



MINISTRY OF PLANNING AND  
INTERNATIONAL COOPERATION  
PUNLTAND

# Aid Coordination Annual Report 2017

March 2018

## Key Messages

- The extent of aid assistance in Puntland in the year 2017. It helps implementation of state's development plan.
- Approaches and mechanisms of aid coordination in Puntland. It is significance to assess the effectiveness of aid coordination in Puntland and how the ministry of planning and international cooperation fulfilled key priorities of development plan.
- Number of UN agencies and NGOs contributed in the development interventions in Puntland.
- Promoting accountability, transparency, learning and sharing information

# **AID COORDINATION REPORT IN PUNTLAND, SOMALIA**

**2017**

**Garowe-Puntland**



**Ministry of Planning and International  
Cooperation**

**March 2018**

## **Contents**

FORWARD.....	5
ACKNOWLEDGEMENT .....	6
ACRONYM.....	8
EXECUTIVE SUMMARY.....	9
1.1 Context Analysis.....	11
2.0 METHODOLOGY AND LIMITATIONS.....	13
2.1 Methodology .....	13
2.2 Limitations .....	13
3.0 ANALYSIS OF AID FLOWS IN PUNTLAND .....	14
3.1 Introduction .....	14
3.2 Donors.....	15
3.3 Development Partners.....	16
3.4 Development plan .....	18
3.5 Sector.....	19
3.6 Location.....	20
4.0 ACHIEVEMENT.....	20
5.0 CHALLENGES.....	21
6.0 CONCLUSION AND RECOMMENDATIONS .....	22

## FORWARD

I am pleased to present the first report of aid coordination in 2017 that outlines overview picture on aid assistance in Puntland state. The State is committed to enhance aid effectiveness and it has taken various activities to realize government's commitment including establishing an aid coordination department, developing an aid policy, creating an aid database, establishing the Puntland Development Forum and others.

Puntland's aid policy is associated to the principles of aid effectiveness such as ownership, alignment, harmonization, results-based management and accountability, and reflects principles and commitments of the Paris Declaration 2005, Accra Agenda for Action 2008 and Busan High Level Forum on Development Effectiveness 2011. I am confident that the aid coordination report will be helpful to donors, development partners, public and private sectors for transparency and accountably purposes. The report provides sound information on aid assistance useful to the government, civil society, development partners and donors.

I would like to take this opportunity to thank all our development partners, particularly those who have provided aid information through the Aid Database and also request for a permanent partnership to further strengthen our mutual accountability.

My sincere appreciation goes to UNDP for its support to strengthening aid coordination as an effective tool for enhancing aid transparency and accountability in Puntland.

Finally, I would like to extend my thanks and appreciation to all MoPIC's Staff for their effort in attempting to increase the quality information contained in this report.

Hon. Shire Haji Farah

Minister of Planning and International Cooperation

## **ACKNOWLEDGEMENT**

This aid coordination report would not have been possible without the input and assistance of many individuals and organizations which are not listed by name, so we are deeply grateful to all of them. Many thanks go to Abdirahman Sh. Ali (Aid Coordination Consultant/Report writer), Musa Duale (UNDP, SIP Manager), Mohamed Ali (Director of Aid Coordination Department), Mustafa (ICT Officer, MOPIC) for their patience and provision of valuable input and effort as well as guidance.

We are particularly grateful to all MOPIC departments and development partners that provided the main body of data necessary for the assessment made in this report. We also remain indebted to all consultants of the ministry for their input.

Last but not least, many thanks to many of our colleagues whom we cannot all name but whose input into the annual aid coordination report was precious.

Hussein Abdi Jama

Director General of Ministry of Planning and International Cooperation

**E-mail Address:** [d.general@mopicgov.net](mailto:d.general@mopicgov.net)

**Website:** [www.mopicgov.net](http://www.mopicgov.net)

*The completion of this report would have not been not possible without support and encouragement from MoPIC and UNDP-SIP. They paid useful contribution to the report for which I always feel profound gratitude in my heart.*

*The Writer  
Abdirahman Sh. Ali  
Abdirahman.sh.ali@gmail.com*

## **ACRONYM**

CSOs	Civil Society Organizations
FAO	Food and Agriculture Organization
GDP	Gross Domestic Product
GNI	Gross National Income
IR	Islamic Relief
IRC	International Rescue Committee
MDGs	Millennium Development Goals
M&E	Monitoring and Evaluation
MOPIC	Ministry of Planning and International Cooperation
MPF	Multi Partner Fund
NGOs	Non-Government Organization
NRC	Norwegian Refugee Council
ODA	Official Development Assistance
PDF	Puntland Development Forum
PPP	Purchasing Power Parity
SDGs	Sustainable Development Goals
SIDA	Swedish International Development Agency
SIP	Somali Institutional Development Performance
SWG	Sector Working Groups
RI	Relief International
TFG	Transitional Federal Government
UN	United Nations
UNDP	United Nations Development Program
USD	United States Dollar



## EXECUTIVE SUMMARY

This is the first annual aid coordination report in Puntland. The main objective of the report is to provide accurate and up-to-date information on aid flows in Puntland by 2017. It also aimed at mapping aid in order to coordinate better on aid assistance in Puntland.

