, and bureaucracies? How do the two relate to each other in the different FMSs?

These questions and others are answered in the following section, which presents the discussion and analyses of the research findings of the study. It is broken down into subsections that each focus on a particular theme of decentralization in the case study FMSs.

3.1 Overview

Although Somalia adopted federalism over a decade ago, there are numerous fundamental and unsettled areas of contention between two main levels of government – the Federal Government of Somalia and the Federal Member States – over the allocation of powers including functional assignments and expenditure. This is in large part due to ambiguities inherent in the provisional federal constitution over these critical issues or it its lack of engagement with them at all. Local government is one of the pivotal governance issues that the provisional federal constitution did not pay attention to. The constitution mentions local government just once and left the authority to enact laws for, and the formation of this important third level to the Federal Member States.

Consequently, FMSs which were formed in subsequent years (between 2013-2016) and Puntland, which pre-existed the arrangement, concentrated powers in capital seats of their administrations, creating another center of power concentration rather than devolving it down to the lower levels. Similarly, FMSs did not only accumulate power in their favor but neglected to establish local governments, the third level of the federal arrangement. However,
as an older FMS, Puntland is an exception regarding the local government formation in its jurisdiction. Similarly, Somaliland also is an exception, though this study did not undertake primary research on that case. Puntland established local government councils as early as 2005 with the formation of Qardho, Garowe, Bosaso, and Galkacyo, but it shares with other FMSs the anomaly of devolving little or no fiscal and service delivery power to local governments, where they exist.

### 3.1.1 Puntland

Puntland has 51 districts, of which 21 are based on pre-1991 boundaries. The remaining are new districts, that Puntland itself demarcated. Of the 51 districts, 27 now have local councils. These local councils were selected by the traditional elders save Qardho, Eyl, and Ufeyn, which had councilors elected through one-person, one-vote elections in 2021. The major districts such as Galkacyo, Bosaso, Garowe, and Qardho have a 33-member local council, according to the amended local government Law no.7. Members of each district reflect the clan makeup of each district. However, the Puntland president dissolved the local councils of Galkacyo, Bosaso, and Garowe in January 2021, March 2021, and September 2022 respectively using provisions in the state constitution and state Law no.7 for regions and districts. The president dissolved the concerned local councils ahead of their term expiry. The respondents for this study gave mixed reactions when we asked about the reasons for this. Some explained that the decision came after repetitive disputes between members of respective local councils that had paralyzed local governments’ performance. Others regarded it as a justification for the president’s bid to transition to elected local councils. Now, these three districts (Galkacyo (north), Bosaso, and Garowe), among the four largest districts including Qardho, are run by the state president-appointed mayors and deputy mayors.

Despite the dissolved three local councils in main towns, Puntland executed first one-person, one-vote election for the local councils of Qardho, Ufeyn, and Eyl local governments on 25 October 2021. Being the first for more than half a century, these were historic for Somalia’s FMSs (Interpeace, 2021). Notwithstanding these remarkable steps towards local governance democratization, elected local governments – similar to local governments with traditional elders selected local councils – remain deprived of local government powers such as revenue generation and service delivery responsibilities that are enshrined in the state local government act, Law No.7. These powers are still exercised by the Puntland state government.

However, there is an agreement that has been worked out between the local governments of the four larger Puntland districts namely Bosaso, Garowe, Galkacyo (which have appointed local government mayors), and Qardho (which has an elected local government) on one hand and the state government, on the other hand, to decentralize pilot primary health care and education to these local governments, which is due to take effect in early 2023.

---

2 Interview with an officer from Garowe local government planning and budgeting department, Garowe, October 19, 2022.
3 Interview with Qardho local government mayor, Qardho, October 22, 2022.
4 Ibid.
With this obvious powerlessness of local governments, Puntland is poised to hold further local council elections. However, there is a dispute between the stakeholders over the timing of these.

3.1.2 Galmudug

In the Galmudug State of Somalia, decentralization is at an embryonic state. The state is about 7 years old; it was formed in July 2015. It is an amalgamation of the Mudug region (south) and Galgaduud and has 10 pre-1991 districts of which 7 are in the Galgaduud region whereas the other 3 lie in the Mudug region. During most of the period of existence, the Galmudug FMS has been affected by the schisms between the Ahlu-Sunna Wal Jama’a (ASWJ) and the FMS administration, which was temporarily based in the Adaado district. The severity of these divisions was reduced following Ahmed Duale Gelle “Haaf’s” (Galmudug President between 3 May 2017 to 2 February 2020) accommodation of the Ahlu Sunna Wal Jama’a in an agreement brokered by IGAD in 2018 (Wasuge & Yusuf, 2021).

In February 2020, Ahmed Abdi Karie “Qoorqoor” took the helm of Galmudug state. Since then, the state experienced relative stability though it has been punctuated by violence resulting from Alhu Sunna Wal Jama’a’s abrupt resurgence in late 2021.

During this tense situation, decentralization was not an immediate priority to the state government as it remained a polarized and fragmented. However, one local government did exist at this time- Adaado. Adaado local government was the first local government to be established in the pre-Galmudug era in 2011 under the Ximan & Xeeb administration that controlled in and around this town. At that time, it was not only the sole local government in the fragmented region of central Somalia but also the only local government in South-Central Somalia. It was carried over to the Galmudug state when this was established in 2015, and it continues to exist. Since that time, Adaado’s local government had had three local councils, the last of which was elected by clan delegates in August 2022. The former two councils were constituted through selection by respective traditional elders.

The leadership that served in the first term of Galmudug state (Abdikarim Hussein Guled between July 2015-February 2017; and Ahmed Dualle Gelle “Haaf” from May 2017 February 2020) did not and could not deal with the decentralization issues due to the other pressing and practical challenges they were facing. However, the current leadership of the state, which has seen relative stability lately, has directed its attention to local government formations in the state’s districts.

But before this impetus and momentum towards local government formation, the state legislature amended local government Law No. 4 in 2020, which previously was enacted by the former state government in 2017. The state formed Galkacyo local government council in 2020. The election process for the 23-member local council took six months because of the contentious politics involved in the process. One informant from the state government in Dhusamareb told the researchers that the president maneuvered to catapult his favored ally

---

5 Interview with a former member of Adaado local council, Adaado, August 18, 2022.
6 Ibid.
into the mayorship position but local preferences prevailed.\footnote{7}

When finished with the Galkacyo local government formation, the Interior Ministry of the state began the process of Adaado’s local council elections. This process was less fraught compared to Galkacyo because clans had already known their share in the local council. For this reason, the process took just 45 days.\footnote{8}

The pace of the local government formation in Galmudug districts in 2022 was relatively fast. The Interior Ministry also concluded local government formation for the Dhusamareb (November 6, 2022), Abudwaaq (December 3, 2022), Guriel (December 6, 2022), and Balanbal (October 9, 2022). It succeeded in forming local councils in these districts but quarrels over sharing local council members among respective clans dominated the process and at times led to delays. These disputes resulted in an increased number of Dhusamareb local councils from 27 to 33 to accommodate the concerns around representation raised by some clans and sub-clans.

Nevertheless, local governments in Galmudug similar to their counterparts in the neighboring state of Puntland still lack the necessary powers that enable them to collect revenue from their respective local people to translate these revenues into services according to the local government act. While these local governments remain idle, state ministries administer the services and responsibilities of the local governments.

\subsection*{3.1.3 Benadir region}

Benadir has 17 districts and is among the 18 regions of pre-1991 political map of Somalia. It is the only region that does not have a status of FMS in contrast to other regions (apart from Somaliland which stands outside of Somalia’s political dispensation in its claim for unilateral independence). This has meant that the Benadir region has been deprived of the decentralization benefits other regions gained from the federal arrangement, including the provision of services. The unique case of the Benadir region is related to its position as the physical capital of the FGS. Therefore, the provisional federal constitution spells out a different approach for determining the status of the capital city, Mogadishu. The constitution in article 9 outlines that the status of the capital city will be determined in the constitutional review process, and the two houses of the Somali federal parliament will make a special law regarding the Mogadishu issue. However, this has not happened, primarily because of the many controversies and sensitivities surrounding the issue. Thus, the two successive federal governments since 2012 have shirked engaging with this politically combustible issue, and it has remained a thorn in the sides of the last two governments. However, the pending status of Mogadishu gave the FGS latitude in governing and deciding all the matters for the Benadir region, ranging from nominating regional administration to services provision. Benadir is the only region in Somalia where the FGS raises revenues and has the ultimate say in the important decisions that directly affect the people in it (Yusuf, 2022).

\footnote{7 Interview with a bureaucrat from Galmudug state government, Dhusamareb, August 25, 2022}
\footnote{8 Interview with Adaado local government councilor, Adaado, August 18, 2022}
3.2 Legal frameworks

The existing decentralization legal frameworks, whether in Puntland or Galmudug, primarily remain on paper and have not translated into functional local government structures that deliver their basic services to the local people. However, the various reasons why local governments are not effective will be discussed in detail in the challenges section of the report.

