AFRICAN DEVELOPMENT FUND

PROJECT: STATISTICS DEVELOPMENT SUPPORT PROJECT FOR SOMALIA

COUNTRY: SOMALIA

PROJECT APPRAISAL REPORT

Date: January 2022

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RDGE/ECST

January 2022

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Currency Equivalents
As of [October 2021]

[1 UA]	=	[1.424 USD]
[1 USD]	=	[0.702 UA]
1 UA	=	833.68440 Somalian Shilling (SOS)
1 USD	=	578.62604 Somalian Shilling (SOS)

Fiscal Year
1st January – 31st December

Weights and Measures

1metric tonne	=	2204 pounds (lbs)
1 kilogramme (kg)	=	2.200 lbs
1 metre (m)	=	3.28 feet (ft)
1 millimetre (mm)	=	0.03937 inch (")
1 kilometre (km)	=	0.62 mile
1 hectare (ha)	=	2.471 acres

Acronyms and Abbreviations

AfDB	African Development Bank
ADF	African Development Fund
AIH	Africa Information Highway
AMISOM	African Union Mission in Somalia
CB	Country Brief
CPIA	Country Policy and Institutional Assessment
DNS	Directorate of National Statistics
DPs	Development Partners
EU	European Union
FMoF	Federal Ministry of Finance
FMoPIC	Federal Ministry of Planning, Investment and Economic Development
FGS	Federal Government of Somalia
GDP	Gross Domestic Product
I-CSP	Interim Country Strategy Paper
I-PRSP	Interim Poverty Reduction Strategic Paper
ICT	Information Communication Technology
IIAG	Ibrahim Index of African Governance
ILO	International Labor Organization
IMF	International Monetary Fund
IT	Information Technology
M&E	Monitoring and Evaluation
NDP	National Development Plan
NSDS	National Strategy for the Development of Statistics
PCR	Project Completion Report
PESS	Population Estimation Survey for Somalia
PFM	Public Financial Management
PMT	Project Management Team
PSC	Project Steering Committee
RBLF	Results Based Logical Framework
SDGs	Sustainable Development Goals
SHaSA	Strategy of Harmonization of Statistics for Africa
SNBS	Somalia National Bureau of Statistics
SSP	Sector Statistics Plan
TSF	Transition Support Facility
TWG	Technical Working Group
UA	Units of Account
UNICEF	United Nations International Children's Emergency Fund
UNFPA	United Nations Population Fund
WAN	Wired/Wireless Area Network System
WB	World Bank

Grant Information

Financing plan
_____

Source	Amount (UA)	Instrument
ADF Financing	3.0	Grant
Government	0.3	In-kind Counterpart
TOTAL COST	**3.3**	-

Key financing information
_____

Grant Currency   Unit of Account

Timeframe - Main Milestones (expected)
_____

Project approval	February 2022
Effectiveness	March 2022
Completion	September 2024
Last Disbursement	March 2025

	PROJECT SUMMARY
Paragraph	**Topics covered**
Project Overview	Statistics Development Support Project for Somalia is financed by African Development Fund, ADF 15 - PBA. Expected Outputs: The expected outputs of the project will be: (i) trained staff in collection, compilation, analysis and dissemination of statistical data as well as coordination and advocacy products; (ii) manuals and guidelines compliant with international statistical concepts, methods and classifications produced; (iii) functional and equipped ICT Statistics Departments for FMS; (iv) Databases, Data portal and better quality statistical publications for FGS and FMS, and functional national coordination committee and Technical Working Groups (TWGs) for the national statistical system. Implementation Timeframe: 2022-2024 Project Total Cost: UA 3.3 million ADF Financing: UA 3.0 million Federal Republic of Somalia: UA0.3 million -in-kind as in Office space and Staff-time Project Direct Beneficiaries: Somalia National Bureau of Statistics (SNBS) and Statistics Departments of Hirshabelle, Galmudug and Jubaland States of Somalia.
Needs Assessment	Federal Republic of Somalia has in place the frameworks for legal, coordination and management of the National Statistical System (NSS). Despite the frameworks, the NSS is not meeting the data and statistical information needs of public sector, private sector, and other stakeholders The SNBS organisational structure is to assure effective delivery of the NSS and address the management and provision of statistical services for the MDAs and the FMS. However, NSS is challenged by inadequate human resources, limited skills in statistical production and IT infrastructure. This calls for capacity building in statistical production and sustaining data quality of statistical outputs and data management. The implementation of census, surveys and administrative records faces inadequacies in standard methodologies, data inconsistencies and lack of unified national reporting mechanism. Though SNBS has the coordination mandate to bring together all the data producers, it lacks synergies in collaborative engagement with partners. The Federal Republic of Somalia is committed to collaborate with donors who support the statistical projects and programmes. However, there are areas of weak partnership leading to duplication and some donor supports are not aligned to the government priorities. To address the statistical needs of the country for evidence-based policy and planning requires adequate financial resources to implement the programs. As there is limited government budget allocation for statistics programs, there is need for engagement in resource mobilisation through budgetary support by the government and development partners.
Project Rationale	Due to financial and human resources constraints, Somalia is unable to set up a well-functioning statistical system. The absence of sound economic and social data is hampering the planning process and constraining adequate investment in the country. The project beneficiaries lack the institutional and human capacity to operate a modern statistical system to support planning and decision-making processes for economic and social development. The Statistics Development Support Project for Somalia is in line with the Bank's statistical capacity building efforts aimed at strengthening the capacity of statistical system in RMCs as enshrined in its Ten-Year Strategy (2013 – 2022) and ADF-15 Strategic and Operational Priorities' Pillar II on human, governance, and institutional capacity development to enable people to participate in, and benefit from, job creation opportunities for inclusive growth. The Project is also in line with the Bank Group's Strategy on Addressing Fragility and Building Resilience in Africa, with a focus on strengthening state capacity and establishing effective institutions.

Knowledge Management	The project will contribute to skills and knowledge in institutional building, statistical operations and data management for an efficient and effective national statistical system. In particular, the project will provide technical support in data collection, processing, analysis and dissemination of statistical products, training of employees as well as putting in place functional wired/wireless area networks in SNBS and statistics departments in Hirshabelle, Galmudug and Jubaland States. Bank will capture and disseminate knowledge and experience from this project through sharing the findings of regular project review missions, monitoring and evaluation, progress reports and the Project Completion Report. The lessons learned and experience gained will be available to inform future statistical operations in Somalia and in other regional member countries in transition status.
Bank's Value Added	Somalia is going through a phase of rebuilding its institutions and economic foundations. As such, both institutional capacity gaps and skills deficits are inherent. Thus, the Bank's support for capacity building is central in the process of state building. This project, therefore, seeks to build on and consolidate the Bank's support to Somalia, while complementing the interventions from other development partners involved in the development of the national statistical system. The identified institutional and skills gaps if addressed would ensure greater impact of Bank interventions in Somalia. The Bank has good understanding of key practical challenges facing the African statistical system, resulting from its solid history of statistical capacity building in Africa. The project team will sensitize the decision-makers on the importance of a robust statistical system that enables the government to conduct censuses and surveys at regular intervals consistent with international best practices as the foundation for reliable, timely and accurate data for planning and policymaking.