The report is based on desk work of relevant materials on aid coordination in Somalia or Puntland. The report uses both quantitative and qualitative data in order to capture comprehensive information. The aid database at MoPIC was the main source of information included in the report. Interviews with key directors, the UN Annual Program Plan in Puntland by 2017 and the organization of dedicated workshops were among the approaches employed by the report.

The main findings of the report are as follows: Somalia emerges in the top of aid recipient countries in the world. It has received 1.3 billion USD in 2016. In Somalia, from 2014 to 2017, both humanitarian and development aid were above 0.6 billion except humanitarian assistance in 2015 which was slight below this figure.

Regarding data reported to the aid database at MoPIC, 36 donors funded a number of projects/programs that were implemented in Puntland by 2017. Various programs costing a total of USD 141,303,773.55 were executed by 14 UN agencies in Puntland by 2017 and 50.63% of this cost was managed by WPF. According to the aid database at MoPIC, 14 INGOs and one LNGO that receive direct funding from donors managed a number of projects that costed USD 59,361,299.02. It was also noted that contribution of INGOs is not limited only to the above figures, but there were also some projects implemented by INGOs whose data has not been captured in the report.

In 2017, the amount that was contributed by development partners was 21.6% higher than the budget of the first year of Puntland Development Plan in. It is unclear how that amount effectively supported the State's development plan. However, some sectors in the development plan including social and livelihood were significantly supported as illustrated in the sector analysis section. Although there was limited data, the report found out that all regions in Puntland have received aid assistance. Nugal, Mudug and Bari are the highest aid recipient regions in Puntland according to a number of projects that are implemented in these regions.

The main achievements of the report include the development of an aid policy, enacted NGOs act and the establishment of the Aid Coordination Department at MoPIC. The setting up of the Puntland Development Forum (PDF) and the development of the revised three-year Puntland Development Plan that is in line with the Somalia National Development Plan are among the main achievements. The

functioning of Sector Working Groups under the PDF is exemplary as they have plans and monthly meetings that contribute to implementation of development.

Apart from the above mentioned progress, there are a number of challenges that hampered aid coordination and effectiveness. Among them are weak coordination between state and donors, limited data and budget for monitoring and coordination and lack of full engagement of civil society in the implementation of projects/programs.

Finally, the report recommends redesigning the database, harmonizing efforts done by aid coordination partners, and strengthening M&E and Planning capacity towards aid coordination effectiveness. Capacity building, holding aid coordination meetings and civil society engagement in aid development activities are among key recommendations of this report.

## 1.0 INTRODUCTION

### 1.1 Context Analysis

For many years, Somalia has been a failed state in the world. The longest internecine civil disruption has led to the total collapse of government systems. However, in recent years, the country is gradually moving away from its long comatose condition. Somalia falls in the category of the ten poorest countries in the world and its population is estimated around 12.5 million<sup>1</sup>. In 2012, 54% of the people aged 15 to 64 were unemployed in Somalia; while the unemployment rate for youth aged 14 -29 years is 67% in 2012<sup>2</sup>. It is obvious that this is the highest rates of unemployment in the world. The poverty rate is close to 73% according to UNDP (2012). It is the country in Africa which currently has the highest number of refugees<sup>3</sup>. UNDP estimated the GDP in Somalia at \$2.6 billion in 2012 and GNI per capita was \$284 in 2012. It was estimated that around 50% of Office of Development Assistance (ODA) was humanitarian aid due to drought and conflict.

In Somalia, since 1991 many donors provided humanitarian and development assistance. Somalia became the second-largest recipient of humanitarian aid in the world<sup>4</sup>. The ODA for Somalia was of USD 1.4 billion and 1.3 billion in 2016 and 2017 respectively. It has been observed a significant increase in ODA following the endorsement of the New Deal agreement in 2013<sup>5</sup>.

Puntland was established in August 1998 and it is a member state of Somalia. The total population in Puntland is estimated at around four million according to Puntland Authority report<sup>6</sup>. In 2010, per capita income per year of Puntland ranged US\$428 to US\$1,711(PPP). In 2017, there is an estimated per capita ranging from US\$601.90 to US\$2407.79<sup>7</sup>. Poverty ranged US\$1.18 to US\$4.73 per as indicator of extreme poverty<sup>8</sup>. It was estimated that livestock exports contribute to around 80% of foreign exchange earnings, constituting 40 per cent of the gross domestic product (GDP). The major source (60%) of employment in Puntland depends on livestock, fishing and frankincense production.<sup>9</sup> Around 64% of Puntland's revenue came from customs duties in Bosaso port in 2014<sup>10</sup>.

