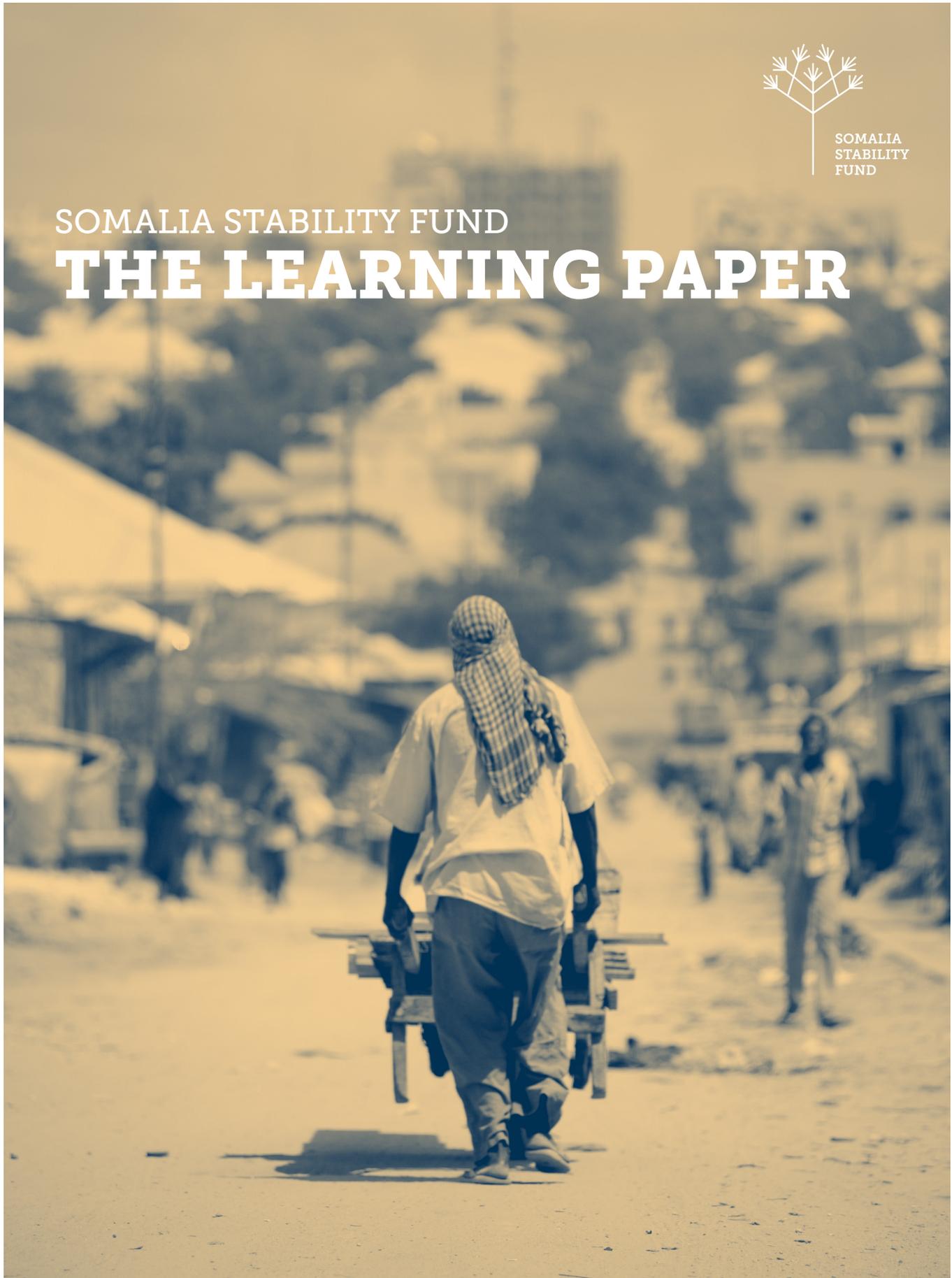




SOMALIA STABILITY FUND
THE LEARNING PAPER

THE LEARNING PAPER – DECEMBER 2021

IMPLEMENTED BY ADAM SMITH INTERNATIONAL



DELIVERING PEACE & STABILITY IN SOMALIA





'TO BE WITHOUT KNOWLEDGE IS TO BE WITHOUT LIGHT'

SOMALI PROVERB

Cover image credit: ©AMISOM

All patterns and colours used in this
publication are inspired by Somali textiles

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INTRODUCTION & PURPOSE

The Somalia Stability Fund (SSF) is a multi-donor programme working towards a peaceful, secure, and stable Somalia. It offers Somali stakeholders a source of multi-year funding that can respond to local needs and opportunities that contribute to stability in Somalia. SSF aims to contribute to enhancing stability in Somalia through the following programmatic outputs:

1. Fault-lines for political conflict are identified and appropriately addressed
2. Enhanced popular participation in governance, particularly for women and excluded communities
3. Increased government visibility and community engagement
4. Reduced community vulnerability to conflict

Throughout SSF's second phase (2016–21), it has learnt a number of lessons that can provide helpful insights to strengthen the design and delivery of future programmes. This document shares key lessons that are most relevant for future programming, in the following areas:

- The Fund's strategy, including **thinking and working politically** and **flexible and adaptive programming**
- Management and coordination, including **risk management**, decision-making based on **research and analysis**, **collaboration** between lead donor and implementing partner, and a gradually **more streamlined approach**

- Addressing political fault lines (output 1) through **close coordination with elders, constructive dialogue**, and acting only **when the timing is right**
- Enhancing popular participation in governance (output 2), including **strengthening the role of women**, preparing the ground through **preliminary work** on investments, enhancing women's **socio-political influence**, and **amplifying local voices**
- Increasing government visibility (output 3) including **encouraging inclusive dialogue**, pre-existence of **local governance structures**, sustainability, and **adapting to shocks**
- Reducing community vulnerability to conflict, including supporting **transparent and inclusive community processes**, reconciliation through **social healing**, and **district council formation**
- Infrastructure

There are implicit recommendations throughout, and in many cases explicit recommendations are also indicated with the intention of enabling greater effectiveness of future stability programming in Somalia and other similar contexts.

1

**FAULT-LINES FOR POLITICAL
CONFLICT ARE IDENTIFIED AND
APPROPRIATELY ADDRESSED**

2

**ENHANCED POPULAR
PARTICIPATION IN GOVERNANCE,
PARTICULARLY FOR WOMEN AND
EXCLUDED COMMUNITIES**

3

**INCREASED GOVERNMENT
VISIBILITY AND COMMUNITY
ENGAGEMENT**

4

**REDUCED COMMUNITY
VULNERABILITY TO CONFLICT**

Image credit: ©AMISOM

THINKING & WORKING POLITICALLY

In Somalia, politics is complex; the country remains fragile due to competing domestic, regional, and international actors and interests. Clan relations are complicated and there is ongoing competition for resources. In this context, it has been a critical success factor of SSF's strategy to think and work politically at all levels of Fund management and implementation, proactively engaging with politics to bring about transformational change.





LEVERAGE LOCAL CONTEXTUAL UNDERSTANDING TO INFORM FUND AND DONOR DECISION-MAKING

SSF has leveraged the excellent networks of its state and federal-level advisors to provide insights and analysis into the evolving political, conflictual, and social context for its leadership and for the Joint Donor Committee (JDC). Sustaining this analysis, sharing it with the JDC, and having it challenged by the JDC is critical in informing the JDC on decision-making options for SSF and how diplomatic support can best be mobilised to achieve the Fund's objectives, as well as to support wider donor objectives.

POLITICAL CONFLICT AND IMPLICATIONS ON COMMUNAL CONFLICT DYNAMICS

There are significant variations in how political conflicts impact upon district and community-level relationships. Two examples of this include Gedo in Jubaland and the differing experiences of Balanbale and Hobyo in Galmudug. For instance, despite the elevated political conflict in Jubaland for much of 2019, the strained relationship between Gedo communities and the Jubaland administration, and predictions of election-related violence, there was relative calm in Gedo. Armed Conflict Location and Event Data Project (ACLED) data in 2019 even indicated that there was a drop in both casualties and the number of communal conflicts.

Conversely, in Galmudug, the political contestation between the Dhusamareb and Adado camps led to conflict. Two parallel district administrations were established, but there was a flare-up of violent conflict between the Marehan and Eyr communities in the town which reversed some of the gains that were identified in Balanbale at SSF's midline assessment. However, in Hobyo and Abudwaq, there was very little negative impact from the Galmudug political crisis. In the words of a young male respondent: "Hobyo is very far from Dhusamareb, and Galmudug's political quarrels will not affect Hobyo". In addition to the three locations where the Wadajir Framework was being implemented, SSF has active investments in Guri-ceel, Dhusamareb, Adado and South Galkayo—none of which were negatively impacted by the Galmudug political crisis.

The key learning here is that we cannot rely on knowledge-based assumptions to be reliable, and these assumptions need to be tested regularly against the specific dynamics of the context in question.

RECOMMENDATION:

The Fund and other similar programmes should pay keen attention to politics at various levels and find modalities and mechanisms for engaging with and navigating politics to bring about transformational change.

While there may be assumptions about the impact of politics at various levels on events at district and local levels, these assumptions should be tested frequently and especially before making critical decisions, as their reliability may vary.





Image credit: ©AMISOM



ENGAGEMENT WITH POLITICS

While SSF, donors, other programmes, and actors continue to engage on highly politicised processes, operate, and deliver in this space, their impact will be relatively limited as long as there is significant contestation over political settlement in Somalia. Wider efforts on stability require a more conducive political context with some degree of consensus between political elites. To achieve this, complementary diplomatic engagement from the international community that seeks a set of incentives for a more collaborative approach in Somalia in the future will be critical.