Results-Based Logical Framework

RESULTS FRAMEWORK						
A	**PROJECT INFORMATION**					
▌**PROJECT NAME:** Statistical Development Support Project for Federal Government, Jubbaland, Hirshabele and Galmudug States of Somalia SAP CODE: **P-SO-KF0-011**				▌**COUNTRY/REGION**: Somalia/RDGE		
▌**PROJECT DEVELOPMENT OBJECTIVE**: Strengthen the national statistical system (NSS) to produce and disseminate statistical information for evidence-based policy, planning and decision making.						
▌**ALIGNMENT INDICATOR (S):** Improved quality data and statistical information produced and disseminated by national statistics system for policy, planning, and decision-making						
B	**RESULTS MATRIX**					

RESULTS CHAIN AND INDICATOR DESCRIPTION	RMF INDICATOR	UNIT OF MEASUREMENT	BASELINE[1] 2020	TARGET 2025	MEANS OF VERIFICATION
▌**OUTCOME STATEMENT 1: Improved quality data and statistical information disseminated for Somalia**					
OUTCOME INDICATOR1: Improved Statistical Capacity Building (SCB) Score for Somalia	☐	Overall SCB Score for Somalia (Methodology, Data Sources, Periodicity, and timeliness)	34.4	45	World Bank Reports
OUTCOME INDICATOR 2: Enhanced Statistical Capacity for Somalia	☐	Number of GFS and FMS disseminating statistics for NDP and CSP monitoring	1	5	CB, I-CSP and NDP monitoring and Completion reports
▌**OUTPUT STATEMENT 1: Technical Assistance**					
OUTPUT INDICATOR 1.1: Technical Assistance provided to SNBS and Jubaland, Galmudug and Hirshabelle Sates	☐	Number of technical missions conducted	8	17	Consultancy Reports and Project Completion Report
OUTPUT INDICATOR 1.2: Statistics Compilation Procedures, Manuals and Guidelines including gender statistics manual produced	☐	Number of statistical manuals and guidelines produced for statistical operations.	0	3 of which at least 1 gender statistics manual	Consultancy Reports
▌**OUTPUT STATEMENT 2: Gender Responsive Local and Foreign official statistical Training for Staff**					
OUTPUT INDICATOR 2.1: Staff trained in post graduate Statistics Courses (foreign)	☐	Number of staff trained in post graduate statistical studies	7	12 of which at least 4 are Women	
OUTPUT INDICATOR 2.2: Staff trained in specialized short-term Statistics Courses (local)	☐	Number of staff that participated in short statistical courses	15	60 of which at least 30 are Women	Training Reports
OUTPUT INDICATOR 2.3: Local Staff and Management trained (by consultants)	☐	Number of staff and management benefitted from on-the-job Skills Transfer	5	15 of which at least 5 are Women	
▌**OUTPUT STATEMENT 3: Surveys/Censuses conducted by the SNBS and FMS**					
OUTPUT INDICATOR 3.1: Regular monthly/quarterly/Annual Statistical Publications produced	☐	Number of regular statistical publications	2	6	Project progress reports and Project Completion Report
Somalia Statistical Frameworks (CPI, National Accounts, External Trade Stade, Migration, Gender statistics, etc.) produced	☐	Number of frameworks for statistics production	1	4	
▌**OUTPUT STATEMENT 4: Information Communication Technology (ICT)**					
OUTPUT INDICATOR 4.1 Statistical Databases and Data portals developed	☐	Number of statistics databases compatible to Bank AIH	1	4	Progress Reports and Project Completion Report

OUTPUT INDICATOR 4.2 IT server-based networks with high hybrid (wired/wireless) equipment and software systems supplied.	☐	Number of WAN /LAN Systems installed and functional in FMS and FGS	1	4	
▌OUTPUT STATEMENT 5: Gender Responsive Procurement, Audit and Project Management Reports					
OUTPUT INDICATOR 5.1 National Experts /Young Professionals contracted	☐	Number	0	20 (at least 6 Women)	Progress Reports
OUTPUT INDICATOR 5.2 AfDB Fiduciary Clinics Reports	☐	Number	0	2	

Project Timeframe

	2021		2022				2023				2024			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Board Approval		■	■											
Contracts Awards			■											
First Disbursement				■										
Project Execution				■	■	■	■	■	■	■	■	■	■	
Project Supervision				■	■	■	■	■	■	■	■	■	■	
Mid-term Review									■					
Project Completion													■	
Disbursement Deadline														■

REPORT AND RECOMMENDATION OF THE MANAGEMENT OF THE BANK GROUP TO THE BOARD OF DIRECTORS ON A PROPOSED GRANT TO FEDERAL REPUBLIC OF SOMALIA FOR STATISTICS DEVELOPMENT SUPPORT PROJECT FOR SOMALIA

Management submits the following Report and Recommendation on a proposed African Development Fund total grant of UA 3,000,000 to Federal Republic of Somalia to finance the Statistics Development Support project for Somalia.

I – STRATEGIC THRUST & RATIONALE

1.1. Project linkages with Country Strategies and Objectives

1.1.1   The project is aligned with the Country's Ninth National Development Plan (NDP-9), Somalia National Strategy for the Development of Statistics (NSDS) 2018/19 -2022/23 and the State Statistics Plans for Jubaland, Hirshabelle, GalmudugThe strategic plans aim for -i) greater use of statistics, especially for policy formulation, planning, decision-making, monitoring and evaluation; ii) institutional and organizational development; and iii) data development and management, among others. The National Statistics Law 24 of 2020 empowers the SNBS with the mandate of data collection, processing, analysis and dissemination of official statistics as well as coordination with other data producers. However, the main gap is the inability to enforce the Law, which is due to weak or lack of appropriate policy and technical capacity reforms for the statistical services delivery at the Ministries, Departments and Agencies (MDAs) and the Federal Member States (FMS).

1.1.2   The project is also aligned to **Priority Area 2**: Capacity building for a stronger state and inclusive economy of the Somalia Interim Country Strategy Paper for 2022-24. It is equally aligned with the Bank's Ten-Year Strategy (2013-2022); the Bank's Strategy for Addressing Fragility and Building Resilience in Africa (2014-2019, extended to December 2021), which emphasizes strengthening capacity of institutions and promoting resilient societies through inclusive and equitable access to basic social services. The proposed project is also aligned to ADF-15 Strategic and Operational Priorities' Pillar II on human, governance, and institutional capacity development to enable people to participate in, and benefit from, job creation opportunities for inclusive growth.

1.1.3   Similarly, the project directly responds to the Bank Group's role of statistical development and support for the measurement of results in RMCs that is anchored on the Bank's Knowledge Management Strategy (2015–2020, extended to 31st March 2022). Improved statistical capacity enhances the Bank's lending operations and responds directly to Africa's development needs, thereby improving the Bank's policy dialogue and advisory services. The project will contribute to improving the monitoring of the performance of the Bank's High 5s, especially "Improve the Quality of Life for People of Africa" and "Integrate Africa". The project is well aligned with the African Union's Agenda 2063 and the global 2030 Sustainable Development Goals (SDGs) to promote inclusive and sustainable growth, full and productive employment, and decent work.

1.2   Rationale for Bank's involvement

1.2.1   The rationale for the Bank's involvement in this project is its ability to play a catalytic role and help the country unlock its statistical capacity potential. The proposed project will help to facilitate the harmonization of statistical concept methods and standards in the national statistics

system at the level of the Federal Government and Federal Member States of Somalia. This has both the potential to contribute to state, national and international comparability of data and statistical information produced in Somalia and the rest of the World.

1.2.2   Thus, the Bank's support for capacity building is central in the process of state building. This project, therefore, seeks to build on and consolidate Bank's support to Somalia National Statistical Capacity Building Project for FGS, Puntland and South West States (2017 -2021), while complementing the interventions from other development partners involved in the development of national statistical system.

1.2.3   In the initial stages of the project preparation, the Bank funded needs assessment for statistics development support project in Somalia (August -September 2021). The statistical capacity deficiencies identified in the assessments report include; - i) weaknesses in the implementation of existing frameworks, such as Statistics Law, NSDS and State Statistics Plans; ii) limited capacity in data collection, analysis and dissemination; iii) weak linkages for ensuring complete and reliable statistical production and reporting between the federal and state level; iv) limited funding for statistical operations including field-based operations to support statistical production; v) lack of strong political and policy goodwill due to limited appreciation of the statistical data value chain; vi) donor-driven interventions/reforms, largely towards meeting international reporting obligations rather than national policy and decision-making needs/priorities; vii) weak institutional coordination and collaboration among data producers across the private and state actors, both at the federal and state level; and viii) shortage of trained/skilled and competent staff in statistics and ICT. This is further justification for this project.

