

SOMALIA
DENMARK STRATEGIC FRAMEWORK
2024-2028

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List of Abbreviations

APP	Africa Programme for Peace
AS	Al-Shabaab
ATMIS	The African Union Transition Mission in Somalia
AU	African Union
CSO	Civil Society Organisations
DPPA	Department of Political and Peacebuilding Affairs
FAO	Food and Agriculture Organization of the United Nations
FGM	Female Genital Mutilation
FGS	Federal Government Somalia
FMS	Federal Member States
HDP	Humanitarian, Development & Peace
HIPC	The Heavily Indebted Countries
IDP	Internally Displaced Person
IFC	International Finance Cooperation
IFU	Investment Fund for Developing Countries
ILO	International Labour Organisation
IMF	International Monetary Fund
IMS	International Media Support
IOM	International Organisation for Migration
JSF	Joint Somalia Fund
MEAL	Monitoring Evaluation Accountability and Learning
NCC	National Consultative Council
NGO	Non-Governmental Organisation
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
OHCHR	Office of the High Commissioner for Human Rights
SME	Small/Medium Enterprises
SNA	Somali National Army
SO	Strategic Objective
SPA	Danish Civil Society Organisations
TCC	Troop Contributing Countries
UIM	Ministry of Immigration and Integration
UN	United Nations
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFPA	United Nations Population Fund
UNHCR	United Nations High commissioner for Refugees
UNICEF	United Nations International Children's Emergency Fund
UNMAS	United Nations Mine Action Service
UNOPS	United Nations Office for Project Services
WASH	Water, Sanitation and Hygiene (UN)
WB	The World Bank
WFP	World Food Programme
WHO	World Health Organisation

1. Introduction and vision for the partnership

Denmark's ambition is to be a present and relevant partner in the world, engaging in strategic alliances and the development of more equal partnerships with countries around the world. That applies particularly in Africa, as Europe's neighbour and a continent in growth politically, economically and demographically.

Somalia is one of the most fragile and impoverished countries in the world. The country is affected by poverty, conflict, violent extremism and instability, political crises and the consequences of climate change and unsustainable land use. Somalia's location in the Gulf of Aden, a central maritime transport corridor, and its proximity to Gulf States means that Somalia occupies a strategic location in an area of interest of Denmark and the EU. The instability of Somalia affects not only the Somali people, but spills over to the entire Horn of Africa region, and in turn is impacted by the instability within the region.

Denmark's strategic and foreign policy interests in Somalia are focused on global challenges such as the consequences of recurring climatic shocks, fighting poverty and increasing the resilience of the poorest and most vulnerable people, preventing and countering violent extremism and enhancing maritime security. At the same time, Denmark is a long-term development partner to the Horn of Africa region, including to Somalia.

Hence, the long-term vision for Denmark's partnership with Somalia is a more stable, inclusive, prosperous, and democratic Somalia, addressing root causes of poverty, vulnerability, and inequality in line with Somalia's national development plan. A stable and inclusive Somalia would also reduce the number of internally displaced persons, the spread of violent extremism, the risk of piracy resurgence and curb irregular migration, including towards Europe. Stability is necessary for lasting progress and sustainable development in a country characterized by extreme poverty and complex vulnerabilities.

Three strategic objectives underpin this vision:

1. ***Strategic objective 1: Fight poverty and ensure adaptation to climate change to adapt to the global climate crisis.***
2. ***Strategic objective 2: Promote stability and security, inclusive state building and protection of human rights.***
3. ***Strategic objective 3: Strengthen resilience and addressing displacement and migration.***

The objectives are founded on overall priorities of strengthening democracy, civic space and promoting and protecting human rights, inclusion of women and youth, in line with overall Danish priorities. To support this, the development cooperation efforts will continue to be a central element, but it will also be crucial to strengthen the political, economic and security cooperation with Somalia.

2. Context, challenges and risks

Despite pronounced fragility and conflict, Somalia has experienced a certain degree of stability and nascent political and macroeconomic progress in the last ten years. The current central government, which came to power in May 2022, has shown willingness to reform and has ambitions for a more stable, and progressive Somalia. However, with Al-Shabaab controlling significant parts of the country and the lack of a functioning state in large parts of Somalia the somewhat positive developments are still at risk of being set back by political crises, violent extremism and a very limited ability to respond to climatic shocks.

Security, stability and state-building

Somalia is characterized by instability, conflict and fragility. After 25 years of a de-facto state-collapse due to a bloody civil war and clan rivalry combined with various unsuccessful regional and international attempts at interference, Somalia managed to adopt a Provisional Constitution in 2012. Since 2012, Somalia has seen a number of relatively peaceful – albeit very narrow, unrepresentative and only partially legitimate - election processes in 2012, 2017 and 2022. The Provisional Constitution set the foundation for a federal model, including the establishment of the five Federal Member States (FMS), with Somaliland continuing its claim to independence and therefore not accepting status as a federal member state.

Since the early 2000s, the Al-Qaeda affiliated terror organisation Al-Shabaab (AS) has been present in Somalia and currently controls large parts of the country, especially in rural areas in the South and South-central parts of Somalia. The success of AS is attributed to poor governance and limited ability of the government to deliver basic services, including equitable access to justice. Al-Shabaab's ability to fill a governance vacuum has positioned them to extort citizens and businesses, making Al-Shabaab one of the richest extremist organizations globally, with the capability to conduct terror attack in most parts of Southern Somalia, including Mogadishu.

Stability is also challenged by the extensive clan conflicts that are part of the history of Somalia. Political appointments are based on clan affiliation and the delicate balance of bargaining influence is left to the four largest Somali clans each gaining an equal share of political power. Full inclusivity of key stakeholders, such as women, youth and other marginalized groups still remains a challenge, despite some progress.

In May 2022 Hassan Sheikh Mohamud was elected president, and shortly after, his government initiated a strategy and offensive to combat Al-Shabaab, building upon an incipient popular uprising against AS in some parts of the country. Stabilizing newly recovered areas from Al-Shabaab and delivering security, addressing service delivery, access to resources, and political grievances will determine the long-term success of these offensives. The use of local clan groups supporting the Somali National Army has been effective, but efforts to reintegrate these armed factions into the national security architecture, as well as local reconciliation efforts, may face challenges at federal member state level.

The African Union Transition Mission in Somalia (ATMIS – previously AMISOM) has since 2012 been a major security sector actor in Somalia, primarily as security provider to major infrastructure and in supporting the Somali National Army (SNA) and other security sector partners. The mission is mandated

by the United Nations Security Council, delegated to the AU, funded primarily by the EU (approx. 2.5 billion EUR since 2017) and the UK, and executed by a number of troop contributing countries (TCCs), primarily Ethiopia, Kenya, Uganda, Djibouti, and Burundi. An expected draw down of ATMIS forces is set to take place between 2023 and 2024, and remains of critical security concern due to challenges of a smooth transition of ownership to the government and the lack of a solid threat assessment underpinning the transition plan. ATMIS is complemented by a number of bilaterally trained special forces – primarily trained by the US and Turkey.

Governance and state-building in Somalia is seeing some gradual progress, although not linear and with significant risks of backsliding. Hassan Sheikh Mohamud's government has committed to strengthening the federal structure, which until recently has been based on ad-hoc agreements and political bargaining between the central government and the federal member states. Clan-affiliation and –politics have played an instrumental part in political agreements. Under Hassan Sheikh, the meetings between the central government (FGS) and the federal member states (FMS) have been reconstituted in the National Consultative Council, NCC, and steps towards power and resource sharing between FGS and FMS, on justice models and on the security architecture have been initiated, although ownership at FMS level is sometimes tentative.