COORDINATED DIPLOMATIC ENGAGEMENT BY SSF DONORS ON POLITICAL ASKS WITH GOVERNMENT (FEDERAL AND STATE) ARE KEY TO THE SUCCESS OF SSF

The Fund's continued engagement in high-risk political processes — particularly political conflict and democratisation — requires senior donor representation to engage stakeholders at all levels of government and, where possible, hold them to account.

RECOMMENDATION

For more effective international community engagement on key political issues, SSF's JDC should agree on a coherent set of messages. For more sensitive or disputed policy positions, this would also require regular convening of JDC Heads of Mission.

PRIORITISING SUPPORT TO REFORM-MINDED COUNTERPARTS

The growing expectation on the part of SSF donors that the Fund should use the leverage and influence it enjoys as a large multi-donor instrument as a means of advocating for a more principled approach during periods of political transition led SSF to attempt to tie its support to a greater political commitment from the authorities, with mixed results. For instance, in Jubaland, SSF's planned technical support to the state selection process in 2019 was conditional on a principled approach that would allow for a credible and fair process. SSF attempted to use the Fund's significant political capital that it had built up with the authorities through the support of a number of flagship infrastructure investments to influence stakeholders to hold a free and fair process. As it became clear that this would not be possible, SSF decided not to provide the support that would have legitimised the election process and, by extension, the outcome. Jubaland proceeded with their selection process. The results of this electoral process were not accepted by the FGS nor endorsed by the international community, which posed a conundrum for Jubaland.

In Galmudug, SSF also tried to use its political capital to encourage President Haaf, the vice-president, and the ASWJ leadership to come to an agreement to overcome the prevailing political conflict. The SSF strategy was to halt all overtly political processes that the fund supported, such as district council formation or visible symbols of the state like the proposed government ministry building construction in the state capital, Dhusamareb, until the political conflict was resolved.

However, this approach led the Galmudug leadership to issue media statements accusing SSF of being influenced by the FGS to withhold investments in the state for political reasons. In 2019, when the federal government and Galmudug leadership agreed to collaborate on the ongoing political reconciliation process, SSF decided to lift the suspension of these critical government infrastructure investments and also to proceed with district council formation, determining that the political conditions had now been met.

In early 2019, SSF supported Puntland state's plan to hold one-person, one-vote elections in 2021/22, however tied this support to a political commitment from the state leadership and asked for the appointment of a politically and technically credible electoral management body. Later, when the administration sought financial contribution from SSF for a large conference hall the administration planned to construct, the Fund asked the administration to make the facility available to non-state actors without cost. Both of these requirements were met.

SSF's limited experience of using conditionality to improve the quality and transparency of political processes has shown that the Fund does have the capacity to support selection processes to be fairer and more transparent. However, such a strategy may work only if calibrated, nuanced, and timed well and early. Furthermore, SSF's experience also suggests that when donors and the international community have a harmonised policy stance and speak with one voice and with clarity, especially during a political transition, such a strategy can be much more impactful.

However, since the removal of the former UN Special Representative for Somalia, Nicholas Haysom, there appears to be a hesitancy on the part of the international community to take a bold and principled stand on issues. Not using conditionality as a policy and programming tool risks weakening the international community's hand and missing opportunities because the Somali government derives much of its legitimacy from international aid in the form of AMISOM and SNA support, direct budget support, and other humanitarian and development aid (Somalia received 2 billion USD in official development assistance (ODA) in 2018). The international community has a responsibility to the Somali people to push for increased political dialogue and consensus-based decision-making to prevent regression and further political instability in an already fragile and tense context, and should, when needed, use its leverage to achieve this. SSF has a duty to continue providing high-quality analytical support and policy analysis that support the implementation of an inclusive politics agenda.

RECOMMENDATION

Where it is assessed—based on careful political analysis—that the Fund has leverage to effectively apply conditionality to drive reform, this approach should be applied. However, care should be taken in such an approach to avoid the Fund being seen as interfering directly in political processes.



CONSTRUCTIVE DIALOGUE AS A PATHWAY FOR FGS–FMS CO-GOVERNANCE

SSF has facilitated several important processes for constructive FGS–FMS dialogue that have proven successful, despite heightened political tensions between different levels of government. An excellent example of this is the development of a forum for routinised technical discussions among multiple stakeholders representing the federal and state ministries of labour, planning, education and productive sectors, civil society, private sector, and educational institutions. This was achieved via the Human Capital Development Mechanism (HCDM) with the objective of improving the understanding of Somalia's human capital needs and developing a strategy to advance this agenda.

However, the timing of the HCDM's launch coincided with the FMSs' announcement that they are suspending relations with the FGS. Despite this unexpected and acute challenge, this initiative successfully secured buy-in for a national development priority. The process of consensus-building took more time, resources and effort than originally envisioned but was worth the investment. An independent case study of this project found that "reputation, knowledge, networks and general savviness" were crucial success factors for this initiative. A key learning point from this experience is that the credibility and personal relationships of those who convene consensus-building processes matter.

RECOMMENDATION

SSF should seek to identify entry points on technical issues that allow stakeholders to reach agreements. These efforts build political trust and strengthen relationships across conflict lines which may have utility in addressing more sensitive or political issues.

THE VALUE OF MULTI-LEVEL POLITICAL ANALYSIS AND ENGAGEMENT

The 2018 midline assessment of SSF found strong evidence suggesting that local-level conflict resolution in Balanbale and Abudwaq, which was directly related to the higher-level peace process between ASWJ and Galmudug, had seen a dramatic change in the last year. Abudwaq residents directly attribute much of the credit for these positive developments to President Farmajo's visit. This experience – on this and other SSF investments – drives a key lesson that entry points for conflict resolution should be guided by careful conflict analysis that focuses on both the granular clan and individual relationships within a community and their links to and between the FMS and FGS levels. The choice therefore is not whether the proposed solutions ought to be top-down or bottom-up but rather understanding the relationship between the systems, networks and individuals at different levels and incentives structures, including an understanding of who gains and who loses as a result.

RECOMMENDATION

The Fund's approach to resolving conflicts should seek to first understand the intricacies of the conflict and how it affects and is also affected by politics at the various level of government.

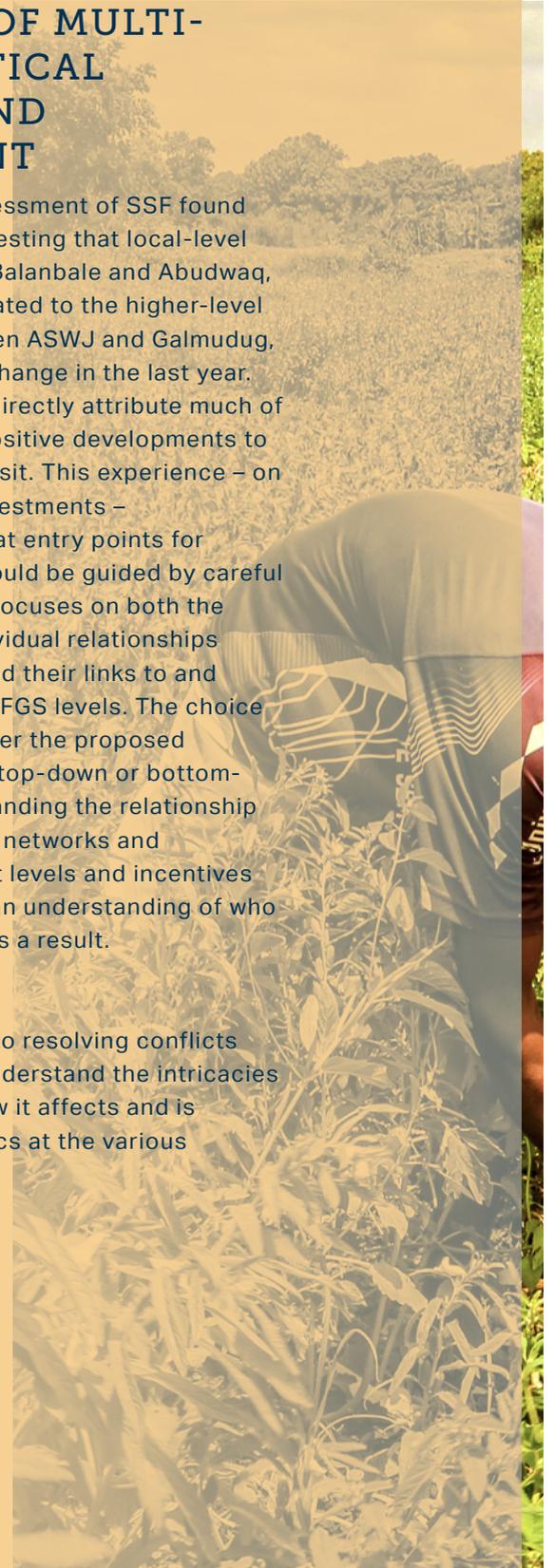


Image credit: @SSF



LOCAL COMMUNITIES KNOW AND ARTICULATE THEIR NEEDS BETTER THAN OUTSIDE ACTORS.

SSF's willingness to fund investments that are of less obvious immediate utility for the promotion of stability than others, but which were identified as top priorities by the community, paid dividends. There are many examples of this learning throughout phases I and II of SSF. This informed SSF to capitalise on local knowledge in its peace dividend infrastructure projects, whereby SSF relied on the communities to determine what was a priority for them, as opposed to what SSF or its partners had assessed.