Since 2007, Puntland has been developing the state's development plan that included state priorities and a projection of budget. In the reviewing of the first (2007 -2011) and second

---

<sup>1</sup> UNFPA (2014) Somali Population Estimation Survey

<sup>2</sup> UNDP (2012) Human Development Report

<sup>3</sup> The World Bank website 'Refugee population by country or territory of origin'

<sup>4</sup> Global Humanitarian Assistance (2012) *Somalia: International financing investments* Development Initiatives

<sup>5</sup> The New Deal for Somalia was endorsed at the Brussels Conference on 16 September 2013.  
<http://so.one.un.org/content/unct/somalia/en/home/what-we-do/new-deal-for-somalia.html>

<sup>6</sup> Puntland Second Five Year Development plan (2014-2018), Puntland

<sup>7</sup> Revised Three- Development plan (2017-2019), Puntland

<sup>8</sup> Ibid

<sup>9</sup> UNICEF (2002) Assessing the current status of the Nomadic population in Somalia

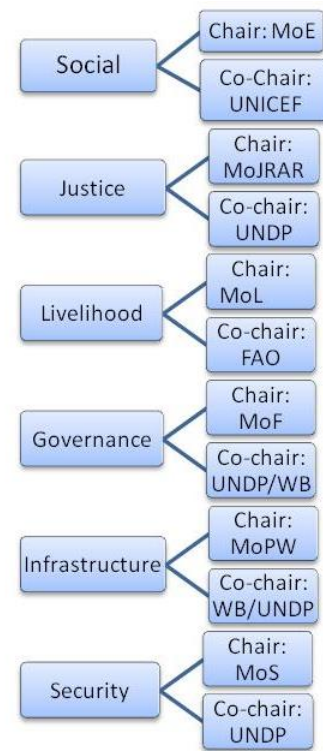
<sup>10</sup> Revised Three- Development plan (2017-2019), Puntland

(2014-2018) Development Plan of Puntland, it was found that overall achievements were 45% and 30-35% respectively<sup>11</sup>. The plan, therefore is still far from reaching targeted goals due to a number of challenges that hindered sufficient achievement of the development plan including limited funds, insufficient recourse, inadequate capacity of public service and others.

### 1.2 Aid Coordination Mechanism in Puntland

In Puntland, the Ministry of Planning and International Cooperation is in charge of coordinating aid flows in the Puntland State. It is also responsible for monitoring aid flows and its implementation which impacts development planning of the state. Puntland has developed an aid policy that reflects the Paris Declaration (2005) and the Accra Agenda of Action (2008). A NGO act that regulates aid assistance managed by NGOs is also in place. Currently, a database for aid flows has been developed, though it does not work properly as it lacks more data which may generate accurate and useful information that leads to take right action towards aid management.

Aid coordination in Puntland has received technical assistance from development partners to build capacity and systems. The development of the aid coordination and management institutional framework has been led by the MoPIC with strong support from partners. For instance, currently UNDP Somalia under the SIPS project provided salary for consultants who supported various components of aid coordination in Puntland and other technical support. In Somalia, there are various aid coordination mechanisms for donors and development partners such as UN agencies, NGOs and others. The Puntland state and its development partners are at the forefront of building state ownership and pursuing joint initiatives for aid coordination and harmonization. There are signals indicating considerable progress on aid coordination as the result of continued joint commitment of government and its partners to strengthen aid effectiveness as clearly articulated in the aid policy. The Puntland Development Forum (PDF) is a good example of a successful aid coordination mechanism. It has a clear structure and plan and monthly meetings. It has six sector working groups that comprise both ministries and development partners.



Despite above mentioned achievements, there are challenges faced by the aid coordination department. Some of the major challenges for aid coordination in Puntland that the newly established aid coordination department will have to address are limited capacity, budget constraints, lack of baseline report, mid-term review report and shortage of technical support, as well as overlapping roles of the aid coordination and planning departments towards aid coordination functions. Despite these challenges, it

<sup>11</sup> Alan Johnston (2016). Report on Review of first two-year of Five Years Development in Puntland(2014-2018)

seems that the aid coordination system is growing substantially while there is a need of recruiting qualified and experienced staff those who can strive to make progress. To this end, aid coordination requires comprehensive capacity building in order to maximize the performance of the department. The evident limited capacity of aid coordination in Puntland needs to be addressed directly. Therefore, the efforts to strengthen professionalism and systems as well as the role of aid coordination department seem to be those which are most in demand.

