



European Union

**REVIEW AND
IDENTIFICATION OF
THE AGRICULTURE
PROGRAMME FOR
SOMALIA**



Contract No. 9 ACP SO 3/52

Final Report

April 2010

**EXECUTIVE SUMMARY
AND MAIN REPORT**

Review and Identification of the Agriculture Programme for Somalia.

Final Report – April 2010

TABLE OF CONTENTS

Section	Page
ABBREVIATIONS	iii
EXECUTIVE SUMMARY	v
1 INTRODUCTION	1
2 REQUESTED SERVICES	1
2.1 Overall objective of the assignment	1
2.2 Purpose	1
2.3 Consultant's approach to the assignment	1
3 Problem Analysis and Constraints limiting Development.....	2
3.1 Background to the Somali Economy.....	2
3.2 Security	2
3.3 Challenging political environment	3
3.4 Human resources.....	3
3.5 The Agriculture Sector	4
3.5.1 Crop Production Systems	6
3.6 Structure and dynamics of the agriculture sector	9
4 Recent EC and other international assistance to Somalia	10
4.1 European Commission	10
4.2 Other Development Partners	13
4.3 Aid Coordination.....	14
4.4 Lessons Learned from Recent EC and other Donor Initiatives.....	15
4.4.1 Mixed farming or Agro-pastoral systems	15
4.4.2 Rain fed Agriculture.....	15
4.4.3 Riverine systems	15
4.4.4 Somaliland and Puntland agriculture	16
4.5 Institutional Aspects	16
4.6 Broad Sector Priorities	17
5 10th EDF Priorities for Agriculture	18
5.1 Overarching Principles	18
5.2 General Criteria for Design of the Programme Priorities	18
5.3 Programming 10th EDF Interventions	18
5.4 Relevance.....	19
5.5 Efficiency.....	19
5.6 Effectiveness.....	20
5.7 Impact	20
5.8 Sustainability.....	20
5.9 Cross-cutting Issues	20

5.9.1	Gender and Marginalised Groups	21
5.9.2	Environment	21
5.9.3	Emergency/Disaster Preparedness and Recovery	21
5.9.4	HIV/AIDS	21
5.10	Economic and Financial Implications	21
5.11	EU Interventions for the First Phase Period 2009 - 2010.....	21
6	LOGICAL FRAMEWORK AND INDICATORS	23

TABLES

Table 1: EDF 10 Agriculture Programme Expenditures (Million Euros)	xi
Table 2: Summary of Somali Population Estimates 2005	4
Table 3: Agricultural Characteristics of Somalia	6
Table 4: Recent EU Support to Rural Development in Somalia	11
Table 5: Special Framework Agreements interventions 2002-2008.....	12
Table 6: Donors active in Somali according to sectors	14
Table 7: EDF 10 Agriculture Programme Expenditures (Million Euros)	22
Table 8: Compliance of Priority Programmes with EU Strategies - Main Results.....	22
Table 9: Logical Framework and Indicators	23

FIGURES

Figure 1: Total annual cereal production 1995 – 2008	6
Figure 2: Structure of International Support to Somalis'	14

MAPS

Map 1: Crop Zones of Somalia	5
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ANNEXES

Annex 1: Terms of Reference and CVs of Team Members
Annex 2: Mission Itinerary
Annex 3: List of Consultants Met
Annex 4: References
Annex 5: Working Papers
Annex 6: Workshop Report
Annex 7: Draft Identification FICHE

ABBREVIATIONS

ARS	Alliance for the Re-liberation of Somalia
ASWG	Agriculture Sector Working Group
CAAL	Cardno Agrisystems Africa Ltd
CEFA	Comitato Europeo per la Formazione e L'Agricoltura (European Committee for Agriculture and Training)
CISS	Coordination for International Support to Somalis'
CPS	Country Strategy Paper
DFID	Department of International Development (UK)
EC	European Commission
EC	European Commission Somali Operations Unit
EDF	European Development Fund
EU	European Union
FAO	Food and Agriculture Organisation
FSAU	Food Security Analysis Unit
GDP	Gross Domestic Production
GNU	Government of National Unity
HDI	United Nations Human Development Index
IASC	Inter Agency Standing Committee
IDP	Internally Displaced Persons
IFPRI	International Food Policy Research Institute
IRD	Integrated Rural Development
IUCN	International Union of Conservation
JNA	Joint Needs Assessment
JSP	Joint Strategy Paper
LRRD	Linking Relief, Rehabilitation and Development
MDG	Millennium Development Goals
M&E	Monitoring and Evaluation
MoA	Ministry of Agriculture(s)
NEPAD	New Economic Partnership for AFRICAN Development
NGO	Non Governmental Organisation
POD	Puntland Oasis Development
PRA	Participatory Rural Development
TFG	Transitional Federal Government

TOR	Terms of Reference
RDB	Rural Development Programme
SACB	Somali
SWALIM	Somali Water and Land Information Management
SDG	Somali Donor Working Group
SWOT	Strengths, weaknesses, opportunities and threats
UIC	Union of Islamic Courts
UNCT	United Nations Country Team
UN	United Nations
UNDP	United Nations Development Programme
UNESCO	United Nations
UNICEF	United Nations
USA	United States of America
USAID	United States Agency for International Development
WB	World Bank
WFP	World Food Programme

EXECUTIVE SUMMARY

i) INTRODUCTION

Cardno Agrisystems Africa Ltd (CAAL) was contracted to undertake a review and identification of the European Union's (EU), European Development Fund (EDF) 10 medium term Agriculture Programme for Somalia. The E.U has been providing development assistance for decades to Somalia and continues to do so since the country plunged into civil unrest. Therefore, this review and identification exercise is intended to contribution to the broad implementation imperatives of the Joint Strategy Paper (JSP) for the country covering the period 2008 to 2013.

This document is the Final Report for the "Review and Identification of The Agriculture Programme for Somalia" undertaken on behalf of E.C Somalia Unit.

ii) Study objectives

The overall objective of the study is to support the JSP in the creation of an enabling environment for private sector led growth to contribute to development of Somalia and help reduce poverty. The study will assist the identification and formulation of an agriculture (crop production) programme for Somalia taking into account identified needs, constraints, potentialities and lessons learned from on-going and past interventions.

- Purpose

The study will produce an Agriculture Sector Programme for Somalia that will take into consideration the two strategic options of the JSP, notably:

Purpose 1: Support the establishment and strengthening of institutions and the development of policies, laws and regulations as well as the provision of information systems to support economic growth and employment creation.

Purpose 2: Promotion of an enabling environment for investment and public-private-partnerships (PPP) and strengthen livelihoods.

- Study approach

As agreed at inception, the team under took the following activities:

- Reviewed the relevant policy framework within the context of the JSP and other relevant documents;
- Reviewed recent and relevant EC experiences and other donor partners in supporting Agricultural and Rural Developments in Somalia;
- Undertook field missions in Somaliland and Puntland to appraise in-country circumstances related to the structure of the agricultural sector and economy including the activities of the private sector, local development planning systems, preferred implementation modalities, and with this background assessed the risks associated with successful implementation;
- In the absence of being able to mount field visits in Southern Somalia due to security issues, reviewed secondary information sources and consulted expert opinion much of which was Kenya based to supplement the mission's overall knowledge base;
- In Nairobi held discussions with stakeholders culminating in a "Stakeholder Workshop" held 26th March to assist in the preparation of a selection of options covering both the short and medium term for consideration by the EC and other development partners;

The team also liaised with the consultants who undertook parallel studies on Somalia namely the "Final Evaluation of the Special Framework Agreement for Assistance for Somalia", the "Review and Identification of Livestock Sector Strategy and Programme" and the "Study for Integrated Development Programme for Agricultural & Water Development of Lower Shabelle, Middle Shabelle, Lower Juba and Hiran Regions, Somali.

The timetable of the mission and a list of persons met are given in Annex 2 and 3 respectively.

iii) PROBLEM ANALYSIS AND CONSTRAINTS

- Background to the Somali Economy

The current socio-economic situation in Somalia is deteriorating and the root causes need to be analysed in an holistic manner given the interdependencies between the factors that have led to the current situation.

- Security and the political landscape

The well documented and continuing armed hostilities in South Central Somalia between the various warring factions and the Transitional Federal Government has severely reduced accessibility to selected project areas, hence making project and programme implementation difficult.

Since 1991, Somalia has been without a stable central government to ensure security for its people and their property. Due to the civil war and the aggravation of severe poverty, especially in marginal rural areas, the traditional clan based conflict resolution mechanisms and the application of customary laws have been weakened and disappeared in some parts of the country. However, competition between clan groups over access to, and control of, meagre natural resources (fertile pasture land and water points) seems to top the list as the root cause of conflicts in Somalia.

- Human resources

The human population of Somalia was estimated at 7.5 million with an annual growth rate of 3.2%. (UNDP) The population face many challenges including a gender bias, an increase internal displacement - many of whom are unemployed youths who are often recruited as soldiers by warring faction – low adult literacy rate, high infant mortality rate, low overall life expectancy all supported by poor access to water and health facilities.

As a result, the public sector institutions face serious capacity constraints across the board.

iv) The Agriculture (crop production) Sector

Crop production is next in importance to livestock and its contribution to household economics is growing in importance. Rainfall, is typically low and highly variable throughout most of the country. The annual rainfall ranges from 63 mm on the northern coastal areas to just under 600 mm at higher elevations in the south and in the northwest. The major cereal crops cultivated in Somalia are sorghum and maize. Both crops are grown under rainfed and under irrigated conditions. Commercial crops such sugar cane, bananas, grapefruits and rice were also successfully cultivated in the south along the two rivers. Sadly most of the commercial farming operations have been ceased to function.

Oasis farming, found in the north east and west, is traditionally based on date palms, papaya and citrus and fodder production. In recent years vegetable production has grown in importance linked to the increased population of the urban centres.

Irrigation (pumped and flood) along the Juba and Shabelle rivers was initiated by the Italian colonial administration in early 20th Century. During the period between 1960s through to late 1980s additional infrastructure was developed. However, with the exception of some rehabilitation undertaken through EU funded projects, much of this infrastructure has deteriorated resulting in reduction of land under irrigation and total agricultural production.

v) Agricultural Production Systems

While Somalia is a food deficit country the potential exists for the country to substantially reduce its dependence on food imports. This potential can be realised in areas where irrigation is possible along the rivers of Shabelle and Juba

The report presented a comparative analysis of the main farming systems found in the country.

- **Rain fed farming** - a low input and low output form of crop production. This system is dominated by sorghum and to some extent maize production. This system is mainly practiced throughout the country's semi arid areas.
- **Recession irrigated agriculture - predominantly** practiced along the Juba River.
- **Controlled gravity or pump irrigated agriculture** – found primarily along the Juba and Shebelle rivers. Controlled gravity irrigation operates by diverting river water by gravity through canals to farmlands

supported by infrastructures including barrages, (primary, secondary canals), river embankments and bridges.

- **Commercial plantations** - prior to the civil war plantations occupied some 50% of irrigated farmland along both the Juba and Shebelle rivers. The major crops grown under both gravity and pumped irrigation were bananas, grapefruits, rice, sugar cane, maize, sesame and vegetables. Apart from the areas rehabilitated under EU support, the existing infrastructures are in a poor state, embankments have not been reinforced, and the number of pumps available has reduced.
- Sections of the old commercial plantations which have been taken over by small holders have low production due to poor knowledge of irrigation and water management.
- **Oasis Farming** - traditionally occurs in *toggas* and springs in the Northern regions provide water for the production of date palms, papaya, citrus, fodder and vegetables.
- The agricultural support systems throughout Somalia vary between poor to non existent, with essential infrastructures such as barrages, major irrigation and flood management infrastructure, roads and bridges etc in disrepair. Although the EU has been in the forefront in infrastructure rehabilitation over the years, continued investments in improved infrastructure would provide a more enabling environment for enhanced production and would also encourage the private sector involvement.

vi) Recent EC and other international development assistance to Somalia

- **European Commission**

The EC has been the most consistent and important donor partner to Somalia, particularly, in its support to the agriculture sector. The EU has taken a sectoral development approach and provides assistance to Somalia in services of public good. The thrust of EC development interventions in the agricultural sector in Somalia between 2002 and 2007 was in the support of policy analysis and planning; the re-establishment of strategic information systems for emergency preparedness, recovery and development; the promotion of conservation and sustainable use of plant genetic resources; the expansion of production and productivity, and; the development of market access and support to marketing interventions.