Image credit: @SSF



LOCAL OWNERSHIP / FLEX & ADAPT

SSF has always taken a flexible approach to budgeting which has ensured it always has the ability to respond to emerging priorities. SSF has learned that Somali partners are particularly well suited to manage the contextual complexities of delivering politically or culturally sensitive investments – and that a trusting relationship with partners can empower partners to stop programming at periods when it is not advisable and ramp up delivery when contextual conditions make this advisable.

SSF has learnt that engaging with partners can help develop innovative ways to deliver. For instance SSF has developed exciting ways to engage with the private sector through its long-term partnership with Solargen, a Somali private sector firm. Through its long-term relationship with Solargen, SSF was able to bring the firm in for the ambitious Warsheikh Solar City project which was a key factor underpinning the establishment of Warsheikh District Council.

ADAPTING TO CHANGING CIRCUMSTANCES

To remain effective and relevant within the complex and variable operating environment in Somalia, SSF has taken a highly flexible and adaptable approach. SSF has learnt critical lessons on how to sustain this approach.

FLEXIBLE AND ADAPTIVE PROGRAMMING MUST RECOGNISE CHANGES ON THE GROUND

SSF has faced frequent shifts regarding the operating environment in Somalia. It is critical to understand the changing context so that the Fund can adjust or delay interventions to ensure relevance and impact. SSF's flexible approach has enabled the programme to both capitalise on opportunities to maximise the impact of some investments and cease other investments when the approach is no longer fit for the context. For instance, in 2021, SSF aimed to support district council formation (DCF) in locations across Galmudug including Balanbale, Hobyo, and Abudwaq; however, the delayed and disputed federal electoral process led to increased federal and state government interference in district-level politics. To avoid DCF from being tarnished by the wider political contestation, SSF paused the process and will restart it once there is the political space to make durable progress.

SUCCESSFUL ADAPTATION MUST BE UNDERPINNED BY ACCURATE AND UP-TO-DATE INFORMATION

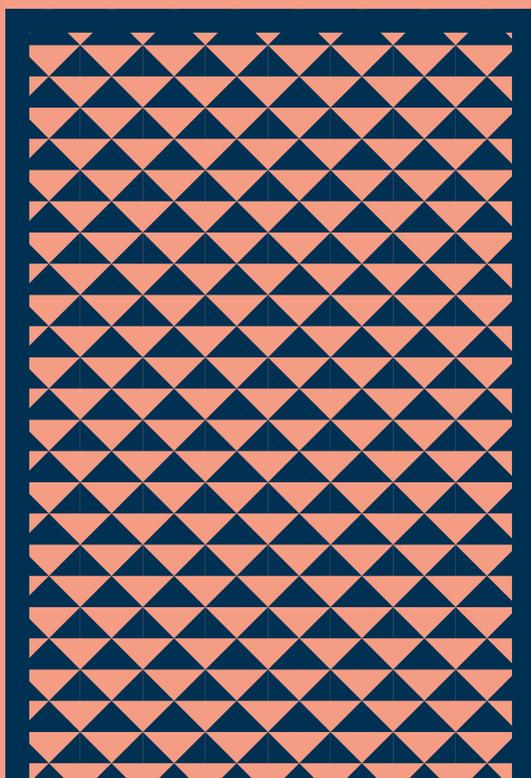
Closely linked to the above issue of adapting to changes in the context is the need for reliable and accurate information in order for changes to be identified and understood early. SSF has learnt that having the right team and partners is critical to understanding the context at local, state and federal levels. Our experience demonstrates that where well-embedded local partners are engaged on processes, they can advise on the pace of progress and flag issues early. However, our experience also shows that networks can be hyper-localised, meaning a partner that is highly effective at achieving impact in one location may lack the knowledge and networks to replicate that elsewhere. Similarly, SSF has learnt the importance of communicating and sharing information between different levels of programming.

RECOMMENDATION:

It is important that our local partners, embedded state leads, and federal engagement leads are in frequent contact so that information can be triangulated and the Fund can quickly assess whether an emerging issue in one location is an isolated incident, or whether the Fund needs to take proactive decisions to mitigate changes in the context which may have a wider impact on the fund.

FLEXIBILITY AND ADAPTATION MUST HAPPEN AT EVERY LEVEL OF THE PROGRAMME

SSF has come to understand that even seemingly small decisions taken at local levels cannot be taken in silos and may have a wider impact on delivery. This includes decisions on interventions, management, procurement and audit. For all of these, a lack of communication within SSF risks causing delays or even increasing the Fund's exposure to reputational and financial risks. For instance, during the pandemic, several decisions required cross-Fund coordination, including management decisions to select the most impactful investments, procurement decisions to contract partners and local engagement from investment managers to coordinate with government, community, and other programmes on what interventions SSF was going to deliver. In this instance, any change to approach or timelines could have stopped or delayed the delivery of key Covid-19 messaging, the delivery of personal protective equipment, or delayed loan repayments for small businesses. This demonstrates that a joined-up approach is critical to maximising the impact of SSF's investments.



IT IS CRITICAL TO ADJUST FLEXIBILITY GOALS ACCORDING TO PROGRAMME CONSTRAINTS

Alongside recognising the value of a flexible approach in an unstable environment such as Somalia, it is also important to recognise the constraints on the Fund's delivery, including budget, spend, timeline, risk appetite, and scope, all of which limit how flexible SSF can truly be; the desire for flexibility has repeatedly been curtailed by these constraints.

For instance, as SSF phase II closes on 31st December 2021, there are several investments, such as the procurement of voter registration equipment for the state-wide local elections in Puntland, where SSF is well placed to deliver; it has been acknowledged by the Fund and its donors that this could have a major impact towards achieving successful one-person, one-vote elections in Puntland. However, contractual constraints and the tight timelines for delivering and validating voter registration equipment mean that this will not be possible before the end date of SSF II. In this context, it is better for SSF to acknowledge the limits on its flexibility, to update stakeholders on the challenges, and to search for alternative solutions rather than take on a high-risk procurement that SSF may not be able to deliver.

ADAPTIVE APPROACHES REQUIRE SIGNIFICANTLY HIGHER LEVELS OF MANAGEMENT EFFORT

SSF has learnt that in order to effectively implement flexible and adaptive approaches, this requires additional dedicated time, particularly from the programme management team. On a large fund that is delivering more than 100 investments, flexible delivery requires intelligence from the ground, frequent communication within the leadership team and with partners, and time for the management team to frequently and responsively review and adjust investment-level interventions. Failure to fully resource these activities can lead to programmes being slow to adjust to changes in the context and therefore hinder their ability to capitalise on the benefits of flexibility.

RECOMMENDATION

The full additional level of effort required to deliver a flexible and adaptive approach must be carefully considered and factored into the programme budget at the design stage.

FLEXIBLE AND ADAPTIVE MANAGEMENT APPROACH

Somalia is a complex country facing an array of challenges across different sectors and locations. A key lesson that has emerged from SSF is the critical need to understand the unique geographical, socio-political, and economic factors facing the Fund at a portfolio level, but also how these impact investments at a localised level. By assembling a well-connected and well-informed team with networks at federal, state, and local levels in Somalia, SSF has been able to better understand the context, enabling it to deliver a sustainable, impactful, and flexible portfolio of investments to improve the lives of Somalis and strengthen stability in Somalia.

SSF's locally driven approach is underpinned by granular analysis and regular scenario planning, which help to ensure that SSF is proactively able to identify and adapt to changes at national, state, and local levels. SSF leverages its in-house policy team, its research partners, and flexible facility of short-term experts to ensure that the Fund has an up-to-date and robust evidence base. This approach equips the Fund to make well-informed decisions to maximise the impact of investments and minimise the risk of delivery. SSF also leverages the networks of its donors to support SSF's priorities; the donors play a critical role in engaging Somali stakeholders in support of SSF's stability priorities. For instance, SSF's support to Puntland's democratisation process has been well supported by frequent donor engagement on these issues, including through diplomatic pressure and providing key connections between SSF and other organisations supporting the democratisation process.



Image credit: @SSF



RECOMMENDATIONS:

- Assembling a team with a deep combined understanding of the local, state, and federal-level politics is critical to underpinning flexible and impactful programming.
- Flexibility is not something that can only exist at the intervention level. All fund structures and processes should be designed with the value of flexibility in mind.
- Programmes and donors should acknowledge the constraints they face and ensure that these are discussed and agreed upon with the Fund in order to shape portfolio and intervention-level decision-making.
- Truly flexible fund management requires a well-resourced team. Donors must invest in fund management appropriately to capitalise on the benefits of a flexible and adaptive approach.
- Effective programming in Somalia depends on a robust understanding of context and an evidence base to inform programme decision-making. In fragile and inaccessible contexts such as Somalia, this can only be achieved through having locally embedded teams and prioritising investment in contextual analysis.
- In Somalia, the context is highly dynamic. This means that analysis and programme approaches can rapidly become outdated. It is essential to ensure that programmes are flexible to adjust to meet the needs of the changing context.
- Cultivating trusting relationships with partners is critical. The reality of ambitious stability programming in fragile contexts such as Somalia is that windows of opportunity for progress can open quickly—similarly, challenges can emerge at short notice. It is vital to have trusting relationships and close communication with partners to capitalise on opportunities when they arise, and to work together on addressing challenges that emerge.
- Robust fund processes must underpin delivery in Somalia. Delivering stability programming is high risk, therefore thorough, transparent, and fair procurement processes—as well as robust due diligence and risk management processes—are critical. These enable the Fund to become a trusted and reliable actor by Somali stakeholders and to identify and address issues on behalf of donors.