However, the current political system, based on clan affiliation and political elite bargaining is under pressure as a consequence of a young demographic, high unemployment rates, climate-related environmental shocks and demands for more accountable governance. Somalia's public institutions mandated to regulate and implement politics, policy, reforms, budgets and laws remain nascent and amongst the weakest in the world.

The main settlement questions include agreements among political actors to share power and resources, constitutional mandates as well as on key issues related to security. At the centre of political settlement in Somalia is the relationship between the central government and the federal member states – including settling the relationship with Somaliland. Since 2012, there has been progress in terms of building technical, legal and regulatory systems with support from the international community. The Heavily Indebted Poor Countries (HIPC) debt relief process - initiated in 2020, has also driven progress on reforms, through which Somalia will achieve debt forgiveness and potentially gain access to loans on the international financial market. HIPC is set to reach completion by the end of 2023, upon the realisation of an IMF programme, focusing on economic reforms, including strengthening domestic revenue mobilisation and strengthening public financial management, including accountability mechanisms and balancing state budgets.

With the longest coastline in mainland Africa, including a high potential for maritime oil and gas exploration, Somalia's potential as a regional economic player in the maritime and trade industry is significant. However, limited capacity to police its waters means that Somalia remains vulnerable to illicit trade and activity. While piracy was a major threat 10 years ago, it has been effectively addressed through international efforts; but, other transnational criminal activities are still carried out in the waters off the coast of Somalia. This includes illegal, unreported and unregulated fishing as well as arms and human trafficking, which continue to sustain inland conflict and criminal enterprise. This forms part of a network channelling illicit goods to other parts of the world, including Europe.

Since declaring independence in 1991, **Somaliland** has been comparatively more stable and seen a gradual democratic progression. It has held eight credible and largely free and fair one-person, one-vote elections involving peaceful transfers of power. Economically, it has attracted large foreign direct investment projects, including a USD 500 million investment by DP World in Berbera Port. However, Somaliland's political settlement is under pressure and a need to widen the sphere of political participation has emerged. The current settlement is elitist and exclusive, particularly in regards to women, youth and other marginalised groups. Governance has never been rules-based – nearly all elections in Somaliland require significant delays – and men dominate all three branches of government. Similar patterns exist between government and the business community where large taxpayers negotiate their taxes and large contracts have a strong clan balance element.

Economic and social development

Somalia ranks as one of the poorest countries in the world. In 2021, the GDP per capita was 401 USD, with approximately 70 percent of the population living below the poverty line¹. A number of mutually reinforcing factors hamper economic development in Somalia, including the lack of income opportunities, conflict and fragility, poor natural resource management and climate change related effects on livelihoods, collectively resulting in widespread internal displacement.

GDP growth rates in Somalia are extremely low. Between 2014 and 2021, real per capita growth rates averaged zero percent. The lack of an enabling environment for private sector development, Somalia's isolation from the international financial system, high public expenditure relative to revenue collection and Somalia's reliance on development assistance and remittances all hamper higher growth.

With the HIPC process scheduled for completion at the end of 2023, debt relief should be a catalyst for promoting investments in economic development and better public services. This development is conditional upon completion of a comprehensive reform program, including on public expenditure, efforts to create an enabling environment for trade related investments and for increasing domestic revenue mobilisation (currently at around 4 percent of GDP).

The majority of Somalis are employed in the informal economy, especially true of the women. However, women have limited access to credit and are not proportionally represented in the political sphere, leaving the concerns of women-led enterprises at the margins of the political agenda. Livestock production and export represent the largest foreign exchange earnings for Somalia, accounting for approximately 80 percent of export earnings. The sector, however, is sensitive to climate-related shocks, which hampers investments and scaling up in the sector. Fisheries have enormous potential, but currently account for a mere 0.2 percent of GDP due to limited investment and opportunities for processing. Youth unemployment is a growing concern, with 48 percent of youth either unemployed or engaged in low-productive, low-paying employment, making them particularly vulnerable to human rights violations and abuse and at risk of recruitment by armed groups.

The lack of regulatory frameworks and access to finance limits private sector development in Somalia. Traditional Somali banks have a conservative loan profile, resulting in limited access to finance, particularly for small and medium sized enterprises as well as for women-led enterprises. The private

¹ USD 1.9 per day, World Bank (2020)

sector is also affected by clan affiliation, and Al-Shabaab generates tax revenues through extortion of private sector actors, resulting in an unpredictable environment for Somali businesses. Electricity is expensive and oil-driven, all factors obstructing larger-scale investment and growth.

With poverty widespread in Somalia, the majority of households face a many challenges related to literacy, education, healthcare, housing, personal security, food security, water and sanitation, and access to jobs and economic opportunities. Population growth, currently at 3.2 percent², could lead to an estimated 35 million people in Somalia by 2050. This population growth is a serious threat amplifier to existing drivers of conflict and poses major risks specifically to conflict- and climate-related migration, rapid urbanization and instability. In May 2023, there were 3.8 million internally displaced people (IDPs) in Somalia, or almost 25 percent of the population, mostly located in the south and central parts of the country, particularly in Mogadishu. Increasingly, climate impacts are driving displacement – from January to May 2023, 1.1 million more IDPs were registered by OCHA, of these almost half were displaced because of climatic factors, drought and flooding.

The lack of services in most parts of the country, as well as limited livelihood opportunities, is a significant driver of urbanization. In addition, instability and conflict, including the ongoing offensive against Al-Shabaab, drive displacement and continue to affect access and movement of goods and people. Furthermore, the concentration of provision of services primarily in urban areas, where international actors have access, result in IDPs settling in urban areas, often in informal settlements. They live in impermanent, unsanitary conditions often governed by informal settlement managers, which may facilitate service access but are unable or unwilling to provide protection. Dominant clans and their networks tend to marginalize the less dominant ones and as most displaced are from minority clans or marginalized ethnic groups, they are in a particularly vulnerable position.

Service provision is largely in the hands of international humanitarian actors, given the very low domestic resources and revenue generation. Public expenditure in social sectors is extremely low. Public education expenditure is at 0.3 percent of GDP, while the government funds only 17 percent of overall health expenditure, with international partners covering the large majority of social services financing.

Climate change and resilience

Climate change and poor natural resource management serve as a threat multiplier in Somalia and compound the challenges of political instability, insecurity, resource scarcity, rapid urbanization, and recurrent humanitarian crises. Somalia is the second most climate vulnerable country in the world.³ It faces a number of climate-related risks, including droughts, floods, cyclones, and climate-related diseases and epidemics.⁴ In the last decade, Somalia has witnessed both multiple exceptionally dry seasons and extended droughts, interspersed with exceptionally wet seasons and floods. Temperatures have risen rapidly, rains have become erratic, and droughts that used to occur every 10 years on average are now occurring every 3-4 years. During the fall of 2022, Somalia experienced the worst drought in 40 years,

² WB WDI, 2021. On the rise since 2010, from 2.5 (2010)-3.1 (2021)

³ <https://gain-new.crc.nd.edu/country/somalia> (accessed on 20-02-2023).

⁴ World Bank Group's "Climate Change Knowledge Portal," Somalia - Vulnerability | Climate Change Knowledge Portal ([worldbank.org](https://climateknowledgeportal.worldbank.org)).

because of the fifth consecutive failed rainy season. This has resulted in over 6.5 million Somalis becoming food insecure, 13 million heads of livestock perishing, and thousands of hectares of crops lost.