### **1.3 Objective**

The main objective of the report is to provide accurate and up to date information on aid flows in Puntland by 2017. It also aims at mapping aid in order to better coordinate aid assistance in Puntland.

## **2.0 METHODOLOGY AND LIMITATIONS**

### ***2.1 Methodology***

This report is based on a desk review of relevant materials. Desk review refers to secondary data which can be collected without fieldwork. The first stage of data collection was conducted by searching for any relevant quantitative and qualitative data on aid in Puntland/Somalia. Based on the data in the aid database at MoPIC which is the main source, the report discovered information of at least 63 projects in the MoPIC aid database. UN annual programs in Puntland by 2017 were also a data source of the report. The second one was a series of interviews with key directors and consultants at MoPIC. Finally, a validation workshop was conducted.

### ***2.2 Limitations***

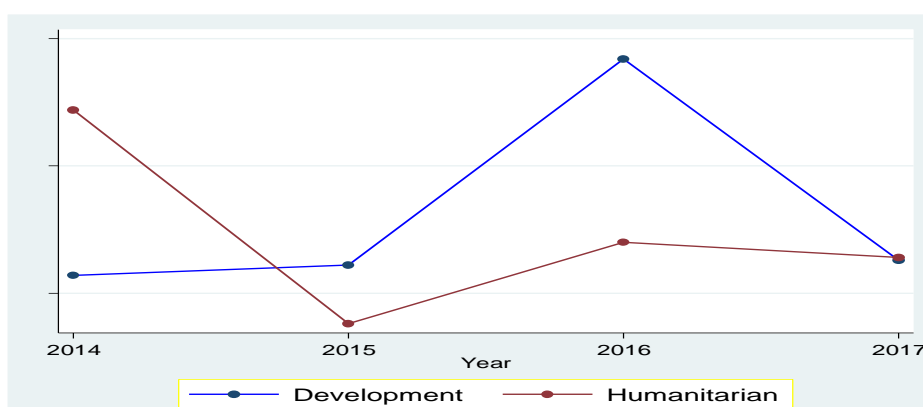
Apart from aid coordination report in Puntland by 2017 which lays down strong foundation for writing yearly aid coordination reports, there are various limitations that reduced the validity of the report. The main limitation of the report is the limited availability of aid flows data in Puntland. It was also noted that strictly relying on only secondary data was as limitation. The available data is collective form which is not enough to make further analysis on sector and regional aid budget allocation as well as donors and development partners funds for given project/program. To put it in another way, there might be some relevant data or literature which significantly contributed to the writing of this report. However, the discussion of effectiveness of aid assistance is beyond the scope of this report.

### 3.0 ANALYSIS OF AID FLOWS IN PUNTLAND

#### 3.1 Introduction

Recently aid assistance has dramatically increased in fragile countries including Somalia which emerges to be at the top of the list of aid recipient countries in the world. The Somali Economic Update (2017) states that aid and remittances are fueling Somalia consumption-driven growth. In 2016, fragile states received USD 63 billion in ODA. According to the recently availed data from ODA, Somalia received USD 1.3 billion in 2016, that is the ratio of 21% of the GDP<sup>12</sup>. It noted that donor direct support to Somali government is equivalent to 9% of GDP<sup>13</sup>. The figure below depicts aid flows in Somalia from 2014 to 2017<sup>14</sup>.

**Figure 1: Trend in Aid Flows in Somalia from 2014 to 2017**



It is quite obvious that both development and humanitarian aid in Somalia have remained above USD 0.6 billion for the period 2014 to 2017 (Figure 1) except humanitarian aid in 2015 which is slightly below USD 0.6 billion (0.588). Currently there is no available data that reveals a trend of aid flows in Puntland. The MoPIC created an aid database that captures data on only 63 projects/program which cost a total of USD 105,134,009.00. Two projects out of 63 projects/programs had ended in 2016, while 48 projects/programs ended in 2017 and the rest will be completed in 2018, 2019 and 2020. There are other projects/programs whose data were not obtained.

<sup>12</sup> ACU (April 2017). Aid Flows in Somalia. Office of Prime Minister. Federal Republic of Somalia (Original source: World Bank SEU)

<sup>13</sup> Federal Republic of Somalia. (July 2017). Somali Economic Update. Edition No.2

<sup>14</sup>

### 3.2 Donors

With regards to the aid database at MoPIC, there are data of 63 projects/programs that are going on in Puntland. These programs are run by a number of UN agencies, INGOs and CSOs. It was found that at least 36 donors funded the current projects/programs in Puntland. Table 1 shows a list of some key donors which supported these projects in Puntland<sup>15</sup>.