Key programmes financed by the EC in the agricultural sector in recent years include:

1. Support to natural resource (water and land) and food security information systems.
2. Agricultural rehabilitation and diversification of high potential irrigation schemes in southern Somalia (ARDOPIS) in Merka and Qoryooley districts in Jammama, Afgoi and Balad districts.
3. Support to sustainable management of the Shabelle and Juba rivers in southern Somalia (ongoing with SWALIM).
4. Irrigation, consolidation and development of better farming systems in the middle and lower catchments of the Dur-Dur Watershed, Awdal region of Somaliland.
5. Consolidation of integrated pest management initiative in Somalia.
6. Improvement and sustainable use of seed and plant genetic resources programme.
7. Support to oasis farming in Puntland – Puntland Oasis Programme.
8. Support to reduction of grain post harvest and storage losses.
9. Support to rain-fed production in Bay and Bakool regions.

vii) Lessons Learned from Recent EC and other Donor Initiatives

The lessons learned relate to the operational aspects of project and programme planning, implementation, supervision, monitoring and evaluation. However, much has also been learned about the institutional capacity of the various administrations in Somalia and the level of engagement of EDF programmes. Historical experience has also provided knowledge of the higher potential areas for agriculture which are: a) Somaliland – western areas including Awdal and Galbeed regions for rain-fed farming; b) Central Somalia - the middle Shabelle region and the southern district of Galgaduud and Muduq regions (cowpeas belt); and d) Juba and Shabelle river ecosystems for irrigated agriculture (controlled and recession). With regard to Puntland, agricultural development is realistically confined to oasis areas which have been supported by the EU funded Puntland Oasis Development (POD) programme.

However recent EC-funded investments in irrigation, flood control infrastructure, and agricultural services has resulted in a 50% increase in the area of land being utilised for irrigation compared to prior the civil war. This has sustained livelihoods and food security in the riverine areas.

- **Institutional Aspects**

Most projects implemented in Somalia have suffered from both poor security and remote management. This is particularly severe in the South Central regions of the country. In addition, there is considerable lack of capacity within the national and regional administrations.

There is need to support local Administration and NGOs to improve capacities to manage activities at field levels. This support would include: training in office administration; development of technical and business skills, and in particular ensuring that M&E skills are improved.

- **Overarching Principles**

Given the current situations, and against the priorities outlined on the RDP and specifically the EU SOU, the 10th EDF agricultural support programme should recognise and include the following overarching eight mandates:

- 1 Involvement of emerging institutions in planning, supervision and evaluation of all activities in the programme
- 2 Promotion of improved implementation capacity of agriculture institutions and organisations
- 3 Development of mechanisms to disseminate data from SWALIM and FSNAU for planning, strategy and policy development
- 4 Attention to MDGs in general, and in particular MDG1 (Poverty Reduction) and MDG (7 ensure environmental sustainability)
- 5 Promotion of programmes that are geared towards employment generating opportunities for rural communities with particular emphasis on rural youth and women,
- 6 Involvement of community leaders in the transparent targeting of beneficiaries and target areas of operation
- 7 Involvement of the private sector in agriculture development
- 8 Need to build upon existing and past development EU funded initiatives

viii) 10TH EDF PRIORITIES FOR AGRICULTURE

- **Time frame for Design of the Programme Priorities**

The 10th EDF funded interventions cover the next seven years (five years from 2009 to 2013 in which all contracts should be made, plus at least two further years to 2015 to complete implementation). Potential interventions have been identified in the problem analysis in the main report and fully discussed during the workshop in Nairobi March 2009.

- **Programming 10th EDF Interventions**

The programme **GOAL** defined in the Logical Framework and which is consistent with the JSP, is: ***"Income increased and food insecurity reduced through private sector-led economic growth"***

The **PURPOSE** is to assist the improvement of agricultural sector management and crop production.

There are two **RESULT** areas of the programme, which are:

1. Improved Planning, Supervision and Coordination of the Agricultural Sector through:

- Support to national institutions in policy formulation, planning, monitoring and evaluation;
- Support to the consolidation of food security, water and land information systems including river management information for the Shebelle & Juba rivers;
- Facilitation of private sector involvement in agriculture development;
- Improved understanding of value chain through analysis of market dynamics;

2. Increased Crop Production and productivity through:

- Rehabilitation and maintenance of irrigation, flood management and market infrastructures
- Provision of technical and inputs including extension, training, tractor services, improved seeds;
- Support to recession agriculture along the Juba river;
- Support to the improvement and use of plant genetic resources;
- A roll-out of a modified ARDOPIS programme to engage middle and large commercial enterprises including support to infrastructure developments of the lower and middle Shebelle catchments;
- Consolidation of the support Dur-Dur Watershed programme in Awdal region of Somaliland;
- Consolidation and expansion of the Puntland Oasis Development programme in Puntland;
- Support to rainfed and mixed farming systems in Southern Somalia with particular focus on reduction of post harvest and storage losses.

- **Relevance**

The proposed programme is highly relevant to the current needs of the Somali agriculture sector in terms of enhancing food security at household, regional and national level. Moreover, the investments proposed are justified and will improve the capacities for planning and coordination of development investments, and the provision of improved crop production methods through the removal of production constraints including expansion of production base of farmers.

- **Efficiency**

The proposed programme will enhance the efficiency of previous E.C investments in the agriculture sector. It must be noted that the cost of project implementation using INGOs and UN agencies in Somalia under the current circumstances are high. However, the benefits are generally well valued in view that most interventions would have a widespread impact throughout the sector and that they mainly build on past interventions with a focus on consolidation, rehabilitation of facilities and inputs that have been funded under various recently completed or on-going EU funded projects.

- **Effectiveness**

The interventions are designed to achieve the purpose of the JSP and EU policies in the 10th EDF and focus mainly on provision of an enabling environment for the private sector, or communities themselves, including youths and women's groups, and local authorities that are more committed and less influenced by political changes. The programme results are considered realistic and attainable even within the difficult environment in much of Somalia.

- **Impact**

Developing production and planning capacity within the sector will provide substantial positive impact for programme activities, in that investment decisions will be made on more robust information. Further support to irrigation systems in southern Somalia, will complement earlier EC initiatives, and those of other donors; and improved crop production will increase the household food security and the incomes of people in the target areas. The river catchment studies will positively impact water resources and other natural resource management systems, and will facilitate the sustainable management of the riverine areas.

- **Sustainability**

There are several issues that have a bearing on sustainability. Firstly, an overriding problem is security which has impacted most previous EC interventions. Notwithstanding this, there are numerous positive aspects of programme that are likely to evolve and include:

- Strengthening the agricultural policy analysis and planning is likely to contribute to ensuring that appropriate and sustainable interventions are designed based upon robust information to provide an enabling environment for the promotion of sustainable resource management, including that of human, financial and natural assets.
- Supporting improved irrigated crop production in southern Somalia according to the IDP is a cost effective means of improving national food production capacity, and will contribute to sustainable food production. This support should result in improved food security at household and national level.

- The focus on the involvement of rural labour linked with cash-for-work schemes as indicated in the IDP, will promote employment creation and the availability of cash retention within rural households providing funds for alternative investments and community development. Capacitating agricultural service delivery systems as defined within the ARDOPIS programme will complement the above and contribute towards the sustainability of all farming.

- **Gender and Cross-cutting Issues**

Taking into consideration of the RDP pillars, the outlined programme will address all cross-cutting issues categorised within the RDP.

- **Environment**

Environmental concerns will be addressed by programme activities and will follow appropriate actions consistent with best practice and within EC guidelines. In particular, the programme will pay attention to key environmental issues related to the pastoralist/mixed farming, the efficient and effective use of water resources in the main perennial river catchments and also the ephemeral catchments in central and northern Somalia.

- **Emergency/Disaster Preparedness and Recovery**

As in the ARDOPIS programme, improved rural access roads and improved marketing/service centres will reduce post harvest crop losses, and provide easier access for humanitarian aid as and when required.

- **Economic and Financial Implications**

The general situation in Somalia and the lack of effective national institutions is coupled with the lack of reliable quantifiable data means that it is not practical to undertake a meaningful financial or economic analysis. Similar sentiment were expressed in a recent World Bank appraisal report for their rural development programme. However, there are clear indications that past investments by EU in the agriculture sector have significantly contributed to the reduction of poverty, improvement of rural livelihoods and increase of cereal production in irrigated areas. This has been largely due to the rehabilitation of irrigation infrastructure and the opening up of additional lands for cultivation, particularly in the Lower Shabelle. Agriculture productivity in Somalia is low and offers significant opportunities for expansion in unit areas, food and economic growth. It is now commonly believed that agriculture growth has wider economic multiplier effects on the overall economy than any other sector, each 1 dollar increase or investment in agricultural generates 3 dollar in general economic growth. Therefore, future proposed EU investment in the agriculture sector of Somalia should result in similar positive returns.

ix) EU Interventions for the First Phase Period 2009 - 2010

Table 1 outlines a tentative programme of action for the EDF 10 agriculture sector support initiatives.

It is assumed that the assistance in south central Somalia on the Shabelle and Juba catchments are sufficiently well described and costed to enable funds to be committed to a first phase in 2009. Then between mid 2009 and the end of 2010, funding in policy, planning and analysis would proceed to support a commitment in FSNAU, and SWALIM, given the need to support the irrigation rehabilitation and the need to proceed with an integrated water management plan for the Shabelle and Juba catchment.

Dur-Dur programme in Somaliland and the Puntland Oasis Development (POD) programme are on-going, commitments for their extensions and expansion is recommended and could be made from 2010.

Table 1: EDF 10 Agriculture Programme Expenditures (Million Euros)

	2009	2010	2011	2012	2013	TOTAL
Result 1 Improved Planning and Coordination						
Support to local institutions in policy, planning and M&E		0.50		0.50		1.00
Consolidation of Information (FSNAU)		2.88				2.88
Private sector facilitation		0.50		0.50		1.00
Understanding market dynamics and value chain			0.30			0.30
Sub-total Result 1		3.88	0.30	1.00	0.00	5.18
Result 2 Support to Improved Crop Production						
2.1 Continuation of ARDOPIS programme (3 yrs)		3.9				3.90
2.2 Support to Irrigation in Shabelle and Juba						0.00
2.2.1 Priority Irrigation systems	4.20	7.3	3.10			14.60
2.2.2 Priority rural roads infrastructures	4.70	7.2	8.40			20.30
2.2.3 River Basin Management	5.00	0.7				5.70
2.2.4 Improve understanding		0.4				0.40
2.2.5 Expanding EC areas of interventions(recession)			4.30			4.30
2.3 Extension of Dur-Dur programme (3 yrs)		3.76				3.76
2.4 Expansion of POD programme (3 yrs)		3.76				3.76
2.5 Support to mixed and rain fed farming systems		1.00		1.00		2.00
2.6 Support to use of plant genetic resources		1.00		1.00		2.00
2.7 Support to tractorisation, training seeds and extension		1.50		1.50		3.00
Sub-total Result 2	13.90	27.01	15.80	3.50	0.00	56.81
PROGRAMME TOTAL	13.90	30.89	16.10	4.50	0.00	61.99

x) EC Interventions for the Second Phase Period 2011 - 2013

Experience gained during the previous funding periods suggest continuing benefit from continuing the programme to capacitate policy, planning and analysis units into Somaliland and Puntland in 2011 and 2012 respectively.

Similarly, experiences gained on the rehabilitation of the irrigation systems in the Shabelle and Juba catchments would provide a springboard to commit further funds as envisaged in the IDP study report.

xi) Implementation Modalities

The EC will continue to contract UN agencies, other international and regional organisations such as INGOs (singly or a consortium of INGOs). Selected international NGOs and UN agencies have built up experience of implementing projects in the difficult Somali environment using a variety of strategies including the sub-contracting of local NGO's, the recruitment of trained and experienced Somali managers and technicians for operations within Somalia.

1 INTRODUCTION

In December 2008 Cardno Agrisystems Africa Ltd (CAAL)¹ was awarded a contract by the European Commission (EC) Somalia Operations Unit (SOU) to undertake the “Review and Identification of the Agriculture Programme for Somalia” to be funded under EDF 10. This investment is expected to make a considerable contribution to the implementation of the Joint Strategy Paper (JSP) for the country and would cover the period 2008 to 2013.

2 REQUESTED SERVICES

The overall objective and the purpose of the study are given below, while the full Terms of Reference (TOR) are given in Annex 1.

2.1 Overall objective of the assignment

The overall objective of the study is to support the JSP by contributing to the creation of an enabling environment for private sector led growth to expand employment and contribute to poverty reduction. The study will contribute to the identification and formulation of a crop production programme for Somalia taking into account the identified needs, constraints, potentialities and lessons learned from on-going and past interventions.

2.2 Purpose

The study will produce an Agriculture Sector Programme for Somalia that will take into consideration the two strategic options of the JSP, notably:

- Support the establishment and strengthening of institutions and the development of policies, laws and regulations as well as the provision of information systems to support economic growth and employment creation.
- The promotion of an enabling environment for investment and public-private-partnerships (PPP) and strengthen livelihoods.