Livestock and agriculture, two sectors particularly vulnerable to climate change, constitute up to 70 percent of the country's GDP. With over 80 percent of the country comprised of arid and semi-arid lands, even small climate change effects on these sectors are having dramatic effects on individuals' livelihoods. As climate change threatens the viability of these two sectors going forward, urbanisation is rapidly increasing, further straining government capacities and key life-support systems such as food and water resources, health, and infrastructure and service delivery.

As a result of widespread poverty and strain on resources, individual Somalis are turning to negative coping mechanisms, such as illicit charcoal production and deforestation, overuse of natural resources, and increasingly risky agricultural and pastoral practices, which only heightens their vulnerability in the long run. These changes will be especially detrimental to vulnerable communities and marginalized groups in drought and flood prone regions. Climate change and land degradation affect Somali women and girls disproportionately as they typically carry the heaviest workload when it comes to fetching water, obtaining energy, and producing food. Women and girls are often underrepresented in decision-making processes and left out in the planning of climate solutions.

However, there are opportunities for Somalia to make use of its resources in a longer-term perspective. Somalia has mainland Africa's longest coastline and the potential to benefit from a "Blue Economy" is large. Moreover, with some of the most consistent sunshine anywhere in the world (averaging over 3,000 hours a year) as well as the highest resource potential for onshore wind power in Africa, the potential for a green energy transition based on solar and wind power is evident. .

Democracy and civic space, human rights

Civic space in Somalia is dominated by clan affiliation and is severely restricted, while attempts to constrain civil society are widespread. The legal framework for civil society focuses more on control of CSOs rather than safeguarding civic space. Activists fighting for freedom of expression, including journalists, have been regular targets of arbitrary arrests by security forces without trial and at times prosecuted using the country's outdated penal code. Federal and regional military courts continue to sentence people to death and carry out executions despite serious due process concerns. Consequently, Somali civil society organisations are unable or unwilling to effectively hold the government to account, with many advocates for human rights joining the government side or finding themselves without the means to make their voices heard.

Somaliland has likewise witnessed a deterioration of political rights, civic space, and not least press freedom in recent years. The planned 2023 Political Parties Election has been delayed, dampening hopes for the opening of the political space dominated by the same political elite for the last 20 years. Journalists face severe pressure from authorities, with police cracking down on independent or privately owned media outlets, while allowing state-controlled media to operate freely. Human rights violations by the Somaliland army during the ongoing conflict in Las Anod are under investigation by the United Nations.

The justice system remains weak and nascent with regular rights abuses and arbitrary execution of justice, including using the death sentence on children. Tension and inconsistency between the clan-based “Xeer” system, sharia and formal justice is strong.

Key institutional and legal reforms have to some degree stagnated. The review of the country’s outdated penal code was put on hold in 2022 and little movement on the passing of the federal legislation on sexual offenses or on key children’s rights legislation has been seen. Somalia has not established a national human rights commission, with the appointment of commissioners pending since 2018.

Early marriage is a major problem in Somalia, with severe consequences for girls’ health and education. After Niger in the Sahel, Somalia has the world’s second highest fertility rate with 6.4 children per woman (2020). Maternal mortality is among the highest in the world, at 1,600 per 100,000 live births, and despite nascent progress, approximately 98 percent of women in Somalia undergo female genital mutilation (FGM)⁵. Violence, including rape and domestic violence, is widespread, with no legal accountability system. Women lack access to resources and decision-making power, leaving them more vulnerable to human rights violations.

Geopolitics, regional and international partners

There is a broad regional and international interest in Somalia, not least due to its geostrategic location at the tip of the Horn of Africa and at the mouth of the Red Sea. Consequently, Somalia has an array of traditional and non-traditional partners as well as an active Somali diaspora across the globe.

Regionally, landlocked Ethiopia is an important player for political, economic, and security reasons, and has shown interest in acquiring stakes in ports off Somaliland to enhance trade. Relations between Kenya and Somalia have improved, with enhanced trade between the two countries. Kenya, Ethiopia, and Djibouti all support the joint military offensive against Al-Shabaab to prevent their infiltration into the wider region. The “Quads” (US, UK, EU and the UN) is an informal, but influential group with regular joint engagements vis-à-vis the Somali government on security, politics and humanitarian issues. The US has a strong political and military presence, and is considered perhaps the main international actor. The African Union remains a major player on security, primarily through the deployment of ATMIS. Other international actors such as Turkey, UAE, and Qatar provide political, financial, and security support. Turkey is arguably the most supportive, with visible development and security support to Somalia. The Gulf states offer consistent and flexible financial support, but mainly use Somalia for other political objectives. China generally plays a low-key role as they reportedly see Somalia as too risky and volatile for major investments. They are, however, the main player within the fisheries sector and they are firmly supporting the FGS against Somaliland secession. Russia works behind the scenes offering regular visits to Moscow and financing of security supplies.

The UN country team counts 23 UN Agencies, implementing a \$2.1 billion Sustainable Cooperation Framework (2021-25). Multilateral funding is furthermore channeled to Somalia through the Joint Somalia Fund (JSF) in which Denmark has been a top-10 contributor. Other sources of UN funding is

⁵ [FGM-Somalia-2021.pdf \(unicef.org\)](#); 99% of girls and women btw. 15-49 years, 99% of girls btw. 15-19 years and 76% of girls in the age group 0-14.

the UN Central Emergency Response Fund (\$41 million in 2022) and the UN Peacebuilding Fund (\$46 million in 2019).

The EU is a major political and security actor and a large scale provider of development funds to Somalia. A newly launched EU-Somalia Roadmap (May 2023) outlines the priorities and areas of focus as agreed between the Somali Government and the EU for 2023-2024. The roadmap is centered around politics and democratization, security and stabilization, and socio-economic growth, and holds clear links to EU's Multi-annual Indicative Programme (2021-2027). The EU is a key actor for Danish political engagement also in Somalia, and the roadmap provides the umbrella for the EU's and the EU member states' engagements in the country. The Nordic countries and the UK are close and like-minded partners on a range of issues including in terms of political dialogue as well as programme implementation.

Because of the weak institutional structure of the Somali government, few bilateral partners provide support to Somalia through country systems, but rely largely on multilateral partners to work directly with the Somali authorities. With \$1.9 billion in financing to Somalia, the World Bank is by far the largest development partner to the Somali government, with a mixture of IDA grants and budget support. EU is currently the only other development partner providing budget support to the federal government.

The policy dialogue between development partners and the Somali government is somewhat disjointed and does not carry across key areas of priority, such as between the important linkages between political settlement and stability issues, and coordination between humanitarian and development engagements. Emerging attempts to revitalise the existing Aid Architecture, creating a structure fit for purpose to support Somalia's development objectives and complex partner landscape, are currently underway.

Scenarios

Somalia is at a crossroads. On the one hand, the Somalis are experiencing popular opposition to Al-Shabaab for the first time. The country is on track to achieve debt relief as a result of economic reforms, and potentially Somalia has maritime oil and gas reserves. Somalia is geo-strategically important and has a strong diaspora that can contribute and influence from outside. It is unlikely that the situation will improve significantly in the short to medium term. Two scenarios are suggested for the medium term:

➤ **SCENARIO 1: STATUS QUO - FRAGILE PROGRESS**

In this scenario, Somalia will continue to be challenged by instability. However, limited positive development and state-building is possible and could be promoted by increased international pressure and support. Al-Shabaab will not disappear, but will gradually lose support and power while the central government consolidates its presence in more and more areas. The political situation will remain fragile but stable. There will be recurring political crises and conflicts, but the state will be able to implement reforms and build its legitimacy. A significant part of the population will continue to be dependent on humanitarian aid, but there will be increased mobilization of resources for long-term investments, including in climate adaptation.