Table 1: List of Donors

S N	Donor	SN	Donor	S N	Donor
1	EU	17	Austria	31	Food for Peace
2	US AID	18	Canada	32	German Committee for UNICEF
3	DIFD	19	Finland	33	Global Fund
4	DANIDA	20	Germany	34	Global Thematic Humanitarian Funds
5	EC	21	KFW	35	GPE
6	Japan	22	Iceland		
7	SIDA	23	Italy		
8	GAVI	24	Luxembour g		
9	GEF/LDC F	25	Norway		
10	MHT	26	Portugal		
11	MPTF	27	Sweden		
12	Maternal Health Trust Fund	28	Switzerland		
13	OFDA	29	UK		
14	SDS	30	CERF		
15	SHF				
16	KFP				

<sup>15</sup> It is possible to miss some valuable donor(s) due to that aid database at MoPIC did not capture all data on projects/programs that implemented in 2017.

It is useful to analyse the contribution of each donor to the ongoing projects/programs in Puntland, but due to the structure of the aid database at MoPIC, it was not possible to conduct a detailed analysis, which is the main cause of limitation for analyzing contribution by donors. However, the table above clearly indicates potential donor for current projects/programs in Puntland or Somalia.

### ***3.3 Development Partners***

<b>SN</b>	<b>Agency</b>	<b>Budget</b>
<b>1</b>	FAO	5,759,167.00
<b>2</b>	ILO	1,337,200.00
<b>3</b>	IOM	1,518,106.00
<b>4</b>	UNCDF	2,048,000.00
<b>5</b>	UNDP	5,632,838.35
<b>6</b>	UNESCO	448,390.00
<b>7</b>	UNFPA	1,819,145.48
<b>8</b>	UNHABITAT	1,050,000.00
<b>9</b>	UNHCR	8,861,775.70
<b>10</b>	UNICEF	37,500,000.00
<b>11</b>	UNODC	450,000.00
<b>12</b>	UNWOMEN	262,438.00
<b>13</b>	WFP	71,592,834.00
<b>14</b>	WHO	3,023,879.00
	<b>Grand Total</b>	<b>141,303,773.53</b>

Generally, development partners have been categorized into three main groups such as UN agencies, INGOs and CSOs, but this analysis focuses only on UN agencies and INGOs due to lack of data about projects which were implemented by the CSOs or most of those in which CSOs partners with other actors. Thus, information about them is within other development partners. However, it is observed that some CSOs are implementing some projects which are directly funded by donors. Among the LNGOs, Kaalo was found to be the only one that receives funds directly from donors. For that reason, Kaalo was included in the analysis, as Table 2 indicates. Table 2: Total budget of programs that were implemented by UN agencies in 2017. Break down by Agency.



UN agencies have developed an annual plan for programs that are implemented in Puntland by 2017, and have created a good platform for information sharing, transparency and accountability. It also makes analysis and interpretation easier, which might result in taking right decisions. The total amount of funds of the programs which were implemented by UN agencies in Puntland is 85.06% of Puntland's development budget in 2017. Due to lack of data of programs' budget breakdown, it was not possible to analyse how programs run by UN agencies contributed to the state development plan. The report did not reach data on actual expenditure of these programs, which could make sound analysis, and it only obtained the figures of the planned program budget.

Around half (50.63%) of the UN agencies' program funds in Puntland were managed by WFP, whilst 26.54%, 6.27%, 4.08% and 3.99% of them were implemented by UNICEF, WHO, FAO and UNDP respectively. 2.14%, 1.45%, 1.29%, and 1.07% of total amount of programs' budget run by UN agencies in Puntland were executed by WHO, UNCDF, UNFPA and IOM respectively.

The other UN agencies in Puntland managed programs which cost less than 1% of funds, among least funded programs implementers including UNODC (0.32%), UNESCO (0.31%) and UNWOMEN (0.19%). It was noted that annual budgets for UN agencies which are operating in Puntland were not broken down differentiating between humanitarian and development activities, as well as donation of other donors.

On the other hand, INGOs spent more aid in Puntland. The table below shows the list of INGOs at MoPIC's database:

Table 3-List of INGOs against its budget of Implemented Projects

SN	Organization	Funds
1	CARE	\$15,236,114.00
2	NRC	\$5,054,832.00
3	DRC	\$899,603.00
4	SC	\$15,626,327.04
5	IRC	\$1,197,876
7	RI	\$8,100,413.00
8	IR	\$4,571,676.00
9	ADESO	\$322,935.00
13	GRT	\$1,518,106.00
14	World Vision	\$6,472,064.00
15	Kaalo_(LNGO)	\$361,352.98
		\$59,361,299.02

Regarding NGOs, only 14 international NGOs had submitted data on implemented projects in Puntland in 2017. In addition to that, only one local NGO (Kaalo) based in Garowe, submitted to MoPIC the budget of its implemented project in 2017, which is of USD 361,352 (0.61%). There were various NGOs operating in Puntland in 2017, but they did not submit information related to the projects which were implemented in Puntland that year.

