



# Local Economic Development Project

## CONTEXTUAL ANALYSIS

### FEDERAL LEVEL

The new federal government will have reflections and an influence on future project strategies and priorities. Furthermore, given the government's control of Kismayo, the Juba region has emerged as a priority intervention area in addition to Gedo and Bay regions which have been the focus thus far.

The recent floods in Baladwyne has led to the displacement of thousands of people according to the central authorities, and the project will re prioritize and revise its planned interventions in South Central Somalia to include these areas.

### PUNTLAND

The President's reshuffle of the cabinet affected project partner ministries, namely the ministries of fisheries, livestock, agriculture, commerce, and labour and youth. The impact of the reshuffle is still unclear though the intention was to enhance the ministries capacities. Additionally, the recent devaluation of the Somali Shilling against the U.S. Dollar (approx. 30%), created a drastic rise in the costs related to project / activity implementation.

Lastly, the security situation continues to be challenging, particularly in Galkayo, with increased incidents of armed conflict and kidnapping of development staff, subsequently the implementation of field monitoring missions was difficult to facilitate in Q3.

### SOMALILAND

The National Election Commission declared that local elections will be held on the 28th of November 2012. This announcement has led local investors, in particular the Somali diaspora, to put their investment activities on hold until the election results have been announced. The suspended investment activities has had a negative affect on the vulnerable population who are often dependent on casual work to cover daily living expenses.

Conversely, Q3 saw positive economic impacts as well, owing to Eid Alfidr / the Hajj season. The volume of livestock trade (export) increased for the 2 months before Hajj, and it subsequently contributed to an increase in income of the people involved across the business chain. The higher income, and disposable income, increased liquidity in the market which in turn stimulated demand for other commodities.

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**PREPARED BY:**  
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**PROGRAMME:**  
Poverty Reduction & Environment  
Protection

**REPORT PERIOD:**  
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Final

**DONORS:**  
UNDP BCPR  
UAE  
Greece  
Italy  
UK FCO  
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## RESULTS

SL	Indicator	3.4.1.2 Community economic needs are addressed through community development plans	G
	Result	RFPs advertised and field mission to Burao conducted, community needs addressed	
	Comment	In addition to the RFPs and field missions, the project benefited from the districts development plans prepared by JPLG	
SL	Indicator	3.4.2.1 Number of basic services and economic infrastructure rehabilitated, functioning and effectively sustained, disaggregated by type	Y
	Result	3 MCGs in infrastructure rehabilitation approved.	
	Comment	The project faced some delays in the procurement process	
SL	Indicator	3.4.3.1 Number of skilled and unskilled workers provided with short term employment	Y
	Result	2 MCGs approved.	
	Comment	Due to budget constraints the 2012 target may not be achieved.	
SL	Indicator	3.4.3.2 Number of medium to long term jobs created	Y
	Result	2 MCGs approved	
	Comment	The 2012 target is on track	
PL	Indicator	3.4.1.2 Community economic needs are addressed through community development plans	G
	Result	Mission by minister of planning and PREP to Karin and Galdagoob to identify the community needs	
	Comment	NA	
PL	Indicator	3.4.2.1 Number of basic services and economic infrastructure rehabilitated, functioning and effectively sustained, disaggregated by type	Y
	Result	2 MCGs and 1 LOA at approval stage	
	Comment	The 2012 target is to rehabilitate 7 basic infrastructure facilities (2 youth facilities, 2 agricultural facilities, and 3 markets) - this will be achieved by the end of Q4	
PL	Indicator	3.4.1.1 Community economic needs are identified	G
	Result	Mission to Karin, Galdgoob, & Bossaso to identify community needs conducted	
	Comment	Mission and studies conducted with participation of local communities and authorities to assess needs and to put development plans in place	

## RESULTS

PL	Indicator	3.4.3.1 Number of skilled and unskilled workers provided with short term employment	Y
	Result	RFPs advertised. Agreements at the approval stage	
	Comment	The 2012 target is 2000 jobs - due to budget constraints only 70% will be achieved.	
PL	Indicator	3.4.3.2 Number of medium to long term jobs created	Y
	Result	MCGs, LOAs, and tenders were processed in Q3. 100 youth provided skills training	
	Comment	The 2012 target is to create 400 jobs through provision of skills training, tools, assets, and grants.	
FL	Indicator	3.4.1.2 Community economic needs are addressed through community development plans	G
	Result	2 RFPs advertised, 70 proposals received, and review process initiated	
	Comment	NA	
FL	Indicator	3.4.2.1 Number of basic services and economic infrastructure rehabilitated, functioning and effectively sustained, disaggregated by type	G
	Result	2 schools, 1 health centre, 14 catchments, 12 canals, 1 market	
	Comment	More than 10 basic infrastructure facilities rehabilitated during 2012 - target on track	
FL	Indicator	3.4.3.1 Number of skilled and unskilled workers provided with short term employment	G
	Result	2283 jobs created (764 jobs for women (33.5%) and 498 jobs for IDPs (22%)). Workdays: 59,187	
	Comment	The 2012 target is 7000 jobs - on track to achieve 5700 (budget shortfall)	
FL	Indicator	3.4.3.2 Number of medium to long term jobs created	G
	Result	461 long term employment opportunities created and support provided for women and men	
	Comment	Livestock: 40 IDP HHs; Skills / tools: 20 youth; Jobs: 46 teachers / school staff, 20 health workers; Canals: 280 farmers; Beehives: 75 Women; Market: 80 vegetable & NFI vendors	
FL	Indicator	3.4.1.1 Community economic needs are identified	Y
	Result	40 IDP HHs voluntarily returned to their place of origin with distribution of 600 goats (15 per HH)	
	Comment	The project faces difficulties in coordinating this activity with other UN Agencies	