➤ **SCENARIO 2: MARKED DETERIORATION - POSSIBLE COLLAPSE**

In this scenario, the security situation will gradually deteriorate because the central government, the president and the federal member state presidents are constantly fighting for power. This increases discontent among the population and undermines the fragile legitimacy of the state. The security forces fragment along clan loyalties, causing the fight against Al-Shabaab to fail. Support from the international community will not be sufficient to reduce poverty and mitigate the effects of climate change and high demographic growth, and over time discontent and instability will grow. In the worst case, the current political agreement will collapse and Al-Shabaab and local militias will gain increased power, e.g. with direct control over major cities.

The actual trajectory might end up between these two scenarios and will be influenced by political stability, climate events, stability of neighbouring states as well as the state's ability to manage the needs of the many Somalis living in abject poverty. Denmark's strategic framework and the future programming choices must therefore be flexible enough to adapt also to a markedly negative development, i.e. responding to a trajectory towards the worst-case scenario. Focus will be on ensuring diverse partnerships – national, bilateral and multilateral - and instruments in order to maintain flexibility towards an ever-changing and volatile context.

3. Achievements, strengths and Danish political priorities

Denmark's partnership with Somalia extends back over four decades. Much of the early Danish engagement focused on the maritime domain, first on developing Somalia's fishery sector, and later on ensuring maritime security including combatting piracy. Today, Denmark's partnership with Somalia includes a broad range of instruments, including political dialogue, diplomacy, stabilization efforts and humanitarian assistance, as well as one of the largest Danish bilateral development portfolios globally.

Denmark is recognised in Somalia for a strong commitment to protection and promotion of human rights and as a facilitator on dialogue on difficult state-building issues, as well as for our strong role as advocate for children and women's rights. Danish strengths and achievements build on a strong partnership with Somali counterparts and alignment with key Somali development priorities.

Achievements and strengths

Denmark has strengthened **democratic governance** by supporting electoral processes, independent think-tanks, and promoting and protecting human rights. Denmark has supported activities that have strengthened institutions, including accountability and transparency in public financial management. Support to improved participation in peace-building and capacity development of local level government has also been part of the Danish engagement. Danish support has strengthened the social contract in Somaliland between government and citizens by supporting improved service-provision and the building of critical infrastructure, such as roads, water supply, and critical productive sector investments.

Denmark has also facilitated **inclusive economic growth** by strengthening the enabling environment for private sector growth and supporting public sector reform. Working with multilateral organizations like the World Bank and IMF to enable important reforms and build capacity has stimulated the private sector, and Denmark has supported the provision of loans to small and medium-sized enterprises in collaboration with other development partners and IFU.

Denmark has provided significant **humanitarian assistance and resilience support** for emergency food distribution, water, shelter, sanitation, and healthcare during times of crises. This has included the provision of critical cash transfers through social safety nets programmes targeting the health and nutrition of pregnant women and girls and their children as well as providing productive skills training to Somalia youth.

Denmark's bilateral **peace and stabilisation work** is anchored in the Peace and Stabilisation programme for the Horn of Africa, which entered its fourth phase in mid-2023. Denmark is recognised as a relevant and flexible actor in the stabilisation space, building on over a decade of experience and strong alignment with Somali government priorities. Denmark is especially known and respected for our engagement in local conflict resolution and political reconciliation and our strong attention to maritime security and law enforcement.

Democracy, civic space and human rights is a core priority for Danish development cooperation and foreign policy endeavours. In Somalia, Denmark has led important work on human rights, for example through co-chairing the “Friends of Children Affected by Armed Conflict” and have supported multilateral partners in advocating for children and women's rights as well as combatting female genital mutilation and harmful social norms. Support for a nascent, but emerging, civil society was piloted through support to independent think tanks, through our Danish strategic partners as well as by driving a localisation agenda in humanitarian assistance. While Denmark and Somalia may not see eye to eye on all matters, experience shows that it is possible to maintain critical political dialogue, as seen in recent years e.g. on the election model and policy dialogue on the Sexual Offenders and Child Rights Bill.

MAJOR DANISH CONTRIBUTIONS:

1

Denmark has played a convening role and has facilitated strong and critical partner collaboration in the important **dialogue with the IMF and WB on the HIPC debt relief process** and is considered an important partner in key multilateral coordination structures.

2

With the support of critical political think tanks, Denmark has played a role in **preventing political meltdown in the run-up to the 2022 elections** and supported the new government in restarting crucial accountability mechanisms such as a National Consultative Council (NCC).

3

Denmark is known for its longstanding presence and investments in Somaliland. Through the **Somaliland Development Fund**, Denmark has supported 890,000 citizens to get access to over 11m liters of water per day, built over 150 km of roads, and supported climate-smart agriculture through soil/water conservation on over 2,500 hectares of land.

Throughout a vast portfolio of engagements, Denmark has placed emphasis on **promoting gender equality**, including funding for initiatives aimed at empowering women and girls, as well as supporting women's participation in governance, private sector, and general decision-making.

However, it is also evident from Denmark's experience that working with human rights, social norms and gender equality in the Somali context requires a more consistent strategic approach and a fair degree of pragmatic idealism. Furthermore, previous Danish policy direction for Somalia did not place significant emphasis on the need for **climate change adaptation and green growth**.

Political priorities and strategic choices for the Denmark-Somalia partnership

Danish engagements in Somalia is anchored in Denmark's 2023 Foreign and Security Policy Strategy, emphasising a stronger attention to local demands and shared values, common interests and political priorities making way for an equal partnership. Shared interests between Denmark and Somalia include a stable Somalia, in a peaceful Horn of Africa, the fight against violent extremism, maritime security and attention to the multilateral rights-based world order. The long-term Danish commitment to Somalia provides a solid platform for a dynamic partnership between Denmark and Somalia at a time where the climate change agenda and the need for rethinking the resilience approach in Somalia is prominent. Denmark's green profile and expertise can pave the way for beneficial investments in a socially and economically fair green transition in Somalia.

Denmark's new Country Strategic Framework for Somalia will lean on strong results in governance, state-building and economic development, while investing significantly in climate change adaptation and strengthening attention to human rights, gender equality and civil society build-up.

Denmark will continue to prioritize partnerships and seek influence first and foremost through the EU, UN, the World Bank and the AU, as well as through bilateral alliances, such as with the UK and the Nordic+ countries, to ensure synergies, division of labor and influence. While the UK, US and the AU are central partners related to Denmark's stabilization engagements, partnerships with the World Bank, the EU and the Nordic countries are important on state-building, governance and economic development. Given the risk profile and capacity limitations of Somali institutions, working through partners in Somalia remains a key modality for Danish engagement in Somalia.

Considering Denmark's bilateral engagements with multiple UN partners, EU and the WB, ensuring coherence between global and in-country engagements based on Danish policy positions for Somalia, will be important.

Denmark is running for a seat on the UN Security Council 2025-2026. The candidature is an extension of Denmark's longstanding support for the UN and effective multilateralism. If elected to the Council, Denmark will work to advance cross-regional partnerships and a networked multilateralism that enables locally owned solutions to global challenges. Denmark would inform its work and policy influence in the Council through on-the-ground experience and in-depth knowledge of challenges faced by conflict-affected partner countries like Somalia. Denmark will be a strong voice for the meaningful engagement of non-members and civil society in the work of the Council, and will focus on critical crosscutting thematic priorities such as Women, Peace & Security, as well as the interlinkages between climate change and security, which are highly relevant in the Somali context.