Image credit: @SSF

MONITORING & EVALUATION

SSF has learnt several lessons on how to ensure that monitoring, evaluation, and learning are appropriately scaled and digestible, and that they produce actionable recommendations to improve programming going forward. These include:

1. The need to ensure that results frameworks are straightforward and easily understood. Key lessons from SSF's results management approach through 2016–2020 were:

The results framework was highly complex and required an intimate knowledge of the programme and extensive expertise in M&E to truly understand what the programme had achieved.

The importance of ensuring that the impact and outcome-level results statements were closely linked to the Fund's outputs and objectives. Prior to 2021, SSF's outcome statements were quite far removed from the investments that SSF had on the ground. In 2021, SSF updated these to tie them more closely to the work that SSF was doing on the ground and to better align the outputs with the ambitions of the programming.

2. Acknowledging the complexity of the programme. The nature of a highly flexible fund such as SSF with different donors providing different funding—sometimes earmarked for specific interventions—is such that it cannot be easily compressed into a straightforward score or measured by a quantitative assessment.

3. Recognise the importance of clear and cohesive communication:

A clearly defined set of principles agreed by SSF (the Fund manager in conjunction with donors) which SSF and its donors will adhere to—and which ensure consistent, accurate, and up-to-date communications around the Fund—are critical for ensuring that both Somali stakeholders and the international community have a clear understanding on the mandate, investments, and impact of SSF.

A well-resourced communications team with the capacity to collate, design, and disseminate information about SSF to donors, Somali stakeholders, and the wider international community.

RECOMMENDATIONS:

- A simplified results framework that is more easily measurable and comprehensible will be helpful for ensuring that the Fund's success can be accurately captured, quantified, and reported.
- Using qualitative and narrative scoring assessments is a sensible and practical way to ensure that the full breadth of the Fund can be considered and captured in results reporting.

MANAGEMENT & COORDINATION



RISK MANAGEMENT

SSF has taken a proactive approach to risk underpinned by significant investment in risk management and regular engagement with FCDO and the JDC on key risks. Identifying, managing, and joint de-escalation have been central to SSF's approach. SSF has learnt a number of key lessons around risk management, with key recommendations outlined below:

Risk management must be streamlined within project delivery: As SSF progressed, the Fund managed risk in a way that provided greater assurance to FCDO, but did not add considerable extra burden or unnecessary process to project delivery. The Fund summarised risks and their mitigations in JDC meetings and presented them in a clear, concise, and digestible way.

Build the risk management capacity of local partners: SSF built the capacity of local partners and developed a rigorous due diligence process which is backed up by regular engagement with partners on programmatic and financial challenges to prevent issues from arising. This success has been underpinned by open, honest, and trusting relationships with investees which has enabled the Fund to identify and address potential areas of weakness early before risks escalate into serious issues.

Take a collaborative and inclusive approach to addressing shared risks: SSF's structure allows for risk management to be addressed jointly. Developing a trusting and transparent culture with partners and encouraging them to share risks and issues is critical in ensuring that partners do not perceive that they are being 'punished' for escalating issues. The culture of honesty that SSF has cultivated has been critical in enabling the Fund to identify, address, escalate, and learn from issues; this is pivotal in ensuring that precautions can be put in place to prevent the same issues from reoccurring.

High-level senior engagement by donor representatives is critical to delivering on politically sensitive programming: Engagement by donor representatives on political messaging with both FMSs and the FGS can be key to mitigating political risks quickly. Diplomatic support is crucial to the achievement of the agreed goals of SSF. The Fund leveraged its relationships to help shape the discourse in Somalia and to ensure that government counterparts upheld their promises.



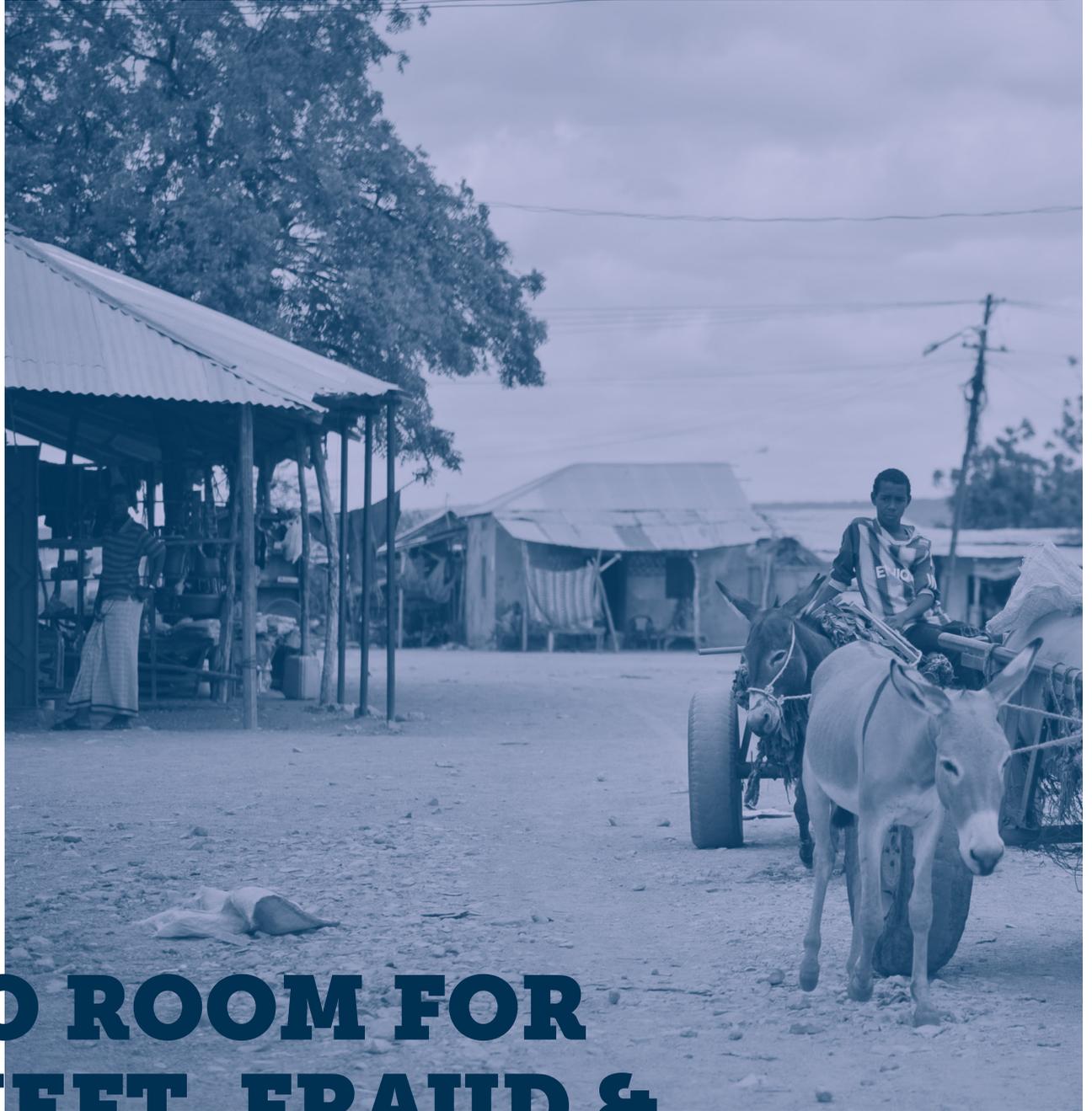
Image credit: @SSF



Image credit: @SSF

Building the right systems enables projects to work with the right partners: An inherent risk of employing extensive due diligence processes and capacity requirement of partners is that small local firms in Somalia may not have the processes and procedures in place to work with the Fund. This poses a threat in that large funds may not be able to work with the right local partners that have the best knowledge on the ground. SSF overcame this challenge by setting up the right systems to lower barriers to entry for lower capacity firms and organisations. For instance, SSF used a grant management IT System that enabled the Fund to have oversight of (and therefore confidence in) partners' financial reporting. This enabled the Fund to work with partners that did not initially by themselves meet SSF's stringent threshold for financial accountability and transparency.

Shutting down quickly when the risk on investments is perceived to be high: As part of its approach to risk management, the Fund occasionally decided to shut down investments when the risk analysis perceived levels to be too high. For instance, in Galmudug, where the risk emanating from the on-going local politics was perceived to be too great, the Fund suspended its operations in the region to limit potential fallout.



**'NO ROOM FOR
THEFT, FRAUD &
MISUSE OF FUNDS'**



LESSONS FROM FIDUCIARY RISK MANAGEMENT OF THE GEDO DIALOGUE PROJECT

When SSF piloted the DIALOGUE project for Gedo, it absorbed an elevated fiduciary risk and had to secure high-level donor approval, including from the Head of DFID to use Somali government systems. SSF has since learned that risk was well worth taking. The project not only achieved the desired results in terms of incentivizing resource mobilisation between local administrations and citizens, and promoting inter-community collaboration, but it also instilled trust in government systems, in this case, the Jubaland Ministry of Finance's Single Treasury Account (TSA).

In a country often assessed as being the most corrupt in the world, the fact that the use of the TSA helped positively transform the Gedo community's perception and trust in the Jubaland government is worth applauding. In the words of one clan elder in Doolow, "Instead of people cheating and stealing the money, the Jubaland government disbursed funds to a single treasury account, this leaves no room for theft, fraud and misuse of funds."