2.3 Consultant’s approach to the assignment

As agreed during the inception phase the consultant undertook the following activities:

- Reviewed the relevant policy framework (JSP, Response to JSP, Rural Development, Programme documentation etc);
- Reviewed recent EC experiences and other donor partners in supporting development in Somalia, especially those interventions associated with the agricultural and rural development sectors;
- Undertook field visits to establish in-country circumstances related to the structure of the agricultural sector, production levels and associated aspects of the agricultural economy including the activities of the private sector, local development planning systems, current development agenda and preferred implementation modalities. The mission also assessed the security situation in the regions visited and made judgements relating to the risks challenging successful implementation. Dr Haji visited Somaliland while Mr Ali visited Puntland;
- Due to the difficulty of being able to undertake field visits into Central and Southern Somalia for security and accessibility reasons, the team reviewed secondary information sources and consulted various Nairobi based organisations and individuals to add to the mission’s knowledge base;
- In Nairobi the team reviewed the available literature, held stakeholder discussions, and prepared a prioritised selection of options for consideration by the EC and other development partners;
- The team also liaised with the consultant teams who undertook parallel studies on Somalia namely the Final Evaluation of the Special Framework Agreement for Assistance for Somalia, the Review and

¹ The CAAL team consisted of Dr Stephen Atkins (Team Leader), Dr Hussein Haji (Agronomist), Mohamoud Mohamed Ali (Irrigation Specialist), and supported by David Hopkins (Study Director) and Ahmed Jama (Rural Development Specialist).

Identification of Livestock Sector Strategy and Programme to Address Food Insecurity and Economic Development in Somalia, and the Integrated Development Programme of the Juba and Shebelle lower catchments in Southern Somalia;

- Received valuable feedback from stakeholders, including Somali nationals who attended the Stakeholder Workshop in Nairobi 26th March. These comments provided valuable assistance to the Consultant contributing to the final list of priority actions to be proposed for medium and short term funding;

The timetable of the mission and a list of persons met are given in Annex 2 and 3 respectively.

3 Problem Analysis and Constraints limiting Development

3.1 Background to the Somali Economy

Somalia covers approximately a land mass of 637,540 km² with an estimated population of about 7.5 million (UNDP 2005). Its easternmost limit is the Horn of Africa at latitude 12° north and the southern most point, the Kenya coastal border at latitude 1.5° south. The country is bordered by Djibouti in the northwest coastline with the Gulf of Aden, and Ethiopia and Kenya to the west and south. Somalia has one of the longest coastlines on the African continent (3,300 kms) along the Indian Ocean and the Gulf of Aden (IUCN 1997).

The United Nations Development Index (HDI) for 2008 does not include Somalia in the list of 177 countries reviewed; the most recent data go back to 2002 when the country was ranked 161 of 163 countries, and with an income per capita estimated to be \$226 (compared to \$515 in Sub-Saharan Africa) Somalia was rated one of the poorest countries in the world.

The Somali economy is dominated by livestock as the basis for livelihoods in most parts of the country. Given the average rainfall of <500 mm and its variable pattern, rainfed crop production whilst widely practiced is successful only in areas which have slightly higher rainfall. Significant opportunities for crop production exist under irrigation along the Shabelle and Juba valleys. However, even under maximum irrigation development before the war, Somalia remained a food deficit country. During this pre conflict period export crops such as banana, grapefruits and sesame were produced under irrigation in the lower and Middle Shabelle and Juba basin. Other economic activities were extremely limited and were confined to services and trade and were mainly the preoccupation of urban dwellers.

This rather unenviable economic outlook of Somalia has worsened since the start of the civil war in 1991 which also caused the collapse of central government and the associated services. During the period between 1991 and 2009 there were a series of droughts and floods. Finally the loss of the banana market to Europe, particularly Italy, and the ban on livestock exports to Saudi Arabia and other Arab countries has added to the problems.

The European Commission has provided development assistance throughout this period of civil unrest using a variety of financial instruments to fund development programmes and projects and is presently the largest donor in Somalia. The EC is also the largest donor in the rural development and food security sectors. The E.C funded development programmes and projects are implemented and executed through United Nations Agencies, International Non Governmental Organizations supported in most cases by local NGOs.

3.2 Security

Somalia has been to all intents and purposes without a functioning national government for two decades. Although there are administrative units i.e Somaliland and Puntland where some stability is assured insecurity in South Central still remains the main reason for limited development and restricted access. The conflict in South Central remains complex and has more recently become further complicated because of religious extremism and, political opportunism a political dispensation that has not been seen before in this area of Somalia. Although fragile, there is some hope that the installation of a new transitional government may usher in a period of improved security and stability in South Central Somalia.

An escalation of armed hostilities and kidnappings in recent years has resulted in the UN relocating staff from Mogadishu and other locations. In addition, piracy of vessels has increased dramatically in the Gulf of Aden and the Indian Ocean off the coast of Puntland. The EU, and other countries have committed to provide vessels to combat piracy to try to ensure the safe delivery of humanitarian aid to Eastern Africa.

3.3 Challenging political environment

Since the collapse of the Siad Barre regime in 1991, Somalia has been affected by a serious civil war and continuous clashes between various clans and factions. The application of customary law has weakened. A system of “unorthodox Decentralisation” governance has continued in South Central Somalia based on warlords and clan factions under the cover of religious extremism. Competition between various groups over access to, and control of, meagre natural resources (fertile pasture land and water points) has become a key cause of conflicts in South Central Somalia.

A transitional parliament comprising of 275 members was inaugurated in August 2004. The parliament elected Mr. Abdullahi Yusuf Ahmed president of the new Somalia Transitional Federal Government (TFG), and a cabinet was nominated in January 2005. The government officially relocated to Somalia on June 2005 in Baidoa. Since then the TFG has been unable to exert full control over the territory and has experienced internal tensions to its authority. In June 2006, the Union of Islamic Courts (UIC) took control of Mogadishu and some strategically important locations from warlords who were affiliated to the TFG.

However, this change in power was only temporary and in December 2006, the TFG aided by Ethiopian troops defeated the UIC. In January 2007, the TFG President, Abdullahi Yusuf Ahmed, entered Mogadishu for the first time since he became the President in 2004. Unfortunately, public resentment of the continued presence of Ethiopian troops in Mogadishu and some strategic locations in South Central regions created a volatile situation and led to the escalation of Islamist insurgency which in the end resulted in the withdrawal of the Ethiopian troops.

A national reconciliation process was held in Djibouti in June 2008 to address peace and stability. An 11 point agreement was signed in August of that year between the TFG and an opposition Alliance for the Re-liberation of Somalia (ARS), calling for an end to all acts of armed confrontation¹. Under the Djibouti Agreement a Government of National Unity (GNU) with an enlarged Transitional Federal Parliament was formed in early 2009². The new parliament comprises of 550 members, 275 from the former Transitional Federal Government (TFG) and 275 additional members from opposition factions and groups.

However it should be noted that despite the volatile political and security situation, the EC has been able to continue its activities following the "Peace & Governance Dividend" and implementation by local NGOs and Somali staff with support from Nairobi. Following such principles activities have continued in several areas of Lower Shebelle, Bay and Bakool Regions, Somaliland and Puntland.

3.4 Human resources

Whilst there has not been a comprehensive population census in Somalia previous regimes did undertake sample surveys to determine population dynamics and growth. Although skewed these sample surveys were carried out regularly and the results were used for development planning purposes. However the human population of Somalia was estimated by a recent 2005 UNDP survey at 7.5 million with an annual growth rate of 2.9%. Although difficult to verify, the survey came up with a division of the population between urban and rural areas, and between regions as given in Table 2.

1 ² Somaliland does not participate in TFG/GNU

Table 2: Summary of Somali Population Estimates 2005

Region	Total (n)	%	Urban (n)	%	Non-urban (n)	%
North-west	1,828,739	24%	819,989	28%	1,008,750	22%
North-east	863,078	12%	328,787	11%	534,291	12%
Central	1,174,769	16%	223,921	8%	950,848	21%
Banadir	901,183	12%	901,183	31%	0	0%
Southern	2,734,885	36%	621,688	21%	2,113,197	46%
National Total	7,502,654	100%	2,895,568	39%	4,607,086	61%

Source: UNDP, 2005

The livelihood of the largely rural population (61% of the total) is based on agriculture and livestock. 40% of the rural population is represented by agro-pastoralists practicing mixed farming-livestock rearing activities, 8% by riverine farmers based almost exclusively on crop farming and the remaining 52% by pastoralists making a living from nomadic livestock rearing.

According to the comprehensive gender profile undertaken as part of the preparation for the EU's Joint Strategy Paper (JSP), a notable observation was the increase in more recent years of disaffected and unemployed youths. In addition of further concern is the fact that these vulnerable youngsters are increasingly becoming employed as soldiers and militias to support various insurgent and armed groups. This is further evident in justification of the initiative outlined in the IDP study for future support programmes to the agricultural sector to give priority wherever appropriate for the creation of youth employment programmes. Such examples would be canal cleaning and rehabilitation, support to rural road construction etc

Adult literacy rates in Somalia are amongst the lowest in the world. The lack of education opportunities coupled with worsening systems of learning at elementary and even up to secondary level has been primarily created by the insecurity situation during and after the civil war. Literacy rates have fallen to close to 35% in the urban areas and as low as 11% for rural/nomadic areas. Similarly, Somalia apart from having some of the worst health indicators in Africa also suffers from health risks from infectious diseases, nutritional deficiencies and birth-related problems.

3.5 The Agriculture Sector

A large percentage of the Somali population are involved in livestock production for local the safe and export of sheep , goats,cattle, sheep, goats and camels. This sector provides the greatest proportion of the country's foreign exchange earnings.

Agriculture-crop production, (see Map.1-crop zone) is next in importance to livestock and its contribution to household food security and economics continues to grow. Before the civil war in 1991 it was estimated that some 1.8 million ha of land, or less than three percent of the total land mass of Somalia, could be cultivated. Of this total close to 1.5 million ha produced crops under rainfed conditions whilst 250,000 ha was successfully irrigated. This latter area is mainly along the two rivers, Shebelle and Juba. Almost two third of the cultivable lands, both rain fed and irrigated are found in the Southern parts of the country. However such estimates should be taken with extreme care. Some of the potentially "agricultural" areas are actually important to livestock during dry seasons and their use may exacerbate the conflicts between pastoral and agricultural populations.

Prior to the civil annual cereal production was estimated to be about 500,000 metric tonnes (MT). The long term post-war (1995-2006) average annual production of cereals in South Somalia amounts to 264,623 metric tonnes³ with high annual variations due to erratic rainfall, dry spells, recurrent floods, pests and diseases. The post war average is estimated to be 50-60% of the pre-war average (1981-1990) showing that Somali crop production has considerable margins of growth and development but remains constrained by the volatile security situation and absence of rule of law, the insufficient technical and support services, the insufficient infrastructures and market integration and development, the absence of a credit system and effective natural resource management and environment protection see figure 1: Total annual cereal production 1995 – 2008.

■ ³ FSAU

It is estimated that in the post-war years, maize represents on average about 65% of the cereal production with sorghum representing the remaining 35%. Three regions (Lower Shebelle, Middle Shebelle and Bay) produce about 80% of cereals in Somalia. Lower Shebelle and Bay districts are rightly known as the maize and sorghum baskets of Somalia, respectively. The Lower Shebelle and to a less extent the Middle Shebelle together produce 70-80% of the maize production. The Bay region produces about 50% of the sorghum production with the Lower and Middle Shebelle combined producing around 30%.

The crop production zones of Somalia and their characteristics are illustrated in Table 3 below. The mean annual rainfall in Somalia ranges from less than 100 mm on the coastal arid and semi arid area and between 600 to 800 mm at higher elevations in the south and some parts of Awdal and Sanag in the Northern regions. These latter areas, together with the Juba and Shabelle river systems constitute the major farming zones of the country. The centre and northeast, which are primarily covered by rangeland with low productivity potential, have the lowest and least reliable rainfall and are therefore suitable only for pastoral production with agriculture limited to scattered oases where permanent water sources allow irrigated agriculture.