4. Strategic objectives

The operationalisation of the vision for Denmark's partnership with Somalia is reflected in the three strategic objectives unfolded in the section below. While building on Denmark's political priorities, it is the ambition of this Strategic Framework, and the objectives underpinning it, to further expand the equal and close partnership with Somalia based on a solid foundation of shared interests in a stable, inclusive, prosperous and democratic Somalia. The priorities and objectives have been consulted with the Federal Government of Somalia, as well as with the Government of Somaliland, and are aligned with priorities outlined in both Somalia's and Somaliland's National Development Plans.

The strategic objectives also reflect Danish experiences and builds on lessons learned from previous and current development cooperation, humanitarian assistance, stabilisation efforts, migration engagements, policy dialogue as well investments by IFU and work carried out by Danish civil society organisations operating in Somalia.

The Danish engagement in Somalia will be based on a geographically differentiated and balanced approach. While the Northern part of Somalia – including Somaliland and Puntland – has over decades shown to be relatively more stable, the situation in the Southern and Central part of Somalia remains volatile and with a stronger Al-Shabaab presence. These different contexts will be reflected in Denmark's portfolio, with the regional PSP program focusing more on the most fragile FMSs (South West State, Hirshabelle, and Jubaland), where Denmark supports early recovery, defection and reintegration, prevention of climate change related conflicts and various efforts to counter violent extremism and transnational organised crime. The bilateral program will to an extent focus more on the more stable FMSs (Puntland and Galmadug), as well as Somaliland, by addressing national and state-level settlement and by supporting inclusive governance and accountability, climate change adaptation as well as inclusive, green economic growth.

Denmark will maintain a strong focus on Somaliland – as has been the case for a number of years. This should be seen in the context of high opportunity, and diminishing interest from development partners as a result of the increased focus on the rest of Somalia, leaving Somaliland somewhat at the margins of discussions on resource- and power sharing. The ambition is to continue the considerable Danish development partnership, benefitting from the relatively stable context and therefore more opportunities to model approaches, for potential replication elsewhere, and work with a broader range of actors. The relatively strong Danish presence in Somaliland is detached from Somaliland's ambition to obtain independence. Somaliland's international legal status must be clarified through dialogue between the different Somali parties with support from regional institutions.

Denmark aims to work within the EU group and with other development partners and international organizations to strengthen the coordination and coherence of international assistance to Somalia, leaning into the revitalised Aid Architecture. This will include facilitating discussion and understanding of how to support the government transition from early recovery to stabilisation programming and from stabilisation to wider development activities. It would also include continuing Denmark's leadership role in the Somaliland High-Level Aid Coordination Forum.

While each of the three objectives are addressing key challenges, they are mutually reinforcing and a number of Danish engagements will contribute to more than one strategic objective, reflecting the interconnected nature of the fragility factors influencing Somalia.

OVERVIEW OF INSTRUMENTS THAT CAN BE USED FOR IMPLEMENTING THE STRATEGIC FRAMEWORK FOR SOMALIA

- Political dialogue, not least through the EU
- Team Europe initiatives for Somalia – possible on climate change (Green Deal), Peace, Security & Stabilisation and on Democracy
- Peace and Stabilisation Programme for the Horn of Africa
- Other regional programmes, such as the Africa Programme for Peace (APP)
- Bilateral development cooperation – bilateral programme
- Multilateral partnerships – at global level as well as at country level, including with DPPA (UNSOM), IOM, ILO, OHCHR, UNDP, UNEP, UNFPA, UNHCR, UNICEF, UNMAS, WFP, WHO, the World Bank, IFC, OCHA and UNCDF
- Strategic partnerships with Danish Civil Society Organisations (SPA) – Danish Refugee Council, IMS, Danish Red Cross, SOS Børnebyerne, Save the Children, CARE, PlanBørnefonden
- Humanitarian assistance
- IFU – and exploring use of the Danida Sustainable Infrastructure Facility
- Migration engagements in partnership with UIM, UNOPS and IOM

Strategic Objective 1: Fight poverty and ensure adaptation and resilience to climate change through inclusive growth



Denmark has made addressing climate change a top political priority. As part of Denmark's ambitions to be a global green frontrunner, Denmark aims to lead the way in promoting international climate action, increasing climate-focused activities in development cooperation, and establishing green partnerships with government, civil society, and the private sector. This also involves advocating in relevant global fora for **Somalia's access to global climate change finance** through global vertical funds, which to some extent are not accommodating fragile countries like Somalia.

This priority is especially relevant in Somalia, where climate change and poor natural resource management amplifies political instability, resource scarcity, and the risks and vulnerabilities of communities, causing frequent humanitarian crises – all of these impacting poverty levels directly, including multidimensional poverty. Extreme weather events occur with increasing frequency, leading to abject poverty and displacement. Without effective adaptation, the effects of climate change will continue to exacerbate existing vulnerabilities and reduce people's livelihood options, potentially creating breeding grounds for displacement, irregular migration, and recruitment to extremist and criminal groups. This

complex reality offers ample opportunity for Denmark to build a partnership with Somalia based on the joint implementation of Denmark's green political and development priorities in Somalia, and thereby to contribute to combat the effects of climate change and fight climate change related poverty in Somalia and in the region.

Denmark will mainstream efforts to tackle negative impacts of climate change across the portfolio and we will use a number of instruments to engage in climate adaptation and resilience building. Specifically, Denmark will work with Somali partners to **provide improved access to water, use of climate-smart agricultural and natural resources management practices, and facilitate sustainable and inclusive green growth and employment.** These focus areas fall within climate change adaptation, but will simultaneously contribute directly to poverty alleviation in Somalia. Specific attention will be given to gender transformative approaches and human rights across all engagements.

Strategic objective 2: Promote peace-building, state-building and human rights



Given the fragility of Somalia, as a result of instability and armed conflict, widespread poverty and severe restrictions on human rights, and building on the nascent level of political settlement, Denmark will promote peace-building, state-building and the protection and promotion of human rights in the partnership with Somalia. This focus entails the promotion of inclusive, accountable, and participatory governance and involves work with a range of key stakeholders, including the Federal Government, Federal Member States and Somaliland, civil society as well as the private sector.

Denmark will continue to focus on **strengthening the development of legitimate, open, and inclusive state institutions.** Denmark will engage in dialogue and efforts to strengthen the “social contract” between Somali authorities and the people they serve. This includes working with both the Federal Government and Federal Member States, supporting agreements on resource- and power-sharing, as well as strengthening the capacity of government institutions at both levels.

Denmark will **support dialogue and negotiation around core political settlement issues**, such as control of security forces, resource- and power-sharing, as well as political representation through support to dialogue between key political elites and inclusive political processes as well as establishment of clear legal frameworks, procedures, and policies that promote transparency, accountability, and participation. Denmark will **support public sector reforms** and help build public management systems and capacitate Somalia's civil service to prioritize and deliver services. This will include efforts to expand the tax-base as a vital element of state-building and enhancing state legitimacy.

Denmark will also continue to **support the human rights agenda by promoting the Somali authorities' role as duty bearers** to better understand and enable a rights-based approach to tackling the development challenges in Somalia. This will be balanced by supporting the **voice and accountability** of ordinary Somalis through a nascent independent and rights-based civil society as well as local level participation in political decision-making processes. Denmark will prioritize support towards

genuine civic engagement as well as capacity development for civil society organizations (CSOs) to enhance their oversight function and promote the inclusion of marginalized groups in decision-making processes, including women, youth and minorities.