1.3   Donors' coordination

1.3.1   The AfDB, the World Bank, ILO, IMF, UNDP, UNCEF, Norway, Statistics Sweden, IOM and Non-Governmental Organizations (NGOs), at different times, have continued to provide support to Somalia in the statistical production and dissemination. They finance household surveys, labour surveys and consumer price surveys, among others. AfDB contributed to the financing of the Population Estimation Survey 2013, and solely financed Somaliland Statistical Capacity Building Project (2015 -2016), National Statistical Capacity Building Project for FGS, Puntland and South West States (2017 -2021) as well as the ongoing Strengthening of Institutions for Economic Policy Management and Infrastructure Development Project with a statistics component. The World Bank leads on supporting the implementation t of National Strategy for the Development of Statistics (NSDS). The IMF is supporting the strengthening of the statistical system of the Central Bank and related government ministries while Statistics Sweden is supporting the strengthening of the statistical capacity of FGS. AfDB is an active member of the high-level group of donors supporting statistics programs in the country, where SNBS is the secretariat and chairs meetings. Refer to Annex for current partnerships and areas of support in the country.

II – PROJECT DESCRIPTION

2.1   Project Objectives

2.1.1   The overall development objective of the project is to strengthen the national statistical system (NSS) to produce and disseminate statistical information for evidence-based policy formulation, planning and decision making.

2.1.2   The specific objectives are: (i) to provide technical support in institutional building and statistical operations as well as support the coordination and advocacy for the national statistical system; (ii) to enhance the technical capacity of staff, through short- and long-term official statistical trainings and on-the-job skills transfer; and (iii) to build functional Information Communication Technology (ICT) for production and management of statistical information for FGS and the beneficiary FMS.

2.2   Project Components

2.2.1   **Project components:** The Project has four mutually reinforcing components: 1) Institutional Building; 2) Training and Statistics production; 3) Information Communication Technology; and 4) Project Management

Component 1: Institutional Building

This component will facilitate the transformation of the statistics departments of the three States of Somalia into robust organs of the SNBS. The project will complement the implementation of institutional development initiatives to provide technical guidance on the operations, management, coordination and advocacy of statistical programs as well as promoting the use of data and statistical information for policy formulation, planning and decision-making by government and the private sector.

Component 2: Training and Statistics production

This component will support local and foreign short and long-term staff trainings. The staff trained abroad would be expected to return to the country on the completion of their courses to train other staff in the country. In this regard, Federal Republic of Somalia will contract training institutions in the Eastern Africa Region that will receive direct payment for training staff including responsibility of resident visa arrangements in the country. The on-the-job-skills transfer and training would be by the consultancy firm's short-term experts. The required expertise would be in CPI, national accounts, production statistics, gender, demography& social Statistics and IT. The experts will conduct local trainings and transfer skills to employees in the use of international standards and methods of collecting, compiling, analysing and disseminating statistical information. In addition, modest project funds will be availed for statistics production operations for areas of focus for the project and as motivation for the effective participation of staff, including payment for national experts/young professionals recruited for the project.

Component 3: Information Communication Technology

The ICT is to facilitate the production and management of statistical information on sustainable basis**.** The project would establish or/and enhance IT server-based networks with equipment and software systems at statistics departments for Jubaland, Hirshabelle and Galmudug States as well as at SNBS.

Component 4: Project Management

Activities under project management will include project implementation, coordination, and monitoring. Other responsibilities would comprise administrative and financial management, convening project steering committee meetings and causing the preparation of audit and activity reports as well as annual work plans and budgets, and procurement plans.

Table 1: Project components and summary activities

Component name	Cost (UA)	Component description
Institutional Building	1,058,531	• Contracting a competent international consultancy firm with a team of experienced statistics experts in institutional building, and economic -social statistics operations of a national statistics system. Terms of reference for this consultancy are in the technical annexes.
Statistical Training and production	1,285,734	• Local training workshops/meetings in line with the specified areas of expertise. • Long-term foreign postgraduate statistical training courses within the regional universities • Statistical operations of fieldwork data collection, compilation, analysis, and publications. • Recruitment of young statisticians for the project to address the existing challenge of understaffing at SNBS and Statistics Departments for Hirshabelle, Galmudug and Jubaland Sates.
Information Communication Technology	223,776	• Contracting IT firm to the purchase of IT equipment, installation and training of IT staff to operate a functional /Wireless Area Network in the Statistics Departments/units for Hirshabelle, Galmudug and Jubaland States as well as for SNBS.
Project Management	290,909	• Implementation, coordination, and monitoring of the project. • Financial and administrative arrangements for the project. • National Project Steering Committee and Project Management Team Meetings. • Preparation of the audit and activity reports as well as annual work and procurement plans
Total Base Cost	**2,858,950**	
Contingencies (4.7%)	141,050	• Goods and services prices variations over the project period
Grant Expenses	**3,000,000**	
In-kind	300,000	• Government Office Space and Staff Costs
TOTAL BUDGET	**3,300,000**	

2.3   Technical solution retained and other alternatives explored

2.3.1   The technical solution for the project is based on the need for harmonization of standards and methods of production of data and statistical information for FGS and FMS. The theory of change for the project for the outputs, outcomes, and impact is presented in the annex 3. The Executing Agency will hire one firm with competent experts. Hiring international consultancy firm with competent experts will ensure skills transfer and achieving the project objectives of building sustainable capacity for national statistics system. SNBS will establish a training of trainers'

program of the staff in the MDAs and FMS as well as conduct regular producer -user meetings for national statistics system.

2.3.2 Alternative solutions considered in the design of the project and the reasons for their rejection are summarised in Table 2.

Table 2: Project alternative considered and reasons for rejection

Alternative	Brief Description	Reasons for Rejection
Option 1: The Recipient to engage a third-party Agency with management and technical capacity to implement the project.	The Third-Party Agency takes full responsibility of the project execution.	• The Bank will not have direct project supervision to ensure value for money. • There will be limited ownership of activities and outcomes by the intended beneficiaries. • The costs of involving a Third-party tend to be relatively high in transition states. • The initiated activities will not be sustained beyond the project lifetime.
Option 2: Project Executing Agency hiring individual consultants in various fields of statistical expertise.	The Executing Agency will identify and contract competent experts and at different times.	• The Executing Agency would require multiple procurements which could cause delays and challenges of coordinating several experts.

2.4 Project type

2.4.1 It is a capacity development project for statistics that will help to enhance the quality and quantity of statistics in the country, to improve evidence-based decision-making and policy dialogue, in line with nationally determined priorities.

2.5 Project cost and financing arrangements

2.5.1 The total estimated cost of the project is UA3.3 million, which will be financed by UA 3.0 million from ADF Grant and UA 0.3 million in-kind contribution from the Federal Government of Somalia. The government in-kind contribution to the project consists of resources available for the staff of the project, office space for project staff and consultancy firm's experts. Tables 3 and 4 below show project costs by category and project expenditure schedule, respectively.

Table 3: Project cost by Category

Category	Costs (UA)
Goods	223,776
Services	2,635,174
Price Contingency (4.7%)	141,050
Total	**3,000,000**

Table 4: Expenditure schedule in UA

Components	2022	2023	2024	Total
Technical Support Services	352,844	352,844	352,843	1,058,531
Statistical production, Coordination and Advocacy.	355,245	355,245	355,245	1,065,735
Statistical Trainings for Staff	120,000	50,000	50,000	220,000
Information Technology	111,888	111,888	-	223,776
Audit & Project Management	70,909	110,000	110,000	290,909
Total Base Cost	**1,010,886**	**979,977**	**868,088**	**2,858,951**
Contingency (4.7%)	50,544	49,023	41,482	141,050
Total	**1,061,430**	**1,029,000**	**909,570**	**3,000,000**

2.6 Project's Target Area and population

2.6.1   Since independence in 1960, Somalia has conducted two censuses, that of 1975 published and 1985 not published due to accuracy concern. The Federal Republic of Somalia is planning a population and housing census in the year 2023-24 in the 2020 Population Census Rounds ending in 2024. Most recent Population Estimation Survey 2013 for Somalia (PESS) estimated the population at about 12.3 million, of which 51% are males and 49% are females (UNFPA, 2014). According to PESS, 75% of the Somalia population are under the age of thirty (UNFPA, 2014). The UN population projection for Somalia was estimated to be 15.89 million in 2020

2.6.2   Since this is a support to improve statistics, the ultimate beneficiary is the Government. The direct beneficiaries would be FGS and FMS of Jubaland, Hirshabelle and Galmudug, who will benefit through the enhancement of their institutions responsible for data and statistical information collection, analysis and dissemination. The project is expected to contribute to the effort of strengthening coordination of the national statistical system in Somalia. Overall, the project will benefit the people of Somalia through building the human and institutional capacity for evidence-based policy and fiscal planning at federal and state level.