Map 1: Crop Zones of Somalia

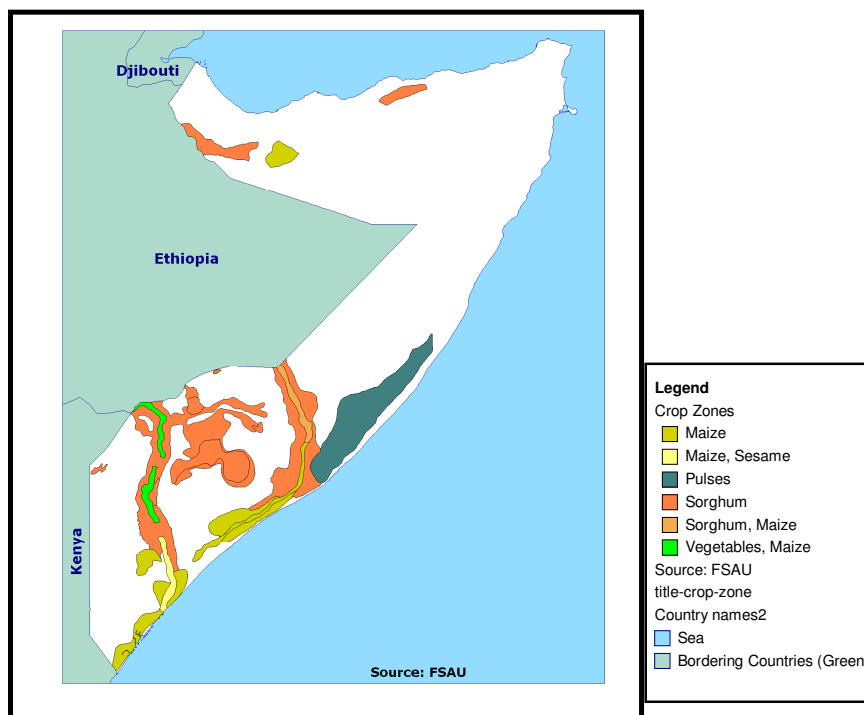
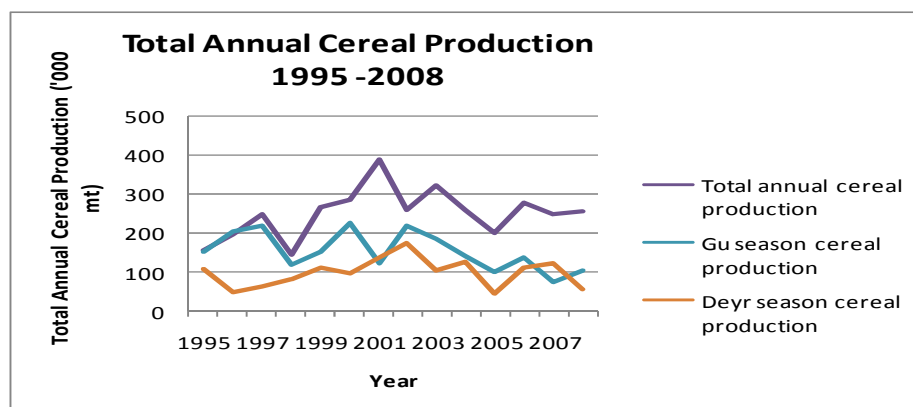


Table 3: Agricultural Characteristics of Somalia

Zone	Regions	Average Rainfall	Livelihood	Land use
Desert	Oasis in Puntland and Somaliland	< 100 mm	Pastoral	Date-palm, fruit trees, vegetable and fodder crop under irrigation
Very Arid & Arid	North Gedo North Bakol Hiran	100 – 400 mm	Agro-pastoral	Sorghum
Semi-Arid	W Galbeed South Gedo Part of M. Juba Part of L. Juba South Bakol, Bay	400 – 600 mm	Agro-pastoral	Sorghum belt
Dry, Sub-humid	Part of Sanag	600 – 800 mm	Agro-pastoral	Sorghum
River valleys	Shebelle and Juba valleys	Irrigated areas	Riverine and agro-pastoral	Maize, cow peas, sesame, vegetables and fruit trees
Costal Arid/Semi-Arid	Middle Shebelle, Galgadug	100 – 400 mm	Agro-pastoral	Cowpea belt

(Adopted from Agriculture sector strategic framework)

Figure 1: Total annual cereal production 1995 – 2008



3.5.1 Crop Production Systems

While Somalia is presently a food deficit country it has the potential to significantly increase crop production and reduce its dependence on food imports. However, there are enumerable challenges facing the sector. The main inhibitor remains the central issue of security and this issue remains the most difficult to effectively address. Security also retracts effective support to the public sector institutions which remain weak and in some regions are non-existent. The agricultural sector is also compromised by a lack of investment, limited technical skills and knowledge, poor water management and inefficient farming systems. In addition, Somalia lacks improved varieties suitable to the different agro-climatic conditions and inadequate pest management means that most crops are subject to numerous attacks and diseases and subsequent reduced yields. More details of the production constraints are contained within the working paper on Farming Systems in Annex 5. This analysis of the various farming systems highlights the potential dynamics of the agriculture sector and possible areas where improved productivity could be realised.

Rain fed farming is low input and unreliable agriculture mainly geared to meet subsistence needs of rural households. Such farming occurs throughout the country except in the coastal sandy plains and high limestone areas. The rainfed farming system ranges from fallow-based cultivation through a variety of intermediary stages, to settled mixed farming. The major rain fed crops grown in Somalia are sorghum cowpea and some limited maize. However, maize grown in the Gu season along the riverine area is sown during the start of the rainy season and irrigated thereafter as needs arise during the cropping period.

There are two sub systems under rained farming system;

1. An opportunistic system of growing crops such as sorghum during the rainy seasons. This is common in Bakol, Hiraan in the Central region and in some parts of the North and is normally practiced by pastoralists and agro-pastoralists. Rainfall in these areas is erratic and in the years of above average rainfall some limited crop yields can be expected while in the years of less rainfall pastoralists and agro-pastoralists are reliant on the stalks for animal feeding;
2. A cyclical cropping regime characterized by sufficient but erratic rains and found in the Bay region. The sub system is largely agro pastoral where sorghum is the dominant crop. Maize and cowpeas are also grown but to a lesser extent. The rainfall pattern tends to be cyclical and an apparent pattern of sufficient rains for a number of years followed by years of lesser rains resulting in droughts and crop failures.

Even though the rain fed farming system is the most widespread in terms area coverage and can be found almost everywhere in seasons when the rains are abundant, however, the potential for enhanced production and productivity is limited. Expanding the cultivated areas is difficult without encroaching into areas utilized by pastoralists during the dry seasons. Cereal yields in Somalia are extremely low. In the period 1995-2005 the average yield/hectare was estimated to be of 320 kg for sorghum and 660 kg for maize. Yields have improved little or not at all for decades. Somali farmers face a formidable web of interlocking constraints (erratic rainfall, dry spells, poor soils, pests and diseases, poverty, poor access to product and input markets, etc.) de facto limiting the possibility of increasing rain-fed crop yields. Even previous efforts to improve production and improvement of management techniques were unsuccessful. Recent experiences reveal that future development strategies should be geared towards the selection, conservation and improvement of local varieties, introduction of new drought and pest resistant varieties and improvement in storage and reduction of post-harvest losses. Post-harvest and storage losses in Somalia are estimated to be 20-30% of the production. Improvement of post-harvest and storage facilities and techniques at household level appears to be cost-effective and contribute to food security. Improved storage will allow a continuous supply of food throughout the year either for domestic consumption or for trade. It will also provide a reserve for contingencies such as droughts and allows the farmer to sell at a time when the price will be favourable. Finally better grain quality will reduce the exposure to dangerous aflatoxins and allow the grains to fetch higher market prices.

Soil and water conservation measures and soil fertility improvement using organic methods are technically and environmentally advisable but farmers appear not to be willing to adopt them considering the high risk usually associated to rain-fed agriculture.

Gravity or pump irrigated agriculture – this is mostly found along the entire lengths of both the Juba and Shabelle rivers. Gravity irrigation operates by sourcing water from the river directly to the farm or through a series of canal systems i.e primary, secondary or tertiary canals. This is mainly applicable along the Shabelle river, particularly in the lower end of the river catchment. Gravity irrigation along the Shabelle is supported by considerable infrastructures including barrages, canals, river embankments and bridges. Successful gravity irrigation started with the construction of the Janale Barrage in Lower Shabelle some time in mid 1920. The construction of the Janale barrage ushered in a new crop production system based on commercial farming for export. Irrigation development expanded gradually from mid-1970s to 1990. This period witnessed the construction of a number of additional barrages and associated canal systems along the Shabelle river in both Middle and Lower Shabelle regions. At the time of the civil war in 1991 there were a total of 9 functioning barrages along the Shabelle and one along the Juba. Most of the irrigation infrastructure was established to serve commercial farm production, especially for the production of export banana, sugarcane and rice production.

Prior to the civil war, it was estimated that about 200,000 ha of land were under for irrigation. During the 1960s through to the 1980s this area was the breadbasket of the country, and given an enabling environment, could well reduce the food dependency in food for the country. However, much of the infrastructure has deteriorated with the result that agricultural productivity is well below potential. Unfortunately, current irrigated land is much less and is believed to about 40 – to 60,000 ha. with the bulk of this hectareage on lands that has been opened up through recent EU financing for infrastructure rehabilitation along the Shabelle river. Riverine irrigated cropping is the most productive system which given the collapse of commercial irrigated agriculture is now practised in large majority by smallholders. Prior to the civil war in 1991 sugar cane, bananas and rice were commercial crops grown in the south mainly along the rivers. Banana production for export

continued even after the civil war until but at a much reduced level and has effectively ceased after 1997/98 due to the El Nino devastating floods as well as the loss of preferential access to the EC markets.

Apart from continued investment from EU over the years, much of the infrastructure is in a poor state, some due to direct damage inflicted during the civil war, but more due to a lack of regular maintenance.

Historically, prior to the civil war and in particular during the colonial period, local farming communities living along the river took advantage of the irrigation infrastructure to irrigate land adjacent to the river using canals for purposes of growing maize, sesame and some pulses for household consumption and sale. This also led to considerable expansion of settlements and cropped land along rivers.

Pump irrigation is normally practiced where farms occur adjacent to a river, and the land is situated in a higher elevation than the river. This is common for irrigating lands primarily for horticulture production around and close to major cities.

Crops grown under irrigated agriculture are maize, sesame and rice but also include fruit trees, such as mango, papaya, lime and bananas. Historically, many riverine smallholder farming communities along both rivers have been sedentary farmers of Bantu origin. Prior to the civil war, large privately owned and big state farms grew sugar cane, cotton, bananas and rice, and provided employment opportunities and essential services to significant number of smallholder farmers and their communities.

The rehabilitation and maintenance of infrastructure to support efficient and effective irrigation is highly technical and costly. In the absence of a central government, the role of provider of finance for rehabilitation and repair for the last two decades has been the EU. A considerable amount of the budget allocated for agriculture development has been allocated for infrastructure rehabilitation. In addition EU provides resources for technical programmes to compliment irrigation development such as improvement in seeds, inputs and crop diversification.

Although there is high potential for improved crop production namely with cereals, fruits, oilseeds and pulses under irrigated conditions along the Shabelle and Juba, the realisation of this potential is constrained by the lack of services and inputs such as quality seeds, fertilizers, tractor power and credit facilities. In the past, the commercial farming system was the source of a number of technical and logistical services to smallholder farmers. Similarly, lack of investment, old and dilapidated infrastructure and difficulty in accessing markets has also contribute to maximizing the potential where irrigation is possible.

Therefore, maximizing the potentiality of irrigable land along the rivers requires a combination of strategies that are holistic in the context of regional, district level potentials and opportunities. The high cost of rehabilitation and maintenance of the irrigation and other infrastructure is justifiable only with the production of high value crops. Banana maintains a high export potential for the Middle East markets once peace and security return. In short term banana cultivation should be promoted and improved for the domestic market. Sesame has emerged has important potential export commodity. It has an almost unlimited export market even under present conditions. Fruits and vegetables have an important domestic market for the urban market. Finally fodder crops and timber are potential domestic markets which should be explored.

Recession or flood irrigated agriculture. This system is predominantly practiced along the Juba River where water is allowed to flood the low laying lands close to the river and then as the flood water recedes crops are planted in the newly exposed soil. Planting continues until the flood water has completely receded. Crops mature and are harvested at different stages depending on the water holding capacity of the soils and their proximity to the river. However, this system is totally dependent upon flooding patterns. Indeed major problems with flood recession farming are the destruction of crops by unexpected additional flooding arising from breakage and failure of levees. Poor soil drainage which may result in salinisation and reduced crop productivity, and land tenure problems as traditional land use rights are often no longer recognised.

This system still uses traditional low technological methods of farming and has not been improved since early practices. The system is low cost, low input and efficient in good years. Crops mainly grown are maize and sesame. In fact recession irrigation is prevailing for sesame production and efforts to improve production should be investigated.

Given that crop production in the Juba valley uses pumped irrigation which is costly and impractical for community sharing, improving and expansion of recession irrigation through the use of shorter duration varieties, improved plant density and use of inputs should be promoted.

