
JAMHURIYADA SOMALILAND

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Horumarinta
(WQQH) – Hargeysa



REPUBLIC OF SOMALILAND

Ministry of National
Planning and Development
(MNPD) – Hargeysa

Guidelines for Working in Somaliland for International Organisations

www.slministryofplanning.org

8th December 2012

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ACRONYMS

IO	International Organisation
INGO	International Non-Governmental Agency
LOA	Letter of Agreement
M&E	Monitoring and Evaluation
MoF	Ministry of Finance
MoI	Ministry of Interior
MoLSA	Ministry of Labour and Social Affairs
MoNPD	Ministry of National Planning and Development
MoPW&T	Ministry of Public Works and Transport
NGO	Non Governmental Agency
SPU	Special Police Unit
TOR	Terms of Reference
UN	United Nations

2. PURPOSE OF THIS GUIDE

1. This guide is to provide International Non-Governmental Organisations (INGOs)/ International Organisations (IOs), a user-friendly guide on how to register and operate in Somaliland. In a conference held in Hargeisa on 2011, the Government of Somaliland underscored its commitment to support the work of the United Nations (UN) in Somaliland. Similarly, the UN “reaffirmed its commitment to undertaking its mandate for the benefit of the people of Somaliland in a positive and transparent manner, respecting local laws and customs to the extent that they are not inconsistent with the legal framework applicable to the UN,” in particular the UN Charter, the 1946 Convention on the Privileges and Immunities of the United Nations and bilateral agreements.¹
2. This is a DRAFT document for input from IOs and related stakeholders to ensure that systems and procedures are clear and transparent, and IOs and the Government of Somaliland, have a solutions and result's oriented collaborative approach.
3. As set out in law, the **Ministry of National Planning and Development (MoNPD)**, henceforth called “the Ministry”, is the sole representative of the government of Somaliland mandated to register, administer and coordinate all national, foreign and international non-governmental organizations operating in Somaliland.
4. The **key laws** governing the activity of IOs are:
 - The NGO Law No. 43/010, henceforth referred to as the *NGO Law*
 - The *By Law for Clarifying and Completing the NGO Law/2012* henceforth referred to as the *By Law*.
5. **The purpose of the NGO Law is to:**
 - Encourage the NGOs to fully and appropriately participate in the development of the Somaliland.
 - Make NGOs legally constituted organizations with legal personality.
 - Co-ordinate the development activities of NGOs so that their activities are aligned with the Somaliland's national development plan.
 - Encourage more capable and independent community based organizations.
 - Improve fairly the accountability and transparency of NGOs.
6. **Key definitions set out in the NGO Law**

Non-Governmental Organization: Means a voluntary group of individuals and associations that are non-partisan, impartial and not operated for profit. They can be of international, national, regional, district or at village level (community-based organization) whose sole objective is to best serve their members and the community in improving social services, emergency humanitarian issues, environment conservation and preservation of natural resources, good governance, protection of human rights and the promotion of social welfare and community livelihoods as well as the introduction of intellectually/vocationally uplifting trainings and the maintenance of sustainable development.

International Non-Governmental Organization: Means a non-governmental organization with the original incorporation outside of Somaliland and is operating within the Somaliland under a certificate of registration.

Non-Profit Seeking: Means not to be set up for profit or with personal considerations coming into play not to be confused with unions of salaried personnel or income-generating organizations the proceeds realized of which are put back to organization for the common good and welfare of community.

¹Joint Outcome Note: *Forum on Working Together with Legal Frameworks*, Hargeisa, 5 October, 2012.

3. SNAPSHOT OF SOMALILAND

About Somaliland	The Republic of Somaliland is a sovereign state in the Horn of Africa sharing its borders with Republic of Djibouti, Federal Republic of Ethiopia and Somalia to the east. The country is known for its mountain ranges rising up to seven thousand feet and the LaasGeel Cave Paintings, which are the earliest human artefacts, dating from before 3000 BC. Somaliland is located north of the Equator, thus the sun passes vertically overhead twice a year and it has a coastal line to the north extending 460 miles along the Red Sea.
History	The former British Somaliland Protectorate achieved its full independence from the United Kingdom in 1960. Soon after this, Somaliland joined Somalia to form the Republic of Somalia. In 1991, Somaliland declared unilateral independence from Somalia. A referendum was held in 2001 on a draft constitution that affirmed Somaliland's independence from Somalia as a separate state.
Population	It has a population of about 3.5 million people and it is about the size of England and Wales. The main language spoken is Somali. English and Arabic are also prominent.
Economy	The country has one of the most thriving economies in Africa, agriculture being the backbone especially livestock, the production of cereals and horticulture. There are also wide-ranging mineral deposits across the country. The main currency used is the Somaliland Shilling, which is regulated by the Bank of Somaliland.
Type of government	The country has a Republican form of government. The government consists of three branches, which are: the Legislative, the Executive and the Judiciary. The separation of the powers of these branches is as set out in the Constitution. Each branch exercises independently the exclusive powers accorded to it under the Constitution.
The Executive Branch of Government	The state has an Executive Branch, which is separate and independent of the legislative and the judicial branches. The Executive Branch (sometimes referred to as "the Government"), is headed by the elected President and consists of the President, The Vice-President, and the Council of Ministers appointed by the President.
The Legislature	The legislative powers of the Republic of Somaliland are vested exclusively in the Parliament, which consists of two Houses – the House of Representatives and the House of the Elders. The power to legislate cannot be transferred to anyone outside the Parliament. All bills passed by the Parliament only come into force when the President publishes them in accordance with the Constitution. The Parliament fulfils its duties in accordance with the Constitution and its Rules.
The Judicial Branch	The Judiciary consists of the courts and the Procuracy. The judges and the members of the Procuracy are independent when exercising their judicial functions and are guided only by the law. The courts of the Republic of Somaliland consist of: the Supreme Court, the Appeal Courts of the Regions, the Regional Courts, the District Courts and the Courts of the National Armed Forces. The Supreme Court is the highest organ of the Judiciary and is also at the same time the Constitutional Court. In addition to the Chairman, the number of judges in the court shall not be less than four. A special law governs the court. The Procuracy of the state consists of the Attorney General and his deputies.
Administration structure of Somaliland	Somaliland consists of six regions and 21 districts. The roles and responsibilities of the different levels of government are set out in the Somaliland Constitution, 2001 and the Regional Powers Act No. 23/2002.

4. OBLIGATIONS OF MONPD IN RELATION TO INTERNATIONAL ORGANISATIONS

7. The Ministry is responsible for:
 - a. Representing the government of Somaliland and mandated for registration of national, foreign and international NGOs operating in Somaliland.
 - b. Selecting the appropriate geographical area/s, of operation for NGOs, based on established needs of districts and regions and in accordance with the national development plan in order to balance community development in consultation with the concerned organization.
 - c. Acting as a communication conduit between the Government and the NGO. The Ministry shall receive copies of all written correspondences of material significance between the NGOs and partner ministries.
 - d. Coordinating activities and facilitating cooperation among NGOs, regional administrations, districts, partner ministries and other institutions to establish effective collaboration among all actors.
 - e. Support achievement of IOs; protect their assets in order to safeguard the smooth flow of IO programs in accordance with joint agreements reached.
 - f. Provide feedback on the monitoring and evaluation reports conducted by the Ministry on IO programs to IOs to give them the opportunity to discuss review and re-assess the reports before compiling the final reports.
 - g. Facilitating in the provision of tax exemption for imported office equipment and materials necessary for implementing projects in Somaliland. If the organization is to import heavy equipment and assets, such as those used in oil exploration/drilling that it needs to re-export for use elsewhere, the intention should be declared before any of these materials and equipment are put into operation in order to secure the necessary documents for preparing for their eventual exportation.
 - h. Facilitating tax exemption of other items for transition across Somaliland borders in accordance with the Somaliland's laws. Verification of documents relating to the application for tax exemption shall be the responsibility of the Ministry in consultation of the Ministry of Finance.
 - i. Facilitating tax exemption for goods that belong to international expatriates and their families and the need for re-shipping such goods in accordance with the law.
 - j. Facilitating the provision of legal residence/visas to experts needed for the proper implementation of IO projects where local expertise is unavailable. This should be dealt in accordance with the Labour Law.
 - k. Assisting, supporting and building the capacity of national NGOs.
 - l. Formulating and producing by-laws, rules, regulations and guidelines administering NGOs.

4.1. CUSTOMER CHARTER

8. The MoNPD takes into consideration the requirements of the NGO Law No. 43/2010 and the NGO By Laws/2012, and in pursuit of good customer service commits itself to the following.
 - i. When an application for registration is submitted to the Registration Office by an organization applying for registration, the Registrar will hand the applicant a full list of all the requirements for registration immediately.
 - ii. When the applicant fulfills the requirements, the Registrar will give him/her a letter addressed to the Ministry of Finance to pay the required registration fee immediately.
 - iii. When the applicant provides the payment receipt of the registration fees, the Registrar will issue a Certificate of Registration within **two** working days.
 - iv. If the applicant is not happy with the service, they can fill a complaints form and submit it to the Director of the Coordination Department.

5. CODE OF GOOD PRACTICE FOR NGOS

ARTICLE 1: PURPOSE

The purpose of the Code of Good Practice is to lay down a set of standards and core values, which NGOs working in Somaliland must adhere to. Its main objectives are to:

- 1.1 Ensure transparency and accountability;
- 1.2 Improve the quality of services provision and delivery;
- 1.3 Improve communication and cooperation between NGOs and other stakeholders;
- 1.4 Ensure commitment to national development priorities.

ARTICLE 2: SCOPE OF APPLICATION

The Code shall apply to all National, International and Foreign NGOs operating in Somaliland. The Code shall also apply to the members, officials, employees and volunteers of those NGOs.

ARTICLE 3: GOOD GOVERNANCE

- 3.1 NGOs shall be legally constituted in their country of origin;
- 3.2 NGOs shall operate under the terms set out in a written Constitution or any other such instrument, which amongst other things shall clearly articulate the organization's vision, objectives and organizational structure;
- 3.3 The members of the governing body must set high personal standards for themselves and others within the organization;
- 3.4 The governing body shall govern the organization in a fair, impartial and responsible manner;
- 3.5 The governing body shall be the final approving authority for all policy statements and annual programs of the organization;
- 3.6 The governing body shall, amongst other things, put in place policies that determine the membership of the organization, promote equality and social inclusion.

NOTWITHSTANDING the provisions of this section of the Article, nothing shall prevent the members of the governing body of an organization from delegating any of their powers herein contained to sub committees that shall report periodically to it.