Nevertheless, the study found that in Puntland and Galmudug states, decentralization legal frameworks are relatively similar, although Galmudug lags behind in some aspects of law. This difference (understandably) relates to the different ages of the two states. On the other hand, the relative similarity of legal decentralization infrastructure is not only limited to these two states but is shared by other FMSs. Officers from Puntland and Galmudug states’ Interior Ministry asserted the existence of this similarity among the FMSs’ core decentralization legal frameworks.

3.2.1 Puntland

In Puntland, the state’s constitution forms the foundational basis of decentralization. The constitution devotes five articles [123,124,125,126 and 127] to decentralization. In article 123, the constitution establishes local councils; in article 124 it sets forth the procedure of local councils; in article 125 it prescribes the powers and responsibilities of the local councils; in article 126, it clarifies the conditions for local council elections, while in article 127, it lays down the powers and responsibilities of local government mayor.

The second legal document that underpins Puntland’s decentralization is local government Law No. 7. This was enacted in 2003 but amended in 2020 by the Government of current Puntland President Said Abdullahi Deni. This fundamental act features 83 articles, which deal with a range of local government-related issues such as the structure of local governments, members of local councils, elections of local councils, requirements for local council elections, powers, responsibilities, and functions of local councils.

Apart from these cornerstone legal frameworks, Puntland State has a five-year decentralization policy, which was developed in 2018 but has now expired. The state is in the process of developing a new five-year decentralization policy to guide the trajectory of this for the state. Puntland also has existing strategies that fall under this policy such as fiscal decentralization policy and action plan, and education, health and road sector sector decentration strategies. However, these strategies expire with the expiration of the decentralization plan and new ones need to be adopted.9 In a similar vein, local governments in Puntland have a municipal, decentralization policy, procurement guideline, district development framework (DDF), local development fund (LDF), audit manual, HR manual, and induction training manual.10

3.2.2 Galmudug

In contrast to Puntland, the Galmudug constitution subtly alludes to the decentralization and includes this under article 27(1), which concerns the executive powers of the state government of Galmudug in particular. It establishes that the state devolves power to the regions and

---

9 Interview with UN-GPLG program specialist, Garowe, 19 October 2022.
10 Interview with Galkacyo local government advisor, Galkacyo, 16 October 2022.
districts and that districts will have local councils with an elected mayor. Thus, the drafters of
the Galmudug constitution did not give the necessary attention and focus to decentralization
in the constitution to provide the basis and guidance for the local government act, which must
itself draw on the constitution.

With this clear lack of constitutional basis for decentralization, Galmudug state enacted local
government Law No. 4 in 2017 during the Haaf administration but this was amended in 2020.
Law No. 4 falls into 59 articles that all have to do with the local government.

Besides this, the state has policies derived from Law No.4 such as a local government human
resources (HR) policy, local government employment regulations, a solid waste management
bylaw, a local government financial management policy, a business registration policy, local
government procurement guidelines, a local government gender improvement plan, and a
draft decentralization policy (which is a work in process). This decentralization policy is being
coordinated by office of the Vice President of Galmudug and the interior ministry, which are
leading on these issues.  

3.2.3 Benadir Region

Conversely, the Benadir region currently has no decentralization legal infrastructure to speak
of. The region still is administered by the FGS and any possible decentralization remains
contingent on future legislation to be issued by both houses (House of the People and the
Upper House) of the federal parliament that would determine the status of Mogadishu.

3.3 Local government structure

This sub-section looks into the structure of local governments in the three case study FMSs
and explores to what extent are they similar and/or varied, and what explains the similarities
and differences between them.

In practice, local government structures adopted in Puntland and Galmudug are similar and
their adoption is guided by the constitution (particularly Puntland) and local government
laws in both states. This structure is also not unique to these two states but is also applied by
the other FMSs that have formed local governments in their jurisdictions. Important local
government structures that exist include local councils; the mayor and deputy mayor; the
executive committee; the secretary; standing committee departments, and the internal audit.

Local councils were to be elected, where they exist, by local people directly. In Puntland,
traditional elders selected council members but in an attempt to overcome this tradition, the
state piloted universal suffrage elections at the local level in three districts; Qardho, Eyl, and
Ufeyn in late 2021. In these elections local people elected their local representatives for the
first time in the fifty-three years since 1969.

Galmudug began in 2020 to form local governments and has used indirect elections whereby
concerned clan elders select a five-member delegate group to elect a councilor from amongst
at least two clan candidates. The number of local councillors varies from one district to another
depending on the size of that respective district. Some districts have 21 local council members

11 Interview with an officer from Galmudug interior, local government, and reconciliation ministry, Dhusamareb, 22
August 2022.
while others have 27 council members. According to a key informant from the Galmudug Interior Ministry, the reason for the increased number of members for some districts relates to the need to accommodate representation concerns raised by some clans and sub-clans regarding the process of local council formation in these districts.

Local councils, regardless of whether they are formed through direct or indirect processes, elect mayors and deputy mayors from among themselves. The mayor and deputy mayor along with the local government secretary (the latter invariably appointed by the state Interior Ministry) form the executive committee, which is primarily tasked with the execution of the day-to-day operations of the local government.

Besides the executive committee, local governments have standing committees. These committees are drawn from the local council. One-third (1/3) of local council members can sit on this committee, as laid out in the Puntland local government Law No.7. According to a Qardho local council standing committee member, the logic for having such a standing committee is that since local councils convene in only two sessions in the year (January and July), there are always issues that emerge in this long recess that need immediate attention and response. Such emerging issues include passing the budget of the local government, which usually coincides with October of each year while the council is in recess. Therefore, the standing committee temporarily approves the budget, which is finally approved by the council members in their first session in January. In contrast, Galmudug local government Law No.4, in article 32(3), prescribes that local councils must meet once in every quarter, which means 4 times per year compared to two times per year for Puntland.

The executive committees also oversee the operations of the departments of local governments. For this purpose, each committee member is attached to a particular department, with consideration of how his/her background corresponds with the responsibilities of that department. For instance, if an executive committee member is an engineer, he/she will be assigned to oversee the public works department of the local government, a Qardho local councilor and standing committee member said.

As illustrated above, local governments have departments that are responsible for the services provided by local government, even if these are limited. Local governments in Puntland such as Galkacyo (north), Garowe, and Qardho, where SPA conducted the study, have five departments namely finance, revenue, social affairs, public works, and a planning, monitoring, and evaluation. This number is consistent with Puntland state's Law No.7, which sets forth how many departments a local government can have.

Nevertheless, this is not fixed, and it can at times increase and decrease depending on the size of operations a local government conducts. Puntland’s constitution envisaged this situation, and it permits any local government that can have more departments to submit a request to the concerned ministry. On the other hand, although Galmudug’s local government Law No.4 did not mention the number of local government departments, interviews with Adaado local government officials confirm that it has the same departments as Puntland’s local

---

12 Interview with Qardho local councilor and standing committee member, Qardho, 22 October 2022.
13 Ibid.
governments. It is not only local councils in Puntland and some in Galmudug that have administrative structure, but other district administrations in Galmudug (such as Dhusamareb, Abudwaq, and Balanbal) that were appointed before local councils were established in these three districts in late 2022 have had very similar structures.

The story is different in the case of the Benadir Regional Administration's appointed district administrations. BRA districts have commissioners and deputies; bodies for political and security issues, social affairs; secretaries, offices for youth, women, sports, and reconciliation, and heads of neighborhoods. A district commissioner described this structure as “empty” and “powerless” because they don't exercise any real authority at all.

### 3.4 Public awareness and understanding of decentralization

As the pace of decentralization has been slow across the country, respondents interviewed in the study locations agreed that the understanding and awareness of the local people towards local government decentralization is low. However, variations exist among the study districts. These differences related to the length of operation and mode of selection of the councils.

Overall, however, citizens have a limited understanding of what local governments are, and what functions they are responsible for. Describing how local people's understanding is shallow, a former councilor in Garowe's dissolved local council underlined that local people believe (wrongly) that local governments are responsible only for city sanitation, construction, and/or rehabilitation of roads in the district and public awareness campaigns. He said, “they are not aware that local governments have a big role in the provision of social services.”

The limited understanding of what local governments do is not confined to the general public, but also it is evident, reportedly, in the local government itself, and among provincial and security officials. Interviewees acknowledged that state officials have an understanding of local governments but accused them of being reluctant to decentralize power to local governments. A technocrat at Puntland state's Interior Ministry asserted that despite the low understanding regarding decentralization, state ministries continue to exercise local government powers and deliver services that local governments are normally responsible to deliver.

The current level of decentralization awareness and understanding ostensibly relates, among other factors, to poor state-society relations, the lack of services local governments and district administrations (where there is no local government) provide to their concerned populations, and poor or absent civic education. However, arguably the most important reasons relate to the FMSs leadership and ministries withholding powers from existing local governments.