Oasis Farming is practiced in Somaliland and Puntland and traditionally occurs in *toggas* and springs which provide water for the production of date palms, papaya, citrus and vegetables. Although the irrigated or irrigable land is limited (FAO SWALIM estimates that the total irrigable areas in Somaliland and Puntland is below 10,000 hectares), it plays locally an important economic and social role. Under this system, farm size is small and does not warrant production for markets except for dates, vegetables, fruits, maize for immediate local markets. Some limited fodder is also grown. It is estimated that there are about 5000 ha irrigated land in Somaliland and Puntland. Therefore, the potential for unit expansion is extremely limited. However, there are few pockets where with limited success vegetables and fruit trees can be grown i.e in the Dur Dur valley of Awdal and Erigabo area. Potatoes were successfully grown in and around Erigabo area. The potential for unperishable vegetable production should be investigated under the oasis farming. Domestic date palm production has been unable to meet local demand and significant quantities are imported into the country from the Arabian Peninsula. The date palm has a variety of different uses as parts of the date palm are used for fencing, shade, plus the making of baskets and mats.

There are numerous weaknesses in the oasis production system. Except from few areas recently rehabilitated through EU funded projects, much of the irrigation infrastructure in Puntland and Somaliland is old and inefficient. Also farm output is generally low due to poor quality trees, inadequate water supply, outdated farming methods, lack of improved genetic material, unskilled farmers and farm workers and lastly high post harvest losses caused by insect and mould infestation. Tree ownership is another problem which often hampers or delays improvement of date palms.

Apart from improving farm production in the Northern Eastern and Western regions apart from improving the water use and conveyance systems. There is the potential to considerably improve farm production through the adoption of improved production techniques and technology. These include plant husbandry, the replacement of unproductive and old trees with improved cultivars from cloned material and better spacing. In addition there is potential for planting vegetable gardens between palms, to improve water supply systems, to inter-crop citrus and vegetables all of which would also contribute to reducing soil erosion. Similarly adoption of improved plant protection methods will enhance productivity.

Rangeland areas produce fuelwood and charcoal. Charcoal, which is made from hardwood trees such as *Acacia bussei*, is used both locally and unofficially exported to the middle east. The collection and export of tree gum products (frankincense and myrrh) employs large numbers of people and is one of major earners of foreign exchange. This is especially true in Bari in the north east and Sanaag region in the north west, where gum-producing *Commiphora* and *Boswellia* trees are privately owned. Natural vegetation is still widely used by Somalis for a variety of traditional medicines and other important local uses.

3.6 Structure and dynamics of the agriculture sector

Following discussions with Somali Government officials in Nairobi and field visits to Somaliland and Puntland, a rather dismal picture emerges of the state of the agricultural support systems throughout the country. Notwithstanding the current security situation, the lack of local effective institutions and the absence of essential services provision to support agricultural development have resulted in not only a reduction of production capacities, but in addition has significantly increased the cost of providing technical services by the international community. Structural investment, such as improved rural access roads, and marketing facilities that would normally catalyse private sector involvement in the rural economy are insufficient. In almost all regions of Somalia, the dynamism of the sector is led by investments from donor community, namely the EU through various programs and projects. There is also a limited number of private sector investment in the sector at present times largely due to lack of incentive and security. EU has been the largest contributor to the agricultural sector development since the collapse of government with wide range of projects and program in almost all regions, and more importantly in the area of irrigation infrastructure rehabilitation in the last decade.

Whilst the study team spent time in both Somaliland and Puntland and met with Government officials in situ and in Nairobi it was not possible to obtain the necessary clarity on such matters as the training programmes for national staff within the context of donor funded projects and programs. The team noted that sectoral and sub sectoral plans have been prepared with donor assistance although there was limited detailed information from regional authorities on which to build specific developmental projects. For example, a very noticeable constraint within the agriculture sector throughout the country is the absence of robust agricultural production information systems to document and monitor production levels and profitability. Similarly data is not available to measure socio-economic conditions within the sector, and the financial and economic returns

on farm enterprises. This lack of specific information seriously hampers the quality of planning that both donors and local government departments can undertake.

At present assembling agricultural, livestock and natural resources information is still in building up stage through SWALIM and FSNAU. This two projects provide the most upto date information on agriculture production and the physical inventory of resources for production. SWALIM largely funded by EU, has recently undertaken the rehabilitation of the some of the barrages in Lower Shabelle. Despite the weak capacities to perform meaningful policy and strategic analyses and development, also the inability to plan, supervise and monitor activities on the ground, regional and national administrations lack the ownership of many development initiatives which are supported financially and technically by development partners.

There, is therefore, an urgent need to capacitate national and regional departments to improve their planning capacity in order for them to develop policies and strategies and monitor and evaluate subsequent interventions.

It is however, necessary to undertake an institutional review of all relevant institutions and organisation in the agriculture sector prior to embarking on any capacity or institutional building. This review could cover issues such as present assets, the staffing levels, core function analysis.

One notable and very positive asset in the country is the vibrancy of private sector traders who supply some essential inputs to the rural sector and trade locally produced commodities. These traders, who also include rural and urban based women, have little formal business training but nonetheless bring a certain level of commercialism to the rural economy. However, they lack certain essential technicals skills and knowledge such as the correct use and storage of agro-chemicals and seeds and the need for such seeds to possess phytosanitary certification. This results in improved seed effectively distributed to the farming community resulting in the unnecessary infestation with pests and disease infestation.

Unfortunately there are only a few operational farmers associations throughout Somalia. Conversely there are a number of commodity groups/traders working in the northern part of Somalia. At present these groups operate relatively informal and lack the required business skills commonly associated with successful commodity traders. Similarly there are a few examples of commodity groups operating in the Southern regions where their focus is on trading with rice and sesame production groups found along the EU rehabilitated irrigation schemes in the Lower and Middle Shabelle. These production groups have been formed to support members coordinate such activities as mechanisation and the purchase of inputs, canal rehabilitation and the marketing of their produce. Such groups are trying to expand by forging further linkages with a number of smaller commercial farming also operating within the rehabilitated irrigation areas. Their overall objective is to try to improve their ability to link to exporters and export markets (CEFA 2008a).

A concerted effort to support the formation of similar commodity groups may contribute towards reducing transaction costs for other farm products.

Another critical investment to support this private sector business community in the agriculture sector would be through the provision of improved rural infrastructures around clusters of farming communities to reduce the transaction costs of farming operations and production systems. Investments in rural roads to access more farming areas and better marketing facilities in urban centres would contribute significantly to enhanced production the support on trade of commodities.

4 Recent EC and other international assistance to Somalia

4.1 European Commission

There are a number of recent and current on-going EC-funded programmes and interventions to Somalia involving a variety of implementation arrangements and partners which have made significant and positive contributions. Future interventions to Somalia funded by the proposed EC EDF 10 programme of support to the rural development and food security needs to review these historical activities and where appropriate help to consolidate and add value to such achievements.

EC interventions in Somalia have largely focused on areas that promote economic growth, governance, rural development and food security (agriculture, environment, livestock and water supply). The overarching objective has been to support rural livelihood by assisting where feasible the production process. Where this has not been achieved to provide some other form of food security. The latter as been more the case in the Southern regions of Somalia.

The thrust of EC development interventions in the agricultural sector between 2002 and 2008 has been very broad and mainly covered the following sectors: policy and institutional development; rehabilitation of infrastructure; re-establishment of strategic information systems for emergency preparedness, recovery and development; the promotion of conservation and sustainable use of plant genetic resources; the expansion of production and productivity of selected crops; the development of market access and support to marketing interventions; the support to irrigated and rainfed crop production and support to improved post-harvest and storage techniques.

While the *Millennium Development Goals* guide the EC's approach, the focus is also consistent with a key EC policy *Linking Relief, Rehabilitation and Development (LRRD)*. LRRD concentrates on developing information systems, improving government capacity, and linking productive agriculture to viable markets. Additionally the *Paris Declaration on Aid Effectiveness (2005)* emphasises the importance of national ownership; the need to be alignment with national priorities; to dovetail with already established institutions and procedures; the harmonisation of donor actions; the need to manage for results; and to have mutual accountability. In Somalia the realisation of the Declarations objectives has not been possible due to the lack of an effective government (partner) and the low capacity of whatever government institutions exist. EC strategy is also consistent with the *Comprehensive Africa Agriculture Development Programme (2003)*, developed under the New Economic Partnerships for African Development (NEPAD), and is built around three pillars, namely – extending the area of land under sustainable management and reliable water control systems; improving rural infrastructure and trade-related capacities for improved market access; and increasing food supply and reducing hunger.

Table 4 provides a breakdown of recent EU support to rural development in Somalia by geographic and thematic focus.

Table 4: Recent EU Support to Rural Development in Somalia

Intervention Focus	Number of Commitments by Regional Focus (n)				
	National	Puntland	Somaliland	South/Central	Total
Natural Resources Information Systems	2	0	0	0	2
Planning	2	0	1	0	3
M&E		0	0	2	2
NRM	0		1	0	1
Rainfed Agriculture General	0	0	0	1	1
Marketing	0	0	0	1	1
Irrigation	0	0	2	6	8
Oasis	0	1	0	0	1
Post Harvest	1	0	1	1	3
Research	1	0	0	0	1
Total	6	1	5	11	23

Intervention Focus	Value of Commitments by Regional Focus (€)				
	National	Puntland	Somaliland	South/Central	Total
Natural Resources Information Systems	5,500,000	0	0	0	5,500,000
Planning	1,080,000	0	73,183	0	1,153,183
M&E		0	0	244,810	244,810
NRM	0	0	1,675,000	0	1,675,000
Rainfed Agriculture General	0	0	0	1,000,000	1,000,000
Marketing	0	0	0	500,000	500,000
Irrigation	0	0	3,500,000	10,340,000	13,840,000
Oasis	0	1,500,000	0	0	1,500,000
Post Harvest	1,000,000	0	297,817	800,000	2,097,817
Research	2,450,000	0	0	0	2,450,000
Total	10,030,000	1,500,000	5,546,000	12,884,810	29,960,810

Source: CAAL, Extracted from EC SOU data, March 2009

Key programmes financed by the EC in the agricultural sector in recent years include:

- Support to natural resource information systems and food security;
- Agricultural rehabilitation and diversification of high potential irrigation schemes in southern Somalia (ARDOPIS) in Merka and Qoryoley districts and in Jamama, Afgoi and Balad districts;
- Support to sustainable management of the Shebelle and Juba rivers in southern Somalia (ongoing with SWALIM);
- Irrigation infrastructure rehabilitation;
- Consolidation and development of better farming systems in the middle and lower catchments of the Dur-Dur Watershed, Awdal region Somaliland;
- Consolidation of integrated pest management initiative in Somalia;
- Improvement and sustainable use of seed and plant genetic resources programme;
- Support to oasis farming in Puntland – Puntland Oasis Programme (POP);

- Support to reduction of grain post harvest and storage losses;
- Support to rain-fed production in Bay and Bakool regions;

The programmes and projects outlined in Table 2 and outlined above, are inline within LRRD policy goals. However, the impact on rural development and in particular the agriculture production within the confines of the chronic security situation in Somalia is difficult, in fact not possible, to quantify. Therefore, it is recommended that agricultural information systems become more oriented towards applied analysis to link cause and effect and to undertake more socio-economic analysis of target groups and production systems both at the time of project design and monitored throughout implementation. In particular this will require more attention to the provision of detailed baseline data at programme formulation which from a practical point of view will mean that locally based NGOs will need to be contracted to collect the required data.

Almost 20% of E.C funding as shown in Table 2 was allocated for natural resource management information systems and to support developing the planning capacity in the agricultural and livestock sectors. However, while there is a large volume of information collected relating to, natural resources, irrigation, food security, there appears to be a lack of policy and strategy on which to base future interventions. Also in relation to monitoring and evaluation (M&E) most programmes and projects should have their own built in system to provide the project management teams the necessary data for assessing future project activities and changes but the quality of earlier M&E reports seen give certain causes for concern. For many activities for example undertaken by FAO executed projects, the internal evaluations have not necessarily provided the required level of introspection found with directly contracted external evaluations. There is also the concern that where internal evaluations take place the implementor (FAO) is also the evaluator which is paradoxical. A final problem seems to be that internal reporting channels and associated document release procedures often make the production of the final report a long drawn-out affair.

It will be seen from Table 2 the significant financing provided for rehabilitation of infrastructure and support to the sustainable management of the high potential irrigated areas of the Shabelle and Juba rivers in Southern Somalia. In addition to these activities the EU has also supported The Agricultural Rehabilitation and Diversification of High Potential Irrigation Schemes in Southern Somalia (ARDOPIS) under the Special Framework Agreement (SFA).