ARTICLE 4: ORGANIZATIONAL INTEGRITY AND INDEPENDENCE

- 4.1 The constitution or any such document under which an NGO is operating shall stipulate the tenure of members of the governing body with provisions for democratic processes for change in tenure-ship;
- 4.2 The principles of transparency and accountability shall be applied in all the affairs and activities of the organization, whether with the government, the target population, donors and/or other stakeholders. The activities of the Organization shall, upon request, be open and accessible to scrutiny within the Law.
- 4.3 The governing body shall establish clear and unambiguous guidelines, which shall serve the purpose of ensuring that the personal interests of the members and volunteers do not conflict with those of the organization or influence, or affect the performance of their duties.
- 4.4 In dealing with complaints of misconduct, abuse of office or other irregularities levelled against any member, staff or volunteer of the organization, the equitable principles of fair hearing shall apply.
- 4.5 NGOs shall not discriminate against any person in terms of race sex, religion, and ethnicity.

ARTICLE 5: FINANCIAL MANAGEMENT AND ACCOUNTABILITY

- 5.1 In their fund raising efforts, NGOs shall exercise caution, recognizing the need to maintain their independence and credibility. There shall be openness, honesty and transparency exhibited in the fundraising process, expenditure and accounting for the funds;

- 5.2 It shall be the responsibility of the governing body or its designated authority to approve and monitor the annual budget of the organization and to ensure that acceptable and sound financial accounting practices are employed;
- 5.3 Financial prudence shall be maintained in the expenditure of the finances of the organization;
- 5.4 NGOs shall not tolerate any improper influence, bribery or other unethical behaviour by their staff, volunteers, suppliers or other stakeholders;
- 5.5 The governing body shall ensure that the accounts of the organization are audited annually by independent professional auditors and that the results are widely circulated and made accessible to all the stakeholders.

ARTICLE 6: MANAGEMENT AND HUMAN RESOURCE COMMITMENTS

- 6.1 NGOs shall adopt sound management practices, which shall take into account and consider the vision, objectives and organizational structure of the NGO;
- 6.2 NGOs shall develop and maintain well articulated, fair and just policies and guidelines to deal with human resources (including volunteers) of the organization;
- 6.3 NGOs shall endeavour to establish training and educational programs in support of this Code in order to ensure that its underlying values and expectations become fully integrated into the organization.

ARTICLE 7: COMMUNICATION

- 7.1 NGOs shall provide members of the public, the target population, donors and governments with accurate and adequate information about their activities, finances and other important information that can be disclosed within the limits of law.
- 7.2 NGOs shall nurture the practice of sharing information, such as research outcomes, with other NGOs.

ARTICLE 8: ENFORCEMENT OF THE CODE

- 8.1 The Ministry of National Planning and Development shall be responsible for the enforcement of the provisions of this Code.
- 8.2 Within the Ministry, the Consultative Committee shall be charged with the following responsibilities:
 - a. Ensuring strict compliance with the provisions of the Code;
 - b. Determining petitions and complaints brought before it about the breach or violation of any part of the Code;
 - c. Hearing petitions and complaints about the Registration process itself;
 - d. Creating awareness of the provisions of the Code and taking steps to popularize its provisions, rendering assistance and explanations whenever required;
 - e. Proposing amendments to the provisions of the Code;
 - f. Any other responsibilities deemed appropriate.
- 8.3 Any aggrieved NGO or any other person or group of persons, may file a complaint or petition before the Consultative Committee with respect to a breach of the Code or file an appeal in relation to any aspect of the process and criteria for the accreditation of NGOs to the applicable Law in Somaliland;
- 8.4 The Consultative Committee shall promptly consider and investigate all complaints and petitions brought before it, at all times adhering to the principles of fairness and justice particularly observing the need for full disclosure and to grant the Respondent an opportunity to respond;
- 8.5 Where the petition or complaint is made against a member of the Consultative Committee, that member shall not take part in the proceedings at which the complaint will be heard;
- 8.6 Where the Consultative Committee finds that the Respondent has violated the provisions of the Code, or finds that the complaint laid against the process of Registration process applied to it is inappropriate, it shall have the power to take any of the following measures:
 - a. Educate or counsel the Respondent;
 - b. Reprimand the Respondent;

- c. Make an Order requiring the Respondent to take certain remedial steps within a stipulated period of time;
- d. Suspend or terminate the accreditation of the Respondent-NGO;
- e. Redress the wrong done to the NGO seeking accreditation or grant the specific redress sought by it;
- f. Take any other appropriate action.

8.7 Where the Consultative Committee finds that the Respondent has not violated or is not in breach of the provisions of the Code, it shall have power to take any of the under-listed steps:

- a. Exonerate the Respondent;
- b. Order the Complainant/Petitioner to render a public apology or
- c. Take any other action deemed appropriate by the Consultative Committee

NOTWITHSTANDING the provisions of this Article, nothing shall prevent the Consultative Committee from operating under other forms of rules of procedure.

ARTICLE 9: REVISION CLAUSE

Any part of the provisions of the Code shall be revised or amended only by the vote of two-thirds majority of the Consultative Committee.

6. REGISTRATION AND RENEWAL OF REGISTRATION FOR IOS

6.1. REGISTRATION

9. All IOs must be registered in Somaliland with the Ministry of National Planning and Development before commencing operations.

6.1.1. Letter of Request

10. The organisation must send a written request to Registrar General/MoNPD signed by Executive Director of the organisation

11. The Registration Form B1 can be obtained from the Registrar, Department of Coordination at the Ministry of National Coordination and Development or can be downloaded from the Ministry's website at <http://www.slministryofplanning.org>.

6.1.2. Organisation Details Required

- Written attestation of its existence from the nearest Embassy/Diplomatic mission from country of origin.
- Certificate of Registration in country of origin
- Copy of organisation's Constitution
- Organisation profile, including governance arrangements, addresses of head office and office in Somaliland
- Must have an office with decision-making authority in Somaliland

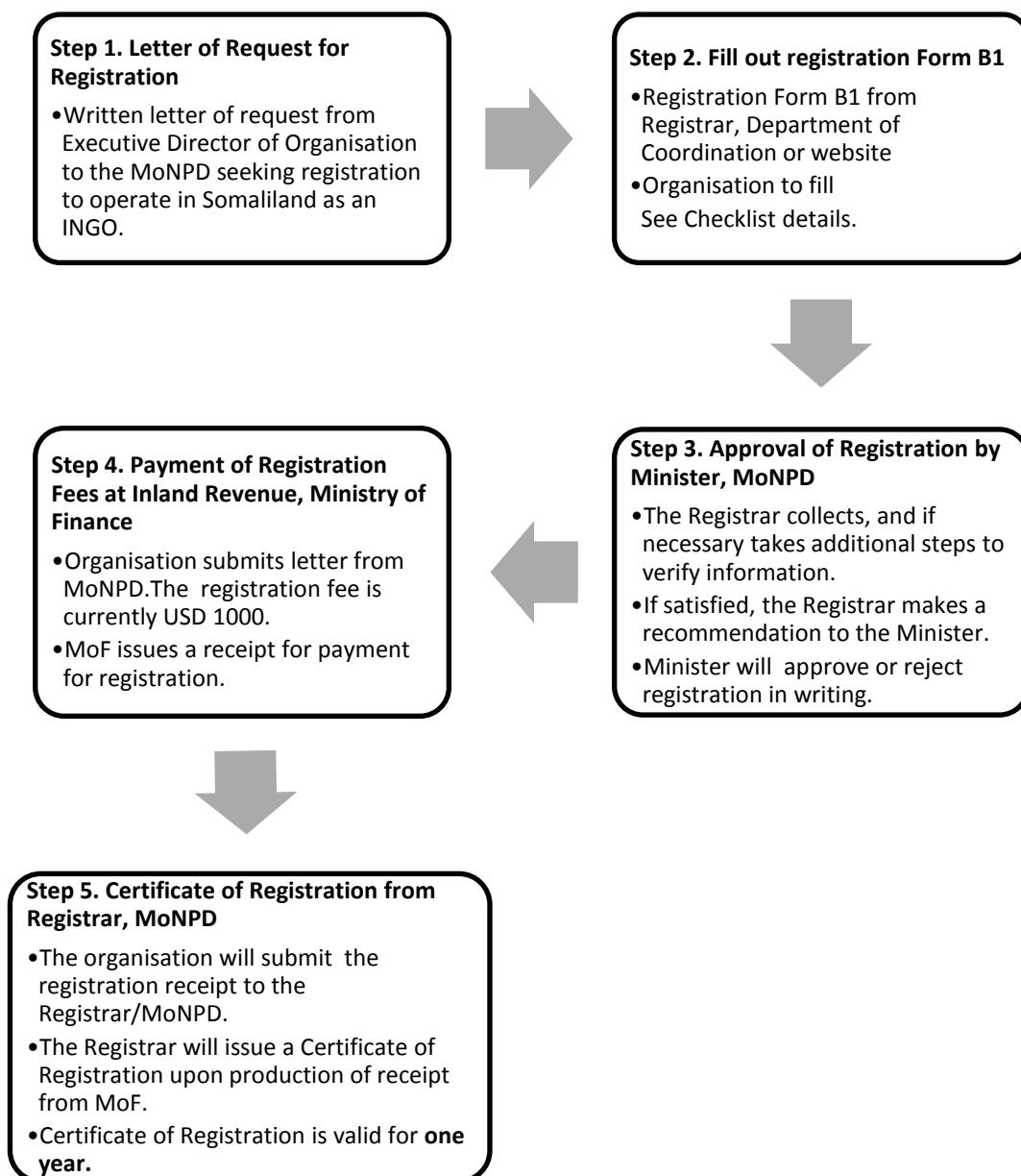
6.1.3. Programmatic Issues

- Program experience and past performance in Somaliland should be submitted
- Must have past program experience in country of origin or other countries
- Must have an agreement with donors with secured funds for program
- Programs to be implemented consistent with national development priorities, policies and regulations
- Written recommendation from a partner line ministry or government institution.
- Program profile for Somaliland: Aims and Objectives
- Annual workplan and budget
- Annual activity plan if separate

6.1.4. Staffing

- Curriculum Vitae of international staff
- Written justification for international staff
- Certificate of no criminal conviction of all international staff and national staff
- Curriculum vitae, passport sized photos of Executive Directors of the organization
- Certificate of no criminal conviction from the Directors
- Proof of payment of registration fee of USD 1000 per year to the Registrar/MoNPD