According to a former member of Garowe's dissolved local council, due to the low levels of decentralization awareness and understanding, local government officials grumble and

---

14 Interview with Adaado local council member, Adaado, 18 August 2022.
15 Interview with BRA district commissioner, Benadir region, August, 10 September 2022.
16 Interview with former Garowe local government councilor, Garowe, October 2022.
17 Ibid.
18 Interview with Puntland interior ministry officer, Garowe, 10 October 2022.
say that this situation poses a great challenge to the local governments. This situation, they say, has led the local people to hesitate from paying local governments taxes voluntarily (in the few instances where councils are allowed to do so). This is elaborated on further in the revenue section below. However, some interviewees linked this with a lack of transparency and accountability mechanisms from the side of the local governments. One key informant in Galkacyo said that the locals are skeptical of the transparency of local government officials as they don’t exactly know where and how local officials spend the tax money.

According to a local councilor in Adaado, there is a prevalent misconception among locals about local government tax payments. They account for the sub-clan of the mayor and if he comes from a different sub-clan from the potential taxpayer, they refuse to pay arguing that they don’t want to “feed” another sub-clan. Such a parochial understanding reflects the general condition of the locals’ understanding of decentralization. Even more worrying, some people believe paying taxes to a government is “Haraam” (forbidden in Islam) and this is partly a result of twisted religious interpretations regarding taxes.

Furthermore, there is pervasive understanding that the local people have developed around local councils’ membership. Drawing on data collected and field observation, we learned that local people assume that membership at a local council will render privileges, such as financial and social status. This thinking extends to the idea that a councilor enjoys the same privileges as a state-level legislator. This misguided perception exists in Puntland where local councils have existed and operated for some time and in Galmudug, too, where local governments were formed in some districts only recently and in districts where the process of local government formation is still underway. In reality, local councilors don’t have fixed salaries like state-level MPs or other privileges that those legislators enjoy.

This misconception about the local councils has resulted in unqualified people occupying and/or vying for the local councils, many of whom lack a clear understanding of what a local government actually does. Some respondents in districts with local councils complain that these bodies are stacked with people who don’t have an understanding and stake in the local government, while more relevant stakeholders such as local business people and professionals are kept out of the councils. However, a local councilor in Qardho, where local councilors were elected through a universal suffrage election in late 2021 reported that in that district this trend is gradually improving. According to source, this is because of election campaigns that were conducted in the city in the run-up to the local council ballot.

### 3.5 Priority setting at local governments

For all governing bodies, establishing priorities is essential for determining which activities of importance and necessity are to be picked and then implemented. This study found that three local governments (Gaalkacyo north, Garowe, and Qardho) in Puntland and to local governments in Galmudug (Adaado and Galkacyo south) have developed lists of priorities. Other districts with no local governments in Galmudug or Benadir have no priorities at all.

---

19 Interview with Adaado local government councilor, Adaado, 18 August 2022.
20 Ibid.
21 Interview with Qardho local government councilor, Qardho, October 20, 2022.
For those local governments that have developed priorities, the process is relatively similar. These local governments, along with the state Interior Ministry, develop a five-year plan known as the district development framework (DDF) that forms the basis for the services that local governments intend to deliver in these respective localities during the plan period. The DDF entails four components. The first one is the development of a district profile, which contains information on the geography and boundaries of the district, the distance of the district to the neighbouring districts, its population, district administration buildings, the local economy, education, and environment. The second component is community consultation. This involves engaging the community as far afield as villages to consult on the needs they want to be met. The consultations with the community focus on social services such as education and health. The third component of the district development framework (DDF) is local economic development. This part focuses on mapping the type of economic activity that the concerned local government can support through its activities. The final component is the work plan and budgeting.

The development of the DDF follows a consistent pattern across the concerned local governments. At the outset, staff from the Interior Ministry, in the case of Puntland, go to the villages of each local government, meet with the villagers, and train them on how to prioritize different needs they want to be met. The training only lasts a maximum of one hour and half hours. When the villagers finish this very short training, they list up to three priorities that they feel are of importance and that they want action on. When the priorities of all villages under each district are collected, priorities are then also gathered at neighbourhood level within these districts.

When the process of collecting priorities from villages and district neighborhoods is concluded, the next step is gathering committees of the villages and district neighborhoods in an assembly organized by the local government to present to them how they have reconciled their different priorities. At this assembly, participants contribute their inputs to the draft DDF developed by the local government based on the variety of priorities raised by the villagers and district neighborhoods. When the assembly participants agree on the new draft DDF, the document is then forwarded to the local council for approval and then passed on to the state Interior Ministry. In turn, the Interior Ministry passes on the document to the state Planning Ministry, which incorporates these priorities in its state-level five-year development plan.

An annual development plan is derived from this plan, and it becomes the basis for the projects being implemented. In some cases, there arise needs that were not included in the DDF. These new emerging needs are incorporated and reflected in the annual development plan.

The Interior Ministry of Puntland state is in charge of the DDF development process in liaison with local governments and incorporated into the state’s five-year plan developed by

---

22 Interview with Galmudug interior ministry officer, Dhusamareb, August 20, 2022.
23 Interview with Qardho local government mayor, Qardho, October 23, 2022.
24 Ibid.
25 Ibid.
26 Ibid.
27 Ibid.
the Planning Ministry. In Galmudug, there were two existing local governments in Galmudug (Galkacyo and Adaado) that were responsible for the development of their own DDF without the incorporation of this into the FMS’s 5-year plan. This is because the state does not have local governments in all districts and the process of local government formation was still underway during the data collection for this study.

The development of DDF for existing local government is a requirement by the organizations that assist local-level decentralization, particularly UN-GPLG for local government decentralization. It represents a blueprint for how programs such as JPLG can assist local governments. Local government officials interviewed said that organizations that plan to carry out projects in their respective districts build on the priorities in the DDF that represent the needs of the locals.

### 3.6 Local governments service provision

Decentralization was intended to bring services closer to local peoples and improve their livelihoods in contrast to the centralization of services in the national capital or state capital cities. However, this remains a distant and utopian dream in Somalia's current context. Though decentralization has yet to be adopted across the country, it hasn't shown clear signs of success in the parts of the country where it has existed for some time. Somalia's FMSs have either established or are in the process of establishing local governments in their jurisdictions, and allocating a range of services to be decentralized to the local governments according to existing local government laws. However, in reality, local governments are just nominal structures that are unable to undertake their responsibilities enshrined in local government legislation.

Local governments were established as early as 2005, but they still don't provide the services that they were mandated to according to Law No.7. Rather, state ministries primarily retain and provide local government services across Puntland state. “This bred cynicism and criticism of this trend and demands to decentralize service provision to the local governments” a key informant interviewee from Puntland civil society lamented.

As of writing this report, local governments in Puntland and Galmudug are not responsible for essential services such as primary education and health in their respective localities, and thus they provide insignificant services.

As local governments, in practice, remain deprived of most of their fiscal powers, they don’t pay for all these services. For instance, local governments in Puntland, according to interviewed mayors, task waste management to particular private companies in each district. These companies collect garbage from city dwellers’ houses and public places and are allowed to charge service fees to households at a rate agreed upon by the company and local government authorities. This also applies to Mogadishu where private companies collect garbage from households and public places. However, some local governments pay the companies for the garbage collected from the streets. In the case of Garowe, the local government pays USD 10,000 per month to Daryeel Deegaan – a private waste management company – for collecting and disposing of the waste from the city’s streets and public institutions.²⁸

---

²⁸ Interview with former Garowe local government councilor, Garowe, October 20, 2022.
Despite the police in local governments being under the command of the state government, local government authorities contribute to the costs incurred for the provision of security. For example, Garowe’s local government pays the fuel, electricity, and water bills of police stations in Garowe.\(^ {29} \) Similarly, the Qardho mayor asserted that the local government in Qardho pays 80% of its expenditure on security.\(^ {30} \)

Local governments are involved in infrastructure construction and/or rehabilitation of roads in their localities. Roads in the local governments are mainly funded by the UN Joint Programme on Local Governance (JPLG) and the World Bank’s Somalia Urban Resilience Project II (SURP II) in Garowe. However, concerned local governments allocate percentages from paltry tax income, and these contributions vary from one project to another.\(^ {31} \) Along with this, the Puntland state government allocates a percentage for infrastructure projects implemented in the local governments. Allocations from the state government and local governments are required by the development organizations to create and inculcate a sense of local ownership among locals over the infrastructure.\(^ {32} \)

It is not only the state government and development organizations that help build infrastructure projects in local governments. Local initiatives have also emerged to fund much needed infrastructure projects and reduce donor dependence. Garowe Development Fund is a notable initiative, which emerged from Garowe’s local government. It was initially established by a group of notables among Garowe residents and was formalized following a decree from the former Garowe local government mayor in 2019.\(^ {33} \)