## RESULTS

PL	Indicator	Number of field missions and meetings conducted with local communities to identify their needs and to help in establishment of CMCs and PMCs	G
	Result	3 districts visited during Q3	
	Comment	This is a partnership between UNDP Somalia, government partners, and other UN agencies	
PL	Indicator	Number of labor market surveys conducted	Y
	Result	Questionnaires for the survey prepared	
	Comment	The studies will be conducted in Bossaso and Galkayo - to be implemented in Q4	
FL	Indicator	Number of IDP households supported to return to their community of origin	Y
	Result	40	
	Comment	Achieving the target is challenging as it relies on inter agency coordination	
PL	Indicator	Number of processed RFQs	G
	Result	8 RFQs initiated	
	Comment	NA	
PL	Indicator	Number of MCGs/ LOAs signed with partners	G
	Result	2 MCGs, 1 LOA signed	
	Comment	The 2012 target is to provide jobs to 220 vulnerable women and 100 Y@R	
FL	Indicator	Number of MCGs/ LOAs signed with partners	G
	Result	6 MCGs for rehabilitation of basic infrastructure approved	
	Comment	The 2012 target of generating 7000 short term jobs is unlikely to be achieved partially because of budget shortfall	



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## ACTIVITY HIGHLIGHTS

### FEDERAL LEVEL

In response to the floods in Baladwyne, the project has designed sub-projects to help maintain the livelihoods of those affected, and strengthen the resilience of the town. Proposed projects include the rehabilitation of a slaughter house which will generate work for approximately 100 retailers.

### PUNTLAND

As a result of field missions both inland and in coastal areas, community priority areas were identified in a participatory manner. Appropriate interventions designed and developed targeting vulnerable women and youth in Eyl, Karin, Beyla, Galdagob, Bosaso, Galkayo and Qarhis. Access to water and non-functional community productive infrastructure remain the primary community challenges.

### SOMALILAND

In Somaliland, Burao airport rehabilitation is planned in 3 phases. In close cooperation with ILO, WFP, and other actors, the project has contributed to designing the intervention in phase 1 of the work plan. The proposed intervention will focus on Cash for Work activities while ILO will provide technical assistance.

## PARTNERSHIPS

The project partners with government agencies, NGOs, and UN agencies. In coordination with UNDP Somalia's HIV / AIDs unit, the project advertised 3 Request for Proposals (RFPs) to help the livelihood of the people living with HIV / AIDs in Somaliland, Puntland, and South Central.

The project has also contributed to the Mogadishu Rehabilitation Coordination Mechanism.

In Somaliland, the project is working closely with ILO, WFP, and governmental partners to support the airport rehabilitation work in Burao.

In Puntland, the project has conducted joint missions with MoPIC, MoLYS and MoF on several occasions to assess community needs.

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## PEACE AND CONFLICT

In harmony with the 'Do No Harm principle' and to avoid creating conflicts within targeted communities the project emphasizes meeting and listening to the views of a diversified stratum of representatives and community groups - this was followed during all joint missions and visits to the field.

One of the major contributions the project participated in to encourage peace building between people in conflict was the establishment of a project board for the 'Alternative Livelihoods to Piracy' activities. The boards are led by the Minister of Labor, Youth and Sports and include representatives from other ministries and councils of target districts in Puntland and Central regions. Although some of those areas are officially in conflict with the Puntland Government, the project has managed to have all members together to discuss and decide on the strategy, plans and progress.

## GENDER

Engagement in the economic empowerment of women is a significant component of the overall strategy and policy of the project. The sub project mandates the involvement of women groups in all stages of project activities, starting from the needs assessment, to community mobilization, and monitoring and evaluation of the project.

The LED project also ensures women's representation in the Project Management Committee in the targeted communities. Also, the project has a policy that mandates at least 30% of the beneficiaries in employment generation must be women. During the reporting period, the project successfully engaged women workers who represented 32.5% of the total short term workforce. 70 - 80% of direct beneficiaries of long-term job opportunities were women.

## UPCOMING QUARTER

The Local Economic Development (LED) project will continue to support communities contributing to the local economic development plans (gender, conflict and disaster sensitive). It will also continue to rehabilitate priority social basic and productive infrastructure in South Central, Puntland, and Somaliland.

The project plans to invest in activities that aim to create long-term job opportunities, of which 50% would be self-employed, for women, youth and other vulnerable groups through the provision of skills training, cash grants, and physical assets. At the same time, activities to generate short term employment remains to be the priority. Through short term employment, women, youth and other vulnerable groups including IDPs, ex-combatants, people living with HIV / AIDS, and disabilities will benefit.



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## REFLECTIONS / LESSONS

Conducting joint missions with government and NGOs partners, and other UN agencies is an excellent approach to coordinate activities, unify understanding, and to plan comprehensively. Furthermore such missions highly assist in the understanding needs of different communities and different groups within the community and assist in proper planning.

These missions have brought to light the fact that basic infrastructure in most sectors is almost absent or damaged and special attention from different actors needs be paid to this. It also emerged that the remote areas were in more need of infrastructure rehabilitation and the impact of any intervention, big or small, is felt and appreciated as compared to more heavily populated towns and districts..

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### CUMULATIVE PROJECT FINANCIAL SUMMARY

APPROVED BUDGET	3,107,890
TOTAL (DISBURSEMENTS + COMMITMENTS)	1,049,040
BALANCE OF FUNDS	2,058,850
% DELIVERY (AGAINST APPROVED BUDGET)	34%