2.7 Participatory process for project identification, design and implementation

2.7.1   The Bank engaged the project beneficiaries in identification, preparation and subsequently appraisal meetings between April and October 2021. The consultations and contributions were from FGS and FMS of Jubaland, Hirshabelle, Galmudug, World bank, IMF and the Bank officials, that have informed the design and implementation arrangements for this project. The Bank team was led by Director General – East Africa Regional Hub (RDGE) and the Government by its Minister of Finance for Federal Government of Somalia.

2.8 Bank Group experience, lessons reflected in project design

2.8.1   Bank Group on-going operations in Somalia are in infrastructure development, technical assistance & capacity building, crisis response to COVID-19, rural development and draught resilience, among others. The lessons derived from Bank's and other Donors' previous interventions show that at strategic and design levels, there should be assessments and consultations with key stakeholders and beneficiaries of projects. In particular, the lessons reflected in the project design are from Bank funded Somalia National Statistical Capacity Building Project (2017 -2021), namely, - i) need to conduct training of the beneficiaries on the Bank rules and procedures at the launch or start of the project to limit project execution delay; ii)

importance of government engaging an international consultancy firm with experienced experts for on-job skills transfer to staff; In; iii) need for political support and collaboration between the FGS and FMS; iv) need for availing project financial resources for regular data collection, compilation, analysis and dissemination of statistics; and v) Executing Agency's previous experience in managing related Bank funded projects. For good governance, the Federal system of political governance practiced by Republic of Somalia would require high level commitment to the project by the signing of Memorandum of Understanding between the Executing Agency and FMS. Another important lesson learnt from the previous statistical capacity building projects is that there is sustainability of capacity. All the staff trained in price statistics during the last project returned to SNBS and they have continually produced consumer price indices since then.

2.9 Key performance indicators

2.9.1 The project's results-based logical framework specifies indicators across outcome and output levels. At the impact level, the project will lead to improvement in economic performance and governance for Somalia. This would have been made possible through built capacity and support provided to the Ministries, Departments and Agencies involved in data collection, compilation and analysis as well as dissemination of statistical information throughout the country. The main outcomes of the project are: (i) improved statistical capacity of the National Statistical System; (ii) Availability of data and indicators for monitoring and evaluation of the NDP-9 and Country Brief and/or Interim Country Strategic Paper for Somalia. The project's outputs include: (a) consultancy firm's experts reports (b) statistical publications, guidelines and manuals produced; (c) staff with postgraduate qualification & regional statistical training reports; and (d) Functional Wire/wireless Area Networks in the SNBS and SDs for Hishabelle, Galmudug and Jubaland States established. The results and progress made will be availed in the quarterly and annual progress reports.

III – PROJECT FEASIBILITY

3.1 Environmental and Social impacts

3.1.1 The implementation of the project is not anticipated to result in any significant environment and social risks and impacts. Besides, the project is not expected to lead to involuntary resettlement or land acquisition. Due to the low environmental and social risk, the project E&S risk classification is given as Category 3; implying that it will not undertake additional environmental and social assessments (E&S) or the preparation of E&S management plan(s). The project implementation entity will, however, be expected to collaborate with the relevant national environmental management agencies to address any environmental and social safeguards issues that may arise during project implementation.

As a statistical capacity-building project with technical assistance, training and ICT components, the project is classified as Category 3 because it does not adversely impact the environment directly and is unlikely to induce adverse social impacts. Successful implementation of the project will help to improve the availability, quality and timeliness of relevant environmental and social statistics to support policy formulation and decision-making processes, including those relevant for environmental and social safeguards.

3.2 Climate Change and Green Growth

3.2.1 Somalia suffers from frequent and severe climate shocks especially droughts and floods. These climatic hazards normally affect crop and livestock production, resulting in food and

nutrition insecurity. Reduced water and pasture availability fuel inter-communal conflicts as communities struggle over these resources, thereby exacerbating fragility. Lack of data and information on the extent of climatic changes and how these have affected various sectors of the economy and local livelihoods, coupled with limited in-country capacity to conduct climate and vulnerability assessments, have limited the capacity to develop evidence-based policy and programmatic responses to climatic stresses facing the country. They have also limited the capacity to assess the extent of natural resource degradation in country as a basis for developing appropriate policy responses. Building institutional, human and technical capacity for collection, analyses and dissemination of statistical information, as proposed under this project, will be instrumental in developing the evidence for formulating policies and strategies to address the climatic and environmental threats facing Somalia as well as the capacity to monitor outcomes of interventions aimed at addressing climatic and environmental threats. As the project mainly aims at building institutional capacity, it is classified as Category 3 on the Bank's Climate Safeguards System, meaning it is not directly vulnerable to climatic risks.

3.3 Gender

3.3.1 The FGS has made significant efforts in promoting gender equality by putting in place the necessary legal frameworks, policies, and institutional structures for mainstreaming gender into its operations and institutional frameworks. Gaps in gender statistics in key areas in Somalia exist; for example, on violence against women, unpaid care and domestic work and key labour market indicators, such as the unemployment rate and gender pay gaps. According to UN Women, as of December 2020, only 21.3% of indicators needed to monitor the SDGs in Somalia from a gender perspective were available. There is also lack of international standards in methodologies for regular monitoring of gender statistics. In addition, a range of barriers to the achievement of gender equality remain in relation to education, limited role of women's participation in technical leadership positions as public service officers. Other barriers are related to social and cultural gender norms, harmful practices like gender-based violence, female genital mutilation, negative impacts of conflict, limited intra and extra household decision making power and faith based Islamic beliefs. All these challenges limit women's participation in economic and public spheres as outlined in more details in the PAR Technical Annexes Volume II document under Gender Analysis. The proposed project is, in part, a response to the above highlighted gaps and challenges faced by women.

3.3.2 The project is aligned with the bank's gender strategy for 2021-2025 in addressing one of the three pillars of the strategy of accelerating employability and job creation for women through skills enhancement especially in the STEM field of statistical training which will in turn contribute to securing access to decent work for women and economic growth, promoting gender equality and women empowerment. This operation is classified as category 3/GEN III of the Bank's Gender Marker System (GMS). This project will specifically contribute toward gender equality and women empowerment through gender responsive capacity building for women especially in gender statistics and auditing and production of manuals including a gender statistics manual. In addition, closing the identified gender gaps in statistics data is an essential step for achieving gender-related SDG commitments as well as the Africa Gender Index requirements in Somalia
. It will also be used as a guiding document in implementation of programs in the FGS to support gender mainstreaming activities. A GAP table with activities and corresponding budget is annexed under the gender analysis technical annex of the PAR Technical annexes Volume II.