The lesson from this experience is that with robust fiduciary risk mitigation measures - in this case, instituted by the SSF Risk and Assurance team and Public Resource Management in Somalia, PREMIS, project who monitor fund flows through the TSA - there was no fund diversion. This programme model, with a slight adaption to require

Image credit: ©AMISOM

SSF'S ADAPTIVE MANAGEMENT TOOLKIT



CHANGING CONTEXT

Understanding and adapting to a shifting context by assembling a well-connected and well-informed team with networks at federal, state and local level in Somalia is key.

LOCALLY DRIVEN

SSF's locally driven approach is underpinned by granular analysis and regular scenario planning, which help ensure SSF is proactively able to identify and adapt to changes at national, state, and local level.

LEVERAGING EXPERTISE

SSF leverages its in-house policy team, its research partners, and flexible facility of short-term experts to ensure the Fund has an up-to-date and robust evidence base able to respond to changing needs.

LEVERAGING DIPLOMACY

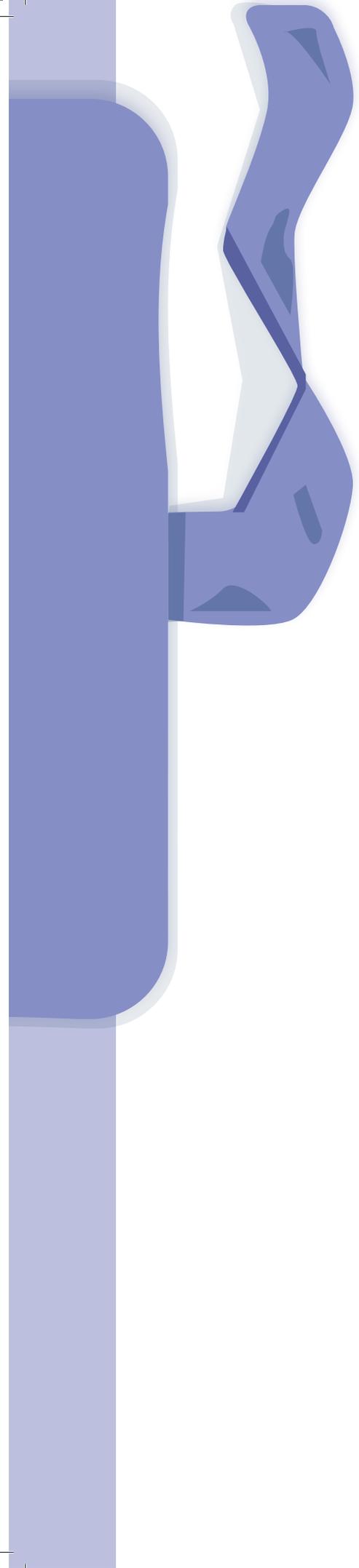
SSF also leverages the networks of its donors to support SSF's priorities. The donors play a critical role in engaging Somalia stakeholders in support of SSF's stability priorities.

LEVERAGING PARTNERSHIPS

SSF has learnt that engaging with partners can help develop innovative ways to deliver.

FLEXIBLE BUDGETS

SSF has always taken a flexible approach to budgeting which has ensured it always has the ability to respond to emerging priorities.



A COHESIVE APPROACH YIELDS GREATER IMPACT THROUGH LEVERAGING COMPLEMENTARITY BETWEEN INVESTMENTS

According to SSF's initial strategy, individual investment decisions were based on the merits of each case. This enabled the Fund to deliver targeted support to locations and sectors across Somalia where it was identified to be of highest need. It also enabled the Fund's well-received agility, responding quickly to opportunities and evolving challenges as they emerged. For instance, SSF was well-placed to respond to flooding in Beletweyne and to the emergence of the C-19 pandemic. However, a key lesson from this approach was that programming could be disjointed and miss out on the advantages of a more structured approach. SSF phase II revised its approach to be more cohesive and coordinated and capitalise on the advantages of greater complementarity. For instance, the Fund worked in locations where the local authorities shared SSF's ambitions and bought into priorities such as democratisation, and the Fund delivered targeted research that would inform and shape SSF's investments. A key lesson was that whereas the broader focus was appropriate originally, over time adopting a gradually more streamlined approach with a narrower scope of investments enabled the fund to build more expertise, better networks, and to sustain focus on achieving longer-term objectives. This has been evident in Puntland where a set of investments in support of democratisation have led to the first one-person, one-vote pilot elections in the state on 25th October 2021 and has put Puntland on course for state-wide elections in 2022.

CLOSE WORKING RELATIONSHIP BETWEEN IMPLEMENTING PARTNER AND LEAD DONOR ENABLES MORE EFFECTIVE FUND MANAGEMENT

A key aspect of SSF's pivot towards a more cohesive approach to investment delivery was the close collaboration between ASI (the Fund manager) and FCDO (the lead donor). Through this strong relationship, ASI and FCDO adjusted the SSF's results framework, team resources, and strategy to ensure that they reflected the Fund's new vision. This strategic pivot can only be achieved through trust-based donor-implementer relationships built on transparency, good communication, alignment of risk appetite, and escalation thresholds — all of which are critical to driving impactful and flexible programming.

MAXIMISING THE VALUE OF RESEARCH AND ANALYSIS TO DRIVE DECISION-MAKING

SSF's strategy has been based on high-quality research, learning, and political economy analysis to advise and shape government policy and donor-funded programming in Somalia. SSF's investment in high-quality research and analysis has driven both local and international community approaches to Somalia, however it has often reached only a limited audience. SSF has learnt from this initial challenge and shifted approach to focus on disseminating research in a digestible way to wider target audiences. For instance, SSF has invested in translating summaries of research pieces into Somali to widen dissemination potential, is convening research events (with simultaneous translation), ensuring that research is oriented towards practical recommendations, and condensing key findings for easier access. This has helped to ensure that SSF's research is more easily understood and actioned by key stakeholders.

COORDINATING WITH THE INTERNATIONAL COMMUNITY

SSF has proven effective at coordinating messaging on stability and other priorities with its donors and ensuring strong understanding of SSF's mission among implementing partners through providing them with a platform to share views, learnings, and to triangulate SSF analysis. However, going forward, SSF needs to improve coordination with other partners (including the government, international community, donors, AMISOM, and UN) to achieve its objectives.

Image credit: @SSF



ALIGNMENT WITH GOVERNMENTAL PROCESSES

The use of government systems, with the right fiduciary management mechanisms, has the potential to be scaled-up to increase state legitimacy. SSF's DIALOGUE project in Gedo, Jubaland state, the Fund's MOU agreement with the Puntland Transitional Election Commission (TPEC), and the FGS's local government framework (the Wadajir Framework¹) all made use of governmental processes, policy frameworks, and systems which tends to increase policy take-up by local elites, increase institutional state legitimacy among the public, and reduce tensions between implementing entities and governmental entities.

RECOMMENDATIONS:

- Going forward, SSF should cluster investments to capitalise on synergies between investments. This will increase the impact of investments and also enable the Fund to develop areas of expertise that can add value when delivering on major issues faced by Somalia.
- Donors and implementing partners should work closely and transparently together to build a trusting relationship. When adapting quickly to changing circumstances, or shifting strategy, it is critical that there is active and efficient collaboration to revising the approach, strategy, and results targets.
- SSF should invest in maximising the dissemination of research to target audiences to increase the impact that it has. The Fund should take steps to circulate and present research in ways that enable donors and Somali audiences to access it—this includes translating research, and investing the time and effort required to present to a broad and inclusive audience.
- The Fund will need to strengthen relations with international actors, including UN and AMISOM, to push for an integrated approach, particularly on security and on the need for a consolidated political settlement, but it should also be realistic about what it can achieve in this context. Similarly, the Fund should continue to complement other programmes to further shared objectives.

1 The Wadajir Framework relates to the FGS roadmap to working on local governance, with the ultimate aim to create a governance system that builds up from the bottom, breaks down social barriers, mends social divides, and re-energises the spirit of working together for the common good