FLOWCHART 1. IO REGISTRATION PROCESS

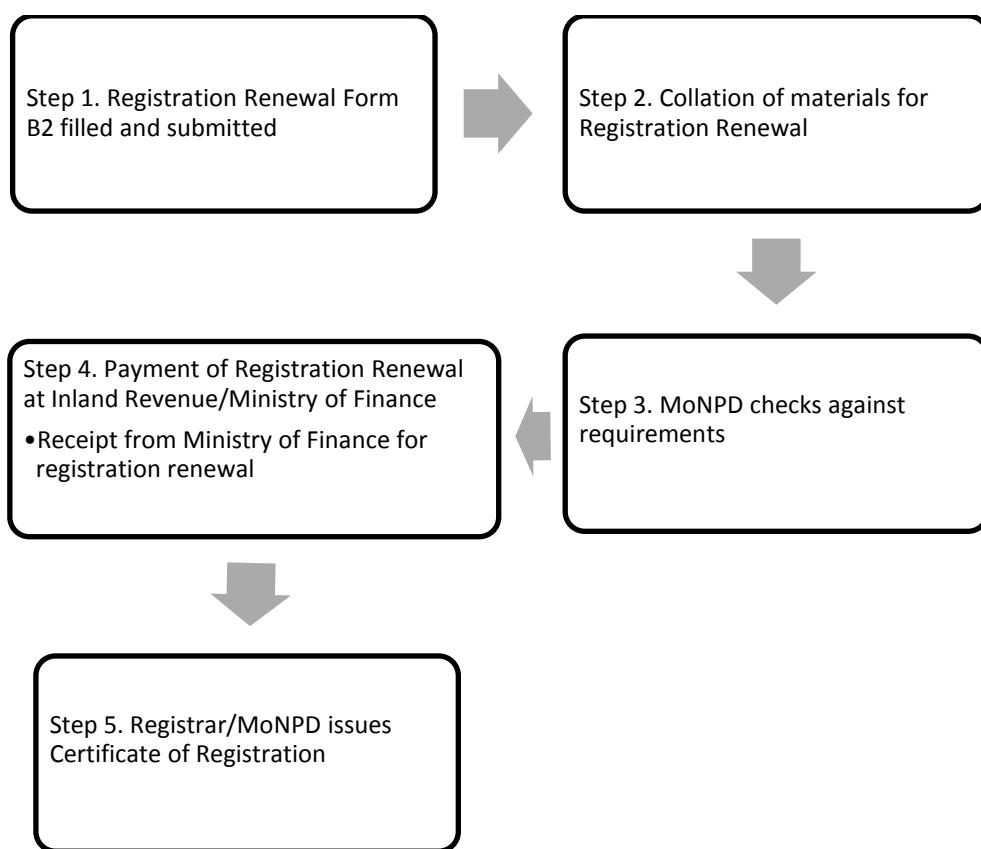


6.2. RENEWAL OF REGISTRATION

6.2.1. Requirements

- Funding agreement for a new or existing program
- Activity Report of the year ended. See Activity Report Format
- Reference from its principle ministry or government agency
- Renewal of Registration Form B2 filled out
- Renewal of Registration fees: USD 500

FLOWCHART 2. IO REGISTRATION RENEWAL PROCESS



7. OPERATIONAL ISSUES

7.1. VISAS

7.1.1. Visa information in general

12. The Immigration Department of the Interior Ministry welcomes all travellers to Somaliland. The Government's overall policy is to promote international cooperation and investment to contribute to the National Development Plan (2012-2016).

- Entry Visa Charges are currently \$33; and exit visa charges are \$33
- The charges are paid at the points of entry and exit respectively
- Most visa applicants, Visa Categories 1, 2, 3 and 4 will be provided on arrival at the point of entry. See below for Visa Categories
- Visa categories 5 and 6 should apply Visas through their contacts in Somaliland
- Any other Visas that do not fit in the categories listed above should be applied through sponsoring agencies

7.2. SINGLE-ENTRY VISA CATEGORIES AND APPLICATION REQUIREMENTS

On arrival: The Ministry of Interior, through the Department of Immigration strives to maintain and observe all the standards and principles that would render its services internationally compliant. Hence, The Department of Immigration will issue Single-entry Visas On Arrival at entry points (Airports, Seaports and Border points).

At Representative Offices: Somaliland Liaison offices in Washington DC, London, Djibouti, Addis Ababa and Nairobi are able to issue Entry Visas that are accepted upon arrival. F

Online: The Department of Immigration has launched a National Website, where on-line applications can be made. The website is: www.slimmigration.zzl.org

For any further information, please contact the Somaliland Immigration office:

Tel: 002522 523961

Emails: xoghaynta@hotmail.com; slimmigration@ymail.com; slimmigration@gmail.com

7.2.1. Visa Categories

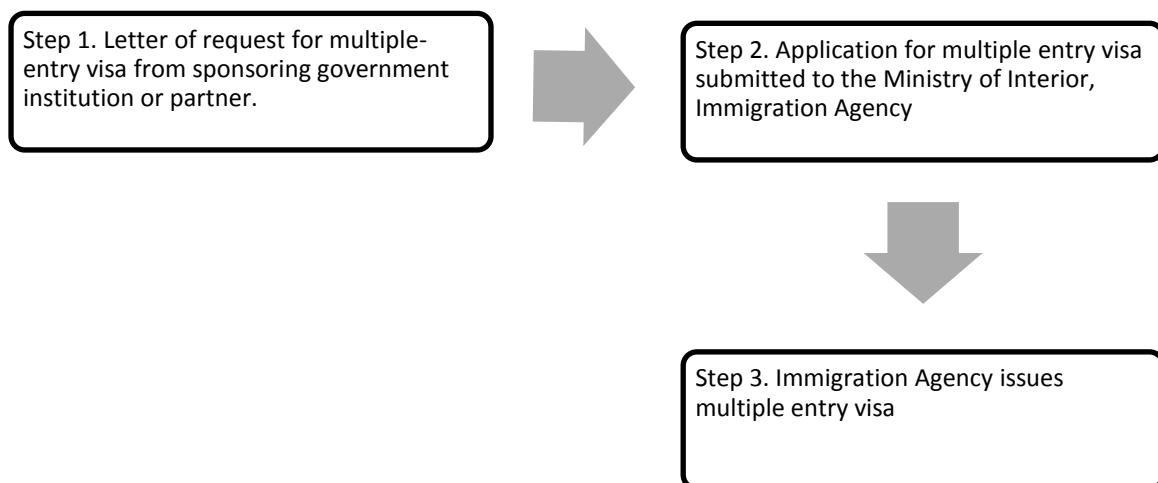
13. There are six different types of visas.

CATEGORY	VISA DURATION	REQUIREMENTS
Category (1) Privileged Visas for the following Passport holders	30-day entry visa	<p>Visa on arrival when they fill a visa application form at the point of entry.</p> <ul style="list-style-type: none"> a. Diplomatic National Passports b. UN Diplomatic Passports c. Service National Passports d. Representatives of international Institutions with national passports e. Official Foreign Delegations with national passports-
Category (2) Business Visa	30 days up to 90 days	<p>Extension granted depending on the Business interests in Somaliland and whether the country of origin and Somaliland maintain or are party to multilateral or bilateral agreements.</p> <ul style="list-style-type: none"> • Completed Visa application form • The purpose of the visit must be to perform a legitimate business activity • Valid Passport for at least six more months from the day of entry • 2 recent passport size photos (When applying visa at representative offices) • Local business contacts if there are any. • For extension purposes it depends upon nature of business. • Letter of invitation from hosting entity in Somaliland (if there is). • Evidence of Funds e.g. cash, recent Bank Statement. • Continuation or return ticket.
Category (3) Tourist Visa	15 days	<p>Can be extended to 75 days or more at different intervals.</p> <ul style="list-style-type: none"> • Completed visa application form • Valid Passport for at least six more months from the day of entry • 2 recent passport size photos (When applying visa at representative offices) • Return or continuation ticket • Evidence of sufficient living funds for the period of his stay.
Category (4) Transit Visa	72 hours up to 14 days at different intervals.	<ul style="list-style-type: none"> • Completed transit visa application form • Valid Passport for at least six months • 2 recent passport size photos (When applying visa at representative offices) • Evidence of sufficient funds for the period of his/her stay. •
Category (5) Educational Visa	30 days	<p>Can be extended depending upon the period required by the Institution to complete the course</p> <ul style="list-style-type: none"> • Completed Visa Application form • 2 recent passport size photos • Valid Passport for at least six months • Proof of admission from an accredited institution of education in Somaliland • Letter of invitation from an accredited institution or sponsor for the purpose of training, research, conferences, workshops etc.
Category (6) Special Travel Entry Visa	30 days	<p>Extension depends upon the purpose special Entry Visa.</p> <ul style="list-style-type: none"> • Completed visa application form • Evidence that the host can accommodate the visitor • 2 recent passport size photos (When applying visa at representative offices) • Valid Passport for at least six months • Return or continuation ticket

14. The MoNPD shall facilitate the provision of legal residence/visas to experts in cooperation with the Ministry of Interior, Immigration Agency (Henceforth referred to as the Immigration Agency).

7.3. MULTIPLE-ENTRY VISA

- Multiple entry visa request letter to the sponsoring partner or government institution
- Letter of support from sponsoring government institution
- Copy of passport details page (with photo, date of issuance, date of expiry) for each visa application
- Two passport size photos for each visa application
- Qualifications of each expatriate (Certificates of qualification)
- Curriculum vitae for each expatriate
- Contract of employment

FLOWCHART 3. HOW TO OBTAIN MULTIPLE-ENTRY VISAS

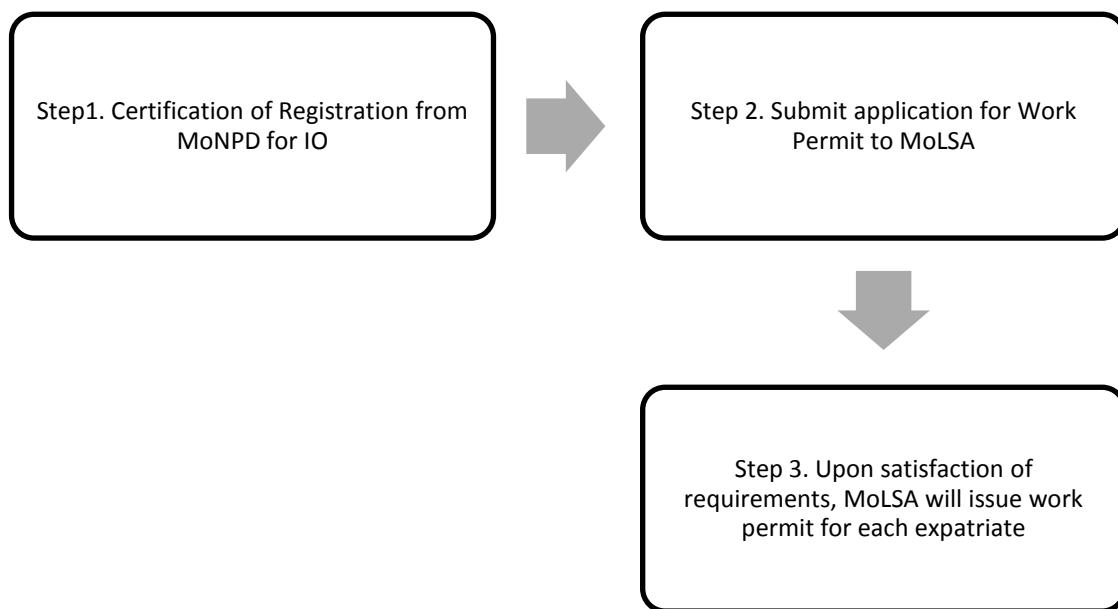
7.4. WORK PERMITS

15. Work permits are issued for a year by the **Ministry of Labour and Social Affairs (MoLSA)**
16. Application for a work permit should be made at least 3 weeks before the foreign national is required to take up employment in Somaliland.
17. Application for renewal should be made at least 12 weeks before the work permit expires.