3.4   Fragility and Resilience

3.4.1 Somalia is confronted with multiple and complex drivers of fragility. Weak institutional capacities affect governance and public service delivery. Despite slight improvements, corruption remains a challenge. Somalia is among the poorest countries in the world with about 73% of its population living below the poverty line and a fifth of households surviving on remittances from abroad. Drought, unfavourable climatic patterns and the locust crisis undermine food and nutrition security. The political system is based on a clan power-sharing formula which stifles participation and excludes minorities. Despite progress made by Somali security forces and AMISOM to counter the continuous threat of terrorism driven by the al-Shabaab militant group, the prolonged atmosphere of insecurity impedes private sector development and the country's efforts to promote inclusive and sustainable development. The impact of COVID-19 continues to be felt across several sectors of the economy as well as uncertainty of forthcoming presidential elections.

3.4.2   The fall of the central government in 1991 coincided with the collapse of the statistical system, like all other state institutions. The country's civil war eroded the gains of the national statistics system and much of the statistical information was lost. Coupled with the continuing institutional capacity challenges, Somalia is unable to collect, compile, and report accurate and credible national social, economic and environmental data and information. The limited available data are derived from estimates by international organisations such as the United Nations, the International Monetary Fund and the World Bank, among others.

3.4.3 The proposed project aligns with the African Development Bank Group *Strategy for Addressing Fragility and Building Resilience in Africa*. Components 1 (institutional building), 2 (training and statistics production) and 3 (information communication technology) is align with the Strategy's focal area of strengthening state capacity and establishing effective institutions. The project is expected to address some of the challenges relating to weak institutional capacities especially as regards the national statistics system. This will be achieved through capacity building and production of the needed data and statistical information for optimal policy formulation, planning and decision-making by the Federal Government of Somalia and the State governments of Jubaland, Hirshabelle and Galmudug.

3.5   Social and economic importance

3.5.1   The Project will have positive social and economic benefits in the country, as it will facilitate the generation of reliable and timely social and economic data and statistical information for planning, implementation, and monitoring of social/economic related projects. Quality data and statistics produced and disseminated will empower the FGS and FMS to design, monitor and evaluate the effectiveness projects and programs. Overall, eventually improve peoples' economic and social wellbeing.

IV – IMPLEMENTATION

4.1   Implementation arrangements

4.1.1   Institutional Arrangements

4.1.1.1 Federal Republic of Somalia will be the Grant recipient. Somalia National Bureau of Statistics will be the Executing Agency of the project and, therefore, will be responsible for doing the oversight role and ensuring the utilization of funds provided by the Bank for the project. The SNBS is a newly created independent Government Agency from the Directorate of National

Statistics (DNS) in the Federal Ministry of Planning, Investment and Economic Development following the enactment of the National Statistic Law No 24 in 2020. The Agency is governed by a Board of Directors, Director General and Deputy Director General who are appointed by the President of Federal Government of Somalia. Prior to the establishment of the SNBS, the Directorate of National Statistics (DNS), was responsible for implementing projects financed by the World Bank, UNFPA and UNICEF including the recently closed Bank-financed Somalia National Statistical Capacity Building Project. Thus, day to day activities of this project will be managed by Project Management Team.

4.1.2 The Project Steering Committee (PSC)

4.1.2.1 The Project Steering Committee (PSC) will provide oversight and strategic direction for the project. Such will include approval of the annual work plans and the budgets. It will report to SNBS Board on the status of implementation of the project and intervene where necessary. The PSC shall be chaired by the Director General of SNBS. The PSC membership will consist of the Director Generals from Ministry of Planning and International Cooperation for Federal Government, Hirshabelle, Galmudug and Jubaland States, Deputy Director General of SNBS and National Project Coordinator.

4.1.3 The Project Management Team (PMT)

4.1.3.1 A Project Management Team (PMT) will be established at SNBS. The PMT will be staffed with three officers –National Project Coordinator, who is also the head of the team, a Project Accountant and a Procurement Expert. The recruitments shall be in accordance with the Bank's Procurement Rules and Procedures. Once in place, the PMT shall be responsible for coordinating the work of project implementation, organizing and handling the secretariat of PSC meetings, administrative arrangements for local workshops and trainings, and supervising the activities of the firm's experts. There will be qualified focal points/persons for the coordination and implementation of project activities in Jubaland, Galmudug and Hirshabelle States.

4.1.4 Procurement arrangement

4.1.4.1 Procurement of goods (including non-consultancy services), and the acquisition of consulting services, financed by the Bank for the project, will be carried out in accordance with the Procurement Policy for Bank Group Funded Operations, dated October 2015 and the provisions stated in the Financing Agreement. Specifically, Procurement would be carried out following Bank Procurement Methods and Procedures, using the relevant Bank Standard or Model Solicitation Documents (SDs).

4.1.4.2 Procurement risks and capacity development: the assessment of procurement risks at the Country, Sector, and Project levels and procurement capacity at the EA, were undertaken for the project and the output have informed the decisions on the procurement regimes, i.e., Bank PMPs, being used for all transactions under the project. The appropriate mitigation measures and related costs have been included in the procurement capacity development action plan (CDAP) under the project. Further details on procurement arrangements are indicated in the Technical Annex.

4.1.5 Financial Management (FM), Disbursement and External Audit Arrangements

4.1.5.1 The assessment of SNBS's financial management (FM) systems concluded that the overall risk is substantial due to i) lack of a coherent set of financial regulations to support the implementation of the newly enacted Somalia PFM Act; ii) lack of a financial procedures manual to articulate the applicable FM procedures; iii) limited FM capacity within the newly created

SNBS; iv) weak internal audit framework and function at the SNBS; and v) limited independence and capacity of the Supreme Audit Institution. The risk mitigation measures presented in Table 5.1 of the Technical Annexes, when implemented will ensure that the FM arrangements for the project meet the Bank's minimum standards.

4.1.5.2 The fiduciary responsibility for the project will rest with the Director General of the SNBS. The PSC that will be constituted and the Board of Directors of SNBS will provide overall oversight and policy guidance including the review and approval of the project annual work plans and budgets. The Fiduciary Procedures Manual (FPM) and the Bank's Policies and Procedures will be applied to the Project. The Somalia Financial Management and Information System (SFMIS) will be used for processing financial transactions including generation of regular financial reports. The PMT will ensure that separate records and ledger accounts by components and disbursement categories in respect of the project transactions are maintained on the SFMIS platform.

4.1.5.3 The Project financial statements (FS) will be prepared annually by the PMT in accordance with the International Public Sector Accounting Standards (IPSAS) using the cash basis of accounting. In addition, the PMT will prepare the Interim Financial Reports (IFR) of the project as part of the quarterly progress report required by the Bank, not later than 45 days after the end of the quarter. The project will be subject to annual external audits conducted by competitively recruited private audit firms based on the Bank's Standard Audit Terms of Reference. The audited project financial statements, completed with a management letter, will be submitted to the Bank within six (6) months following the end of each financial year. The cost of such audits will be borne by the Project.

4.1.5.4 The Project will mainly use the Direct Payment method and the Special Account (SA) method as prescribed in the Disbursement Handbook. Prior to the use of the SA method, the FGS will open a SA at the Central Bank of Somalia for the purpose of this Project. The funds will be accessed and managed by SNBS in accordance with the Subsidiary Agreement that will be signed between the Grant Recipient and SNBS. The Bank will issue a disbursement letter, which will provide specific guidelines on key disbursement procedures and practices.

4.2 Monitoring

4.2.1 The project shall be required to submit Quarterly Progress Reports (QPRs) together with financial statements to the Bank. The Bank should receive the IFRs and QPRs no later than 45 days after the end of each quarter. At the end of the year, a yearly progress report on implementation should be submitted to the Bank. The project will be subject to a mid-term review and a completion report assessing the achievement of the objectives of the project and to draw lessons for future operations.