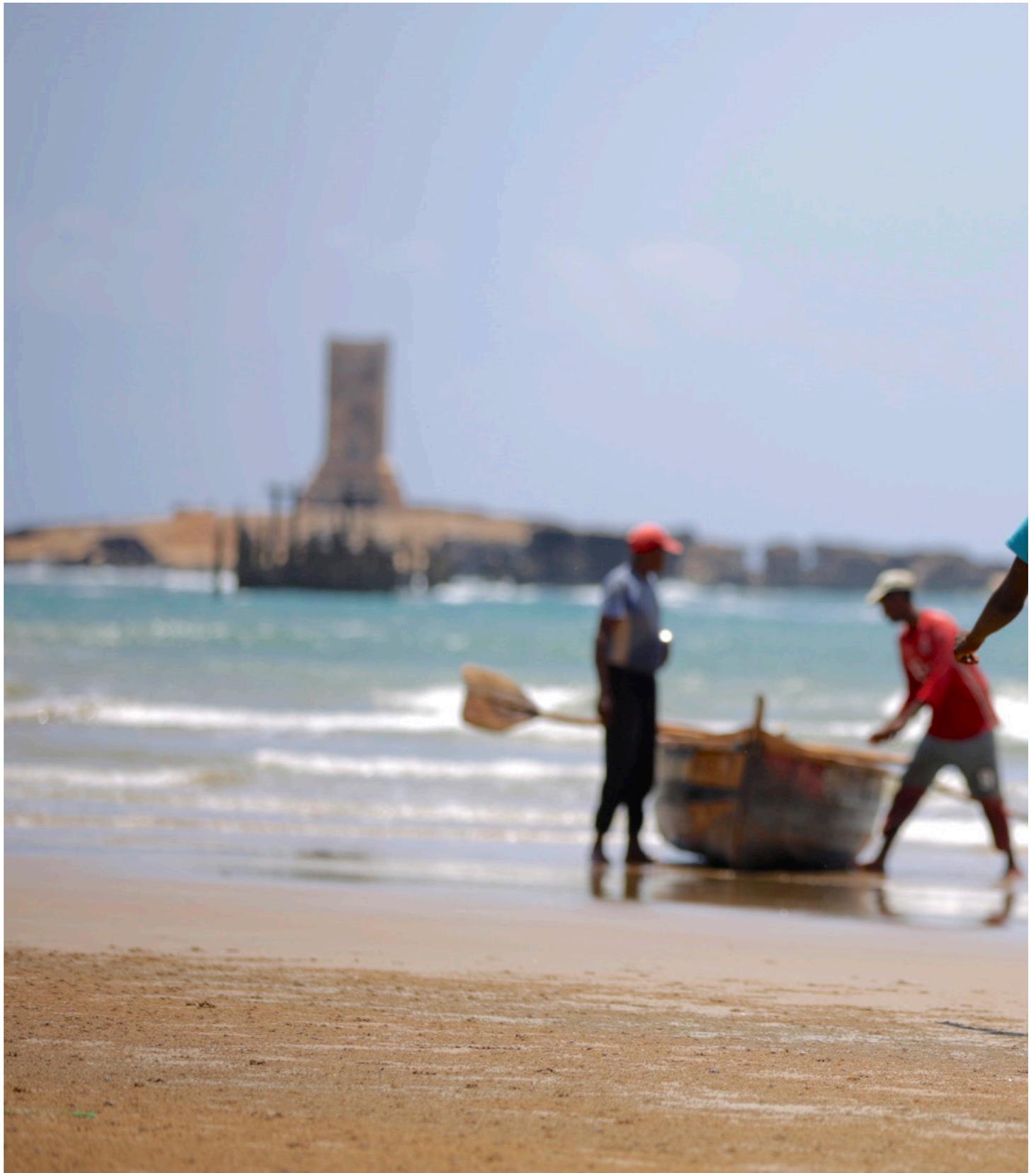


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OUTPUT

**FAULT LINES FOR
POLITICAL CONFLICT
(FGS-FMS, INTER- &
INTRA-STATE) ARE
IDENTIFIED AND
APPROPRIATELY
ADDRESSED**

ENSURE THAT TIMEFRAMES ARE APPROPRIATE FOR THE LEVEL OF INTERVENTION AMBITION

Throughout SSF's work, many investments were delayed due to factors including limited access due to insecurity, community mobilisation and engagement periods, contractual uncertainty, as well as the C-19 pandemic. The short timeframes of SSF investments focused on reducing conflict made it difficult to establish strong causal links between investments and conflict trends. It is pivotal at design stage—both for the overall programme as well as for specific investments—that this link is understood and that sufficient time is put in place to achieve impact, allowing for somewhat inevitable delays, and to determine the extent to which interventions contributed to change.

'DO NO HARM' APPROACHES ARE CRITICAL TO ENSURING THAT INVESTMENTS DO NOT CONTRIBUTE TO CONFLICT

New investments risk triggering conflict by introducing valuable goods—jobs, contracts, assets—into environments characterised by scarcity and need. SSF highlights the importance of appropriate management of resources (and the accompanying tensions they can cause) through community management (elders, civic leaders, local

government, women's groups, and youth groups etc.) to ensure an inclusive allocation of opportunities to different groups within the local community. A critical aspect of all interventions must be a 'Do No Harm' approach, whereby a conflict analysis is undertaken prior to any engagement, and proactive measures are taken to minimise the risk of interventions contributing to violence. SSF has used conflict analyses to inform approaches in many instances, for example, during the procurement of the Beletweyne Road, where SSF ensured all construction tenderers were cross-communal consortia to avoid the risk of perceived bias towards one community which could have posed a threat of increased conflict.

CONSTRUCTIVE DIALOGUE AS A PATHWAY FOR FGS-FMS CO-GOVERNANCE

SSF has facilitated processes for constructive dialogue that have succeeded despite political tensions between different levels of government. These interventions have produced critical learnings on intergovernmental dialogue. For instance, SSF supported the establishment of a forum for routine technical discussions among federal and state government ministries of labour, planning, education and productive sectors, civil society, private sector, and educational institutions to understand Somalia's human capital needs and to develop a strategy to advance this agenda. Despite the timing of the Human Capital Development Mechanism's (HCDM's) launch coinciding with the FMSs announcing a suspension of relations with the FGS, the forum was successful in facilitating buy-in around human capital development as a national development priority. The process of consensus-building took more time, resources, and effort than originally envisioned, but was worth the investment in the long term.

SENSITIVE POLITICAL ISSUES SHOULD BE NEGOTIATED ONLY WHEN THE TIMING IS RIGHT.

In 2019, SSF received a request from the FGS and the Minister of Constitutional Affairs of South West State to support a review of the state's constitution. The state requested SSF support to draft a constitution that demonstrates resource and power-sharing mechanisms for the communities in the three regions of Bay, Bakool, and Lower Shabelle. In response, SSF commissioned an assessment of the feasibility of supporting South West State on the constitutional review process and the potential risks if SSF were to support this. The purpose of the assessment was to generate an in-depth analysis of the associated options and constraints and to inform better decision-making processes, as well as to identify the various stakeholders in the constitutional process arena and their agendas. The study found that whilst there was a need to redraft the constitution, the timing was sub-optimal and that there were major political, reputational, security, and financial risks associated with implementation.

RECOMMENDATIONS IN RELATION TO OUTPUT 1:

- The process of deepening federalism is directly related to the finalisation of the interim constitution and the finalisation of several political agreements (e.g., the structure of the state, the distribution of powers, etc.). This is a key stability driver as critical constitutional issues that determine the federal system—such as resource and revenue-sharing, allocation of competencies and functions, fiscal matters, and the status of the capital, Mogadishu, within the federation—are vital for Somalia's future stability.
- Future programming should allow sufficient time for implementation (at least a 6-month inception phase) and factor in contingency to account for disruptions in logistics or access challenges. Flexible programming needs to have time contingency because flexibility often demands that interventions be paused, redesigned, or scaled up. These can be time-consuming activities but are critical to delivering impactful programming.
- Credibility and personal relationships of those who convene consensus-building processes are essential in driving successful processes. The right partners can even drive and embed collaboration in the face of prevailing political hostility and disagreement. It is critical that these decisions are made based on well-informed analysis to maximise the likelihood of success from these processes.
- When areas of shared interest are identified amongst Somali actors, they can be leveraged to drive cooperation—even amongst actors that may be competing or conflicting on other issues. These areas represent an opportunity to promote dialogue and engagement among different groups which can be leveraged as an entry point for wider engagement on issues facing these stakeholders.
- Actors that work on highly political issues must recognise the high level of risk that accompanies engaging on politically contentious issues. Donors should instead only act when they have the time, expertise, donor buy-in, and risk appetite to engage.



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**ENHANCED
POPULAR
PARTICIPATION
IN GOVERNANCE,
PARTICULARLY
FOR WOMEN
AND EXCLUDED
COMMUNITIES**

EXPANDING STATE-LEVEL DEMOCRATISATION IN PUNTLAND AND OTHER FEDERAL MEMBER STATES

Throughout SSF, Somalia experienced a cycle of FMS-level electoral events with different levels of transparency, participation, legitimacy, acceptance of process and outcome, and electoral violence.

By developing more democratic state structures and elections, Somalia can foster more accountable and representative government that is better supported and trusted by Somalis as well as reduce the level of violence amongst rival actors by providing all stakeholders an opportunity to participate in agreed democratic processes

SSF's experience and analysis suggests that gaps and ambiguities in the provisional federal constitution aggravate disputes between the different levels of government. The findings indicate that state building in Somalia requires legally well-defined functions, clearly agreed roles and responsibilities, a dispute-resolution mechanism, and more democratic governance mechanisms. In the absence of an inclusive federal structure with defined roles and resolution mechanisms to address political, social, economic, and security disputes—dangerous tensions will remain. Furthermore, as financial and military capacities increase, FGS–FMS contestation risks becoming more violent in the future.

SSF learnt from supporting TPEC on Puntland democratisation that early engagement with government counterparts, civil society, and the international community to align objectives and coordinate plans and delivery is critical to the establishment of legitimate and representative government.

OUTPUT

WOMEN'S ECONOMIC EMPOWERMENT DRIVES ENHANCED SOCIO-POLITICAL INFLUENCE

Clan elders and religious leaders have historically often obstructed women's political empowerment, but this is changing due to women's rising economic status. SSF's midline assessment suggests that, in Galkayo, women are key contributors to clan's diya payments to resolve communal conflict. As women contribute more financially, they become more assertive and influential with clan elders and clan decision-making bodies. The increased economic empowerment of women shifts perceptions among elders and has contributed to a recognition of the value of increasing the role of women in civic life.

Women have been key contributors in fundraising for community projects: in Hoby, according to one male civil society representative, 70% of the community contribution for the SSF-supported airstrip came from women. This suggests that elite women, particularly those who are active in business, develop the agency to attain political decision-making influence equal to that of their male counterparts.

THE ROLE OF "ELITE" WOMEN AS GENDER CHAMPIONS

SSF initially took an approach specifically designed to overcome "elite bias" by calling for a Gender and Social Inclusion, 'GESI' approach advancing the role of marginalised women in decision-making and political processes. Further, evidence has shown that elite women can play a key role as proponents of women's representation, which in turn has a positive impact on all Somali women. For instance, in Jubaland, elite women played a critical role in lobbying

for women's representation which was a key factor in driving increased women's representation in the Jubaland parliament (up from two to eight female representatives). This demonstrates that elite Somali women can be powerful and effective in advocating for their own rights (and that of women more broadly) because they are not acting from a position of powerlessness or expecting goodwill from elders, but rather as a matter of entitlement. This indicates that increasing the representation of elite women can play a wider role in championing women's issues and priorities.