Although there is no complete information on the projects implemented by the NGOs in Puntland by 2017, there are according to available data at MoPIC database, around USD sixty million contributed by the INGOs. 26.32% and 25.67% of that budget were managed by Care International and Save the Children respectively, while 13.65% and 10.90% of the total budget of NGOs projects reported in the database were implemented by RI and World Vision respectively. NRC and IR executed 8.52% and 7.70% of the above mentioned budget respectively.

In terms of data that is in place at the MoPIC, development partners spent USD 200,665,072.55 which is 21.6% more than the budget of the first year of the three year development plan of Puntland State. However, it is not clear the extent to which development partners contributed to priorities set by the state or development plan in 2017. The reasons for this implicit shortcoming were caused by lack of detailed information on breakdowns of budget of projects or programs implanted in Puntland in 2017. Eventually, in light of the above data, it is obvious that the development partners significantly contributed to the development plan. It was noted that some sectors such as social and livelihood were considerably supported as illustrated in the sector analysis section.

### ***3.4 Development plan***

Puntland has revised its five-year development plan into a three –year development plan (2017-2019) to align with the three-year development plan of the federal government. A total of USD 509,044, 748.00 was projected as budget of the development plan for the period 2017 to 2019. The budget was broken down by year and sector. The table below shows details about aggregate budget of the revised development plan of Puntland (2017-2019).

Table 4: Aggregate Budget for Puntland Development Plan<sup>16</sup>

Sector	2017	2018	2019	Total	%
<b>Governance</b>	6,517,875	7,449,000	4,655,625	18,622,500	3.69%
<b>Security</b>	16,353,635	15,643,564	15,378,538	47,375,737	9.39%
<b>Justice</b>	7,675,500	7,266,000	5,218,500	20,160,000	4.00%
<b>Social</b>	22,590,981	20,599,950	12,787,950	55,978,881	11.09%
<b>Livelihood</b>	23,172,789	32,234,623	19,169,806	74,577,218	14.78%
<b>Infrastructure</b>	88,703,872	139,950,993	59,173,183	287,828,048	57.05%
	165,014,652	223,144,130	116,383,602	504,542,384	100.00%

*Source: Revised 3-Year Development Plan 2017-2019, MOPIC*

<sup>16</sup> Revised Puntland Development Plan 2017-2019

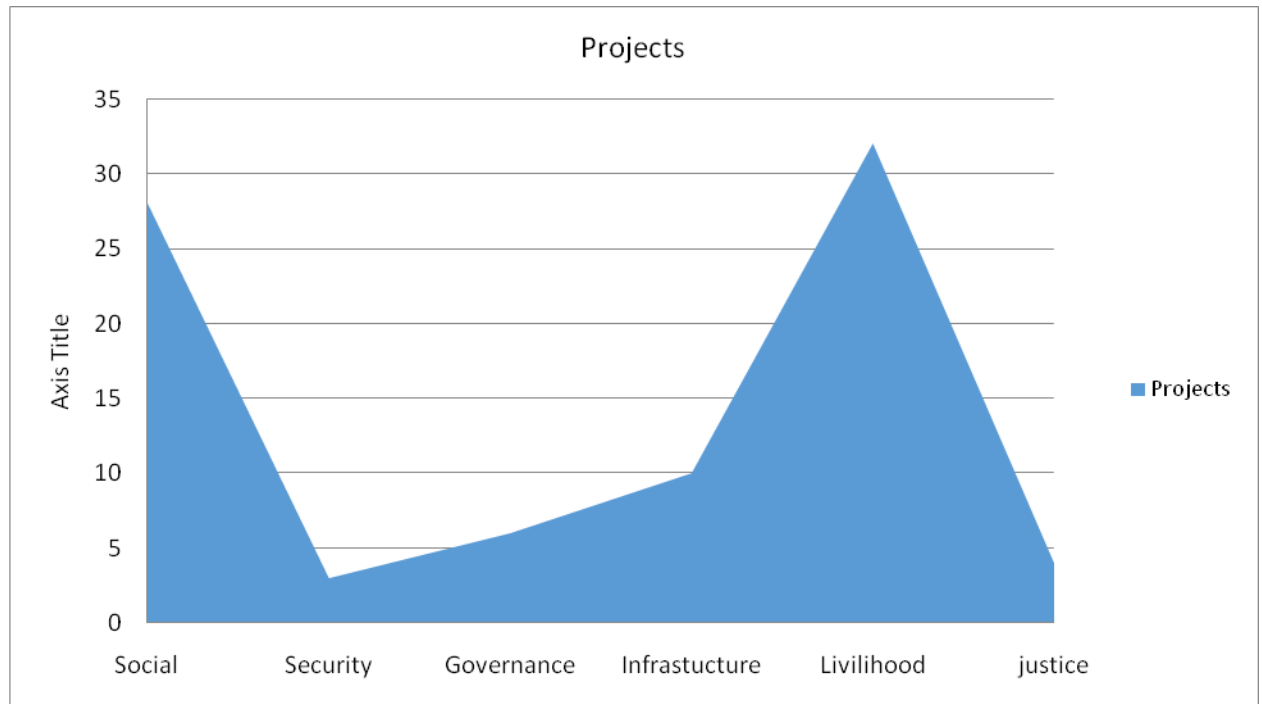
A total of USD 165,014,652 was put in the budget of the first year budget of three-year development plan in Puntland. The sources of development plan budget were mentioned in general such as aid, remittance and government development budget. The highest budgeted sector was infrastructure. This sector was allocated 57% of the total budget of the three-year development plan. Livelihood and social sectors have the next largest budget as 14% and around 11.09% of the total budgets respectively were given to them.

