

MPF Progress Update

The Somaliland Special Arrangement (SSA) was a critical milestone enabling the World Bank to scale up operations in Somaliland. It was on the basis of the SSA and the Somali Compact that the Multi Partner Fund (MPF) was established to focus on delivering support for core state functions and socio-economic recovery.

Thematic focus: The MPF pipeline focuses on core state functions and socio-economic recovery, in line with the World Bank Interim Strategy Note. The four key areas of thematic focus include: *i*) core government functions, *ii*) infrastructure, *iii*) productive sectors and *iv*) natural resource management and resilience.

Alignment with SSA Priorities: The initial pipeline of projects has been developed to target specific priorities of the SSA and National Development Plan, focusing attention on areas of urgent need where the World Bank has a comparative advantage. The MPF focuses on PSG 4: Economic Foundations; PSG 5: Revenue and Services, and the crosscutting priority of institutional capacity development.

Government ownership: MPF investment priorities are identified through a process of ongoing consultation and engagement with government and development partners. Individual projects, within these thematic focal areas, are developed with counterpart ministries to respond to specific government requests.

Strengthening Somaliland's systems: One of the New Deal principles reflected in the SSA is the commitment to build and use Somaliland's systems. With a portfolio focus on "recipient-executed" projects (i.e. projects designed and delivered by Somaliland's institutions), the MPF is a vehicle for building and using local systems, ensuring ownership and capacity internalization for sustainability. The performance of government in delivering MPF projects will be monitored closely by the World Bank, as Administrator of the MPF.

In its first year of operation, the MPF has made strides in developing newly designed projects in line with the SSA in partnership with government counterparts and in coordination with key partners, such as the IFC & MIGA, SDF, and the UN. The passage of key legislation would accelerate the operationalization of several projects in the pipeline.

WB PORTFOLIO OVERVIEW		
PSG 4 Projects	US\$M	Status
Somali Urban Investment Planning Project (1st phase)	0.9	Pipeline
ICT Sector Support	1.1	Pipeline
Berbera Port Towage Services*	4.9	Pipeline
Somali Core Economic Institutions and Opportunities Program (SCORE) **	8.5	Pipeline
Water for Agro-Pastoral Livelihoods Pilot Project* (1st phase)	1	Pipeline
Energy Sector Support	0.6	Active
PSG 5 Projects	US\$M	
Public Financial Management (PFM) Reform (First allocation of two)	4	<i>Awaiting passage of PFM legislation</i>
Somaliland Civil Service Reform Project	10	Pipeline
MPF Knowledge Fund	TBD	Pipeline

*WB projects delivered outside MPF
** SCORE is the successor to investments made through the Somali Private Sector Development Re-engagement Program (SOM-PREP I & II)
N.B. The investment figures for pipeline projects are subject to appraisal procedures with government and make change. Some projects are first phases of longer term programs, the budgets for which are not included in this summary table.

Contributing Donors (US\$ M)		
 UK, 11.3	 Sweden, 3.9	
 EU, 4.6	 Switzerland, 0.4	
 Norway, 3.5	 WB SPF, 1.4	

N.B. Pledge amounts are pro rated estimates based on the size of existing pipeline of MPF projects and components for Somaliland and the relative size of overall donor commitments based on signed legal agreements. Conversations regarding potential contributions are ongoing with Denmark, Finland, Germany, and Italy.

Alignment with SSA Priorities	Projects & Objectives	Government Counterparts
PSG 4 - Priority 1 Develop and implement an investment strategy for public and productive infrastructures, including roads, water, irrigation, markets, ports, and energy	Somali Urban Investment Planning Project Timeline: 2015-16 (First Phase) <i>i) Provide an assessment of the feasibility of, and preliminary plans for, selected urban investment and institutional strengthening activities, and ii) Provide enhanced project preparation and implementation capacity of the municipality of Hargeisa and the Hargeisa Water Authority</i>	Abdurrahman Mahmoud Aidiid, Mayor of Hargeisa H.E. Saad Ali Shire, MoNPD Ibrahim Siyad Yonis, Manager of Hargeisa Water Agency (HWA)
	ICT Sector Support Timeline: 2017-18 <i>Support the ICT Sector by contributing to establishing an enabling environment and by encouraging efficiency and equity in access to connectivity.</i>	Eng. Hassan A. Ahmed, Consultant for the Minister of Telecommunication and Post Eng. Yusuf, Chair of the Somaliland Association of Telecom Operators (SATO)
PSG 4, Priority 2 Strengthen investment in productive sectors, particularly agriculture, livestock, and fisheries; create a legal framework to enable economic growth	Water for Agro-Pastoral Livelihoods Pilot Project Timeline: 2015-17 (1st phase) <i>Increase government capacity to provide safe water for human consumption, sufficient quantities of water for livestock consumption and small-scale agriculture in targeted pastoral communities</i>	H.E. Shukri Haji Ismail, Minister of Environment & Rural Development
PSG 4, Priority 3 Building efficient credit, investment and insurance institutions that contribute to economic growth and higher living standards.	Berbera Port Towage Services <i>Support the development of Berbera Port by improving throughput, towage capacity and reliability of towage operations</i>	Ali Omar Mohamed, General Manager, Berbera Port Authority
PSG 4, Priority 4 Generate employment, including through the development of vocational and technical training, and establish a special business fund for young entrepreneurs.	Somali Core Economic Institutions and Opportunities Program Timeline: 2015-2019 <i>(i) Improve the enabling environment for private and financial sector development (ii) Catalyze private investment and job creation.</i>	H.E. Saad Ali Shire, Minister of National Planning and Development H.E. Musa Kasim Omar, Minister of Commerce and Investment Mr. Abdillahi H. Jama Ali, Central Bank Governor
SSA PSG 4, Priority 6 Put in place an affordable energy plan and policy that takes Somaliland from dependence on imported fuel to a greater use of its own abundant natural resources.	Energy Sector Support Timeline: 2015-16 <i>Contribute towards developing the fundamental building blocks for the establishment of modern energy sector</i>	H.E. Hussein Dualeh, Minister of Energy
PSG 5, Priority 1 Establish an appropriate and effective system of PFM based on the PFM Road Map that includes strengthening the budget process, establishing a chart of accounts and enhancing public procurement.	Public Financial Management Reform Phase II Timeline: 2015-17 <i>Establish systems for more transparent and accountable management of public funds.</i>	H.E. Zamzam Abdi Adan, Minister of Finance
PSG 5, Priority 3 Create a merit based and equitably distributed civil service that delivers high quality basic services and security for all Somaliland citizens.	Somaliland Civil Service Reform Project Timeline: 2016-20 <i>Strengthen the frameworks and systems for civil service management and improve the capacity of selected line ministries to perform core government functions.</i>	Mohamed Mihileh, Chairman, Civil Service Commission