Table 5: Project Monitoring Activities

Activity	Responsible Entity	Timeframe
Signing of Grant Agreement and Effectiveness	AfDB/FGS	January 2022
Fulfilment of First Disbursement Conditions	AfDB	January 2022
Project Launch	AfDB/FGS/FMS	February 2022
Implementation	FGS/FMS	March 2022-December 2024
Mid-Term Review	AfDB/SNBS	June 2023
Project Completion/Closure	AfDB/SNBS	November 2024
Date of Last Disbursement	AfDB	June 2024
Auditing	SNBS	March 2025

4.3   Governance

4.3.1   As the Executing Agency, SNBS top management that successfully coordinated the Bank financed Somalia National Statistics Capacity Building Project will be responsible for the day-to-day activities of the Project. Governance for the project incorporates oversight, implementation, monitoring and review as well as audit arrangements. Potential risks related to project governance will be mitigated through the project timeframe and procurement plans. The Bank will undertake regular desk and field supervision, as well as participation in dialogue with PMT to continue strengthening coordination.

4.4   Sustainability

4.4.1   The statistical capacity building approach of skills and knowledge transfer to staff and management in the institutions of the Federal Government, Jubaland State, Galmudug State and Hirshabelle State will facilitate the sustainability of evidence-based policy formulation, planning, decision-making in the country. The civil servants on the government payroll will be involved in the project activities of statistical production, coordination and management in the country. The training programme will target and exclusively train the young professionals employed in the statistical services and those hired by project. The trained staff have a clear carrier growth path in the SNBS organisation and will have prospects of further training in specialised fields of statistics. The capacity gained through this exercise will contribute to the long-term sustainability of the statistical system and function of the SNBS as mandated by the Statistics Law for the Federal Republic of Somalia

4.5   Risk management

4.5.1   The potential risks to the project range from moderate to high. The risks, mitigation measures and risk owners are summarised in **Table 6**.

Table 6: Potential Risks and Mitigation Measures

Risk Category	Risk Description	Degree	Mitigation Measures	Risk Owner
Political and Insecurity Situations	Increased insecurity may discourage international experts to work and reside in the country	**High**	Use of national and regional consultants that are able to have access to FGS and FMS.	**FGS and FMS**
Weak Institutions	Project start-up and weak institutional capacity Delays	**Moderate**	Adopt a streamlined condition for first disbursement and use of local or/and international experts to support the project management team.	**FGS and FMS**
Fiduciary	Weak country public finance management and public procurement systems.	**High**	**Mitigation:** Fiduciary services will be delivered using Bank rules and procedures with help of hired and/or Bank Experts. Direct payment will be made to providers of goods and services engaged by the government.	**Bank and FGS**
Operational	Limited government funds for statistical operations and inadequate staffing at FGS and FMS.	**High**	**Mitigation:** Modest project funds will be allocated for field work operations and engaging national experts for effective implementation of the project.	**Bank, FGS and FMS**

4.6 Knowledge building

4.6.1 The implementation of this project will contribute to the improvements of quality and quantity of the statistics produced and disseminated for the country. This will entail generation, sharing of knowledge and skills development through capacity building. The harmonization and conformity to the recommended international methods and standards by producers and users of statistical products would be important for comparisons at national, regional and continental levels The Bank will capture and disseminate knowledge and experience through sharing the findings of progress reports and supervision missions and the Project Completion Report. Lessons learnt and experience gained will help to inform the design of future similar operations.

V- LEGAL INSTRUMENT AND AUTHORITY

5.1 Conditions Associated with Fund's Financing

5.1.1 Entry into force: The protocol of agreement will enter into force upon its signature by the parties.

5.1.2 Conditions precedent to first disbursement:

The obligation for the Fund to make the first disbursement of the Grant shall be conditional upon the entry into force of the Protocol of Agreement and the fulfilment by the Recipient, in form and substance satisfactory to the Fund, of the following conditions:

(a) Execution and delivery of a Subsidiary Agreement between the Recipient and the Executing Agency in which the Recipient on-grants the Grant to the Executing Agency, in form and substance satisfactory to the Fund;

(b)   Execution and delivery of a Project Agreement between the Bank and the Executing Agency setting forth their respective obligations under the Project, in form and substance satisfactory to the Fund; and

(c)   Submission of evidence of the designation of the following core staff for the Project Management Team (PMT), with qualifications and terms of reference acceptable to the Fund: (i) a National Project Coordinator to head the PMT; (ii) a Project Accountant; and (iii) a short-term Procurement Expert.

5.2   Compliance with Bank Policies
5.2.1 The project complies with all Bank policies.

VI – RECOMMENDATION

Management recommends that the ADF Board of Directors approve the proposed ADF grant of Three Million Units of Account (UA 3,000,000.00) to the Federal Republic of Somalia for the purposes of financing the Statistics Development Support project for Somalia.

ANNEX 1: COMPARATIVE SOCIO -ECONOMIC INDICATORS FOR SOMALIA

Somalia
COMPARATIVE SOCIO-ECONOMIC INDICATORS

	Year	Somalia	East Africa	Africa	Developing Countries
Basic Indicators					
Area ('000 Km²)	2020	627	6,232	30,067	96,535
Total Population (millions)	2020	15.9	375.5	1,338.8	6,509.5
Urban Population (% of Total)	2020	46.8	28.3	43.8	51.2
Population Density (per Km²)	2020	25.3	64.4	45.6	69.2
GNI per Capita (US $)	2020	310	956	1 736	4 849
Labor Force Participation *- Total (%)	2020	47.5	70.9	61.3	58.3
Labor Force Participation **- Female (%)	2019	22.2	61.3	55.8	45.9
Sex Ratio (per 100 female)	2020	99.4	99.3	99.9	106.8
Human Develop. Index (Rank among 189 countries)	2019	...	...	...	...
Popul. Living Below $ 1.90 a Day (% of Population)	2007-19	68.6	34.2	34.1	...
Demographic Indicators					
Population Growth Rate - Total (%)	2020	2.9	2.6	2.5	1.2
Population Growth Rate - Urban (%)	2020	4.3	4.5	3.6	2.2
Population < 15 years (%)	2020	46.1	41.5	40.4	27.2
Population 15-24 years (%)	2020	21.1	20.7	19.3	16.3
Population >= 65 years (%)	2020	2.9	3.0	3.5	7.6
Dependency Ratio (%)	2020	96.3	80.1	78.1	54.6
Female Population 15-49 years (% of total population)	2020	22.5	24.5	24.2	25.1
Life Expectancy at Birth - Total (years)	2020	57.7	65.5	63.8	71.2
Life Expectancy at Birth - Female (years)	2020	59.4	67.5	65.6	73.4
Crude Birth Rate (per 1,000)	2020	41.4	32.9	32.6	19.4
Crude Death Rate (per 1,000)	2020	10.5	6.5	7.8	7.3
Infant Mortality Rate (per 1,000)	2019	74.0	38.4	47.9	30.6
Child Mortality Rate (per 1,000)	2019	117.0	54.3	69.5	41.0
Total Fertility Rate (per woman)	2020	5.9	4.3	4.3	2.5
Maternal Mortality Rate (per 100,000)	2017	829.0	433.9	432.3	231.0
Women Using Contraception (%)	2020	32.2	35.3	39.1	58.9
Health & Nutrition Indicators					
Physicians (per 100,000 people)	2010-19	2.3	12.0	33.8	128.5
Nurses and midwives (per 100,000 people)	2010-19	11.2	86.8	114.6	249.9
Births attended by Trained Health Personnel (%)	2010-20	...	55.4	64.4	79.3
Peop. Using at least basic drinking water services (% of Po	2020	56.0	56.2	69.4	88.2
Peop. Using at least basic sanitation services (% of Populat	2020	39.0	25.8	41.9	74.0
Percent. of Adults (aged 15-49) Living with HIV/AIDS	2020	0.1	2.5	3.0	...
Incidence of Tuberculosis (per 100,000)	2019	258.0	175.5	198.2	152.0
Child Immunization Against Tuberculosis (%)	2019	37.0	81.1	81.0	88.0
Child Immunization Against Measles (%)	2019	46.0	76.5	71.9	84.9
Underweight Children (% of children under 5 years)	2010-20	13.5	14.0	16.8	13.8
Prevalence of stunding	2010-20	29.5	29.5	31.9	...
Prevalence of undernourishment (% of pop.)	2019	59.5	22.	17.7	10.4
Current health expenditure (% of GDP)	2018	...	4.6	5.2	5.4
Education Indicators					
Gross Enrolment Ratio (%)					
Primary School - Total	2010-20	...	104.4	103.0	101.6
Primary School - Female	2010-20	...	102.2	101.1	100.5
Secondary School - Total	2010-20	...	36.2	53.0	72.4
Secondary School - Female	2010-20	...	36.4	51.1	72.1
Primary School Female Teaching Staff (% of Total)	2010-20	...	44.4	49.2	63.7
Adult literacy Rate - Total (%)	2010-20	...	65.7	68.2	84.3
Adult literacy Rate - Male (%)	2010-20	51.6	74.8	72.4	88.4
Adult literacy Rate - Female (%)	2010-20	...	61.2	50.1	80.2
Gouvernment expenditure on Education (% of GDP)	2010-20	...	4.2	4.8	4.1
Environmental Indicators					
Land Use (Arable Land as % of Total Land Area)	2018	1.8	13.5	8.2	11.3
Agricultural Land (as % of land area)	2018	70.3	51.2	37.8	37.8
Forest (As % of Land Area)	2020	9.5	22.1	22.6	31.7
Per Capita CO2 Emissions (metric tons)	2018	0.05	0.2	1.1	3.4
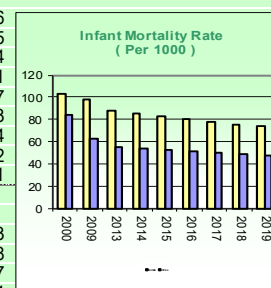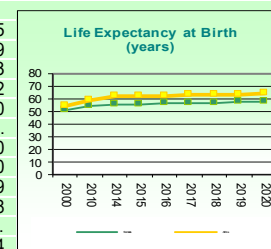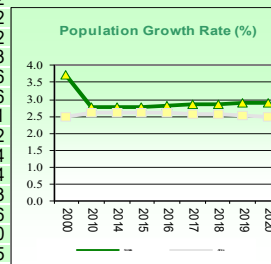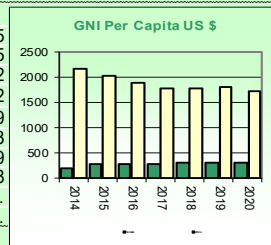
Sources : AfDB Statistics Department Databases; World Bank: World Development Indicators; last update : November 2021
UNAIDS; UNSD; WHO, UNICEF, UNDP; Country Reports.
*Note : n.a. : Not Applicable ; ... : Data Not Available. * Labor force participation rate, total (% of total population ages 15+)*
*** Labor force participation rate, female (% of female population ages 15+)*