The fund is being managed by a 7-member development committee from the local community. This community includes community representatives, including prominent medical doctors and religious scholars in Garowe. This committee decides where the money in the fund is being funded.\(^ {34} \)

The idea of the Garowe Development Fund was premised on charging one dollar for electricity and water meters in every household monthly to encourage local community self-funding for its projects and limiting foreign aid dependence.\(^ {35} \) Electricity and water companies collect the contributions from each household along with utility bills and then deposit the monthly contributions to the fund’s bank accounts.\(^ {36} \) In its first phase, the fund had roughly USD 250,000 contributed by the locals. This was used to build the main road that cuts across the Garowe district and bridges in the city; the fund continues to operate in Garowe despite the Puntland leadership replacing the mayor who initiated the Fund.\(^ {37} \)

\(^ {29} \) Interview with Garowe local government deputy mayor, Garowe, October 20, 2022.
\(^ {30} \) Interview with Qardho local government mayor, Qardho, October 23, 2022.
\(^ {31} \) Interview with former Garowe local government councilor, Garowe, October 20, 2022.
\(^ {32} \) Interview with former Garowe local government councilor, Garowe, October 20, 2022.
\(^ {33} \) Ibid.
\(^ {34} \) Ibid.
\(^ {35} \) Interview with former Garowe local government councilor, Garowe, October 20, 2022.
\(^ {36} \) Interview with former Garowe local government councilor, Garowe, October 20, 2022.
\(^ {37} \) Ibid.
The introduction of such local development and subsequent infrastructures built through these initiatives has eased mobility and enhanced the beauty and cleanliness of Garowe. It shows that when locals mobilize themselves and obtain guidance and leadership, they can stand for the collective public good. Thus, this idea is worth being replicated in other local governments to bridge the gap in local government infrastructure funding and other sectors of importance to them.

Unlike the other local governments in Puntland, Qardho local government contributes to the water and electricity services in the city. In Qardho water and electricity services are run through a public-private-partnership arrangement since the collapse of the Somali state in 1991. In this regard, Qardho local government is a partner in these two services with the city’s only two water and electricity providers by providing fuel to the companies. If service providers wish to increase the price of the services, they can’t unilaterally do this without notifying the Qardho local government authority and obtaining approval from it.

Following the 2022 hike of fuel prices in Somalia, the sole water and electricity companies in Qardho attempted to increase the rate they charge per meter cubic/kilo watt to adapt to the new circumstances. Companies proposed an increase of USD 0.5 to their previous rates. However, the local government authority sat down with the companies and reiterated that they didn’t have the authority to unilaterally increase the price of the services and rather instructed them to maintain the previous rate. The two parties finally agreed to make a USD 0.3 increase, USD 0.2 down from the initial proposal, as a compromise and acknowledgment of the practical realities on the ground.

Moreover, some local governments in Puntland also reported that they contribute, albeit on an ad hoc basis, to the primary education and health facilities in their districts through the maintenance and construction of new rooms and fences to some facilities.

As illustrated above, local governments in Puntland don’t provide essential services in the 13 local governments that benefited and continue to benefit from the JPLG projects for local government decentralization since 2008. State ministries retain those responsibilities justifying their continued service provision on the basis that local governments lack the necessary capacities to run them. Local government officials often dismiss this claim as a flimsy excuse to legitimize the status quo.

Local government officials interpret state ministries’ continued hold on service provisions as their retention of financial and power sources for state ministries. They allege that state ministries are worried that if they relinquish the service to the local governments, they will lose out on the money and power they enjoy as result. However, while local government officials don’t deny categorically that some local governments are not still up to the task, they point out that major cities such as Qardho, Garowe, Bosaso, and Galkacyo can take over

38 Interview with Qardho local councilor and council standing committee, Qardho, October 22, 2022.
39 Ibid.
40 Ibid.
41 Ibid.
42 Interview with an officer from Garowe local government planning and budgeting department, Garowe, October 20, 2022.
these responsibilities. Other local officials accuse state ministers of not being committed to decentralizing services under their supervision.

With these accusations and counter-accusations, along with popular criticism towards the delay of decentralization in the state, there is a service decentralization push that has begun recently. This has grown out of pressure from local governments of the major Puntland districts that have long been demanding to take over services for their local governments. The discussions between the two sides, under the auspices of the state’s decentralization champion office under the vice president’s office, yielded a Memorandum of Understanding (MoU) in November 2022. This indicated that concerned ministries would decentralize seven primary schools and five health facilities in Qardho, Bosaso, Garowe and Galkacyo to local governments for two years as a pilot project. After these two years, an assessment will be conducted to ascertain if they successfully administered the services. If these four districts succeed, other services are will be decentralized to them and other districts will follow suit.

The five health facilities to be handed down to local governments include two maternal and child health care centres and three health posts in each local government while the 7 primary schools are from grade 1 to grade 8. These facilities are located in the settlements and villages adjacent to the districts. The implementation of this decentralization exercise is due to begin in the first months of 2023. However, local government mayors complain that ministries decided to decentralize health facilities that are located in remote areas and have no funding. They accuse concerned ministries of retaining health facilities that have donor funding.

On the other hand, local governments and districts in Galmudug state don’t provide essential social services that are included in the state’s local government Law No.4 of 2017 (amended in 2020). However, state ministries (as in Puntland) administer services that were to be provided by the state’s local governments and district administrations. Despite this, Adaado local government officials say they provide fewer services because they don’t collect revenue to use for these. It demolishes buildings that were illegally built on roads to construct gravel or tarmac road(s), but afterwards compensates the dweller(s) through contributions raised from the local people. Further, it used to pay the electricity bills of the street lighting to the local electricity companies before the installation of solar panels on the streets by NIS foundation. Likewise, the local government issues IDs, clearance for passports, and land titles. Further, it is involved in the town master plan. It built a slaughterhouse and designated a landfill. Local government authorities raise the fund for these services and other services such as buildings for local government institutions (police, court) through contributions raised from the local people who pay it as a form of charity.

---

43 Interview with Galkacyo local government mayor, Galkacyo, October 17, 2022.
44 Interview with Qardho local government mayor, October 22, 2022.
45 Ibid.
46 Ibid.
47 Interview with Galkacyo local government mayor, Galkacyo, October 17, 2022.
48 Follow up Interview with youth activist, Adaado, 17 March, 2023
49 Interview with former Adaado local councilor, Adaado, August 17, 2022.
However, Adaado local government is the only district across Galmudug that benefits from JPLG projects.\textsuperscript{50} Other district administrations such as Dhusamareb and Abudwaq do not benefit from this project and provide very few services. The majority of the respondents from these districts agreed that security is the primary service that district administrations provide, and this is because districts don’t collect taxes to deliver services. Second, district officials say they issue licenses for small businesses, land titles, IDs, and clearance for passport processing and settle land disputes in the districts.

Nevertheless, according to Galmudug’s Interior Ministry officials, the state plans to decentralize services to the concerned local authorities. To this end, the state formed ministerial and technical level committees drawn from ministries providing social services and these committees come under the champion office of the state’s vice president. The plan is to decentralize primary education to Adaado local government and Galkacyo (south). However, an assessment was conducted in Adaado local government to ascertain if it could manage the new responsibility.\textsuperscript{51} Accordingly, one primary school will be decentralized to the local government as a pilot. The local authority was required to pay the salary of the cleaning staff of the primary school but complained that it can’t afford this because they don’t collect revenue from the district to cover this expenditure. To overcome this challenge, and to advance decentralization, the Galmudug Finance Ministry promised to let Adaado local government raise local government taxes to cover costs.\textsuperscript{52} However, the implementation of the plan was delayed by preparations for local council elections in Adaado, which were concluded in August 2022.\textsuperscript{53}

In Banadir region, districts don’t provide any services to the local people. This is because districts in the Benadir region don’t collect any taxes at all. However, the Benadir Regional Administration has branch offices in these districts and provides services such as issuance of business licenses, settling land disputes through district court, and registering new tenants in districts.

With local governments and district offices deprived of service provision and revenue generation responsibilities, the study found through interviews and field observations that local governments and district administrations are mainly engaged in coordinating humanitarian aid. This is being provided either through in-kind or cash assistance that is paid through sim cards of the local telecommunications companies. Local officials help the aid organizations to register beneficiaries from the district neighborhoods and villages. This represents a source of income for the local officials, not the local government, and acts as a substitute for revenues collected from the districts in taxation. Some accuse local officials of diverting and misappropriating the aid meant for needy people.

\textsuperscript{50} Interview with Adaado local government deputy mayor, August 18, 2022.
\textsuperscript{51} Interview with an officer from Galmudug interior ministry, Dhusamareb, August 25, 2022.
\textsuperscript{52} Ibid.
\textsuperscript{53} Ibid.
3.7 State of fiscal decentralization at local governments

As the above section on the state of service decentralization detailed, local governments don't provide the essential services in their jurisdictions because state ministries withheld that responsibility, and this has diminished the essence of the local governments. FMSs don't only centralize service delivery but maintain local government-level fiscal powers with them as well. Henceforth, this section presents revenues generated by the local government; the budget they operate; financial systems they use for collecting and dispensing expenditure (if applicable); and whether there are fiscal transfers from state governments to local governments.