A recent evaluation of this programme found out that whilst it was not possible to directly measure the impact of this programme the indications were that to have some form of sustainability such a programme would need to be much larger. If such a programme were to be considered then there would be the need to seek additional funds from both other donors and maybe even the private sector. However it can be judged that the ARDOPIS programme produced tangible benefits for the immediate communities in terms of social and economic gains i.e enhanced livelihood and sustained food security. Moreover despite the EC Banana trade impact this crop continues to remain a potentially important crop for southern Somalia since there are at present unrealised export opportunities to Middle East markets. Another positive indicator is that sesame is becoming an increasingly important export cash crop based upon Somali sesame being considered of high quality and commanding relatively good international prices.

See the table below for the irrigation activities in the Lower Shebelle & Lower Juba funded by the EC under the Special Framework Agreement.

Table 5: Special Framework Agreements interventions 2002-2008

Intervention	Funding	LOCATION	Irrigated Area (Ha)	Beneficiary Households	Implementing Agency
1. ARDOPIS I	SFA 2002	Primo Secundario, Bakooro, Fornari, Buffow & Liban Canals	21, 340	4,075	FAO/CEFA Completed
2. DIALS I	SFA 2003	Asayle Canal	7,550 ⁴	2,000	CARE Nederland Completed
3. ARDOPIS II	SFA 2004	Lower Shebelle & Lower Juba	8,108	10,229	FAO/Agrosphere Completed
4. DIALS II ⁵	SFA 2006	Cooperativo, Jiddu & Degwariri Canals	-	-	CARE Nederland Terminated for security reasons.
5. ARDOPIS III	SFA 2007	Cesare Maria, 3 rd & 4 th Secundario	7,230	4,172	FAO – In progress

■ ⁴ Including previously 3,000 hectares partially irrigated before the project.

■ ⁵ Started in January 2008 and stopped in February 2009. It was expected to rehabilitate about 3,000 hectares

Intervention	Funding	LOCATION	Irrigated Area (Ha)	Beneficiary Households	Implementing Agency
		Canals			
6. ARDOPIS IV	SFA 2008	Larger Degwariri Command area (Degaririr / Sigale East, Giddu, Cooperativo / Sigale West, Bushley / Malable, Kabirow, Rineero and Jibaisha Canals for a total of 77.5 km	6,350	6,000	CEFA – Starts in January 2010
TOTAL			50,578	26,476	

Another successful project has been an integrated pest management initiative for smallholders in Somalia executed by an Italian NGO (UNA). This project focused mainly on traders and farmers to raise commercial skills and to improve crop quality and quantity. The project has also produced training packages which have been used to successfully transfer such knowledge to staff of other NGOs engaged on similar programmes. This project has produced, in cases in cooperation with organisations such as ICRISAT and the Italian University of Tuscia, educational materials such as a manuals, posters and pamphlets covering insect pests such as stem borer, which attacks major cereal crops such as sorghum and maize in Somalia, and the practical steps that can be taken to effectively manage such pests. These manuals have proved to be extremely useful and are being applied by both agriculture technicians and extension workers. Additional manuals have also been produced covering similar insect pests associated with other high value crops such as fruits and vegetables. There is the need to expand the distribution of these training materials to other influential stakeholders such as agro-dealers and farmers.

EU assistance has also supported the improvement and sustainable use of seed and plant genetic resources. The objective of this programme had been to allow farming households to access quality seeds and planting materials of the adapted crop varieties for each growing season in a timely manner. The aim of the programme has been to provide this range of seeds at an affordable price and within an acceptable distance to potential farmers. However implementation has been negatively disrupted by continuous insecurity and has had to be suspended.

The Puntland Oasis Development (POD) project has provided technical support to oasis farming in the north east area of Somalia and has been well received by target communities and participating line ministries. This project seems to have developed effective PRA approaches which were used to target priority areas and communities. A full evaluation of this project was in progress at the time of this study and information available at the present time on its impact is not detailed.

Given the highly fragile nature of Somalia's natural resources, especially in the pastoral areas, it could be argued that more emphasis and funds should be allocated to the support for integrated natural resource management systems related to agriculture, and specifically farming systems support. Similarly it could be argued that additional funds should be allocated to support rain fed agriculture systems bearing in mind that more communities are becoming sedentarised and marginal, rainfed lands are increasingly being exploited for extensive mixed farming.

Another important area of support, if practical, would be the provision of a broad selection of agricultural services to the farming sector. There is a fundamental need for the provision of tractors to carry out the primary cultivation of the irrigated lands. Such tractor services would ideally be provided through privately owned tractor hire services. Similarly the provision of privately led advisory services through such organisations as "agro-vet" stores which dovetail with the provision of required inputs should be explored. The appropriate provision of such support services should be carefully explored.

Finally, a common recommendation emanating from most of the literature reviewed is that in the interests of improving efficiency, additional thought needs to be given to reducing the overhead costs of EC support to Somalia.

4.2 Other Development Partners

There are many international donors active in Somalia. Again, details about their areas of intervention and the scope of services can be investigated through the donor data-base on the Somalia Aid Coordination Body (SACB) (now CISS) website (www.morrer.undp.org/somalia/). In summary the major sectors receiving international support and a list the major donors are given in Table 4.

Table 6: Donors active in Somali according to sectors

Sector	Major donors
Food Security and Rural Development	USA, EC, ITALY, UK, World Bank
Education	EC, Italy, Denmark, UK
Governance	EC, Italy, Denmark, UK
Health and Nutrition	EC, USA, Italy
Water and Sanitation Infrastructure	EC, USA, Italy
Humanitarian aid and emergency relief	EC, UK, USA, Italy, Denmark, Finland

Source: European Commission, 10 EDF Somali Special Support Programme (SSSP) 2009 - 2013

As has already been advised the EU is the largest donor to Somalia. However given the benefit of donor coordination through the CISS (see next section) most other assistance to rural development, food security and agriculture sector dovetails well and compliments the funding provided by the E C. Over the years many NGOs have gained experience in Somalia funded by international donor agencies, such as the EU. The majority of project activities funded by the EU have tended to concentrate on the provision of emergency aid, rehabilitation, agricultural development, water and sanitation, education and capacity building of local organisations.

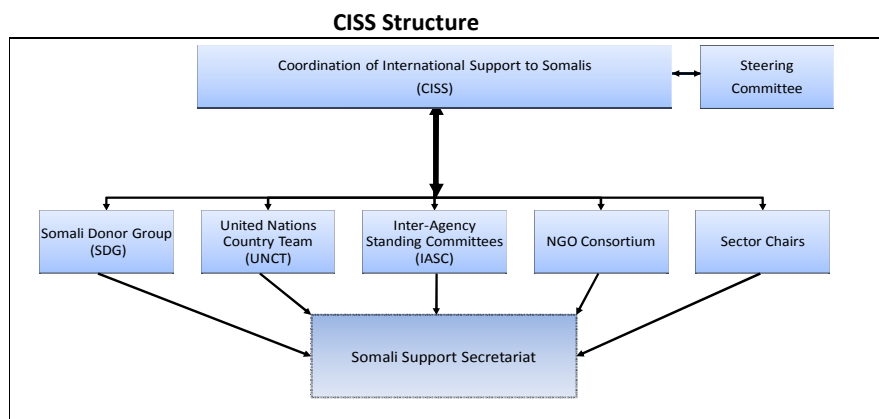
Most of the support from other donors in the food security and rural development sector has focused on similar activities to those of the EU programmes. There are many examples where such funding has been in collaboration with EU funds and others where funds have been allocated independently. However most of all the funding has been channelled through the UN and International NGOs who then establish links with national NGOs as field implementors. As would be expected achievements and impacts have been mixed. However, as with the EU programme of support success is associated with good planning and a focus on a small number of selected activities and operation in the more secure parts of the country. Experience has also shown the importance of building on previous successful projects. Implementation remains through collaboration and contracting arrangements with intermediaries such as UN agencies and NGOs.

4.3 Aid Coordination

The Coordination for International Support to Somalis' (CISS) is the apex body for aid operations in Somalia – see Figure 2. Under the CISS there are various stakeholder groups including: the Somali Donor Group (SDG), the UN Country Team (UNCT), Inter Agency Standing Committee (IASC), NGO Consortium, and the Sector Chairs; these all link into the Somali Support Secretariat (SSS).

An Agriculture Working Group (AWG) attends to the issues of the agriculture sector reporting to the Food Security and Economic Development Committee (FSEDC) which itself falls under the CISS. The EC is an active member of the Somalia Donor Group. In theory, the AWG should be the forum where agriculture projects and programme are incepted, strategies and policies formulated, coordination of implementation issues discussed and monitoring and evaluation is spearheaded. However due to the structural misfortunes within the support system of aid coordination of Somalia, in practice, the AWG is the forum where monthly meeting for discussions are organised in the Somali Support Secretariat with a standing agenda set by the members.

Figure 2: Structure of International Support to Somalis'



Source: UNDP, 2009

4.4 Lessons Learned from Recent EC and other Donor Initiatives

The documentation covering EU interventions in rural development and food security programmes in Somalia is extensive. The review team was provided with access to all this documentation. A selection of these reports and documents were reviewed complemented with a series of semi-structured interviews in Nairobi, Somaliland and Puntland with a range of stakeholders. From the review of these selected documents and the interviews and workshops certain trends emerged which supported the identification of leverage points for the EDF 10 agriculture sector programme (see list of selected references, Annex 4). This review was strengthened by a workshop held in Nairobi with stakeholders from Somalia (see workshop report as annexed), relevant agencies including the EU SOU, FAO, UNDP, international agencies, international and local Somali NGOs and individuals from the diaspora (Annex 6).

Lessons learned relate to the farming systems and to the operational aspects of programme planning, implementation, supervision, monitoring and evaluation. Additionally, much has been learnt about the institutional capacity of government institutions in Somalia, the aid coordination mechanism in Nairobi and the level of engagement of EDF programmes.

The high to medium potential areas for agriculture are recognised as being: a) Somaliland – western areas including Awdal and Galbeed regions for rainfed production; b) Puntland, irrigated agricultural development is confined to some valleys for fodder production and the oasis areas which have been accorded recognition by the EU in recent phases under the Puntland Oasis Development (POD) programme. c) Central Somalia - the district of Galgaduud and Muduq regions (cowpeas belt) for rainfed and d) Juba and Shabelle river ecosystems.

The main result of the deterioration of irrigation and flood control infrastructures and the lack of agricultural services limited land remains under cultivation in the riverine areas. However recent interventions funded by EU in the rehabilitation of potential land for irrigation along the Shabelle and Juba significant additional areas have been opened up for crop production for both and deyr season cropping. Agricultural services, with the exception of a few initiatives being implemented through EU funding are absent for most agricultural, agro-pastoral, and pastoral communities.

For each of the farming systems discussed earlier, the following paragraphs outline the key leverage points for consideration.

4.4.1 Mixed farming or Agro-pastoral systems

The EC programme has assisted the subsistence farming group by focussing on the distribution of seeds and associated inputs, farm tools, agricultural extension activities as well as livestock and human health programmes, along with rural and urban water sector developments. Areas for future action include addressing stock management, intra-community social support, continued access to inputs, improved market access for livestock and support to indigenous natural resource management systems.

4.4.2 Rain fed Agriculture

The experience from EC programmes has shown that improved farm management practices, including crop diversification and integration with other production systems have helped to improve the sustainability in rain fed systems. But generally the approach has been one of intensification rather than expansion, incorporating rainwater harvesting and run off management, the use of improved seed where appropriate, reduction in soil erosion, the introduction of drought resistant food and forage crops, the incorporation of multi-purpose live fences along with crop residues for fodder, and the appropriate use of low-input techniques.

4.4.3 Riverine systems

Most of the EU's financing has been in the riverine plains of Shabelle and Juba river catchments, mainly in infrastructure, such as barrages and major canals. EU finance has supported the rehabilitation of these structures for the benefit of targeted communities, namely smallholder farmer who continued with crop production activities after the departure of commercial farmers. As a result of these interventions, the EU support made a significant contribution to household food security and the maintenance of food production. Additionally, financing of programmes was made available to improve agricultural production and diversification with a focus on development. The identification of priority areas has been very successful, particularly using participatory rural appraisal (PRA) approaches with target beneficiaries and other stakeholders. In some projects very positive interactions were initiated with the private sector regarding the

diversification of crops to meet buoyant niche export markets (sesame) along with investment profiles for funding by participating farmers (labour and management inputs), the private sector (packaging and freighting to export markets), donor partners (provision of inputs, farmer training, rehabilitation of rural roads and desilting canals), and international and local NGOs in terms of facilitating the development process.