Addressing root causes of instability and promoting local solutions to peace and stability will be a focus for Denmark's peace and stabilisation work, as well as addressing the climate-security nexus through engagements both at local and national level. Tackling violent extremism to promote stability will continue to be a strong focus for Denmark's engagement in Somalia. Efforts will be made to couple country-level and global engagements, including Denmark's membership of the UN Peacebuilding Commission (2023-24), which offers an opportunity to draw attention to solutions to the peacebuilding challenges affecting Somalia and the region with due attention to local anchorage.

Denmark will seek to explore ways to support the establishment of clear legal frameworks, procedures, and policies that promote transparency, accountability, and participation, e.g. building on previous experience with the facilitation of inclusive dialogue at national and sub-national levels.

Strategic objective 3: Strengthen resilience and addressing displacement and migration



In line with 'The World We Share', Denmark will contribute to enhance resilience for the most vulnerable Somalis. With 3.8 million, or almost 25 percent of the Somali population, internally displaced, this is one of the world's largest displacement crises, and with half of the population in need of humanitarian assistance, the need for addressing immediate needs as well as tackling the underlying causes of displacement and vulnerabilities is key to developing a more resilient Somalia. Denmark will **promote an approach to self-reliance focused on livelihoods**, with attention to individual, household, community and national-level resilience to shocks, both climatic and security related.

Given the extremely rapid urbanisation happening in Somalia due to displacement more broadly, Denmark will under this objective **work both in rural, peri-urban and urban areas**, taking as point of departure specific vulnerabilities in different geographies of Somalia. Food insecurity, water scarcity and lack of security are the primary drivers of the large displacement away from rural communities and mostly towards urban areas in Somalia, but sometimes migration across borders. Analysis of these factors should inform humanitarian, development and stabilization interventions in rural and urban areas.

While Denmark's substantial humanitarian assistance to Somalia will address immediate and life-saving needs, including significant use of cash transfers as part of social safety nets, the **Danish bilateral engagement will support HDP nexus approaches**, ensuring complementarity between humanitarian assistance and long-term development efforts. This will be done through longer-term engagements (both humanitarian, stability and development-focused) working through collective outcomes, seeking to develop resilience at community level and at a broader systems level. It will be important integrate long-term financial and institutional sustainability into HDP approaches, exploring links to local and national government systems, albeit weak and under-resourced. Moreover, Denmark will seek the

complementarity in **engaging in peace building and resilience building at community level** in our stabilisation efforts and development engagements, applying a community driven development approach with focus on local decision-making and social dialogue.

In order to ensure sustainability of efforts to enhance resilience for the most vulnerable parts of the population, Denmark will continue its dialogue with government and international organisations to **promote the inclusion of resilience-enhancing efforts into government systems and budgets**, and advocate for bringing local government into the efforts. While recognising that it will take Somalia many years to be able to provide basic services to its citizens, it will be important to promote solutions to meet the needs of IDPs, informal urban settlers and other vulnerable groups, such as displaced minority groups, women and youth. Denmark's long-standing support to multilateral partners working to provide services such as health and education will be leveraged to achieve this outcome, for example through our partnership with Global Partnership for Education and Education Cannot Wait, as well as support channelled through civil society organisations.

This work will also include dialogue and collaboration with the government of Somalia, the Federal Member States, multilateral organisations, including the UN family and those agencies mandated to provide assistance, to encourage longer-term engagements to address underlying factors of vulnerability and displacement. Somalia policy makers are very aware that longer-term structural investments are required to break the cycle of recurring humanitarian emergencies.

5. Monitoring the strategic framework

The Danish Embassy to Somalia will continuously monitor and evaluate the progress and results of Denmark's overall engagement in Somalia in close cooperation with partners and relevant departments of the Danish Ministry of Foreign Affairs, guided by the Country Strategic Framework. M&E efforts will be complemented by high-level bilateral political dialogue with the Federal Government of Somalia, through the EU and other relevant partners, including relevant Somali line ministries, civil society and businesses, who have a stake in the implementation of the Strategic Framework.

Due to the extremely volatile security situation in Somalia, travelling within the country is constrained. The restricted access will be mitigated by engaging and maintaining a close and constant dialogue with implementing partners on the ground and their third-party monitoring consultants/agents/partners.

The Embassy will explore the feasibility and options for establishing and facilitating a Monitoring Evaluation Accountability and Learning (MEAL) function to provide Denmark with insights into progress on engagements as well as a risk management system. The possibility of integrating remote monitoring tools and geo-spatial mapping into this system will be explored with implementing and multilateral partners.

The overall risk assessment will be anchored at the Embassy and will be part of a light-touch review of Denmark's engagement carried out once every year and adjusted when needed. This mechanism will assess achievements on planned outcomes and help make informed decisions. Resources will be allocated for mobilizing short-term TA inputs, as needed, in support of the overall monitoring and learning function undertaken by the Embassy. The Embassy will engage in regular dialogue with civil society and NGOs, notably Danish strategic partners present in Somalia, with key Somalia think tanks and experts.

Annual meetings between the Embassy and implementing partners will provide strategic direction and assess the continued relevance of interventions and the need for adjustments based on developments in scenarios and risks. These meetings will be informed by: i) outcomes of the annual political dialogue between Somalia and Denmark; ii) joint analyses undertaken with like-minded bilateral and multilateral partners as well as Danish strategic partners present in Somalia, and iii) evidence based learning from implementing Denmark's bilateral as well as multilateral engagement in Somalia.

6. Outline of bilateral development programme

Over all priorities, strategic principles and implementation strategy

The bilateral development programme will be elaborated based on Danish strategies and priorities as set out in this document, and aligned with the National Development Plan of Somalia (and where relevant of Somaliland) as well as based on lessons learned from prior and ongoing engagements. The programme portfolio will consist of engagements designed to effectively contribute to the three strategic objectives of the framework. The bilateral programme should be seen as one important sub-set of several Danish bilateral and multilateral partnerships, as well as humanitarian and stabilization instruments brought to bear under this overall strategic framework.

At the policy level, Denmark will continue efforts to build on political access and influence of key Somalia and international stakeholders and also undertake a “convening role” for knowledge and information sharing to help improve understanding, coordination and coherence in priority sectors between political interlocutors, development partners and Somali stakeholders.

Most engagements in the bilateral programme are expected to be led by partner organisations, be that multilateral, bilateral or CSO partners, but Denmark may take the lead in the implementation of a few strategic engagements, with due consideration of available capacity.

The overall focus of the bilateral programme will be on strengthening government systems and capacities. Given the risk profile of Somalia and its fiduciary management capacities, we will be working through multilateral partners engaged directly with government, such as the World Bank. This is a medium-to-long-term institutional development trajectory, part of core state-building, before direct Danish on-budget support becomes feasible.

The below principles will be applied across the bilateral development programme:

PRINCIPLES FOR ENGAGEMENT

- Prioritizing coherence and integration, with active efforts made to ensure synergies across instruments and our programmatic portfolio, as well as between political dialogue and programmatic delivery.
- Aligning Danish development priorities with national development plans.
- Setting pragmatic objectives that are focused, realistic in their ambition, aligned to the resources available, and achievable within the timeframe and fragile context;
- Narrowing our thematic engagements to ensure a tighter focus, increased synergies across engagements, and a sequencing of interventions rather than trying to address too many complex challenges in parallel;
- Pursuing a flexible and adaptive approach to respond to the fluid and dynamic nature of Somalia's political economy;
- Balance national level work with activities at the FMS and local level, including with civil society organizations with genuine constituencies, to increase its chances of success; and
- Complementing and reinforcing existing endeavours to promote more inclusive local governance processes for women, youth, and minority groups to rebalance the political settlements and encourage elite engagement with the wider population.