3.7.1 Revenue generation by local governments: Types and sources

Despite the fact that article 72(1) of Puntland's local government Law No.7 specifies 28 kinds of taxes that local governments are to collect, local governments collect only a small number of these. It is the Puntland Finance Ministry that raises most of these taxes leaving a limited scope of tax collection to the local governments.

Major local governments in Puntland such as Galkacyo, Garowe, and Qardho collect many similar types of taxes from few active revenue streams but differ in the size of the taxes according to revenue officers in these districts. For instance, Galkacyo, which is a commercial hub for central regions and settlements bordering Ethiopia; and Garowe, the capital seat of the state government and NGOs, has tax receipts that are relatively larger than Qardho. Though we did not collect data from Bosaso, local government officials in the other three major districts agreed that Bosaso local government raises similar taxes, if not larger, to that of Galkacyo, because the city is the commercial center of the state.

The taxes that local governments often do tend to collect include property taxes, business taxes, public transport tax (taxis, Rickshaws, tipper trucks, and buses), customs duties, daily fees collected from vendors, livestock taxes, slaughterhouses taxes, local government public property rents, khat, stamp duties, IDs issuance fees.

Across local governments, taxes collected from properties account for a major source of revenue. For this purpose, local governments in Galkacyo, Garowe, and Qardho mapped properties using GPS. They had registered some of these properties while the registration of those remaining was underway during the field research in late 2022. So far, Garowe, Qardho, and Galkacyo registered 20,000, 12,500, and 5,452, properties respectively. The registered properties include both business centers and residential houses. These properties have plate numbers, which are embedded in the financial system of the local governments.

Local governments collect property tax at the end of each year. Revenue departments utilize a variety of mediums to notify property owners of the due payments. Tax invoices are generated from the financial system and sent to the property owners. Likewise, revenue departments at local governments print out invoices and deliver them to the property owners in person. Besides this, short text messages (SMSs) are sent to property owners notifying them to pay the bill. Properties owners pay the bills electronically, and in return get their receipts from

54 Interviews with Galkacyo, Garowe, and Qardho local governments’ revenue department officers between October 16, 19, and 22, 2022.

55 Interview with Garowe local government’s revenue department officer, October 19, 2022.
the local government revenue department office in person or are delivered to them by local
government staff.\(^{56}\)

Similar to Puntland’s local government law, Galmudug’s local government Law No. 4 lists up
to 20 taxes and charges that local governments are to collect but these remain on paper only.
The power of raising these taxes rests in the hand of the state Finance Ministry.

Though the Galmudug Finance Ministry collects most of the revenue, it permitted the districts
with local councils and appointed administrations to raise insignificant taxes. Dhusamareb
collects stamp duties (public notary), birth certificate fees, local transport tax (taxis and
rickshaws), and turnover tax of small businesses (they raise such taxes on monthly basis).
Guri-el district administration collects market tax while Galkacyo (south) local government
raises taxes from local transport traveling to and from villages and those that bring vegetables
to the city. Galmudug districts also collect taxes from three-wheeled motorcycle taxis ($10-15
monthly).\(^{57}\)

Conversely, Benadir region districts don’t collect any form of revenue from their districts.
Officers from the Benadir Regional Administration (BRA) instead raise their revenues from
these districts in the form of property taxes, construction permits, and licenses.\(^{58}\)

### 3.7.2 Local governments budgets

The study revealed that local governments in Puntland operate on annual budgets while
their counterparts in Galmudug and Benadir region don’t have any formalised budgets at
all. For instance, Garowe, Qardho, and Galkacyo (north) operate on an annual budget of USD
11.5 million, USD 1.5 million, and USD 1.3 million in the fiscal year of 2022 respectively.\(^{59}\) The
considerable variance among the budgets of the concerned local governments stems primarily
from differences in the number of developmental projects implemented in these jurisdictions.

Garowe local government has the highest budget in 2022, and this is because the city benefits
from projects other than JPLG work. This is a result of its status as Puntland capital and other
local governments don’t receive these additional projects.\(^{60}\) Exclusively, Garowe benefits
from SURPII of the World Bank. According to a local government officer in Garowe, such
projects account for USD 8 million out of the 2022 budget while projects represent only a
very insignificant proportion of the Galkacyo and Qardho local government budgets.\(^{61}\) The
sources of revenue for their budgets instead include, mainly, domestic revenue and GPLG
funded projects. Domestic revenue represents a major source for the budgets of Qardho and
Galkacyo, where only JPLG projects are implemented. Conversely, project funds make up 80%
of Garowe’s total budget.\(^{62}\)

---

\(^{56}\) Ibid.

\(^{57}\) Interview with an officer from Galmudug finance ministry, Dhusamareb, August 25, 2022.

\(^{58}\) Interview with BRA district commissioner, Mogadishu, November 3, 2022.

\(^{59}\) Interviews with officers from Galkacyo, Garowe, and Qardho local governments’ revenue departments between
October 16, 19, and 22, 2022.

\(^{60}\) Interviews with an officer from Garowe local government’s revenue department, Garowe, October 19, 2022.

\(^{61}\) Ibid.

\(^{62}\) Interview with an officer from Garowe planning and budgeting department, Garowe, October 19, 2022.
Local governments’ revenue departments in Puntland are technically responsible for the preparation of the budgets and putting them forward to the local council members for review and approval. However, this process coincided in October 2022 with local councilors’ recess, and it was therefore the standing committees that reviewed, approved, and passed on the budgets to the state Interior Ministry, which then submitted them to the state Finance Ministry. This ministry combines all the budgets of the different local governments and produces an aggregate budget. It then forwards this to the state legislature for approval.\(^6\)

In case a local government has no local council (such as in the case of Galkacyo, Garowe, and Bosaso where the state president has temporarily dissolved these), the executive committee of the local governments will take charge.\(^6\)

Revenue officials in Puntland local governments reported that their respective budgets have been increasing year after year. One notable example is the Garowe local government budget, which experienced an increase of roughly USD 3 million in the 2022 budget. Its budget in 2021 was USD 8.5 million while in 2022 it was USD 11.5 million.

<table>
<thead>
<tr>
<th>#</th>
<th>Local government</th>
<th>Approximate Budget (in USD Million)</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Garowe</td>
<td>11.5</td>
<td>2022</td>
</tr>
<tr>
<td>2</td>
<td>Qardho</td>
<td>1.5</td>
<td>2022</td>
</tr>
<tr>
<td>3</td>
<td>Galkacyo</td>
<td>1.3</td>
<td>2022</td>
</tr>
</tbody>
</table>

Table 1.1: This shows the annual budget for the 2022 fiscal year of the study locations in Puntland State of Somalia

3.7.3 Financial systems for local governments

Representing financial integrity, transparency, and accountability instruments, financial systems used for government revenue generation and disbursing expenditure are relatively young in Somalia. These systems were first introduced at the federal government level and state level later in an attempt to improve public financial management and Somalia’s eligibility for financial assistance. However, the adoption and use of the financial systems at the local level governments has been a slow-moving process in large part due to the centralization of local governments revenue generation powers at hands of the FMSs and the newness of the local councils in most of the FMSs.

Despite the limited revenue-raising powers, Puntland local governments are the only local governments that use a Financial Management Information System (FMIS) in contrast to Galmudug’s incipient local governments/district administration and BRA districts administrations. The system is now being used by Puntland’s four major local governments: Galkacyo, Garowe, Qardho, and Bosaso. It was first introduced in Garowe local government in 2019 and later in other three local governments in 2021 owing, mainly, to the weak commitment of the concerned mayors.\(^6\) Local governments in Puntland utilize this system for collection of the meager taxes they raise and local expenditure.\(^6\)

---

6 Interview with Qardho local government councilor and standing committee member, Qardho, October 22, 2022.
64 Interview with an officer from Garowe planning and budgeting department, Garowe, October 19, 2022.
65 Interview with FMIS consultant for Garowe local government, Garowe, October 19, 2022.
66 Ibid.
The implementation of the use of this FMIS system was not a straightforward task. Rather it faced challenges from the local government revenue collectors because they used to use printed receipts and books for collecting revenues, which helped them to “steal more money” from taxpayers’ money.67

Thus, to enforce the use of the system for tax collection, Garowe’s mayor at the time, Ahmed Saeed Muse (Ahmed Barre), maintained “No FMIS, no payment” position. He said to the tax collectors “if you don’t collect the tax through this system, you don’t expect to receive your salary”. This motivated the enforcement of the system for local government revenue collection in Garowe.68 The use of FMIS minimized the diversion of taxpayers’ money by tax collectors as they no longer paying cash to the collector but directly through bank accounts with their convenient mobile money.69

3.7.4 Fiscal transfers

In Somalia’s yet undefined and unsettled fiscal federal model, different tiers of the government, particularly the FGS, and FMSs, raise revenue in their territories (Yusuf & Wasuge, 2021). The latter retain their revenues and use them for covering their expenditures without sharing any portion of these revenues with the federal government. Consequently, this current modus operandi has made the fiscal transfer mechanism a one-way flow: the federal government transfers donor grants and project support funds to the FMSs. Besides, it furnishes an estimated USD 150,000 deducted from the FGS’s local revenue from the Mogadishu seaport and airport to the Galmudug, Hirshabelle, and Southwest states, because these FMSs have no operating seaports.