While the study for the Integrated Development Programme for Agricultural and Water Development of the Lower and Middle Shabelle, and the Lower Juba regions provides more detailed proposals relating to investments under EDF 10, future support to the sub-sector could meaningfully target developing river catchment management systems to assist Somalia to better plan and manage its critical water resources from the rivers. Moreover as the country is ultimately dependent upon rainfall and water from Ethiopia, there is an urgent need to engage with its neighbours to develop an international agreement on future economic development of the Shabelle and Juba basin.

Similarly, support should also be directed to consolidate earlier investments through the continued improvement of irrigation practices and involvement of smallholder irrigators in the more effective and efficient use of water, improved appreciation of the issues associated with improved access to the use of land resources through improved community based natural resource management system. Measures should also be taken to avert the increasing incidence of soil salinisation (CAAL 2009b). Thus EU programme support should be focussed on the recommendations of the IDP study related to the rehabilitation of irrigation infrastructures in the prioritised for Lower and Middle Shabelle catchments (282kms of canal systems), and support to recession farming in the along the Juba river. In addition, the IDP study recommends investment in interlocking roads infrastructures for some 221kms.

An appropriately designed further phase of the ARDOPIS programme would provide a roll-out of the benefits released from previous interventions to smallholder farmers, while at the same time striving to include the involvement of commercial farmers who can support the schemes through economies of scale and effective and efficient delivery of essential support the farming community through associationship and partnership.

4.4.4 Somaliland and Puntland agriculture

In Somaliland, the current phase of EU's support programme is relevant and critical. However, with the absence of international staff, the local NGO facilitators are challenged by management and compliance imperatives. Thus support should be geared towards developing capacity of local regional institutions and NGOs to implement the programme.

Regarding oasis farming systems, where traditional systems remain inefficient the field visit indicated that farms are in poor shape and exhibit low production, poor quality trees. Given the lack of adequate investment the technology applied are adjusted to local conditions, which results in the use of sub-optimal crop management methods, and post harvest losses through insect and mould infestation. Ironically, internal market demand for dates outstrips supply, hence large volumes are imported from the Arabian Peninsula. The availability of improved genetic material is limited (see Puntland working paper). Current support to oasis farming systems has been channelled through the Puntland Oasis Development (POD) which appears to have had remarkable success in improving date palm and vegetable production (Puntland working paper, Annex 5).

4.5 Institutional Aspects

All projects and programmes implemented in Somalia have operated under very difficult conditions regarding security and remoteness. This has made implementation in most cases extremely difficult.

There has been a critical lack of capacity of central, regional and local government institutions to undertake planning, supervision, monitoring and evaluation of programme interventions. Interviews with Government officials indicate that there is a lack of capacity at all levels coupled with poor logistical support with regard to transport and office accommodation, equipment and supplies, as well as information management⁶. Staff in post are invariably demotivated and cannot undertake any meaningful activities for which they were trained; development training and mentoring programmes are virtually non-existent, and succession planning is not part of the institutional mindset.

In consequence, and in view of the very precarious security situation, the current aid delivery system for the agriculture and livestock sectors for the 9th EDF programmes has for the greater part been contracted to

⁶ Pers comm, Hon Aden Elmi, Minister of Agriculture Somaliland, see also working papers of field visits, and workshop report (26 March).

International Institutions such as the FAO along with international NGOs. Many projects have been implemented through this arrangement, but while this set-up serves as an interim measure, it is both costly and unlikely to improve local ownership. However it should be noted that projects in the field are actually

implemeted and monitored by Somali staff and NGOs with a great level of autonomy and responsibility. This is actually greatly contributing to build a national capacity in project implemetation and monitoring.

Clearly, a proactive role needs to be found for local administrations to play in the development of programmes and project while at the same time accepting that the private sector stakeholders and NGOs will continue to play a meaningful role in the implementation projects. Government officials have indictaed that they would want to have greater participation in policy and strategy development, M&E and regulation across the sector.

Another issue raised as a consequence of the challenging security situation is that given many international NGOs have pulled out of Somalia the spectrum of choice has narrowed from which the EU SOU can select candidate institutions for implementing projects.

There would appear the need to develop the capacities of local NGOs to improve their implementation capabilities of project activities. This would include the whole spectrum of office administration, facilitating technical and business skills development, and M&E. Essentially these local capacititate NGOs would be undertaking the implementation role and responsibilities as they more flexible and versatile, hence leaving a stream-lined public sector institutions to provide policy, strategy support and oversight.

4.6 Broad Sector Priorities

The discussion above outlines present sector constraints and lessons learnt from previous E.U funded interventions and forms the basis from which to draw conclusions and select priorities to support an integrated development approach for Somalia's agriculture sector. In summary to:

- Enhance the use and utilisation of information systems available to enhance the knowledge of agricultural system dynamics in order to promote improved planning, policy analysis and strategy development;
- Continue support to current investments in irrigated agriculture, including a roll-out of a modified ARDOPIS programme to engage commercial enterprises, support to the infrastructure developments of the lower and middle Shebelle, and extensions to the support programmes in Somaliland (Dur-Dur Watershed) in Awdal region, and the expand of Puntland Oasis Development (POD) to include other areas such as Erigabo, Taleh;
- Support rainfed and mixed farming, to improve adaptive farming systems research and natural resource management (water harvesting) systems;
- Facilitate private enterprise development and improved marketing for farmers, value chain, service provision, as well as input and commodity traders (a cross cutting theme throughout 2 and 3.

Agricultural development projects should address key leverage points where EU interventions would stimulate private sector involvement. Areas such as organised commodity marketing systems through association and marketing infrastructures development. Involvement of the private sector would also comprise clustering of growers (into vegetable or cereal groups), and the formation of commodity groups to improve the promotion of commercial farmking and trading.

Programmes such as the POD would gain much by building on its successes to extend the geographical area of coverage, although the exact area and numbers of target farmers would need to be ascertained at project formulation. Future interventions in this regard should look at the whole value chain for dates, and vegetables in the region. New, improved date palm cultivars have already been provided to farmers through EU funded project. The possibility of extending this facility would need to be examined along with the options for improving post harvest operations and marketing systems, including value added opportunities for date palm products.

Given the lack of physical and financial resources of Government institutions to implement development initiatives, and the involvement of local NGOs in this role, there is a priority need for Ministries to have more involvement and ownership in programme activities, especially in the design and monitoring and evaluation. While they see the need for formal capacity building on technical matters as being essential, they also recognise the need to include appropriate management development training for the staff. They would also like to engage first hand with technical assistants from local NGOs not just through arranged meetings.

Supervision and monitoring of programme activities should be based on clearly defined realistic targets, indicators and impacts to help improve achievement of goals to better focus future priority needs into appropriate development oriented actions.

5 10th EDF Priorities for Agriculture

5.1 Overarching Principles

Against the priorities outlined on the RDP and specifically the EU SOU, the 10th EDF agricultural support programme should recognise and include the following overarching eight mandates:

- Involvement of emerging institutions in planning, supervision and evaluation of all activities in the programme;
- Promote improved implementation capacity of agriculture institutions and organisations.
- Develop mechanisms to disseminate data from SWALIM and FSNAU for planning, strategy and policy development;
- Give attention to MDGs in general, and in particular MDG1 (Poverty Reduction) and MDG (7 ensure environmental sustainability);
- Promote programmes that are geared towards employment generating opportunities for rural communities with particular emphasis on rural youth and women;
- Involve community leaders in the transparent targeting of beneficiaries and target areas of operation;
- Involve the private sector in agriculture development;
- Build upon existing and past development EU funded initiatives.

5.2 General Criteria for Design of the Programme Priorities

It is anticipated that the 10th EDF funded interventions will span over seven years (five years from 2009 to 2013 in which all contracts should be made, plus at least two additional years to 2015 to complete implementation). Potential interventions have been identified in the problem analysis and by beneficiaries, ministries in the regional governments and implementing agencies met by the study team in March and subsequently discussed at the workshop held in Nairobi late March 2009.

A list of priority interventions that matches the likely funding available under the 10th EDF was formulated by the Mission with institutional capacity building and personnel training a crucial part of each of the programme areas. Prioritisation was based on overall EC policies in the 10th EDF, the guiding principles contained in the JNA of 2006 and discussions with stakeholders and implementing agencies met during the course of the study and at the consultative workshop on the most pragmatic, appropriate and priority interventions.

The main criteria adopted in design of the programme are summarized as follows:-

- Adherence to EU overall policies in the 10th EDF;
- Projects that build on successful activities and allows consolidation of existing or previous EC funded interventions;
- Focus on private sector led economic development together with promotion of the public sector that promotes private sector development in a public-private partnership;
- Capacity building is needed throughout the programme including;
- The main interventions are grouped in a manner that would create synergy and the perceived priority is on the basis of strategic importance to the national economy and broad estimates of beneficiaries and expected impact.

5.3 Programming 10th EDF Interventions

The programme **GOAL** defined in the Logical Framework and which is consistent with the JSP, is: ***"Income increased and food insecurity reduced through private sector-led economic growth"***

The **PURPOSE** of the programme is to assist the improvement of agricultural sector management and crop production.

The two **RESULT** areas of the programme are:

1 Improved Planning, Supervision and Coordination of the Agricultural Sector through:

- Support to national institutions in policy formulation, planning, monitoring and evaluation;
- Support to the consolidation of food security, water and land information systems including; river management information for the Shebelle & Juba rivers;
- Facilitate private sector involvement in agriculture development;
- Understanding of value chain through analysis of market dynamics.

2 Increased Crop Production and productivity through:

- Rehabilitation and maintenance of irrigation, flood management and market infrastructures;
- Provision of technical and inputs including extension, training, tractor services, improved seeds;
- Support to recession agriculture along the Juba river;
- Support to the improvement and use of plant genetic resources;
- A roll-out of a modified ARDOPIS programme to engage middle and large commercial enterprises including support to infrastructure developments of the lower and middle Shebelle catchments;
- Consolidation of the support Dur-Dur Watershed programme in Awdal region of Somaliland;
- Consolidation and expansion of the Puntland Oasis Development programme in Puntland;
- Support to rainfed and mixed farming systems in Southern Somalia with particular focus on reduction of post harvest and storage losses.

5.4 Relevance

The proposed programme is highly relevant to the current needs of the Somali agriculture sector in terms of enhancing food security at household, regional and national level. Moreover, investments proposed are justified and will improve the capacities for planning and coordination of development investments, and the provision of improved crop production methods through the removal of production constraints including expansion of production base of farmers.

The proposed programme will benefit and sustain the livelihoods of large numbers of small farmers whose capacity to produce has diminished over the years due to lack of access to water for irrigation, land and production opportunities. In addition the proposed investment will address the needs of the wide range of beneficiaries including farmers, traders and rural communities.

5.5 Efficiency

The proposed programme will enhance the efficiency of previous EC investments. However, it must be noted that the cost of project implementation using INGOs and UN agencies in Somalia under the present conditions of insecurity is high. This is mainly due to the need for staff to undertake regular flights in and out of the country using EU emergency flights (which are funded separately by the EU), maintaining an additional office in Nairobi and the relatively high cost of logistical services in Somalia such as the hire of vehicles, security staff and secure accommodation. However, the benefits are generally well valued due to the fact that most interventions would have a widespread impact throughout the sector and that they mainly build on past interventions with a focus on consolidation, rehabilitation of facilities and inputs that have been funded under various recently completed or on-going EU funded projects.

In the interest of improving efficiency, efforts will be made to reduce overhead costs and provide more support to local NGOs whenever possible, especially where compliance with EU guidelines and procedures, and where accountability are concerned. Lessons learned from on-going EU projects recommend that targets and indicators should remain as specific and as constant as possible, and are clearly prescribed and evidence-base should be developed as part of the M&E framework for each result area.

5.6 Effectiveness

The interventions are designed to achieve the purpose of the JSP and EU policies in the 10th EDF and focus mainly on provision of an enabling environment for the private sector, or communities themselves, including youths and women's groups, and district level authorities that are more committed and less influenced by political changes. The programme results are considered realistic and attainable even within the difficult environment in much of Somalia. This is partly due to the resilience of the private sector (as the interventions largely focus on private sector led improvements that can develop without major public sector support) and the experience and historical performance of the UN agencies and INGOs that have been implementing projects over the last decade.

At project formulation stage efforts should be made during designing the intervention, to take account of the local context – in particular recognizing the role of authority at the local level – in order to ensure that the implementation is in tune with local realities and that ownership can be more effectively built.

5.7 Impact

Developing planning capacity within the sector will provide substantial positive impact for programme activities, in that investment decisions will be made on more robust information. Baseline data will help target beneficiary groups, supervision and process monitoring will be more effective, as will impact evaluation. In addition efforts will be made to improve the capacity of community members so that their involvement in development activities will improve results.