In addition to the overall principles for engagement, a number of priorities will cut across all engagements. **Gender equality** will be pursued applying a gender-transformative approach where possible in the planning, managing and monitoring all interventions to ensure equal access and benefits from engagements while addressing gender-based inequalities. Denmark will also follow the **Do No Harm principles**, engaging all stakeholders to ensure equitable access and distribution of resources, supporting the participation of local communities in decision-making, and considering the socio-cultural and historical context of the region. This also involves **conflict-sensitivity** as an underlying principle for all engagements. Investments will be locally driven, **rights-based**, and target those with unequal access to resources and decision-making power, including women and youth. Finally, adaptation to negative consequences of **climate change** will be considered in all engagements, not only included in engagements with a particular focus on climate change adaptation

Development engagements that would fall under strategic objective 1

1.1 Improved Access and Management of Water Resources

The 2023 UN Conference on Water, the first held in 50 years, resulted in a clear “Water Action Agenda” strongly endorsed by Denmark. A bilateral programme in Somalia presents an opportunity for Denmark to accelerate the implementation of this agenda, given the critical importance of water resources in the country and the impending impact of climate change on water availability. By supporting the development of the water sector in Somalia, Denmark could improve living conditions and health, promote food security and productivity, and contribute to sustainable and equitable water management practices while addressing the climate-security nexus. In addition, water is a key driver of conflict in Somalia, the conflict being further exacerbated by climate change and demographic growth.

Improved access to water. Denmark will explore means to support water infrastructure projects, such as dams, irrigation systems, and water storage and distribution facilities. This could include the rehabilitation of non-functional boreholes and the construction of new ones, strategically placed to

provide equal access to water. It could also include the rehabilitation and construction of surface water harvesting structures such as sand and sub-surface dams and reservoirs to benefit agro-pastoral and pastoral communities and contribute to flood prevention and food security. In terms of targeting of initiatives, this could include meeting the water and sanitation needs of IDPs and vulnerable populations and strengthening community resilience in the nexus between humanitarian and development assistance, thereby also contributing to strategic objective 3 of the framework. This could include rehabilitating, extending, or building water distribution systems in urban and peri-urban areas. A WASH approach (or even a One-Health approach⁶), including hygiene and preventive health measures, could be relevant not least in IDP settings. Partners could include key multilateral organisations, but also the multi-partner facility Somaliland Development Fund, which could be focused more on water and green initiatives. Synergies with IFU instruments for sustainable infrastructure could be explored.

Improved management of water resources. Denmark could also consider supporting the development of water management plans that take into account the impacts of climate change. This could include activities to map and monitor water resources in Somalia, including across borders. We could utilize Denmark's expertise in sustainable groundwater management and explore potential collaboration with key organizations working on this in Somalia, such as FAO, the World Bank and UNICEF.

Lack of water is an important driver of conflict at community level, while poor water quality is a major driver of diseases. Denmark could explore supporting local communities in developing strategies for water conservation and efficient water use, supporting local decision-making and governance, such as local water user groups, thereby supporting local systems of governance and increasing equity and inclusiveness. This could also be addressed through support to Danish and local NGOs working in this space. Special attention will be on including women in decision-making processes around water resource management.

1.2 Climate-Smart Agriculture and Natural Resource Management

Enhanced climate-smart agriculture. Denmark could consider continued support to Somalia's agriculture and livestock sectors by prioritizing strategic investments in climate-smart agriculture, sustainable food systems, and natural resource management. Current land and natural resource management practices are deeply unsustainable, leading to deforestation, land degradation, and decreased resilience to climate change. Initiatives to address these challenges could include crop diversification, drought-resistant crop varieties, and sustainable land management practices. Basic extension services to help local farmers – including women - to develop strategies for sustainable agricultural practices could also be explored, such as water conservation, soil management, and information on crop selection and access to markets.

Promotion and use of Nature-Based Solutions. Denmark could explore the promotion of nature-based solutions, such as reforestation, watershed restoration, and soil conservation. These solutions mitigate environmental degradation, reduce the risks of drought and floods, and provide important co-benefits, such as improved biodiversity, increased soil moisture and fertility, and protection of

⁶ One Health recognizes the connection between human, animal, and planetary health – and calls for holistic, cross-sectoral, interdisciplinary solutions that has benefits in all sectors, cf. comments above on the direct benefits and co-benefits on health of climate smart agricultural practices.

groundwater resources. This could include a specific focus on flood prevention. Somalia's regular flash floods not only threaten lives, property, and livestock but also wash away critical topsoil which decreases agricultural productivity in the medium- and long-term. Some successful flood prevention initiatives have focused on small-scale dams, weirs, diversions, and terracing, and hybrid nature-based solutions like revegetation and reforestation.

1.3 Green growth, business enabling environment, and market systems development.

Improving the ways that small and informal economic actors interact with markets will promote growth and create jobs, thereby reducing poverty. Marginalised groups—including women and youth – are often excluded from engaging in markets—either through barriers to loans, monopolies, fluctuating prices and access issues. Building on existing experience, Denmark could look to develop a **Market Systems Development approach** to address these barriers and enable small and medium sized economic actors to access markets by addressing the underlying factors for the barriers. This could include supporting the development of regulatory frameworks to include e.g. women as economic actors, and to support skills-creation, information, infrastructure and finance.

Engagements could include a combination of provision of loans, guarantees (for example with clear financial incentives of lending to women-led enterprises) as well as addressing the institutional barriers through strengthening the regulatory framework and develop capacity to support the private sector. Engagements could look to enable different instruments to work together such as IFU's guarantees, first loss capital and technical assistance to both private sector and public sector. A continuation of the successful Nordic Fund engagement and loans to SMEs could be included in such an engagement. There are positive experiences to build on, a continuation would need strong focus on scaling up results, and be designed to deliver strongly in green growth sectors.

Supporting inclusive green growth. Climate adaptation holds significant potential for creating green jobs in a range of sectors. Denmark could continue and step up its support to green sector growth and job creation with a focus on facilitating access to renewable energy, especially decentralized small-scale solutions, sustainable production and improving environmental protection, through private sector approaches, including access to finance and technical assistance that could be targeted in this direction. Another area of interest would be supporting green jobs that promote the “Blue Economy” and the sustainable use of ocean resources, not least within Somalia's fisheries sector. . Denmark could, again using private sector approaches, contribute to the development of a sustainable and responsible fisheries industry by combating illegal fishing and implementing climate risk assessments to conserve marine resources, mangroves, and reefs. This would enhance coastal resilience to sea-level rise, more extreme weather, and coastal erosion. The existing Somaliland Development Fund could potentially be redesigned to contribute to the green (and blue) agenda in a targeted way, in collaboration with bilateral partners in this fund.

Development engagements that would fall under strategic objective 2

2.1 Political settlement, Strengthened Institutions and Public Accountability

Supporting capability, inclusion and accountability at FGS and sub-national levels. Denmark will explore ways to support inclusive democratic processes, further strengthening institutions at federal member state and local levels. The work may support member states and local governments around district council formation, planning, revenue collection, execution and accountability. Where relevant, it may also support national as well as state-level and local election processes.

Through multilateral partnerships, for example with the World Bank's Multi-Partner Fund or relevant projects working to strengthen public financial management, Denmark would support strengthening of the role, accountability and legitimacy of the state, strengthening inclusive governance and financial integrity. This focus could also include work with bilateral joint programmes to increase the revenue mobilisation, include broadening the tax base at sub-national level – with a dual objective of increasing fiscal space, and to develop the state's role as a duty bearer, thereby strengthening the social contract, providing services to its citizens.