ANNEX 2: KEY DATA ON COUNTRY PORTFOLIO OF ONGOING OPERATIONS

Project Name	Source of Funding	Approval Date	Closing Date	Amt. (UA m)	Amt. Disb. (UA m)	Disb. Ratio (%)	Age
Road Infrastructure Program	ADF PBA	19/07/2019	31/12/2025	7.50	0.07	0.97	1.8
	ADF TSF Pillar 1	19/07/2019	31/12/2025	2.0	0.16	8.23	
	ADF TSF Pillar 1	19/07/2019	31/12/2025	2.63	-	-	
	EU	30/10/2019	31/12/2025	30.84	-	-	
Water Infrastructure Development for Resilience in Somaliland	TSF Pillar III	17/06/2016	31/03/2022	3	2.26	75.24	4.9
	RWSSI	17/06/2016	31/03/2022	2.53	1.98	78.91	
Urban Water Supply Infrastructure Phase I (Kismayo & Baidoa)	ADF TSF Pillar I	19/07/2019	31/12/2025	8.63	1.64	19	1.8
Building Resilience to Water Stress in Somaliland	AWF	01/102014	31/12/2021	2.52	2.47	98.16	6.6
Technical Assistance & Capacity Building Project for the Setting up of a Regulatory Authority	TSF Pillar III	06/09/2019	31/12/2022	1			1.6
Strengthening Institutions for Public Works	ADF PBA	05/12/2016	30/09/2021	3.3	2.95	89.29	4.4
	TSF Pillar I	05/12/2016	30/09/2021	2.2	2.19	99.56	
Strengthening Institutions for Economic Policy Management & Infrastructure Development	TSF Pillar III	25/03/2019	30/12/2022	3	0.44	14.5	2.1
Economic & Financial Governance Institution Support Project Phase II	ADF TSF Pillar I	15/12/2017	31/12/2022	5.5	3.24	58.84	3.4
Crisis Response Budget Support Program for National and Regional Mitigation of COVID-19-19 Impact	TSF Pillar I	24/7/2020	31/7/2021	7.3	7.3	100	0.8
	ADF (Regional)	24/7/2020	31/7/2021	10.98	10.98	100	
Rural Livelihoods Adaptation to Climate Change in the Horn of Africa	GEF	15/12/2017	30/04/2023	7.32	1.001	14.49	3.4
Say no to Famine Short Term Regional Emergency Response Project	ADF 14 (Regional)	21/07/2017	30/09/2021	15	14.35	95.65	3.8
	ADF 14 TSF	21/07/2017	30/09/2021	10	9.6	96.04	
Drought Resilience & Sustainable Livelihoods Program	ADF (Regional)	26/11/2014	31/12/2022	10	2.3	22.74	6.4
	TSF Pillar I	26/11/2014	31/12/2022	5	1.4	27.76	
Total/Average				**140.25**	**64.33**	**45.87**	**4.6**

ANNEX 3: THEORY OF CHANGE

PROBLEM	INPUT AND ACTIVITIES	OUTPUTS	OUTCOME	IMPACT
a) Inadequate technically skilled human resource and statistical infrastructure in statistics institutions/units of Government b) Inadequate government finances to fully support statistical operations in the FGS and FMS	a) Hiring an international consultancy firm with experts to provide technical support and hands-on skills transfer to government employees b) Establishing national Project Steering committee and technical management team. c) Long-term and short-term statistical trainings for staff from FGS and FMS d) Procure and installation of WAN systems in SDs for FMS e) Project supervision missions	a) Functional Wired/wireless Area network in SDs of RGS and FMS b) Enhanced Staff capacity in production and dissemination of data and statistical information c) Statistical publications and production manuals and Databases. d) Project progress Reports e) Technical Working Groups, Steering Committee and Project Management Team	a) Evidence-based policy, planning and decision making by government, researchers and private sector b) Readily Availability and access of official data and statistical information for monitoring and evaluation of project and programs	a) Poverty reduction in the country and the States b) Sustainable economic growth for the country
	Assumptions a) International Consultancy Firm to be hired by government will have the right experience to deliver the	**Assumptions** a) Government will honor budget allocation for statistics programs. b) The staff trained will be retained	**Assumptions** a) No insecurity situation in the country. b) Somalia regularly upload data on the Bank Africa	

	assignment in time. b) Government staff have basic qualification to acquire the skills from the experts c) Government will have building space for IT installations and offices space for consulting firm resident consultants	to pass on skills to others	Information Highway platform.	