7.4.1. Documents to be submitted:

- Certificate of Registration from MoNPD
- Attested copies of certification of qualifications
- Curriculum vitae
- Copy of passport details page
- Employment contract for each foreign national
- Two passport-sized photographs
- Work permit fee is \$500 for each expatriate
- Work permit card \$10 for each expatriate

FLOWCHART 4. HOW TO GET A WORK PERMIT FOR IO STAFF



7.5. LETTER OF AGREEMENT

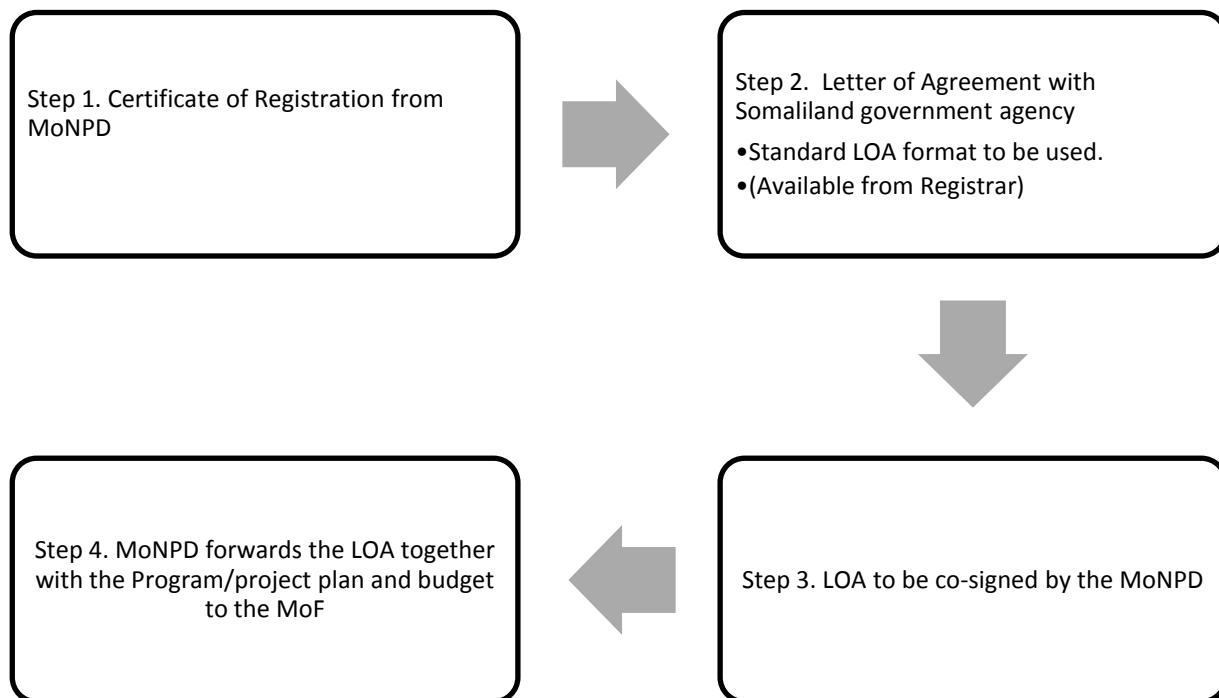
7.5.1. Key steps

18. As a prerequisite to signing a Letter of Agreement (LOA) with a Somaliland government institution it is necessary to obtain a Certificate of Registration.
19. IO is required to sign a LOA with relevant partners or line ministries/government institution in Somaliland.
20. The MoNPD shall co-sign all LOAs between IOs and their partners or line ministries in the Somaliland, and the LOA will be copied to the Ministry of Finance (MoF).

7.5.2. Key points

21. The LOA Signed by the organisation **cannot** be rescinded or changed without consultation with the MoNPD.
22. An IO shall not become an executing agency for another IO or UN agency in the Somaliland unless there are no national partners with the required capacity.
23. Where multiple IOs or UN agencies have submitted a project proposal to donors, and it has been approved by donors, AND where the proposal or agreement with a donor contains a clear allocation of funding, each of the partners to the proposal will be interpreted as implementing their portion of the overall project on behalf of the donor.
24. The partners will be individually responsible for reporting, in accordance with Article 38 of the Act, only their portion of the given agreement.

FLOWCHART 5. HOW TO OBTAIN A LETTER OF AGREEMENT



7.6. VACCINATION REQUIREMENTS

25. International Public Health Regulations recommend the following vaccinations to ensure the health of travellers coming to Somaliland from overseas countries. They should have mandatory health documents which include but not limited to the following:

- Vaccination certificates obtained from competent and responsible authority ensuring vaccination prophylaxis against:
 - Yellow fever
 - Meningitis
 - Hepatitis B
- In the context of Somaliland:
 - The visitor should **never** possess on entry into the country any biological, chemical or physical agents that warrant or is known to have the potential to cause harm to human health or spread diseases

26. These provisions are the mandatory rules of Somaliland health policy and laws.

7.7. PROGRAM/PROJECT PHASE IN AND PHASE OUT

7.7.1. Phase in and Phase out strategy

27. IOs need to have clear phase-in and phase-out strategies for the projects/programs they intend to implement. Such strategies should clearly be stated in the project/program documents for which they seek approval for implementation

7.7.2. Termination of organizations/programs/projects

28. IOs that are found to be engaged in any prohibited activity which is in breach of the Constitution of Somaliland, and the religion and the rules/laws of the land, as also indicated in the NGO Law, shall be terminated from operating in Somaliland and deported within 72 hours. Projects and other activities of such IOs in the Somaliland should also be considered terminated when this happens.

29. However, legally functioning IOs cannot terminate an on-going project except due to the occurrence of unforeseen circumstances or under the condition where the continuation of the project could lead to potential damages to itself or to beneficiaries or the nation.

30. IOs that intend to terminate an on-going project as a result of such circumstances shall do so only upon submission of a valid written reason to MoNPD, and with the ultimate investigation and consent of the Ministry.

7.7.3. Asset registration and transfer

31. An IO must submit a list of its assets to the partner ministry and MoNPD on an annual basis. **See Asset Registration Form.**

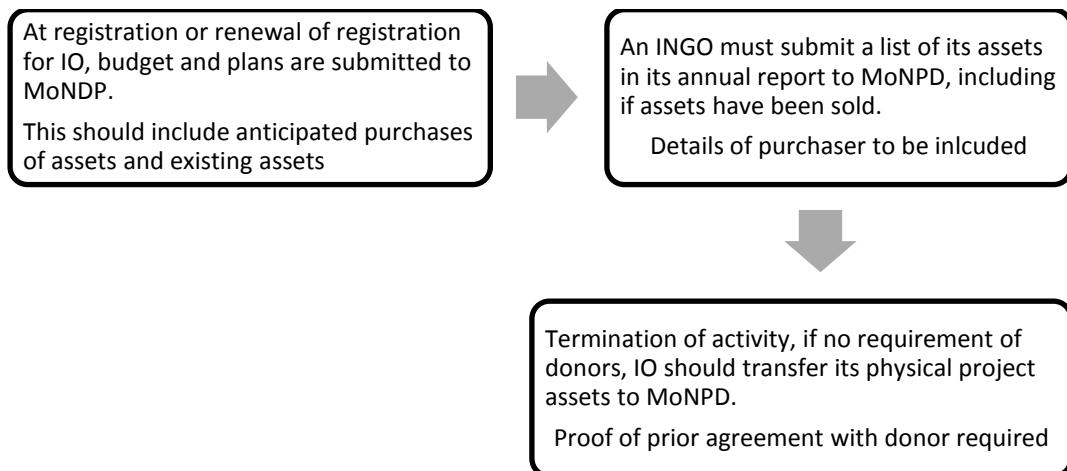
32. In accordance with the NGO Law, the MoNPD shall protect the assets of IOs to facilitate smooth operations.

33. An IO must submit a list of its assets in its annual report to the partner ministry and MoNPD annually.

34. Under Article 32(2) if an NGO is dissolved or terminates its activities or its permit is revoked in accordance with the NGO Law, the NGO should transfer its physical project assets to the MoNPD.

35. However, where an implementing agency has, in its agreement with the donor, an obligation to dispense of project assets in a way which contradicts the provisions of Article 36(3) of the Act, the agreement with the donor will control dispensation of the IO's assets, provided proof of such agreement is provided and its terms are included in the LOA signed with its counterpart.

FLOWCHART 6. ASSET REGISTER AND TRANSFER



7.8. PROCUREMENT POLICY

7.8.1. Introduction

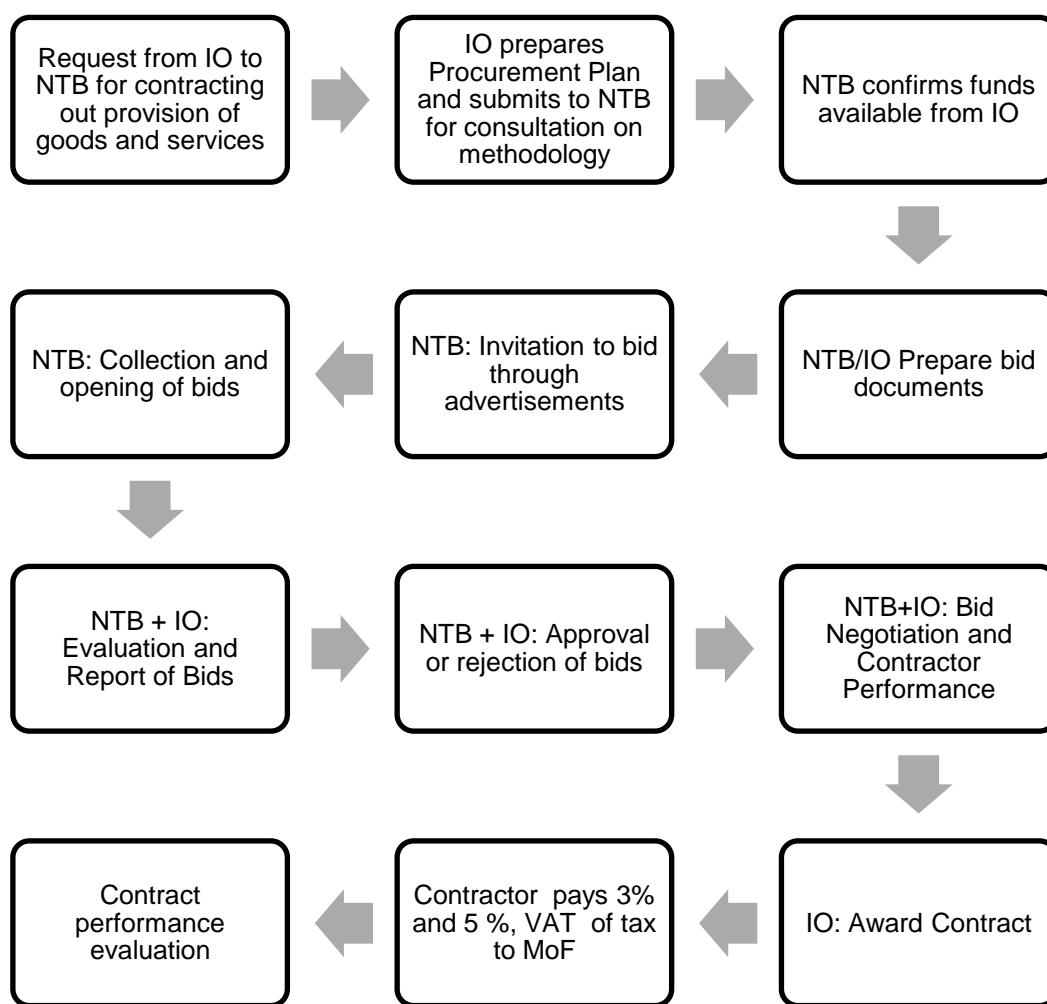
36. The National Tender Board (NTB) is the mandated government agency that is charged with public procurement under the Tender Law No. 79/1996. The NTB is mandated to handle all procurement tenders of, or above the value of 18 million Somali Shillings or (USD 3000).