2.2 Strengthening civic space and improved participation of women, youth, and minority groups in decision-making

Denmark could explore scaling up support to a **constructive civil society engagement** on national and sub-national policy and service delivery issues. We could also look to support Somali expert policy inputs from think tanks and other experts in order to influence evidence-based policymaking in Somalia, and to ensure strong policy analysis informing our broader portfolio implementation. Such an engagement could include taking a lead role in setting up a civic engagement mechanism. This could build on positive Danish experiences from other countries and in-country discussions with like-minded development partners. The mechanism could balance local ownership and governance with providing funding and capacity-development programs that would enable civil society organizations to effectively perform their oversight function and ensure that marginalized groups, such as women, youth, and minority clans are included in decision-making processes. .

Representation of women and youth in political decision-making. As part of a wider civil society engagement, Denmark could initiate and support reforms to address the barriers that prevent women, youth, and minorities from participating in the political process. Such efforts could be integrated in engagements focusing on broadening civic space, institutional strengthening and local development engagements based on partnerships with civil society organizations, political parties, and other stakeholders to facilitate the participation of women, youth, and minorities in decision-making processes. This may be informed by ongoing advice from key female decision-makers and women-led organisations and potentially by a “youth sounding board”

Advocating for and protecting human rights. Protecting and promoting human rights, particularly of women, youth, and minorities, is a central pillar of all Danish development support. Engagements that promote and protect human rights – working with both duty bearers and rights holders – will be considered under this strategic objective. This could be combined with the continuous advocacy on key human rights issues in our political dialogue with key government interlocutors.

Development engagements that would fall under strategic objective 3

In support of the third strategic objective, Denmark will promote resilience, self-reliance and livelihoods, both at the individual, household, community and national level. The primary focus of engagements under SO3 will be at the local and community level, building resilience bottom-up. Under this strategic objective, engagements under the bilateral programme will complement and build on experience from the humanitarian assistance Denmark is providing to Somalia, and engagements would seek to engage across the HDP nexus to fight poverty and build resilience in a longer-term perspective.

Understanding the multi-faceted nature of poverty and vulnerabilities in Somalia and contextual differences within Somalia, building resilience at individual, household and community level should address both the lack of opportunities, and the lack of services, vulnerable Somalis are facing. While our humanitarian assistance provides support to the provision of services, the ambition for engagements under the bilateral programme is primarily to address the slack of opportunities for the most vulnerable Somalis by engaging in improving livelihoods. It will be necessary to target both rural and urban settings, taking into consideration the rapid urbanisation in Somalia as well as the high number of IDPs in towns and cities.

3.1 Enhancing livelihoods and preventing internal displacement

Nearly half of the Somali population are in need of humanitarian assistance. To reduce humanitarian needs in a longer-term perspective, engagements will seek to provide opportunities through improving livelihoods.

This involves strengthening the ability of individuals, households, communities and systems to absorb, adapt and recover from shocks from conflict or climate change and requires addressing the root causes of fragility. Many Somalis, in the absence of a functioning state, rely on the community and clan to provide protection and livelihoods, and service provision is often in the hands of either humanitarian actors, or informal and clan-affiliated networks.

As poverty, instability and conflict in Somalia is often manifested in lack of food, water and protection, this forces the most vulnerable parts of the population into displacement in the search of survival, which accelerates urbanisation and puts strain on already scarce local, and humanitarian, resources. Water, food and security are, consequently, central to improved livelihoods, as are small-scale economic opportunities.

Denmark would seek to engage in efforts to promote community resilience in places of origin, knowing that to alleviate displacement pressures, basic needs must be fulfilled in close proximity to where vulnerable populations are placed. This could also include climate adaptive services in both urban and rural areas, for example water, irrigation and climate-smart agriculture.

Building resilience at community level involves adapting and deploying community level capacities and resources to respond to shocks and mitigate the impacts on community members. A community driven development approach will be considered, including focus on social dialogue and local decision making in prioritizing needs and activities. This could contribute to local conflict mediation and resolution, and add to concrete experience and model building with emphasis on the peacebuilding focus of the HDP nexus, linking this to the humanitarian financing and development investments. Contexts and strategies

will differ, and a flexible approach to strengthen livelihoods will be required, but it could include micro-loans for productive activities, livestock insurance schemes in rural settings and climate-smart agriculture interventions. Potential synergy with other Danish engagements around climate change adaptation will be explored.

Denmark could explore how to engage in efforts to improve livelihoods and self-reliance through working with NGOs to model new approaches to livelihoods and self-reliance, as well as protection efforts. Social safety nets in Somalia are often primarily the family, the local community and the clan affiliation – as long as the community has any resources to share. A targeted call for proposals from NGOs in this space could be considered, complemented by support through a multilateral organisation aiming to improve livelihoods both in rural and urban settings.

In addition, the needs of urban poor, often living alongside IDPs in informal settlements, could be considered in relation to resilience investments. A number of partners, both multilaterals and NGOs, are working on urban resilience, also in secondary cities, as part of a longer term strategy of improving national resilience and adaptation to changing climate and security circumstances.

7. Annex 1: Map of Somalia



8. Annex 2: Key Data / Figures – Somalia

<i>Indicator</i>	<i>Value</i>	<i>Year</i>	<i>Source</i>
Key economic data			
Surface area (square km.)	637.657	2022	UNDP
Population	17.065.581	2021	WB WDI
Gross Domestic Product, GDP (Current USD)	7.63	2021	WB WDI
GDP Growth (annual pct.)	4.0	2021	WB WDI
GDP per capita (current USD)	401	2022	IMF
“Ease of doing business”-index (1-100, 1=most business-friendly regulations)	20.0	2019	WB WDI
Tax revenue (pct. of GDP)	2.1*	2022	IMF
Net ODA received per capita (current USD)	140.4	2021	WB WDI
Net ODA received pct. of GNI	31.6	2021	WB WDI
Total debt service (pct. of GNI)	0.2	2021	WB WDI
Present value of external debt (pct. of GNI)	30.4	2021	WB WDI
Inflation, consumer prices (annual changes in pct.)	6.8	2022	UNDP
Key social data			
Population growth (Annual pct.)	3.1	2021	WB WDI
Life expectancy, total (years)	56	2022	UNDP
Total Fertility Rate (number of births per woman)	6.9	2019	UNDP
Population ages 15-64 (pct. of total population)	50.2	2021	WB WDI
Urban population (pct. of total population)	46.7	2021	WB WDI
Internally displaced population (percentage of total population)	17	2019	UNDP
Mortality rate, under-5 (1,000 live births)	128	2016	UNDP
Maternal mortality rate, modelled estimate, per 100,000 live births	692	2019	UNDP
People at least using basic drinking water (pct. of total population)	56	2020	WB WDI
Food insecurity (percentage of total population)	31	2022	UNDP
Prevalence of HIV, total (pct. of population ages 15-49)	0.1	2021	WB WDI
School enrolment primary (pct. gross)	9.1	2021	WB WDI
People living below poverty line (pct. of total population)	69	2022	UNDP
Female circumcision (aged 15-49, pct.)	99	2022	UNDP
Income per capita (current USD)	557	2018	UNDP
Key environment data			
Forest area (pct. of land)	9.5	2020	UNDP
People using at least basic sanitation services (pct. of population)	40	2022	UNDP
CO2 emission (metric tonnes per capita)	0.0	2019	WB WDI
Renewable electricity consumption (pct. of total final energy consumption)	95.03	2019	WB WDI
Access to electricity (pct. of population)	49.7	2020	WB WDI
Key human rights data			
Political rights, 0-40 points	2	2023	Freedom House
Civil liberties, 0-60 points	6	2023	Freedom House
Press Freedom Index (1-180)	44	2023	Reporters Without Borders