It is valuable to calculate the relation between the budget of the first year of the development plan and the budget of implemented programs/projects in 2017, but because of lack of data, it is very difficult to figure out this ratio by sector. In general, the budget of the projects implemented by the development partners in Puntland in 2017 is higher than the budget of the first year of the development plan in Puntland.

### 3.5 Sector

With regards to Puntland’s Development Plan of Puntland, there are six sectors that have been categorized by developments plan as justice, security, government, social, livelihood and infrastructure sectors. Overall view of all sectors’ allocation of aid is shown in Figure 3.

**Figure 2: Projects Distribution by Sector**



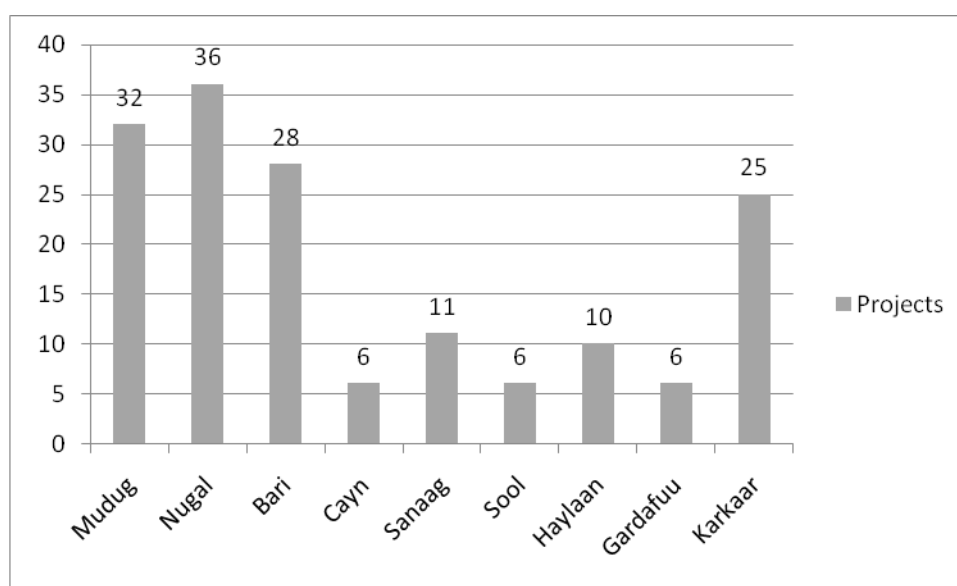
*Source: Aid Database, MOPIC*

There are 63 projects by sector in Puntland. 38.55% and 33.73% of the projects contributed to livelihood and social sectors respectively, whilst 12.05% and 7.23% of them are in infrastructure and governance. Justice and security sectors received less aid assistance in Puntland.

### 3.6 Location

Distribution of aid into regions is one of the most important factors in understanding aid flows in Puntland as a large number of projects indicate level of intervention of aid support to the regions. Having presented analysis about sectors, it is necessary to provide an overall picture of the aid distribution in regions in Puntland. Aid distribution by region is shown in Figure 4.

Figure 3: Projects Distribution by Region



Source: Aid Database, MOPIC

According to data available in aid database at MOPIC, a total of 63 projects/programs are going on in Puntland. According to the figure above there are 160 projects as one project/program is going on in various regions at a time. Nugal, Mudug and Bari regions have the largest number of projects implemented in Puntland as 22.5%, 20% and 17.5% of total projects were implemented in these regions respectively, followed by 6.9% and 6.25% in Sanag and Haylan regions in the order given and in similar number (3.5%) for all Sool, Cayn and Gardafuu regions.