7.8.2. Purpose of Guidelines

37. These procurement guidelines, set out in the Presidential Decree dated 31 Jan 2011, state that the mandate of the NTB extends to all procurement. This includes tenders that are financed by a Central Government Budget, donor grants or loan from other governments.

38. This applies to tenders related to Construction, Transport, Purchase of office equipment, Fuel, Vehicle and repairs, Machinery, Foodstuffs etc. for **government use** (non-secret armed forces supplies). The NTB is there to assist IOs to work in Somaliland in a cooperative manner, and is available to advise on and clarify which procurements IOs can conduct without the involvement of the NTB.

FLOWCHART 7. WHAT IS THE GENERAL PROCUREMENT PROCESS IN SOMALILAND?



7.8.3. Value added tax for bidders

39. Successful bidders in tender contracts pay 3% of the value of the contract for it to become legally binding, and pay 5% of value add tax

7.9. CUSTOMS DUTY EXEMPTION

7.9.1. Import tax on equipment

40. IOs will pay no tax on imported equipment, machinery and other materials that will be used exclusively for carrying out their project activities. **However, this is not automatic and duty free importations of such items and repatriation of heavy-duty equipment are subject to approval by MoNPD.**

41. The IO is required to apply for tax exemption on imported objects by completing a **Tax Exemption Declaration Form (B-3)** with full details of types of imported goods, their relevance to the work of the organization and/or their specific projects and their purchase orders.

42. This Tax Exemption Declaration form should be made via a written request addressed to MoNPD copied to the Ministry of Finance.

43. Expatriate staffs of IOs are not subject to taxes for their personal and family belongings.

44. Details that are required include:

- Commercial Invoice in triplicate which must contain all necessary information to establish Cost, Insurance and Freight (CIF) value of goods
- A bill of lading or airway bill
- Health and special certificates
- Packing lists containing the marks and numbers of packages, weight of each package and careful description of each package and lists contents
- Declaration of Entries
 - Nature and kind of goods in each package
 - The weight measurement of the goods (gross and net)
 - Country of origin
 - Country shipped from
 - Destination place and country (for exports)

Each Entry must be accompanied with:

- Manufacturer's invoice
- The invoice of freight charge
- The invoice of all insurance charges

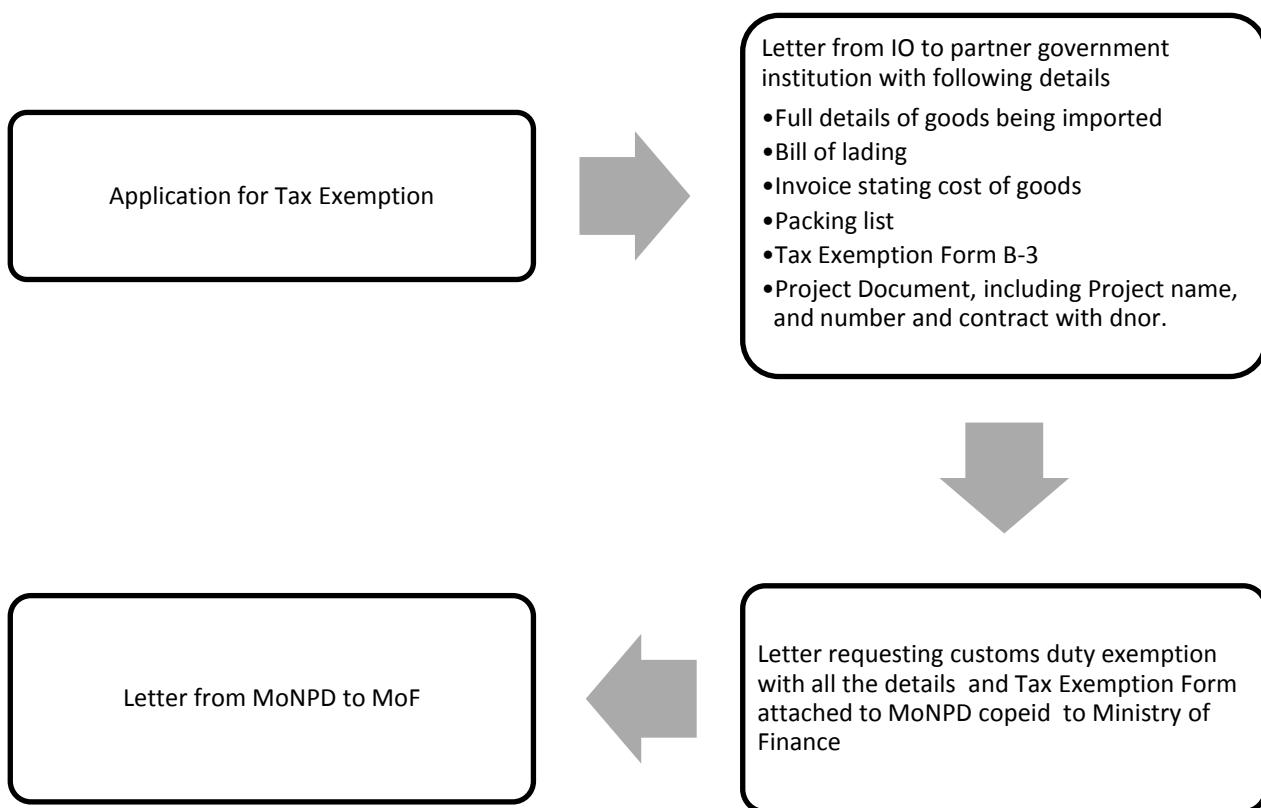
7.9.2. Conditions for Tax exemption

45. The agency should have a registered and operational permanent office in Somaliland.

46. Registration should be valid.

47. The agency should have paid all taxes due.

FLOWCHART 8. HOW DOES AN IO OBTAIN CUSTOMS DUTY EXEMPTION



7.10. VEHICLE REGISTRATION

7.10.1. Importation of vehicles

48. IOs (including bilateral and multilateral organizations such as EU, UN, World Bank, embassies, consulates, foreign Somaliland representative offices, etc.) shall be governed and administered by the Customs Duty Law for registering and administering their vehicles:

- **IOs can only import new vehicles.** No IO is allowed to import old or second-hand vehicles into Somaliland. **See Section 6.8 Customs Duty Law** for further details.
- **Second hand vehicles.** When an IO wants to acquire/use second-hand vehicles for its operations, such vehicles must be purchased or rented from within Somaliland.

7.10.2. Vehicle Registration

49. IOs must register all vehicles under their possession immediately after importation or purchase and attach specifically allocated legal plates to their vehicles.

50. Every IO needs to strictly comply with all legal requirements and conditions stated and administered by Ministry of Public Works during vehicle registration.