NUDGING DECISION-MAKERS TO BECOME GENDER CHAMPIONS

"We see men, particularly traditional elders, as a barrier to women's political participation".

This is a sentiment echoed across all five FMSs where SSF implements initiatives to promote women's representation and decision-making. Ahead of the January 2019 Puntland elections, SSF's partners CARE and Mudan lobbied extensively through media broadcasts and the Puntland government to secure a 30% quota for women's representation in Puntland parliamentary elections. SSF secured a Memorandum of Understanding (MOU) with former Puntland President, Abdiweli Gaas, to commit to the 30% quota. However, this advocacy did not translate into greater representation in parliament, where ultimately only one woman was elected to the new state parliament.

SSF learnt that advocacy efforts must be targeted on decision-makers, in particular elders, if they are to affect change. Subsequently, SSF took a far more targeted approach focused on direct engagement with elders; for example, in the North Galkayo district council elections whereby for the first time the council elected six women

representatives. In Galmudug, SSF learnt that without the support of prominent religious leaders, GESI initiatives would not have secured community acceptance. A prominent advocate for the GESI agenda in Galmudug was Sheikh Shakir, the ASWJ religious leader and Galmudug's then Chief Minister, who has publicly called for equal political representation for women.

THE GESI AGENDA MUST AMPLIFY LOCAL VOICES FOR CHANGE

SSF rolled out a nation-wide GESI media programme called **Imaqaal** (translation: "Listen to Me"). SSF learnt that listener engagement is higher when using media to channel citizen voices rather than focussing solely on programme content. Building Somali conversation around GESI issues is a powerful tool to advance the GESI agenda, but for it to be effective, the conversation needs to be locally driven and issues-based.

The views of one elder in Berdale reflect some of the inherent distrust of an externally driven change agenda: "the CSO and some international organisations are trying to deliberately interfere with our cultural set-up, women are demanding more than they rightfully deserve, because of the numerous organisations talking about gender balance... these organisations are creating conflict between our women and us, it is unfair". This demonstrates that perceived external interference is less impactful than giving a platform for 'ordinary' Somalis to share their views and amplifying these voices.

"WE SEE MEN, PARTICULARLY TRADITIONAL ELDERS AS A BARRIER TO WOMEN'S POLITICAL PARTICIPATION".



Image credit: ©AMISOM



DISTRICT COUNCIL FORMATION

SSF undertook a comprehensive lesson learning of the DCF process to inform improved and more cohesive DCF delivery (see annex C). SSF convened partners, including JPLG, to build a clearer understanding of the current status of DCF implementation and to identify how the process can be sequenced and layered. SSF identified a set of key aspects that need to be inform the district selection process a) conflict; b) level/nature of existing institutions; c) economy; d) entrenchment in community; and e) timing and sequencing. This learning has informed SSF's approach to DCF selection in 2021, and enabled SSF to identify how to better collaborate to deliver on their DCF mandates.

'IN SOMALIA A SMALL GROUP OF ELITE MEN HOLD A LOT OF DECISION-MAKING POWER'

RECOMMENDATIONS IN RELATION TO OUTPUT 2:

- Ensure early and meaningful engagement with a broad range of stakeholders in order to support development of representative government that is critical for a legitimate and more stable state. Late engagement with overtly political processes, where local actors and their foreign and domestic supporters are determined to win at any cost, presents significant political and reputational risk to donors and increases the likelihood of violence, as evidenced in the South West electoral process in Baidoa.
- Take a pragmatic approach to delivering substantive increases in women's political representation:
- Elite and more empowered women have greater agency to lead demands for women's representation, and programmes such as SSF should leverage this influence and work with these women to further the cause of women's representation more broadly

In Somalia, a small group of elite men hold a lot of decision-making power. Advocacy efforts need to recognise this and proactively engage these groups. While broader awareness-raising of the role of women can be helpful to deliver tangible increases in the number of women elected, in parallel, the key decision-makers should be engaged and persuaded of the merits of a greater role for women in political decision making

OUTPUT

INCREASED GOVERNMENT VISIBILITY & COMMUNITY ENGAGEMENT



INVESTMENTS THAT FOCUS ON ENCOURAGING INCLUSIVE DIALOGUE AND PUBLIC ENGAGEMENT ON PRIORITY NEEDS CONTRIBUTE TO GOVERNMENT LEGITIMACY

SSF's investees shared many examples of how public engagement in investment decision-making, prioritisation processes, and fundraising gave communities a greater sense of ownership. Taking an inclusive approach to choosing and funding investments did not only help to increase the quality and relevance of investments, but also produced results in its own right, enhancing government legitimacy and improving trust between citizens and state, as well as driving increased intercommunal dialogue. One of the relevant examples was the DIALOGUE investment in Gedo, Jubaland, whereby SSF encouraged local stakeholders to take ownership of decision-making processes regarding which investments the Fund should deliver. Many communities agreed on key infrastructure, such as schools and medical facilities—these not only provided critical services to the community but also helped to bring the community together to drive increased trust.

LEVERAGING FUNDS FOR POLITICAL ENDS CAN WORK, BUT HAS LIMITATIONS

SSF has used infrastructure investments as a catalyst for broader discussions on priorities such as DCF and democratisation. For instance, SSF planned to build government buildings in Garowe as part of the package of democratisation investments, however, the Fund applied a set of conditions that would have to be met relating to progress of the democratisation process before these buildings would be built. This acted as an incentive to support the democratisation agenda and move towards one-person, one-vote elections, which contributed actively to progress on pilot elections in October 2021.

However, in Dhusamareb, where SSF constructed state buildings, infrastructure has not been as effectively leveraged. Here, there was a change in administration, meaning that the government buildings which had been a key priority of the previous administration were not as urgent for the new administration, and consequently this was not as effective as an incentive to drive other key governance changes that SSF aimed to achieve. This demonstrates that using conditionality as a tool to achieve political ends can work, but entails a number of risks that need to be considered before using this as a tool of programming.

THE EXISTENCE OF A LOCAL GOVERNANCE STRUCTURE IS CRITICAL FOR CREATING ORDER IN THE POLITICAL, ECONOMIC, AND SOCIAL SPHERES OF SOCIETY

The absence of elected local governance institutions in most districts in Somalia has contributed to civil disorder, insecurity, human rights abuses, a dwindling economy, and resource-based conflicts. This vacuum has sparked clan rivalry over the control of the districts' security, economy, and politics. A democratically elected local council will increase governance legitimacy, reduce violent conflicts, and allow access to basic services—however these councils have to be sufficiently funded and resourced to be able to deliver services to the community. SSF's experience in Hobyo and Balanbale where the Fund supported DCF has shown that, when given the opportunity, communities selected construction of buildings to support local government capacity and legitimacy. Evidence from SSF suggests that an elected district council is vital to a more inclusive system of governance. This is repeatedly flagged as a priority by respondents and has been identified as beneficial for community empowerment and as a means to increase the participation of women and youth in peacebuilding and development.

In the absence of democratically elected local councils, state-appointed councils have become the norm. This causes challenges, particularly in the many cases where appointments are politically motivated. For instance, the conflict in Balanbale was exacerbated when opposing groups at state level appointed two different district commissioners. The issue later evolved to include an active clan dimension and led to increased tensions in the district.

This demonstrates how the incomplete constitution and gaps in the federal model drive instability in Somalia. While local communities advocate for locally selected and representative government, the continued selection of district leadership at the state level means that local politics are constantly at risk of becoming embroiled in wider state and federal-level political contestations, the consequences of which can often be violent conflict at district level.



PARTNERSHIP WITH THE PRIVATE SECTOR IS CRUCIAL FOR LONG-TERM SUSTAINABILITY OF INVESTMENTS

Working with the private sector has proven key to the success of SSF's economic development projects. During the market assessments, most investments identified and initiated discussions with private sector actors as providers of services, buyers of agricultural commodities, providers of financial services, or custodians of key productive infrastructure. Where possible, partnership agreements were developed with the private sector specifying the role of the businesses and their contribution. Private sector actors have become the owners and stewards of many SSF investments which has proved crucial for long-term maintenance, operation, and sustainability of investments. This linkage to small producers has been a key success for SSF.

In SSF II, a number of partners shared successful examples of Public Private Partnerships (PPPs) that were designed to ensure that the project's objectives could be sustained. This model of service delivery is common throughout the world and is well-suited for situations in which government capacity is low. Outsourcing service delivery that is vetted and monitored by a government authority is, in some instances, a cost-effective approach.

For instance, in Abudwaq, a youth microfinance project partnered with a local Dahabshiil bank branch to create a window for credit which will continue to support young entrepreneurs once the SSF-funded activity is complete, enabling vital access to finance for micro businesses to help sustain their growth and benefit the wider local economy.

ADAPT INVESTMENTS TO RESPOND TO SHOCKS

SSF's economic development portfolio was significantly affected by C-19. The wider impact of restrictions on social gatherings and disruptions to remittances and to global supply chains had a direct impact on SSF's investees and the beneficiaries of SSF investments. The impact was felt across all SSF economic development investments, including support to Village Savings and Loan Associations as beneficiaries' businesses were affected, it disrupted SSF support to value chains and infrastructure, as well as to training and capacity building.