FMSs don’t only withhold domestic revenue from the FGS but they also do so vis-a-vis local governments, as this study found in Puntland, Galmudug, and BRA. Puntland local government Law No.7 sets out in its article 75(1) that local government receives three kinds of fiscal support: conditional fiscal transfers earmarked to fund projects in local governments; transfers allocated to implement decentralization and service delivery; and finally transfers appropriated particularly to undeveloped districts to equalize them with other districts. In interviews with three Puntland local government mayors and deputy mayors (Garowe, Galkayo, and Qardho) all concurred that they do not receive any fiscal transfers allocated from the revenues that the state collects from its territory. On the other hand, they noted that the state (Puntland) contributes to the projects implemented in local governments with certain allocations.

Though the Puntland state government doesn’t currently pay fiscal transfers them, four major local governments in Puntland (Bosaso, Galkacyo, Garowe, and Qardho) used to have a 5% budget allocation in the state budget. However, the percentage allocation was decreased to 3% during Abdirahman Farole’s term (8 January 2009 – 8 January 2014). When Abdiweli Ali Gas came to office in January 2014, he further cut the percentage to 2.5% and later removed it altogether.70 Meanwhile, Garowe’s local government protests that it doesn’t receive a

67 Ibid.
68 Ibid.
69 Interview with FMIS consultant for Garowe local government, Garowe, October 19, 2022.
70 Interview with Qardho local government mayor, Qardho, October 22, 2022.
percentage allocation in the state budget appropriated to Garowe’s local government for being the state capital seat of the FMS.\textsuperscript{71}

Notwithstanding state-level fiscal transfers to local governments, there are ongoing discussions in Garowe to launch a Puntland local governments’ development fund. The purpose is to do away with the JPLG project, which supports infrastructure projects in some of Puntland’s local governments, and for this to be realized, resources intended for local governments’ development will be mobilized through this fund, and the state government will funnel its fiscal transfers to the local governments here. However, details of how much each local government will be allocated from the fund are yet to be deliberated as the idea is at its early developmental stage.\textsuperscript{72}

Similar to Puntland, Galmudug state doesn’t provide any fiscal transfers to its local governments. However, its local government Law No.4 does not even mention fiscal transfers let alone specify the kinds of transfers that local governments are to expect.

In BRA, the district does not receive any form of fiscal transfer from the regional administration. District administrations are in a worse situation compared to other FMSs because they don’t collect any type of taxes at all in their districts. It is only BRA agents in the districts that do so. Thus, they are not able to pay water and electricity bills. A district commissioner lamented that utility bills are overdue by months and sometimes years and resulting in that utility companies cutting off the services from the district in the midst of the daily routine.\textsuperscript{73} However, he further noted that while Thabit Abdi Mohamed, former governor and mayor of BRA (15 April 2017 – 21 January 2018), was in office he allocated USD 4,000 for each district administration, to cover the running cost but this was severed by his successor.\textsuperscript{74}

### 3.7.5 Accountability mechanisms at local governments

Somalia ranks bottom of the global governance indexes used to measure accountability, transparency, and integrity (The Global Economy, 2021). To improve the dire situation of governance performance in the country, donor organizations and global financial institutions such as the World Bank and International Monetary Fund (IMF) are leading efforts to establish accountability mechanisms in the country’s institutions, mostly federal and state level governments. However, these efforts are in their early stages.

At the other extreme of the governance spectrum, accountability lies at the bottom of the list of priorities and issues of concern at local-level governments and/or district administrations where state-level governments retain and administer revenue generation and services that fall in the scope of the local government powers and responsibilities. Local government officials argue that they are powerless and don’t have anything to actually account for.

Despite this, the study found out that only Puntland local governments have purported accountability mechanisms, and these are still rudimentary. Local governments in Galmudug and BRA districts have no accountability mechanisms whatsoever. Local government officials

\textsuperscript{71} Interview with former Garowe local government councilor, Garowe, October 19, 2022.

\textsuperscript{72} Interview with Qardho local government mayor, Qardho, October 22, 2022.

\textsuperscript{73} Interview with BRA district commissioner, Mogadishu, September 10, 2022.

\textsuperscript{74} Ibid.
in Puntland who were interviewed for this study listed a number of the mechanisms that their local governments have and these include Financial Management Information System (FMIS), annual budget, annual financial account closing, and internal audit.

Financial Management Information System (FMIS) was introduced in 2019 in Puntland’s local governments, specifically to four major districts namely Garowe, Bosaso, Galkacyo, and Qardho. But Garowe local government was the first local government to adopt this system for collecting revenues and disbursing expenditures while other three local governments adopted it in 2021. Local authorities concurred that the adoption of the system increased local governments’ revenues and limited the corruption that previously bled the revenues.  

Likewise, local governments in Puntland have internal auditors from the state government. The internal audit inspects the revenue and expenditure of the local government quarterly. Also, it ensures the accuracy of the revenue departments collect. The audit team goes to the business centers that revenue departments collect taxes from to ensure that the collected taxes and the receipts match. At the end of the year, the state Auditor General’s Office comes to local governments and if their internal audit has been conducted accordingly; the Auditor General’s Office relies on this.

Besides this, local governments post their approved budgets on the walls of local government offices where people can observe them. Next to the budget, they also post the sources of revenue. The researchers saw these posts in Galkacyo, Garowe, and Qardho.

The above outlined state of the fiscal decentralization of the study locations reflects the general conditions of fiscal federalism in the country. The current trend of the fiscal arrangement seems more centralized at the federal and state level whereby each level of government collects revenues in its respective jurisdiction and retains this for itself without sharing a single dollar with other levels of government. The federal government only has to transfer donor grants and revenues from fisheries with all of the FMSs in a systematic fashion. This is because there is no formal agreement between the two levels of government on the fiscal powers of each level. However, there is an ongoing discussion to narrow down differences and hammer out an agreement on fiscal federalism, and local governments are being invited to engage in these important discussions. Nevertheless, local governments remain the immediate victims of the current lack of fiscal decentralization and this favors the FMSs’ maintenance of their unrivaled powers, fiscal and service related, over local governments.

---

75 Interview with an officer from Garowe local government’s revenue department, Garowe, October 19, 2022.
76 Interview with an officer from Galkacyo local government’s revenue department, Galkacyo, October 16, 2022.
77 Interview with an officer from Garowe local government’s revenue department, Garowe, October 19, 2022.
4.0 Obstacles to fiscal and service decentralization in local level governance

After detailing the current state of decentralization of the three case study FMSs in the above sections, the report now turns to the obstacles that local governments encounter. Local governments face daunting challenges that limit their powers to collect revenue and provide essential services according to the local government acts through which they were established. These include a lack of political commitment towards decentralization; a lack of local-level representative government; limited technical capacity; high staff turnover; a lack of limited revenue mobilization; and the lack of fiscal transfers.

1. Lack of political commitment toward decentralization

Lack of commitment from state ministries and FMSs’ political leadership was a concern that was regularly raised across study locations. FMSs ministries provide services and collect taxes that were to be provided and collected by local governments. Local people who were interviewed for this study argued that the reason why ministries are adamant about maintaining these functions is that the responsibilities that were to be decentralized represent significant revenue sources for state ministries. Thus, they are reluctant to decentralize for fear to be deprived of these resources and subsequently becoming idle.

FMSs ministries are accused of repeatedly claiming that local governments don’t have the capacity that enables them to run these services in order to justify their hold on the local government’s fiscal and service delivery powers. To prove that FMSs ministries and political leadership are not yet determined to enable local level decentralization, local authorities in Puntland argued that 13 years have elapsed since Puntland adopted decentralization and no service, such as education and health, have yet been decentralized to local governments, and that these services are still administered by the state government ministries. The financial resources that ministries accrue from administering services and the power they exercise are the root causes of delays to the fiscal and service decentralization to local governments.