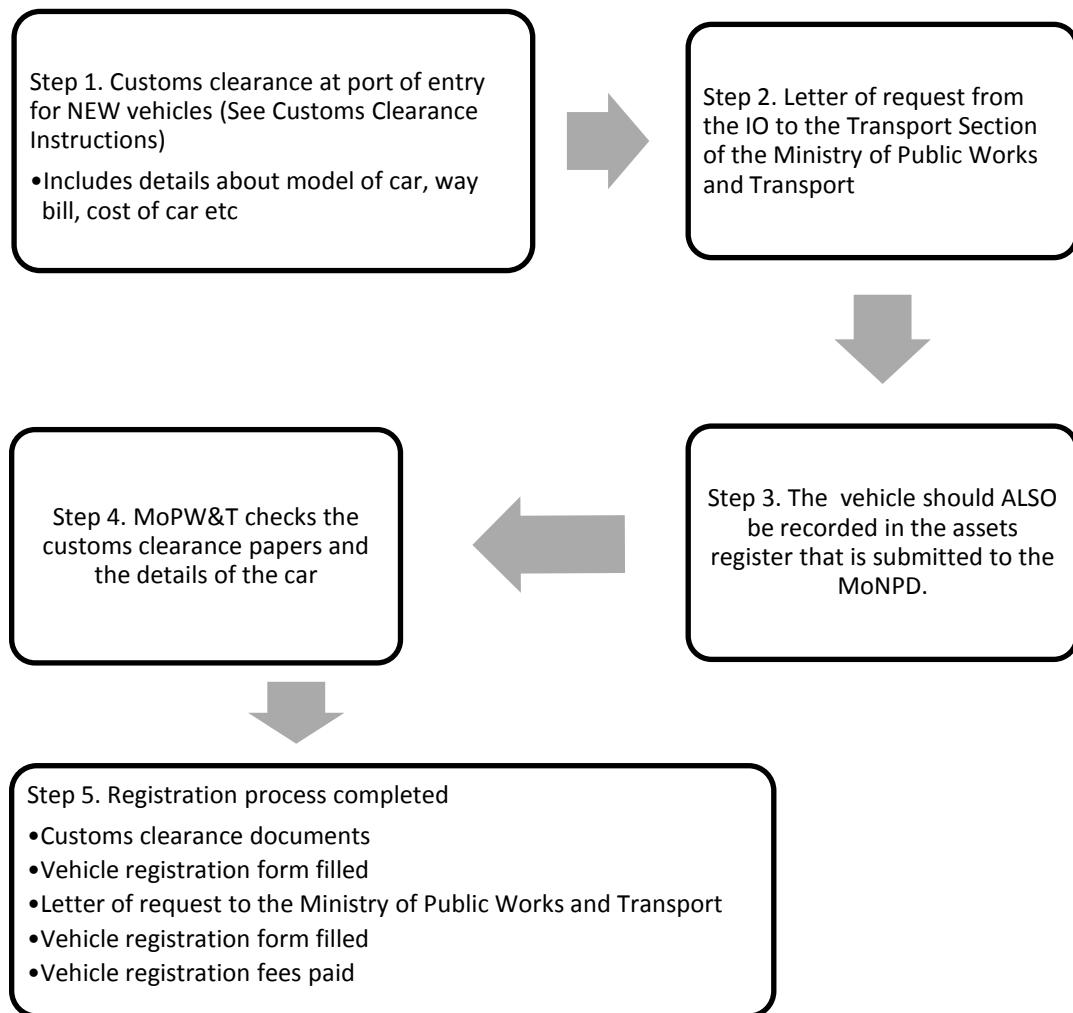
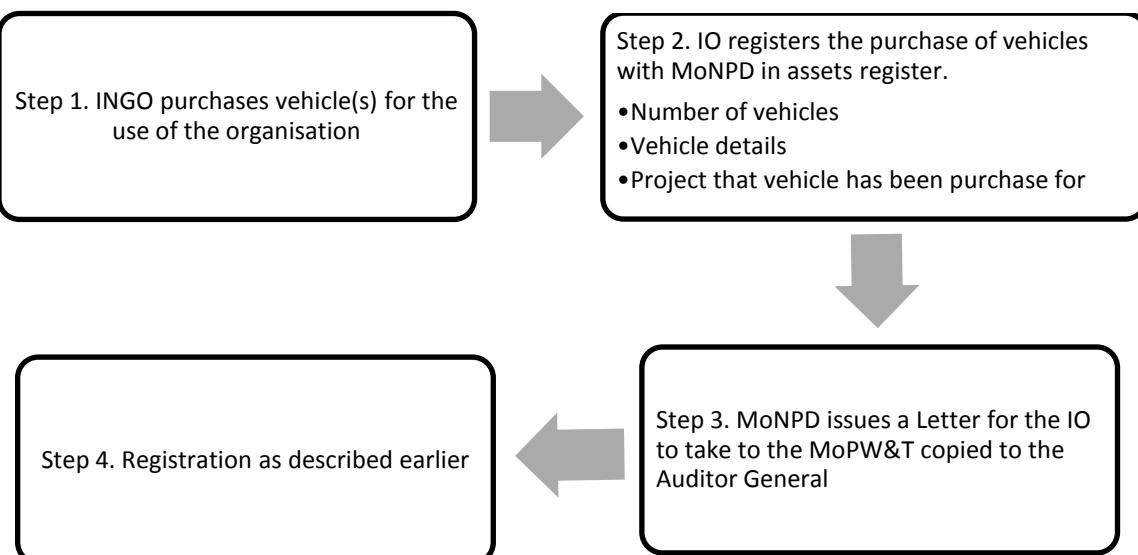
51. **Annual vehicle inspection.** IOs need to regularly put their vehicles through the annual vehicle inspection and examination procedures of Somaliland in order to verify/determine the technical and functional fitness of their vehicles, and to ensure road safety and security. Vehicles that do not pass the annual inspection examination are not allowed to drive on Somaliland roads.

7.10.3. Documents needed for vehicle registration

- Original tax exemption document (Free Entry Form) issued at the port of entry by the Customs Department of the Ministry of Finance, Customs Department
- Letter of request from the IO to the Transport Section of the Ministry of Public Works and Transport (MoPW&T).
- Cost of vehicle registration for a standard vehicle is 1,000,000 Somali Shilling (approximately USD 150).
- The MoPW&T will issue a Motor Vehicle Circulation Book, which is a record of the details of the vehicle as well as details of ownership. This must be with the vehicle at all times.

7.10.4. Road tax

52. Every six months, IOs are to pay Road Tax at the Ministry of Finance. This is recorded in the Motor Vehicle Circulation Book.

FLOWCHART 9. HOW DOES AN IO REGISTER NEW VEHICLES THAT HAVE BEEN IMPORTED?**FLOWCHART 10. HOW DOES AN IO REGISTER VEHICLES BOUGHT LOCALLY?**

7.11. LABOUR LAW

53. The laws of Somaliland shall govern all labour issues. An employment contract/agreement with a group or individual that offers more protection than that of labour laws of Somaliland is allowed to be binding.
54. IOs shall deduct income tax from their national employees, except for those employed by United Nations agencies, and transfer it to the Ministry of Finance from the point of origin as set out in the Tax Law.
55. IO's shall not employ foreign staff unless there is a skill gap in Somaliland as stipulated by the NGO Law.

7.12. TAXATION

7.12.1. Taxation for IOs other than the United Nations and its specialized agencies

56. IOs must administer taxation based on the NGO Law of Somaliland (Law No. 43/2010)

7.12.2. Payroll tax for national staff

57. All IOs, should deduct payroll tax of (5+1%) from all their local staff salaries, and pass the sum to Ministry of Finance in accordance with Taxation Law.

7.12.3. Payroll tax for expatriate staff for IOs

58. Except in the case of international law, IOs should also deduct payroll tax of (5+1%) from all their expatriate salaries, and pass the sum to Ministry of Finance in accordance with Taxation Law.

7.12.4. Value Added Tax (VAT)

59. Successful bidders in tender contracts pay 3% of the value of the contract for it to become legally binding, and pay 5% of value add tax in accordance with the Tender Law.

7.12.5. The United Nations (UN) and its specialized agencies

60. **Income tax:** Somaliland Direct Tax Act provides that international employees of the UN and its specialized agencies shall be exempted from income tax, in respect of their salaries and any other emoluments received in connection with their functions, in conformity with generally accepted rules of international law and international treaties binding on Somaliland (Article 15(c)).

61. Local employees should pay income tax to the MoF.

62. **The UN is exempt from direct taxes.** The UN is not exempt from charges that are in fact no more than public utility services.

63. Taxation of non-UN sourced income generated in Somaliland of UN staff members is also possible (e.g. the sale of personal livestock).

64. **Import tax:** Somaliland Customs law exempts United Nations organizations from import duties on:

- a. All objects and motor vehicles for official use of the United Nations and its specialized agencies
- b. Objects and motor vehicles necessary for the execution with Agreements ratified by law

65. **Registration and Road taxes:** According to Somaliland Road Tax Act and SL Registration Tax Act (Act No, 83/1996):

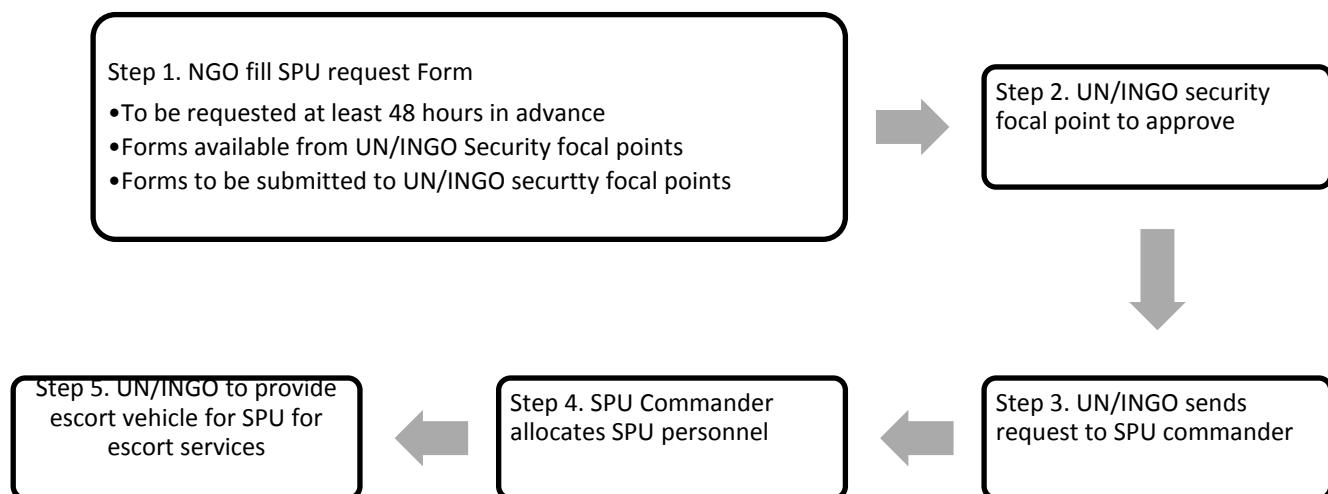
- a. Road tax is exempted for vehicles of UN organizations
- b. Registration tax is exempted on agreements between UN organizations and the SL government

7.13. SECURITY POLICY

66. The GoSL, with the financial support of international donors have established a Special Protection Unit (SPU) which is part of the national police force of Somaliland, who are tasked with escort security and static security for the international community, including IOs.
67. SPUs are commanded and managed by the SPU Commander who allocates SPU resources based on requests received from the International Organisations.
68. SPU usage is **mandatory for IOs**, unless there have been specific negotiations with relevant local authorities.
69. While SPUs receive salaries, while on mission, SPUs are granted a Daily Support Allowance (DSA) to cover costs while on mission. NGOs do not have to pay DSAs for SPUs. This is covered by UNDP who are funded by donors.
70. IOs using SPUs for static duty are required to provide shelter, praying space, and tea and toilet/washing facilities. For full details, please check SPU User Guide.

(<http://www.nspsomalia.org/joomla/images/SPU/spu%20user%20guide%20revised.pdf>)

FLOWCHART 11. HOW TO REQUEST SPUS



7.13.1. Private security protocols in public institutions

71. Private escorts or armed guards are **illegal** in Somaliland unless special authorization has been received from the Ministry of Interior. If **authorized** private security detail (PSD) is to be used for escort services into public institutions, this may require **PRIOR** arrangements with the management of the public institution. Prior arrangements may include:
 - A coordination meeting or arrangement with the Director General of the Public Institution
 - Agreement on the number of cars allowed into the compound.
 - Agreement on the number of REGISTERED and AUTHORISED arms allowed on the compound
 - Agreement on non-disruption of the day-to-day activities of the public institution.
 - If extraordinary security measures are required, this is to be discussed on a case-by-case basis with the Director General of the public institution.