## 4.0 ACHIEVEMENT

Puntland has made milestones regarding the establishment of a development plan and an aid coordination mechanism. MoPIC is in charge of managing and coordinating aid assistance in order to improve its effectiveness and efficiency. To this end, it has established systems and mechanisms that facilitate aid coordination. The Development Plan, the setting up of an aid coordination

department, the approval of an aid coordination policy and the establishment of the Puntland Development Forum are among the efforts that were made by the MoPIC to enhance aid coordination. Although these endeavors are in place, it did not yet reach the desired result towards aid management in terms of Paris Declarations. However, the mentioned above attempts lay down basic foundations to aid coordination in Puntland.

## **5.0 CHALLENGES**

Despite the above-mentioned actions, there are various challenges that hampered aid coordination; among them were weak-coordination between government and donors/development partners, limited project data, weak ownership, limited civil engagement in project implementation, and others. Limited funding for monitoring project implementation, donor/development oriented-projects which might not be in line with development priorities and limited capable human recourses were among challenges faced by the MOPIC in relation to aid management.

## 6.0 CONCLUSION AND RECOMMENDATIONS

In Puntland, aid coordination activities are managed by MoPIC, which led the process of developing a series of state development plan (2007-2011, 2014-2018, 2017-219). State development plan acts as an instrument for assessing aid flow data as it is required for aid to be aligned to state's development in order to contribute development.

After around 10 years of series of state development plan to achieve its targets, MoPIC has made a sound progress towards aid coordination including establishing aid coordination department, developing aid policy, establishing development forum and revising development to align it with the federal development and others. These endeavors have been considered by donors and/or development partners. The MoPIC continues to maintain progress in order to obtain goals and accomplish priorities by the state development plan. Although there are various achievement, low capacity, limited implementation of policy, limited funds for monitoring and weak coordination still pose challenges that hinders effective aid management. Based on above analysis, the following recommendations were made:

1. To organize a round-table meeting with donors, development partners, government and private sector to discussion issues on aid coordination effectiveness as this task is multi-dimensional tasks that require effective engagement of all stakeholders in order to realize principles of aid coordination effectiveness.
2. To strengthen the capacity of MoPIC, particularly the aid coordination development in order to enable it to better coordination that realizes the principles of aid coordination and put into practice aid coordination policy in Puntland.
3. To offer study tour and workshops on best practice of coordination in east Africa region for learning purpose.
4. To revise and redesign the existing database on aid information. It was realized that the current database might not produce various report needed by the difference users in MoPIC. For instance, the database is unable to generate a report on the amount of money that every donor contributes to the development plan of Puntland or amount of money spent in a given regions or sectors. It can only generate only overall project/program budget which does not facilitate to production of details analytical report.
5. To revise the budget and priorities of development plan according to achievement of development plan in 2017.
6. To request that development partners to share with MoPIC all the information on implementing projects/program that enhance transparency, accountabilities and mutual understanding among aid assistance stakeholders.
7. To Engage CSOs into aid coordination exercise to enable them to play active role in effectiveness of aid assistance.
8. To produce and disseminate annual report on aid coordination.

## 7.0 REFERENCES

1. ACU (April 2017). Aid Flow in Somalia. Office of Prime Minister. Federal Republic of Somalia. (Original source: World Bank SEU)
2. Baker, Andy *Shaping the Developing World – the West, the South, and the Natural World'* (2014). Sage Publications, L.A., USA.
3. Federal Republic of Somalia. (July 2017). Somali Economic Update. Edition No.2
4. Global Humanitarian Assistance (2012) *Somalia: International financing investments* Development Initiatives
5. Menkhaus K (2014), 'Aid and institution building in fragile states: The case of Somali-inhabited eastern Horn of Africa' WIDER *Working Paper 2–14* (002) United Nations University/World Institute for Development Economics Research, p 7.
6. MOPIC.(2017-2019). Revised Three- Development plan Puntland. Puntland
7. MOPIC (2014-2018). Puntland Second Five Year Development plan. Puntland
8. UN (2014). *The Millennium Development Goals Report*. New York.
9. OECD and SIDA (2015). Mid-Term Review of the Swedish Cooperative Development Strategy for Somalia. System Analysis Workshop Report held at Nairobi, 7<sup>th</sup> -9<sup>th</sup> October 2015.
10. The New Deal for Somalia was endorsed at the Brussels Conference on 16 September 2013. <http://so.one.un.org/content/unct/somalia/en/home/what-we-do/new-deal-for-somalia.html>
11. UNDP (2012). Human Development Report
12. UNDP (2012). The Case Study of Somalia-Puntland and Somaliland
13. UNFPA (2014). Somali Population Estimation Survey
14. UNICEF (2002) Assessing the current status of the Nomadic population in Somalia
15. UNMG(2013). United Nations Monitoring Group on Somalia and Eritrea. Report