2. Lack of local-level representative government

Respondents agreed that a lack of elected local councilors represents a major impediment to decentralization. Councilors are either selected by their respective clan elders or elected by clan delegates, mostly five members. But three local governments in Puntland – Qardho, Eyle, and Ufeyn – have elected councils through one person one vote in late 2021, the first of its kind in 50 years. The lack of elected local government representatives gives an excuse to state governments to delay decentralization. A simple justification that FMSs ministries resort to whenever the discussion of decentralization is being raised is that local governments don’t have elected councilors that wield the legitimacy among the local people. The contradiction is that FMSs themselves don’t have directly elected MPs either but rather selected MPs.
In many districts - mostly in Galmudug and BRA - the lack of local councils at all prevents decentralization because there is no pressure on the state ministries to demand this. Similarly, in districts with appointed administrations such as Galmudug districts and Benadir region, commissioners don't dare to lobby for local government formation and decentralization for fear of losing their positions and being replaced by new appointees.

Further, informants pointed out that they don't know how local governments and district administrations spend the little revenue they raise. Local governments are not yet accountable to the local people as the councils are either selected by traditional elders or elected by a handful of clan delegates, except for Qardho, Eyl, and Ufeyn where local people directly elected their local government representatives through one person one, vote in October 2021.

3. Limited technical capacity

The low capacity of local governments was said to be a major hurdle to decentralization. However, local government officials in Puntland's major local governments argued that it is an injustice to lump all the local governments in the same category in this regard. They said that local governments in major districts such as Galkacyo, Bosaso, Garowe, and Qardho are capable of administering their responsibilities in comparison to more peripheral local governments where issues of limited capacity are acute and conspicuous. Similarly, capacity is low in the local governments in Galmudug where the experiment itself is new compared to Puntland state. Local officials in Puntland are doubtful about the capacity issue, which they said state ministries use as justification to continue their administration of the service delivery and revenue collection. Further, local officials pointed out that they have staff who have been trained to undertake local government responsibilities. Criticizing state ministries' repeated claim of lack of capacity by local governments, they ask how local governments can gain/develop capacity when they are denied the opportunity to exercise their legitimate functions.

4. Staff turnover

Local government mayors in Puntland expressed their disappointment with staff turnover among those who had been provided training and acquired skills and experience during their employment. Many staff are said to quit their jobs and hunt for higher-paying employment in the state government, local non-governmental organizations (NGOs), and international non-governmental organizations that operate in the state and the wider country. These bodies tend to pay more competitive salaries than local governments. Local governments do not and cannot pay decent salaries to their qualified employees due to their lack of financial resources. As result, they cannot retain current staff and attract qualified prospective staff under the current local governments’ financial strain. Local officials see this phenomenon as an obstacle that limits their demands for the full realization of local government decentralization, and it gives state government ministries a pretext to continue withholding local government powers.
5. **Lack of/limited revenue mobilization**

The centralization of the fiscal and service delivery powers in the hands of the state governments has shackled the hands of the local governments and has often reduced them to just nominal and irrelevant structures in their domains. The perpetuation of this situation derailed the translation of local government structures and decentralization promises into a reality, and this yet continues. Decentralization was adopted in Puntland in 2009 and since that time local governments don't exercise fiscal and service delivery powers that local government law renders. Equally, in Galmudug where the local governments were recently formed in contrast to Puntland, the state government centralizes all revenue generation and service delivery. Difficulties and weaknesses in the local governments continue unless otherwise state governments decentralize fiscal and service delivery powers and responsibilities to local authorities.

6. **Lack of fiscal transfers**

State governments not only reserve fiscal and service delivery powers to themselves but strikingly they don't give any portion of the domestically generated revenue back to local governments. Why, then, do state governments form local governments if they don't allow the latter to collect their legally permitted revenue collection and service delivery powers in their respective domains and don't allocate a percentage of the revenues raised from the state to fund local services at least? Unfortunately, state governments strongly lobby for fiscal transfers, and some demand disproportionate allocations with respect to their peers but avoid sharing those fiscal transfers and domestic revenue with their local governments.

7. **Limited and/or distorted awareness of local government**

Key informants, including local government officials, regarded the current limited public awareness and understanding of local government as detrimental to the push for decentralization. Awareness is not just limited but was said to be distorted and damaging. Citizens' lack of understanding of local governments is said to be a result and subset of the peoples' limited and distorted perceptions of the notion of statehood in general. One instance of distorted awareness is that state ministries perceive that if they decentralize services to local authorities, they will become redundant and irrelevant. Some locals believe that if local governments are empowered, there will be more taxes they have to pay, which is not true. There is, also, an alarming and insidious misconception in some areas that paying tax is forbidden. This misguided notion is a result of a distorted interpretation of the Islamic religion. This thinking is deleterious to the benefits that decentralization has to deliver to the people who are in need of responsible councilors who are servants to their needs and are not just self-interested rent-seekers.

8. **Trust deficit**

The protracted civil war in Somalia has severely damaged the fabric of Somali society, and this has resulted in low levels of trust among Somalis. This significant and yet unresolved issue has complicated the state-building in Somalia. The implications extend to local governments where some attribute local authorities to the major clans and/or sub-clans in that respective locality(ies). Due to the current state of trust deficit, there exists a gap between local authorities and the local citizens.
9. **Donor dependence**

Though Somalia heavily depends on donor support, some local government officials criticize and blame donor and humanitarian organizations for being part of the delay in local-level decentralization. Those interviewed for this study said that these organizations don't want to decentralize service delivery. The reason why they are reluctant is that they feel that most of the projects that are implemented by the Non-governmental Organizations (NGOs)/International Non-governmental Organizations (INGOs) don't reflect the needs of the concerned community. They prefer continuity over changing the current course where the linkage between the donors and the community is mediated by the state governments. Conversely, local officials accuse donor organizations of building latrines in remote areas where there are urgent needs for other priorities. Decentralization, officials said, will facilitate holding donor organizations to account for and design and implementation of local needs-based projects since the local governments understand local needs more closely.

10. **Insecurity and clan conflicts**

Endemic insecurity in Somalia poses a challenge and threat to state-building. Due to rampant insecurity, the federal government and federal member states are mostly confined to their respective capital seats and their writ scarcely expands beyond these cities. The implications of insecurity also threatens local authorities. A senior Galkacyo (north) local government official asserted that his local government cannot go to the rural areas and collect taxes due to insecurity and clan conflicts. Further, it severely affects the Benadir region where explosions are frequent. This has hampered the effective functioning of district administrations in the Benadir region. Also, the prevailing insecurity in the Benadir region weakened the ability of the Regional Administration to collect revenue in the region’s districts and business markets. In a similar vein, the insecurity partly caused by al-Shabaab's control in a number of Galmudug’s districts and settlements (before the FGS’ ongoing offensive against al-Shabaab in the state) and the perennial clan/sub-clan conflicts in some areas are also a major hindrances to decentralization.
5.0 Conclusion

Somalia adopted a federal arrangement in 2012 following years of devasting civil war and subsequent weak transitional administrations to put together the disintegrated country and restore trust between and among clan families and sub-clans. This arrangement led to the establishment of FMSs, which are not fully functional in and of themselves. Federalisation has not led to a substantial empowerment of local government and thus remains incomplete and tentative. The project continues to be dominated by federal level and FMSs politics, decision-making, and resource allocation. However, its adoption was a response to the painful experiment of centralized rule during the military regime where all powers were concentrated in the capital. As a result, people traversed a hundred kilometers to the capital to get services that they were due to receive from their immediate local authorities.

Therefore, the essence of the new federal arrangement was to devolve power to local-level administrations where most people live to bring services closer to them and bury past memories. Despite such enthusiasm, euphoria, and expected immediate benefits to be reaped from federalism, power has only been dispersed to the second level of government, though there are contentious issues over power allocation here too. Federal Member States (FMSs) that were formed as a result of the federal model consolidated all powers in their respective state capitals. The first FMS formed local government was in Puntland in 2005. Other states such as Galmudug formed local governments as early as 2020.

Decentralization was intended to bring services closer to local peoples and improve their livelihoods, in contrast to the centralization of services in the national capital or state capital cities. Yet this is a distant dream and utopia in Somalia's context. Though decentralization has yet to be adopted across the country, it doesn't show signs of success in the parts of the country where it has existed for some time. Somalia's FMSs established and/or are in the process of establishing local governments in their jurisdictions, and allocating a range of services to the local governments according to existing local government laws. However, in reality, local governments are just nominal structures that are bereft of their responsibilities enshrined in local governments' laws.

In that light, local governments confront substantial challenges and impediments that stand in the way of fiscal and service decentralization. The continuation of the status quo, where local authorities are denied to collect taxes from their jurisdictions, strips locals from harnessing their potential for the interest of their development. Consequently, local people are frustrated and concerned with not having local governments that are responsible for responding to their immediate and developmental needs.

Therefore, until these powers; revenue generation, and basic services delivery, are decentralized to local governments, decentralization remains merely a “symbolic” gesture intended to appease donor organizations and guarantee the inflow of projects’ finances into their states.
6.0 Policy recommendations

To effectively decentralize service delivery and domestic revenue collection, this report presents several recommendations to the relevant authorities at the three tiers of government as well as the civic institutions and the international community.