7.14. CONSTRUCTION OF PUBLIC BUILDINGS AND THE ROLE OF THE MINISTRY OF PUBLICWORKS, HOUSING AND TRANSPORT

72. For public buildings funded by donors who prefer to engage private contractors, the engineers of the Ministry of Public Works, Housing and Transport (MoPW&T) will have the following roles. They:

- Will prepare the plan and design of the buildings or just approve them whichever option is agreed
- Will prepare bills of quantities and participate in the meetings in which tenders are considered and opened.
- Will monitor and supervise construction to ensure that it meets government construction codes and standards
- Will assess whether construction has reached the stages at which instalment payments become due as per agreed with the contractor
- Will certify the completion of the building, after which payment of the final instalment becomes due

73. The original documents of the building will be handed to them when it is completed so that they can create a file for the building within the Ministry of Public Works, Housing and Transport, and enter its details in the General Public Asset Register.

74. See also Section on Procurement Policy. The National Tender Board can advise organisations on the procurement process in relation to construction of public buildings.

8. PROGRAM/PROJECT ISSUES

8.1. PROGRAM PLANS AND BUDGETS

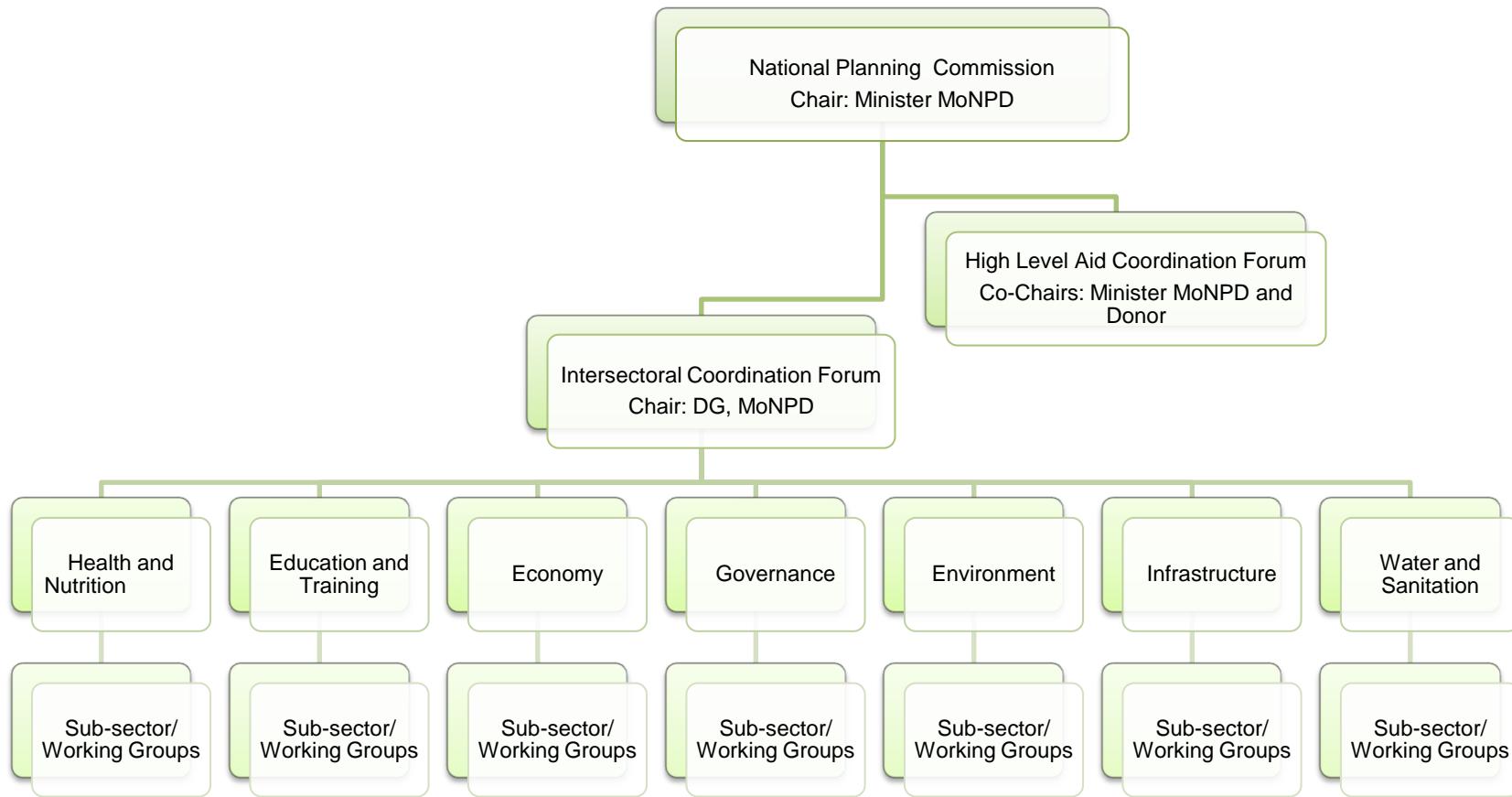
76. At the beginning of every year and any project, the IOs are expected to sign an LOA, and submit an annual work plan with its proposed activities, budget, and procurement plan and record all assets in the program/projects and submit it to the Ministry of National Planning and Development. The relevant documents will be forwarded to the Ministry of Finance and other respective government institutions. (See Asset Registration Form www.slministryofplanning.org)
77. IOs must keep accounting books which meet international standards and which show the organisation's assets, debts, income and expenditure.

8.2. ALIGNMENT WITH NATIONAL DEVELOPMENT PRIORITIES

78. International NGOs are required to align their work with the National Development Plan in accordance with the **National Aid Coordination Policy**. (See www.slministryofplanning.org)
79. The Ministry of National Planning and Development in coordination with relevant line government institutions give instructions to IOs as to how they could align their activities with the National Development Plan.
80. Where there is a Sector Strategy, IOs should also demonstrate alignment with these strategies.
81. As per Article 35(1) of the NGO Law, IOs are expected not to compete with the Local NGOs by implementing projects for other IOs and UN organisations in the Somaliland, where local competency exists.

8.3. SECTOR COORDINATION FORUMS

82. Every IO must be a member of at least one Sector Coordination Forum in accordance with the **Terms of Reference for Sector Coordination**. (Available at www.slministryofplanning.org)
83. The objective of Sector Coordination Forums are to:
 - To increase aid effectiveness to ensure greater development impact and value for money. In this respect, globally recognized principles of aid effectiveness as formulated in the New Deal, the Paris Declaration for Aid Effectiveness and the Accra Agenda for Action, should be observed by all stakeholders, both national and international.
 - To improve coordination between sectors in the delivery of services to the people of Somaliland.
 - To assert the Government of Somaliland's leadership and ownership of aid coordination as a core state function in line with the New Deal Principles to ensure that aid is used effectively to support the Government's development priorities.

FIGURE 1. THE AID COORDINATION STRUCTURE IN SOMALILAND

8.4. REPORTS

8.4.1. Semi-annual and Annual Reporting

84. IOs are to submit a semi-annual and annual report to the MoNPD, and other partners they work with. See **Reporting Template**. The report should cover:

- a. Activities carried out
- b. Activities still planned but not carried out and the reasons for not carrying them out
- c. Plan of action for the coming six months
- d. Accounts
 - Expenditure from the budget
 - Balance remaining from the budgeted amount
 - The budget for the coming six months
- e. Problems and difficulties encountered and lessons learnt

85. The MoNPD has the right to:

- a. Ask the IO to explain items on the report
- b. Investigate to verify claims in the reports

86. If an IO fails to submit the required reports, the Minister will:

- a. Issue a warning to the IO
- b. Give a copy of the warning to the consultative committee and other government agencies concerned
- c. Take action after consulting the Consultative committee

8.5. DEVELOPMENT ASSISTANCE DATABASE

87. The purpose of aid for Somaliland is to contribute towards tangible improvements in the lives of its people. Aid effectiveness means aid that yields concrete, sustainable results that makes the best possible use of resources and maximizes benefits. The Government of Somaliland is improving its programs to achieve this. The aid effectiveness agenda enshrined in the Paris Declaration on Aid Effectiveness (2005); the Accra Agenda for Action (AAA) (2008), and more recently the Bussan Partnership for Effective Development Cooperation in 2011 aims to improve the quality of the delivery, management, and use of development assistance in order to maximize its development impact on the Somaliland.

88. The MoNPD is implementing an Aid Information Management System for Somaliland Government through the creation and maintenance of an online database called Development Assistance Data Base (DAD)- a program that has been supported by the United Nations.

89. The Ministry requires donors and implementing agencies to input donor funds and programs into the system.

90. The data collected will enable a better understanding of development aid flow, and its geographical and sectoral distribution in Somaliland.