A key lesson SSF learnt here was that when the reality on the ground changes, programming has to rapidly respond to the new circumstances. For instance, under SSF investments, the livelihoods of some beneficiaries were affected, especially those who were operating enterprises in urban and peri-urban areas which required transport to the market. SSF's short-term response focused on dealing with the immediate impact of the pandemic on investments through measures such as delaying loan repayments and extending projects that were being held up. A central lesson that arose from the C-19 pandemic was that support to beneficiaries and investees needs to empower them to be more resilient to shocks.



RECOMMENDATIONS IN RELATION TO OUTPUT 3:

- SSF should continue to ensure regular political dialogue with state administrations and retain local-level infrastructure as a tool to achieve its ends (especially when the infrastructure itself achieves stability objectives). However, the Fund should recognise that for infrastructure to be used as an incentive to drive broader change, this requires political stability and a low likelihood of change in government to act as an effective conditionality to shape government policy
- SSF should enhance its approach to engaging the private sector as strategic partners. This is critical to the long-term sustainability of SSF's economic development and infrastructure investments and is vital to ensuring that the stability gains of SSF's investments are sustained
- The likelihood of investments being sustained is much higher if they are backed by the local community and sit within government priorities and strategies. To ensure sustainability of investments, either through the community or government, investments should be based on local demands and government development plans. This is critical, as such plans are likely to be continued long after the Fund has ceased supporting them financially





Image credit: @SSF



Image credit: ©AMISOM

**REDUCED
COMMUNITY
VULNERABILITY
TO CONFLICT**

OUTPUT

DISTRICT COUNCIL FORMATION PROVIDES AN OPPORTUNITY TO RECONCILE WARRING CLANS THROUGH SOCIAL HEALING

The district council formation process is long and challenging, requiring intensive efforts to find common ground and build consensus among different clans and factions, many of whom may have a history of violent conflict. However, a key lesson from SSF is that taking a long-term approach to develop an inclusive and representative district council can play an important role in enhancing community social cohesion. A democratically chosen council will strengthen integration, as conflicting communities can share power and resources, governed by a legitimate and inclusive local government structure. Inclusivity brings about ownership and fair distribution of resources, thereby reducing resource-based conflict which is rampant in Somalia. With the council

in place, locally driven peacebuilding and reconciliation efforts will be more structured as the office coordinates all the stakeholders involved.

Evidence from Galkayo suggests that a strong and inclusive administration can manage conflict triggers before they turn violent, as it will better understand the drivers of conflict at the district level and be able to work collaboratively across different groups to address key issues.

Evidence also suggests that if the inter-communal divisions that are addressed through the DCF process can be overcome, the very process of reaching consensus on local government representation is also critical in contributing to healing mistrust and encouraging cooperation. For instance, in the SWS town of Berdale, a decline in local conflict was observed after the completion of a district formation process.

INCREASED DEVELOPMENT REDUCES RESOURCE-BASED CONFLICTS

A legitimate district council can foster stability, promote development, support jobs and therefore reduce migration out of the district—in particular rural–urban migration. As local councils increase the likelihood of peace, they increase social cohesion and reduce barriers to trade, thus there are more opportunities for economic growth in the surrounding areas. Somalia’s youth hugely benefit from local governance, stability, and economic growth in rural areas because it presents opportunities for employment—and therefore a viable alternative to joining criminal gangs, AS, and other militias. District councils can also be an entry point for the provision of social amenities to impoverished rural communities who lack access to basic education, healthcare, and infrastructure. With better access to services, these communities are likely to abandon violence for peace and co-existence.

Image credit: ©AMISOM

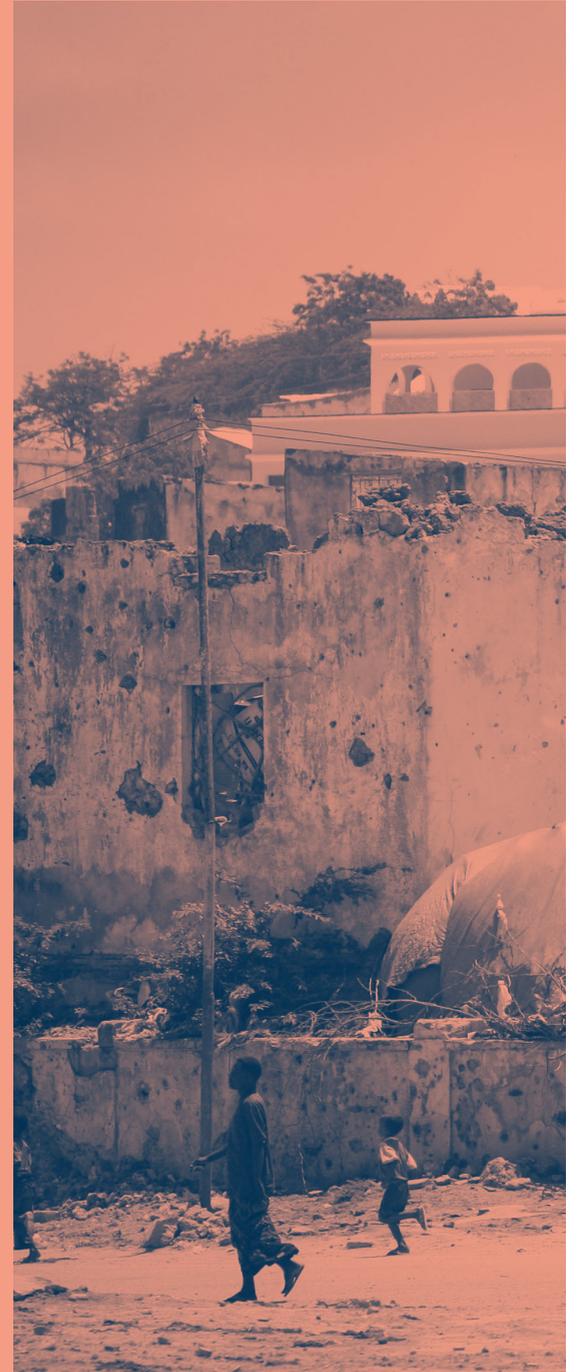


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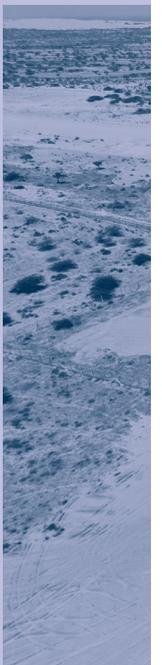


INFRASTRUCTURE DELIVERY MANAGEMENT

SSF has learnt several lessons from implementing infrastructure interventions, including those indicated above in relation to programme outputs. Additional lessons learnt and recommendations have been categorised according to delivery phase below—design, implementation, and closeout:

DESIGN PHASE

- Infrastructure investments can drive conflicts between communities or states. Therefore, a conflict sensitivity assessment should take place
- To ensure a deep understanding of the context, a thorough political economy analysis needs to be undertaken before project design
- It is important to ensure that before implementation starts, all project stakeholders understand the project scope and outcomes, as well as their respective roles and responsibilities
- The participation of beneficiaries in developing infrastructure design and signing off on detailed full designs minimises changes which can contribute to significant delays
- Land ownership should be clear and documented to avoid future land disputes. Infrastructure can only be constructed on public land to avoid individuals benefitting personally
- The selection of the infrastructure's location is crucial to ensure that the facility is accessible to the community as a public good and does not become intertwined with disputes over land ownership
- Sustainability should be considered in the initial stage of the project and should be agreed with all stakeholders. Written commitment with a clear sustainability plan, including ownership and responsibility and assurance of systems for ongoing maintenance, is highly recommended
- Government priorities should be triangulated with the community needs to ensure both are aligned on their needs and expectations
- A clear and transparent procurement process is required to select the construction companies. The process should conduct due diligence and reference checks on the selected contractor to ensure that they have the requisite experience, are registered in the state, have contextual understanding of the location, and have sufficient financial and procurement capabilities



IMPLEMENTATION PHASE

- Regular updates of project progress and challenges to all stakeholders is important. This will help the stakeholders to be part of the solution in case of challenges and enhance ownership. Delivering infrastructure projects takes time and often there are pressures from the government and community
- Communities appreciate physical infrastructures like solar streetlights, police stations, airstrips, markets; this contributes to government visibility and consequent legitimacy with citizens. Government officials taking part in events such as the foundation-laying ceremony can be important for visibility and promotes government ownership, connects government and community, and improves future relationships, particularly if that infrastructure responds to community needs (e.g., the Hoby airstrip)

- Changes to government officials hinder infrastructure development. In a challenging environment like Somalia, changes to political positions are common, and whenever this occurs it is necessary to invest time and effort to ensure the new official's understanding of the project scope and output, as well as the role of each stakeholder
- Deploy independent engineering consultants to supervise the infrastructure works as this ensures works are completed as per the technical specifications

CLOSEOUT PHASE

- An asset disposal plan should be initiated and asset transfer documents developed to avoid delays in the handover of the infrastructure facility. This includes formalising handover of responsibility for maintenance to assure sustainability
- All documentation for the project—including business case, procurement documents, contracts, and asset disposal forms—should be adequately filed for records and for future references

Image credit: @SSF



ANNEXES

ANNEX A

SSF GEDO ENDLINE REPORT



ANNEX B

SSF INFRASTRUCTURE LESSONS LEARNED



ANNEX C

SSF 2020 WADAJIR FRAMEWORK LESSONS LEARNED REPORT



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Norwegian Ministry
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Netherlands



Sweden
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THE LEARNING PAPER – DECEMBER 2021

DELIVERING PEACE & STABILITY IN SOMALIA