Regarding further support to irrigation systems in southern Somalia, the programme will complement earlier EC initiatives, and those of other donors; and improved crop production will increase the household food security and the incomes of people in the target areas. The river catchment studies will positively impact water resources and other natural resource management systems, and will facilitate the sustainable management of the riverine areas.

Interlinked with all the above, improved service delivery in the agricultural sector related to research and the development of appropriate technological packages including, water and soil conservation, agricultural education and extension support programmes, and improved and integrated natural resource management systems are designed to yield positive impacts.

5.8 Sustainability

There are several issues that have a bearing on sustainability. Firstly, an overriding problem is security which has impacted most previous EC interventions. Notwithstanding this, there are numerous positive aspects of programme that are likely to evolve and include:

- Strengthening the agricultural policy analysis and planning is likely to contribute to ensuring that appropriate and sustainable interventions are designed based upon robust information to provide an enabling environment for the promotion of sustainable resource management, including that of human, financial and natural assets.
- Supporting improved irrigated crop production in southern Somalia according to the IDP is a cost effective means of improving national food production capacity, and will contribute to sustainable food production. This support should result in improved food security at household and national level.
- The focus on the involvement of rural labour linked with cash-for-work schemes as indicated in the IDP, will promote employment creation and the availability of cash retention within rural households providing funds for alternative investments and community development. Capacitating agricultural service delivery systems as defined within the ARDOPIS programme will complement the above and contribute towards the sustainability of all farming.

5.9 Cross-cutting Issues

The outlined programme will address all cross-cutting issues categorised within the RDP. The following are the objectives of the other two pillars of the RDP and will most likely be pursued by parallel programmes; namely deepening of peace, improving security, and through improved planning establishing a platform for good governance; investing in people and capacity building, involving communities in beneficiary targeting and implementation oversight; while creating an enabling environment for private sector led growth and poverty

reduction through an expansion of employment opportunities. Specifically, the following benefits will be related to:

5.9.1 Gender and Marginalised Groups

Capacity building will occur within supporting technical and administrative institutions, with equal opportunity to men and women, and marginalised groups. Moreover, expanded employment opportunities will also affect target communities including men, women, marginalised groups, as well as disaffected youths. Where cash-for-work schemes are promoted rural labour should target disaffected youths, and commodity value chain studies should explicitly examine leverage points for employing and improving conditions for marginalised groups including IDPs and women.

5.9.2 Environment

Environmental hazards will be addressed by programme activities and will follow appropriate actions consistent with best practice and within EC guidelines. In particular, the programme will pay attention to key environmental issues including those related to the pastoralist/mixed farming complex of resource depletion of the rangelands and forests, the efficient and effective use of water resources in the main perennial river catchments and also the ephemeral catchments in central and northern Somalia. The issues of soil conservation are embedded in this underpinning approach to critical cross cutting issues.

5.9.3 Emergency/Disaster Preparedness and Recovery

As in the ARDOPIS programme, improved rural access roads and improved marketing/service centres will reduce post harvest crop losses, and provide easier access for humanitarian aid as and when required.

Sustainable crop on irrigated and rainfed will help foster the accumulation of household savings to help alleviate the effects of natural disasters and reduce the need to sell-off productive assets during times of crises.

5.9.4 HIV/AIDS

While HIV/AIDS infection rates are unclear, it is known that urban rates are on the rise (CAAL 2009a). Enticing marginalised, sexually active people, especially disaffected youths, into gainful employment will help reduce rural-urban drift and the vulnerability of urban unemployment. Moreover, improved incomes and reduced food insecurity of rural households will help alleviate the debilitating effects of the disease, as will access to cash-for-work opportunities associated with the rehabilitation of agriculture related infrastructure – the link with HIV/AIDS is quite obvious, better nutrition, and a capacitated family economy to cope with the stresses and debilitating effects of the disease.

5.10 Economic and Financial Implications

The general situation in Somalia and the lack of effective national institutions in coupled with the lack of reliable quantifiable data means that it is not practical to undertake a meaningful financial or economic analysis. Similar sentiment were expressed in a recent World Bank appraisal report for their rural development programme. However, there are clear indications that past investments by EU in the agriculture sector have significantly contributed to the reduction of poverty, improvement of rural livelihoods and increase of cereal production in irrigated areas. This has been largely due to the rehabilitation of irrigation infrastructure and the opening up of additional lands for cultivation, particularly in the Lower Shabelle. Agriculture productivity in Somalia is low and offers significant opportunities for expansion in unit areas, food and economic growth. It is now commonly believed that agriculture growth has wider economic multiplier effects on the overall economy than any other sector, each 1 dollar increase or investment in agricultural generates 3 dollar in general economic growth. Therefore, future proposed EU investment in the agriculture sector of Somalia should result in similar positive returns.

5.11 EU Interventions for the First Phase Period 2009 - 2010

Table 5 outlines a tentative programme of action for the EDF 10 agriculture sector support initiatives. It is assumed that the assistance in south central Somalia on the Shabelle and Juba catchments are sufficiently well described and costed to enable funds to be committed to a first phase in 2009. Then between mid 2009 and the end of 2010, funding in policy, planning and analysis would proceed to support a commitment in FSNAU,

and SWALIM, given the need to support the irrigation rehabilitation and the need to proceed with an integrated water management plan for the Shabelle and Juba catchment.

Dur-Dur programme in Somaliland and the Puntland Oasis Development (POD) programme are on-going, commitments for their extensions and expansion is recommended and could be made from 2010

Table 7: EDF 10 Agriculture Programme Expenditures (Million Euros)

	2009	2010	2011	2012	2013	TOTAL
Result 1 Improved Planning and Coordination						
Support to local institutions in policy, planning and M&E		0.50		0.50		1.00
Consolidation of Information (FSNAU)		2.88				2.88
Private sector facilitation		0.50		0.50		1.00
Understanding market dynamics and value chain			0.30			0.30
Sub-total Result 1		3.88	0.30	1.00	0.00	5.18
Result 2 Support to Improved Crop Production						
2.1 Continuation of ARDOPIS programme (3 yrs)		3.9				3.90
2.2 Support to Irrigation in Shabelle and Juba						0.00
2.2.1 Priority Irrigation systems	4.20	7.3	3.10			14.60
2.2.2 Priority rural roads infrastructures	4.70	7.2	8.40			20.30
2.2.3 River Basin Management	5.00	0.7				5.70
2.2.4 Improve understanding		0.4				0.40
2.2.5 Expanding EC areas of interventions(recession)			4.30			4.30
2.3 Extension of Dur-Dur programme (3 yrs)		3.76				3.76
2.4 Expansion of POD programme (3 yrs)		3.76				3.76
2.5 Support to mixed and rain fed farming systems		1.00		1.00		2.00
2.6 Support to use of plant genetic resources		1.00		1.00		2.00
2.7 Support to tractorisation, training seeds and extension		1.50		1.50		3.00
Sub-total Result 2	13.90	27.01	15.80	3.50	0.00	56.81
PROGRAMME TOTAL	13.90	30.89	16.10	4.50	0.00	61.99

Compatibility of Priorities with the Strategic Approach and General Principles of EU Assistance

The priority programme areas are compatible with the overall strategic approach and general principles of EU assistance to Somalia. In particular they match the overall purpose of the 10th EDF, namely reduction in food insecurity reduced and promotion of private sector-led economic development and the main result areas contained in the EU strategies, as shown in the following table.

Table 8: Compliance of Priority Programmes with EU Strategies - Main Results

Priority Programme Area	EU Strategy Results
<ul style="list-style-type: none"> Improved Planning, Supervision and Coordination of the Agricultural Sector 	<ul style="list-style-type: none"> Improved institutional policy development and establishment of an enabling environment for private sector led growth in the agriculture sector
<ul style="list-style-type: none"> Increased Crop Production in Somalia through better technical and service provision 	<ul style="list-style-type: none"> Improved sustainable natural resource management on irrigated and rain fed farming systems.

6 LOGICAL FRAMEWORK AND INDICATORS

Table 9: Logical Framework and Indicators

Narrative summary	Objectively Verifiable Indicators (OVIs)	Means of Verification (MOVs)	Assumptions and Risks
Overall objective: <i>Income increased and food insecurity reduced through private sector-led economic growth</i>		<ul style="list-style-type: none"> • UNDP Human Development Report • UNICEF multi-indicator cluster survey • World Bank watching briefs 	<ul style="list-style-type: none"> • The overall security situation in all regions improve and relevant areas are accessible over extended periods of time
Specific objective (Purpose): To assist the improvement of agricultural sector management and crop production.	At least 70 percent of the people will have an income above \$ 1 per day (MDG) equivalent by the end of the programme.	<ul style="list-style-type: none"> • Programme Surveys • FSNAU reports • Programme Monitoring and Evaluation reports 	<p><u>I. Assumptions:</u></p> <ol style="list-style-type: none"> 1. Internal peace and security prevail over extended periods of time in selected areas of Somalia 2. Somali staff and NGOs able to operate <p><u>II Risks:</u></p> <ol style="list-style-type: none"> 1. Escalating conflict and violence 2. No access to the project areas 3. Major climatic disaster
Outputs/ Result Areas			
Result 1. Improved Planning, Supervision and Coordination of the Agricultural Sector			
<p>Activities</p> <ol style="list-style-type: none"> 1.1. Capacitate public sector organisations and educational institutions, including units for planning and policy development, strategic analyses for agriculture and irrigation. 1.2. Support to the consolidation of food security, water and land information systems including river basin management information for the Shebelle & Juba rivers. 1.3. Value chain studies and analyses of market dynamics in the different production areas and for crops. 1.4. Facilitation and promotion of investment by private sector group and individual 	<ul style="list-style-type: none"> • Policy and planning units supported technically and administratively • Studies on markets and analysis undertaken in most regions • Support provided to energize and reinvigorate private sector involvement in agriculture development as public-private partnership. • Middle and field level staff trained. • Agriculture Education institutions revamped, 	<ul style="list-style-type: none"> • Project/study reports • Progress and annual reports • Data collection improved and Quality information made available • Reports on training and other related activities • Before and after surveys 	<p><u>I. Assumptions:</u></p> <ol style="list-style-type: none"> 1. Internal peace and security prevail over extended periods of time in selected areas of Somalia 2. Somali staff and NGOs able to operate <p><u>II Risks:</u></p> <ol style="list-style-type: none"> 1. Cases of conflict and violence 2. Not access to the project areas 3. Major climatic disaster

Narrative summary	Objectively Verifiable Indicators (OVIs)	Means of Verification (MOVs)	Assumptions and Risks
entrepreneurs in agriculture	strengthened and supported		
Result 2 Increased Crop Production and Productivity through Irrigation and Crop Diversification			
<p>Activities.</p> <p>2.1 Support to the rehabilitation and maintenance of irrigation, flood management and market infrastructure.</p> <p>2.2.Support to complement current investments in riverine farming, including ARDOPIS programme to reinvigorate middle and large commercial farming enterprises</p> <p>2.3. Support to recession agriculture along the Juba river.</p> <p>2.4. Extensions to the support Dur Dur Watershed programme in Somaliland.</p> <p>2.5.Expansion of the Oasis Development Programme (ODP) to Badhan District of East Sanag Region, and Taleh and Boame Districts of Eastern Sool.</p> <p>2.6. Support to rainfed and mixed farming systems in Southern Somalia with particular focus on reduction of post harvest and storage losses.</p> <p>2.7. Support to the improvement and use of plant genetic resources.</p> <p>2.8. Support to provision of services, tractors extension, and training.</p>	<ul style="list-style-type: none"> • At least 70% of the target rural households had their income increased by 50% by the end of the programme • At least 30% of women-head of households had been included in planning & decision making committees at community level. • Significant improvement of movement of franchise and the number of vehicles on the rehabilitated roads increased by 200% • Private sector groups or local authorities capacitated in key areas of irrigation management. • Due to improved irrigation conveyance systems area under cultivation increased and expanded by 50% • Areas under crop production on oasis development and under watershed management increased by 30%. • Support provided to improve production and storage techniques in rain fed areas. • All individual actions (projects) had EIA and related mitigating measures embedded in their design 	<ul style="list-style-type: none"> • Before and after surveys roads rehabilitation detailed design completed • Contracts for rehabilitation signed • Rehabilitation completed and inspected • Progress and monitoring and evaluation reports • Development projects and programs undertaken • FSNAU technical series reports 	<p>I. Assumptions:</p> <ol style="list-style-type: none"> 1. Internal peace and security prevail over extended periods of time in selected areas of Somalia 2. Somali staff and NGOs able to operate <p>II Risks:</p> <ol style="list-style-type: none"> 1. Cases of conflict and violence 2. Not access to the project areas 3. Major climatic disaster