91. Data is entered into DAD through an online portal. See the DAD User Manual for inputting data into the DAD.

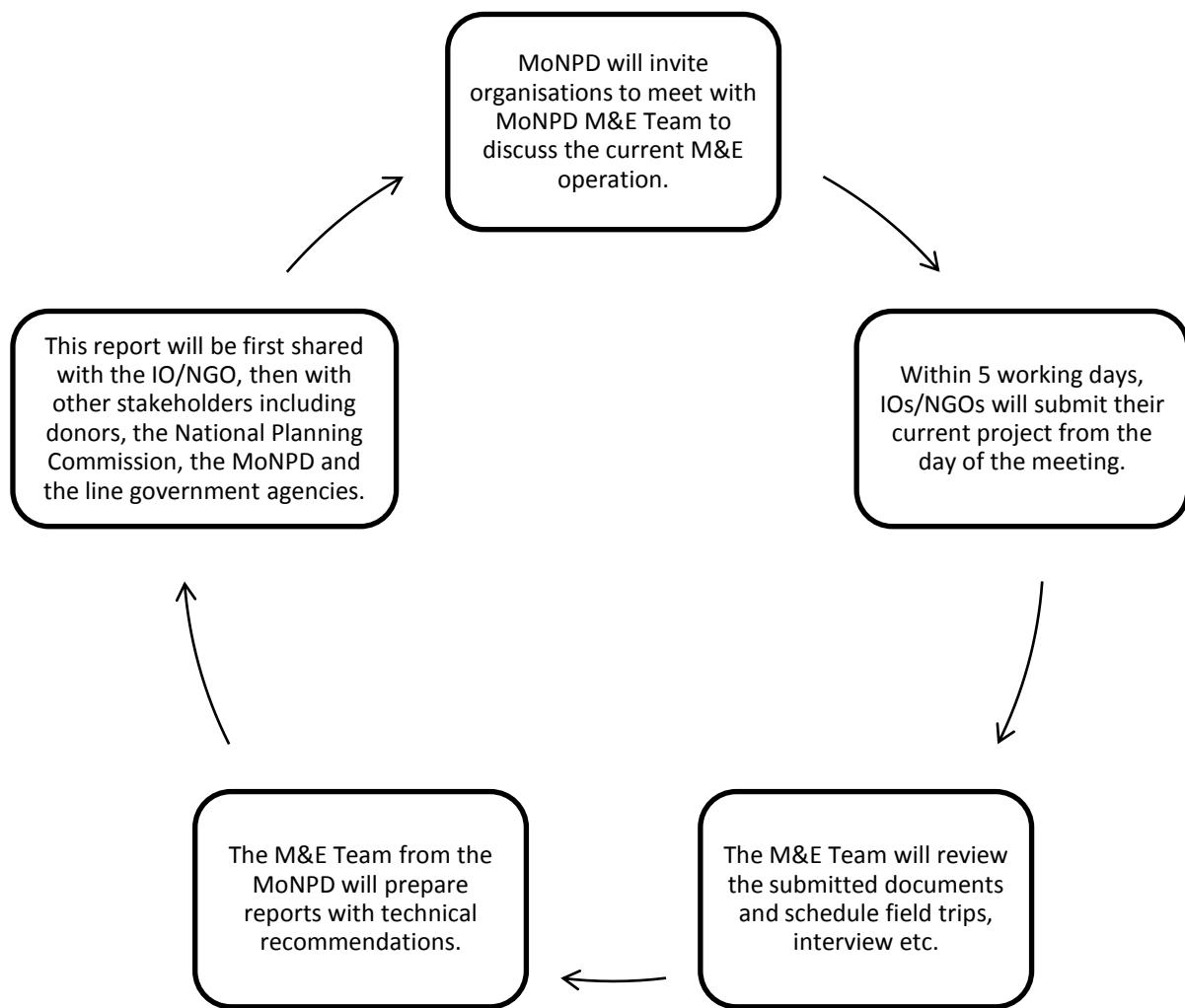
8.6. MONITORING AND EVALUATION

92. The purpose of the Somaliland M&E policy is to collect and analyse development and humanitarian data to track changes from baseline conditions to desired levels and understand why change is taking place (or not) to achieve set targets.
93. This policy applies to all development and humanitarian initiatives funded from public funds, external aid, and community donations, regardless the type and nature of the implementing entity. As guiding principles; Somaliland monitoring and evaluation process will:
 - a. Assure that all M&E operations are impartial, and reports produced and disseminated are objective, reliable, and meet international standards.
 - b. Provide guarantees to participants that the confidentiality of the information they provide will be kept and protected from being used for any purpose other than that prescribed by the Somaliland M&E policy
 - c. Make sure that the benefit of the evaluation outweighs its burden

8.6.1. M&E Process

94. The Ministry of National Planning and Development has the right to monitor and evaluate all the development and humanitarian initiatives implemented or in progress in Somaliland
95. The Ministry of Planning will invite selected organizations to meet with the Somaliland M&E Team to discuss the current M&E operation.
96. Organizations will submit their current project documents within 5 working days starting from the date of the meeting.
97. The M&E team will review the submitted project documents to design, plan and schedule the M&E process including data collection tools, and the dates for field trips and interviews.
98. M&E reports with technical recommendations will be produced, and shared, first, with the concerned organization and then with other stakeholders, including the donors, the National Planning Commission, the Ministry of National Planning and Development, and the line ministries.
99. If a selected organization fails to cooperate, it will be issued with written warning. If it still refuses to cooperate, its registration will be revoked.
100. For further communication, please don't hesitate to contact the Monitoring and Evaluation Section of the Department of Coordination of the Ministry of National Planning and Development at the following contact information.

FLOWCHART 12. MONITORING AND EVALUATION PROCESS IN SOMALILAND FOR IOS AND NGOS



8.7. SURVEYS

101. The Department of Statistics of the MoNPD of Somaliland is responsible for collecting, compiling, archiving and disseminating data.
102. Currently, the ministry gathers administrative data produced by government ministries and agencies and produces Somaliland in Figures, an annual publication. It also collects data on consumer prices, foreign exchange and livestock prices on weekly basis and produces a quarterly bulletin.
103. The Ministry does not have the technical expertise and the means to carry out surveys and censuses at the present time. It is mainly the UN agencies and international organizations that undertake surveys, sometimes regularly, and sometimes sporadically according to need. These organizations do the survey sample design, administer questionnaires, input data, clean data, validate data, analyse data and produce reports with no or little input from the Ministry. These international organizations often target the same community or groups and ask the same or similar questions without being aware of what others are doing or have done.
104. Hence national statistics is presently characterized by:
 - Fragmentation
 - Lack of coordination
 - Poor record keeping
 - Lack of common standards and methodology
 - Lack of consistency and continuity and
 - Contradictory results

8.7.1. Department of Statistics/MoNPD mandate

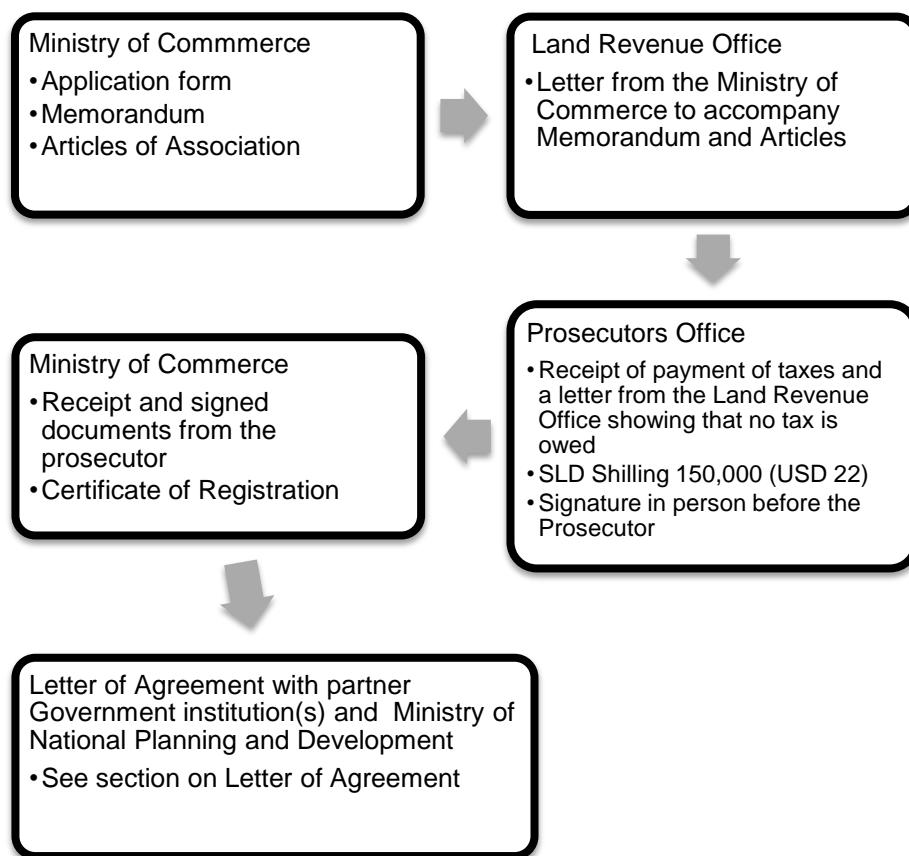
105. In accordance with its mandate, the Department of Statistics of the Ministry of Planning and National Development should be the coordinating hub, which ensures collaboration, information sharing, networking, harmonization and standardization.
106. It should be the focal point for all statistics generated nationwide, establishing links between data users, data producers and data suppliers to achieve synergy and cost-effectives and avoid culturally insensitive questions and procedures as well as the production of conflicting data which leads to loss of credibility in statistics.
107. All organizations that want to collect data through surveys, censuses and other methods are, therefore, required to:
 - Contact and consult the Statistical Department of the Ministry of Planning first.
 - Share with it the aim, scope, methodology, implementation plan and the expected outcome of the data collection project
 - Register the planned survey/census with the Department of Statistics
 - Build on existing data from surveys and censuses that had the same general purpose
 - Involve the Department of Statistics in the design, piloting, enumeration, data preparation, and analysis
 - Provide a copy of the raw data and the report on completion to the Department of Statistics.
 - Share copies of existing data and reports with the Department of Statistics.

9. REGISTRATION OF COMPANIES WORKING ON HUMANITARIAN AND DEVELOPMENT ISSUES

108. Private companies working on humanitarian and development issues, first have to be registered with the Ministry of Commerce and Industry. Once they are registered, they are then required to follow the requirements set out in the Letter of Agreement.

109. The LOA is signed with a government institution and co-signed by the MoNPD. The LOA will also be copied to the MoF.

FLOWCHART 13. REGISTRATION AND LETTER OF AGREEMENT FOR PRIVATE COMPANIES WORKING ON DEVELOPMENT AND HUMANITARIAN ISSUES



10. SUMMARY TABLE

	Key Ministries	Key Forms/ Documents
REGISTRATION		
Registration	Ministry of National Planning and Development	IO Registration Form: Form B
Registration Renewal	Ministry of National Planning and Development	IO Renewal of Registration Form: Form B2
Payment of Registration Fee	Ministry of Finance	N/A
Certificate of Registration	Ministry of National Planning and Development	N/A
OPERATIONAL		
Visa	Ministry of Interior	Somaliland Visa Application Form
Work Permit	Ministry of Labour and Social Affairs	Application for Work Permit: F1
Letter of Agreement	Ministry of National Planning and Development	Standard Letter of Agreement
Customs Clearance	Ministry of Finance	Customs Clearance Form
Procurement	National Tender Board	N/A
Vehicle Registration	Ministry of Public Works and Transport	Vehicle Registration Form
Tax	Ministry of Finance	Tax Forms
Asset Transfer	Ministry of National Planning and Development	Asset Transfer Form
Security	Ministry of Interior	SPU User Guide
Construction	Ministry of Public Works and Transport	As directed by Ministry
PROGRAMMATIC ISSUES		
Program Plans and Budgets	Ministry of National Planning and Development	Letter of Agreement
Sector Coordination	Ministry of National Planning and Development	TOR for Sector Coordination
Progress Reports	Ministry of National Planning and Development	Reporting Template
Asset Register	Ministry of National Planning and Development	Asset Register
Development Assistance Database	Ministry of National Planning and Development	DAD Manual
Monitoring and Evaluation	Ministry of National Planning and Development	Monitoring and Evaluation Policy
Closure of Project	Ministry of National Planning and Development	N/A
Surveys	Ministry of National Planning and Development	As directed by Ministry

11. DIRECTORY OF USEFUL CONTACT NUMBERS

Government Institution	Contact Number
Berbera International Airport	4092646
Berbera Port – Customs	740198/4446093
Hargeisa Central Police Office	523132
HargeisaEgal International Airport	560355
Hargeisa Hospital Ambulance	4429886
Hargeisa Local Authority	514333
Ministry of Finance – Planning &Statistics	4424102
Ministry of Interior – Immigration Agency	4083902
Ministry of Interior – Special Protection Unit	4130000
Ministry of Labour and Social Affairs – Work Permit	4240096
Ministry of National Planning and Development (MoNPD)/ Coordination Department	4477320
Ministry of Public Works and Transport	4240244
Ministry of trade – Company formation	4240143
MoNPD Registration Office	4479178
MoNPD Statistics Department	4424980
National Tender Board	4240075
Somaliland Water Agency	4240090