1. **Build and improve capacity of local governments**: State governments and organizations that support decentralization should strive to provide meaningful capacity-building and development programs particularly tailored for local governments. These capacity-building programs should not be project-driven but rather based on a needs assessment conducted in the respective localities. Local government councilors and staff should have access to continuous learning programs. Comprehensive capacity building and development programs will ease and remove the excuses state ministries often resort to when the decentralization issue is brought up in public discussion. Enhancing the capacity of the local councilors and staff will also help address issues of transparency and accountability.

2. **Election and/or selection of qualified councilors**: One of the problems that affects local governments is that many local people perceive council appointment as an easy-access route through which they can derive salary and other privileges. Due to this conception, existing local councils are stacked with unqualified individuals who don't have a strong understanding of what local councils stand for. These bodies are therefore condemned to dysfunctionality. Thus, Interior Ministries of the state governments should give special attention to who is selected and elected to the local councils. They should increase the bar and set stricter criteria for those who aspire to become councilors. Through clearer and uncompromising requirements, they can ensure that local councils accommodate people who have a stake in the local governments such as business people and professionals who care about the improvement of the local people's well-being. These groups are the taxpayers, and thus can ensure the appropriateness and priority of where the taxes are being spent.

3. **Set timelines and action plans for fiscal and service decentralization**: State governments, like Puntland, where decentralization has existed on paper for over a decade, can no longer afford to continue holding on to fiscal and service delivery powers of local government under the guise of local governments’ limited capacity to handle these responsibilities. Instead, state governments should set and declare a deadline for when they hand over local governments’ revenue generation and service delivery. Also, state governments should in parallel work on enabling conditions to decentralize power to local governments such as providing the required know-how. Unspecified decentralization and rhetorical promises will discourage locals' belief in the merits of decentralization. Possibly, international donors supporting state-building should make future aid to Somalia contingent on FMS' willingness to transfer a proportion of resources to the local level.
4. **Allocate fiscal transfers to local governments:** state governments should provide percentage fiscal transfer allocations from both their domestically raised revenue and transfers from the federal government to local governments, which hitherto have not received a share of these resources. Unless local governments are permitted to collect revenue in accordance with respective local governments’ laws or are provided with fiscal transfers, local government structures will have no value to the local people who ask for immediate attention to their needs.

5. **Intensive awareness-raising campaigns:** the current lack of popular understanding and awareness about local governments is debilitating and detrimental to their development. Therefore, state governments, local government officials, civil society organizations, and decentralization-supporting organizations should make joint efforts to undertake intensive awareness-raising campaigns to educate local people on how local government should function, in order to counter misconceptions of its role. Enabling public understanding will be of paramount importance to local governments’ engagement of local people; increasing revenue generation; increasing accountability and transparency of the local government’s services; electing suitable people to councils; and voluntary contributions to local government projects. The avenues through which these awareness-raising campaigns can be utilized could include mosques where enlightened religious scholars can deliberately explain to the congregations the importance of local government to the well-being of local people; social media through appropriate influencers; educational centers and institutions; traditional media; and through artworks.

6. **Local government lobbying and pressure for meaningful decentralization:** Existing local governments should not wait until the time state governments decide to decentralize fiscal and service delivery powers and responsibilities to local governments. There is a need to form local government pressure groups in their respective states to increase pressure on state governments to decentralize fiscal and service responsibilities to local governments. To achieve the intended results, local government pressure groups - civil society groups, religious leaders, business people, women, and youth groups- should rally the support of their communities, principally community leaders, to demonstrate that this is a popular demand and not that of self-interested individuals. Equally, they should avoid conflicts of interest and not submit to political intimidation, divisive tactics, and co-optation intended to divert attention and sabotage the process.

7. **Empower champion offices for decentralization:** offices of the vice presidents of Puntland and Galmudug are centers for the discussions of decentralization between FMSs ministries involved in domestic revenue generation and social service delivery on one hand, and local governments on the other. Nevertheless, local officials view these offices as being part of the status quo of politics and believe that they don’t have enough power to take decisions in favor of fiscal and service decentralization to local governments. There were numerous discussions that Puntland’s champion office oversaw, but critics said that there has been no tangible progress toward decentralization as of yet. To change this pattern, state governments, particularly
the presidents in whose hands powers are vested, should declare their unwavering determination for decentralization and then give full authority to vice presidents to fast-track the process.

8. **Genuine reconciliation at the local level:** genuine reconciliation processes are an urgent priority at all levels of the Somali community to settle grievances and grudges that different communities hold against each other. This need is highly felt at the local levels where local governments were formed and are being formed. Local people are in need of genuine reconciliation to overcome past grievances that are yet unresolved. This would bring back community cohesion and establish local governments that people identify with. Existing sentiments and suspicions between and within clans/sub-clans that share local governments undermine the establishment of functioning local authorities and condemn them to perpetual failure. State governments should take charge of the process and undertake this well ahead of local governments’ formation or in parallel to the ongoing process of decentralization in Puntland, where local governments have been in place for some time.

9. **Decentralization-supporting organizations should attach pre-conditions to their involvement at the local level:** Decentralization-supporting organizations are indispensable third-party actors in decentralization. Projects that are implemented in various local governments, mostly in Puntland, are primarily funded and implemented by the UN JPLG program for local-level decentralization. These organizations should be serious about pushing for meaningful decentralization to local governments they have supported through attaching conditions to implementing further projects in local government with taking practical steps towards decentralizing fiscal and service delivery powers to local governments. As result, these organizations have the power to leverage the state governments for holding the purse strings of funds for local government projects.
7.0 References

Academy for Peace and Development and Interpeace, 2006. Local Solutions: Creating an Enabling Environment for Decentralization in Somaliland, s.l.: s.n.


Local Government Reform Act, 1972. Local Government Reform, s.l.: s.n.


UN Habitat, 2016. Building Local Governance in Somalia, s.l.: s.n.

UN JPLG, 2017. PROGRAMME ANNUAL PROGRESS REPORT Period: 2017, s.l.: s.n.

UN-HABITAT, 2016. BUILDING LOCAL GOVERNANCE in SOMALIA, s.l.: s.n.

UN-Habitat, 2016. Building Local Governance in Somalia, s.l.: s.n.


Yusuf, F. I., 2022. Decentralized but contested: Examining the federal government’s decentralization of educational services in Mogadishu to Benadir Regional Administration, s.l.: s.n.
About Somali Public Agenda

Somali Public Agenda is a non-profit public policy and administration research organization based in Mogadishu. Its aim is to advance understanding and improvement of public administration and public services in Somalia through evidence-based research and analysis.

At Somali Public Agenda, we believe that all Somalis deserve better public services including access to affordable education, healthcare, housing, security and justice delivered via transparent and accountable authorities.

What We Do

**Research**: Somali Public Agenda contributes to the understanding and improvement of public administration in Somalia through research and analysis on various issues that affect public policies and the provision of public services. SPA regularly publishes research reports, governance briefs, and commentaries (always in both the Somali and English languages) on decentralization, public bureaucracy, and local administration; democratization and elections; financial governance; security, justice, and rule of law; urban planning and land administration; employment; and, education system and health services. These publications often inform citizens, policymakers, practitioners, and international actors on governance and public service issues in Somalia.

**Dialogue**: Public Agenda Forum is a platform and space for discussions on governance and public service issues in Somalia. The Forum (including Gaxwo & Gorfeyn monthly meet-ups) serves as an avenue for critical examinations of issues of public priorities. Different segments of society including researchers, policy-makers, and practitioners are invited to meet and discuss issues on equal terms. The Public Agenda Forum convenes dialogue with policymakers and public figures and organizes workshops, policy design sessions, seminars, and book/report launches. Often the findings of the Forum discussions help inform Somali Public Agenda's governance briefs.

**Public Service Design**: Based on the findings and policy recommendations of our studies, we design public policies, programmes, and projects with the relevant authorities through our SPA Policy Lab. In collaboration with policymakers, public administrators, and the community, we design knowledge-based public services. Before the government invests resources in the policies, programmes, and projects designed, we envisage experimenting with the public service at a small-scale level to test the efficacy of the services designed.

**Training**: Based on the findings of our research and our co-designing work, Somali Public Agenda through its Center for Learning and Development offers short training courses to contribute to the building of administrative cadres that can deliver public policies and programmes to the community. The Center for Learning and Development’s aim is to connect the civil servants, policymakers, and non-profit sector workers with communities and provide administrations with the technical skills necessary to formulate and implement solutions for public service challenges. Moreover, the center offers training to Somali professionals who have the desire and passion to join the public sector as well as professionals engaged in the civil service and non-profit sectors.
TURKEY'S ROLE IN PUBLIC SERVICE AND INFRASTRUCTURAL DEVELOPMENT IN MOGADISHU

SOMALI PUBLIC AGENDA MARCH 2022

SOMALI PUBLIC AGENDA
Mogadishu, Somalia
Tel: +252(0)85 8358
Email: info@somalipublicagenda.org
Website: <https://www.somalipublicagenda.org>