ANNEX 4: MONITORING AND EVALUATION PLAN/ARRANGEMENTS

A. Alignment indicators

Indicator name	Definition/ description	Source	Baseline and targets (where possible)	
SDG 1.1.1 & 1.2.1: Improve quality of life of people of Africa	Economic performance for Somalia	*SNBS publications*		

B. Outcome and output indicators *(performance indicators)*

Indicator name	Definition/ description	Methodology for collection	Responsibility for collection	Frequency of reporting	Results planning			
					20022	2023	2024	2025
OUTCOME INDICATORS								
Statistical Capacity Building (SCB) Score for Somalia	Overall SCB Score for Somalia (Methodology, Data Sources, Periodicity, and timeliness)	World Bank visits websites for Somalia and other credible sources	Worland	At the project completion	34.4	-	-	45
Number of GFS and FMS disseminating statistics and for government and public use.	FGS and FMS compiling and disseminating statistics and indicators for NDP and monitoring and Evaluation	CB, I-CSP and NDP monitoring and Completion reports	FGS, FMS a Government	Annually	1	2	4	5
OUTPUT INDICATORS								
Number of international statistics advisors' consultants engaged	Long term Statistics Advisors of international consultancy firm	Consultancy Reports	International Consultancy firm	Once	4	-	-	-
Number of international short-term consultants engaged	Short-tern experts of the international firm	Consultancy Reports	International Consultancy firm	Once	5	-	-	-
Number of technical manuals and guidelines produced for statistical operations.	International firm's expert will produce guidelines and manuals for staff to use	Consultancy Reports	Executive Agency	Annually	1	1	1	1
Number of staff trained in post graduate studies	The Executing Agency will contract Regional Statistical Training Institutions	Project Progress Reports and Midterm Report	Executive Agency	After 2 years courses	7	-	-	12
Number of staff that participated in short courses	Short-term international expert will conduct trainings	Consultancy Reports	International Consultancy firm	Quarterly	15	25	40	60
								0
Number of regular statistics publications	Production and	Project Progress Reports	Executing Agency	Quarterly	2	3	4	6

V

	dissemination of statistics publications by FGS and FMS							
Number of frameworks for production of statistics	The international experts designed and used them in the production of statistics for Somalia and training of staff.	Consultancy reports	Executive Agency	Annual	0	1	1	1
Number of databases compatible to Bank AIH	FGS and FMS data and statistical information uploaded on AIH Platform	Project Progress Reports	Executing Agency	Annual	1	2	3	4
Number of WAN /LAN Systems installed and functional in FMS	The Executive Agency contract ab IT firm to purchase and Install Wire/Wireless LAN	Project Progress Reports	Executing Agency	Annual	1	2	3	4
National Experts /Young Professionals contracted	The Executive Agency recruit young professions for the project-Gap filling	Project Progress Reports	Executing Agency	Once	20	-	-	-
AfDB Fiduciary Clinics conducted	AFDB project will conduct the trainings	AfDB mission Reports	AfDB	At project launch and mid-tern of the project implementation	1	-	1	-

ANNEX 5: DRAFT TERMS OF REFERENCES FOR THE INTERNATIONAL CONSULTING FIRM

TERMS OF REFERENCE FOR CONSULTANCY SERVICES FOR STATISTICS DEVELOPMENT SUPPORT PROJECT FOR FEDERAL GOVERNMENT, HIRSHABELLE, GALMUDUG AND JUBALAND STATES OF SOMALIA

Template-
1. Background and Justification.

The war in Somalia in the 1980s destroyed the Somalia statistical systems. The statistical infrastructure and systems were left in serious state of disrepair, which constrained the collection, compilation and dissemination of statistics in the country. The basic social- economic statistics, such as population, health, education, price statistics, national accounts, poverty rates, balance of payments, infrastructure statistics, gender disaggregated data, banking and financial statistics, are not readily available.

The Federal Government and the States do not have reliable and timely statistics, needed for effective policy formulation, for measuring progress, and for accurate reporting on development outcomes at state, national and international levels. The statistical infrastructure and equipment to facilitate production and dissemination of data by the responsible ministry and authority remains inadequate. There are no statistical infrastructures such as statistical business register, sampling frames and, rendering survey undertakings in Somalia challenging. The capacity of statistical staff to collect and analyses data, develop manuals, design and conduct surveys and censuses is almost non-existent in the States. Statistical publications have been intermittent, and the capacity create databases and data platforms is absent.

The Federal Government of Somalia, Galmudug, Hirshabelle and Jubaland States, the beneficiaries of the project, have the legal and institutional framework for a viable statistical system. National Strategy for Development of Statistics (NSDS), Sates Statistics Plans and new Statistics Law were produced and adopted in the year 2020. Somalia National Bureau of Statistics (SNBS) is mandated for the data collection as well as coordination of the statistical activities in the country including at various Ministries and States, the private Sector, and other non-government sources.

The Federal Government and Federal Member States have embarked on the implementation of the NSDS and State Statistics Plans to produce and disseminate the needed data and statistical information for policy, planning and decision making as well as monitoring and evaluation of government programs and projects. To address this need, the African Development Bank will finance Statistical Development Support Project in Somalia. The project will support the SNBS and statistics departments in Ministry of Planning of for Jubaland, Hirshabelle and Galnudug States.

Somalia National Bureau of Statistics (SNBS) is mandated for the data collection as well as coordination of the statistical activities in the country including at various Ministries and States, the private Sector, and other non-government sources.

2. Objective of the Consultancy

The objective of the consultancy is to provide the needed technical support to SNBS and Statistics Departments of Jubaland, Galmudug and Hirshabelle States to enable these institutions to effectively conduct, supervise and coordinate the statistical activities in the areas under their jurisdiction.

3. Scope of the Consultancy

    i)   Long -Term Advisors (Team Leader of the Experts): To provide resident technical advisory services to the SNBS on institutional building and management, implementation of various statistical programs in the Somalia Federal Government and Federal Member States. The Lead Advisor will report to the National Project Coordinator

    ii)   Long -Term State Advisors: Three advisors will provide technical advisory services to Departments of Statistics in Hishabelle, Jubaland and Galmudug in institutional building and management, and implementation of various statistical programs in the State Ministries of Planning. The resident advisor will technically report to the Director General of the same ministry of the State.

    iii)   The Short-Term Advisors: (Federal/State) The short- term resident technical advisory services in production statistics, consumer price index, population & social statistics, GIS, Gender and ICT to support the implementation of the National Strategy for Statistical Development of Statistics (NSDS) and States Statistics Plans. The short-term consultants will work with the resident long-term advisors and the assigned staff at SNBS and the Statistics Departments of the Ministry of Planning and Development of Somalia

    iv)   Staff Training: The project will organize on-the job short-term trainings to be delivered by the Firm's experts. This will cover both production statistics, CPI, population & social statistics and ICT as well as other areas covered by the experts.

    v)   New IT Solutions: The ICT expert will advise on IT equipment and software suitable for upgrading or/and new network -server based with high hybrid (wire/wireless system) and IT data validation procedures developed at SNBS and FMS statistics departments.

4. Required for Consultancy Firm

The following qualifications are required for the experts of the consulting firm

  i) Master's Degree in economics, demography and statistics, or it equivalents
  ii) Experiences in the operations and management of statistical activities and programs of a National Statistics System
  iii) Experiences in conducting socio-economic surveys and population censuses

iv) Experience in compilation of national accounts, consumer price index, production statistics and other macroeconomic indicators.
v) Experience in the statistical capacity building activities, including conducting trainings and workshops for staff.
vi) Any other duty as assigned by the Executing Agency of the Project.

5. Duration of the Consultancy

The Consultancy will be for 24 months.

ANNEX 6: CURRENT PARTNERSHIPS AMD PROGRAMMES WITH SOMALIA

i) **World Bank**; HH - budget survey & business Survey + institutional development and ICT support
ii) **African Development Bank**: CPI and National Account, capacity building to FMS
iii) **IMF:** technical assistance in macro-economics, fiscal and financial statistics
iv) **UNFPA** –population and Housing Census, demographic and health survey
v) **Statistics Sweden** – Trainings and capacity building; economic and social sectors
vi) **UNICEF** – social sector statistics development, MICS+ survey
vii) **UNDP – SDG/NDP-9** monitoring, and gender, governance, energy, environmental statistics
(viii) **IOM** – migration statistics, displaced populations
(ix) **ILO** – labour force survey (LFS)
(x) **OCHA** – humanitarian data & Information Management and Assessment Working Group (IMAWG)
(xi) **IPSOS Mori**: Integrated System for COVID-19 Compliance, Improve Aid Tracking System, Statistical Data on Geospatial Information of Nomads Whereabouts, Forecasting and Needs Assessment

ANNEX 7: ENVIRONMENTAL AND SOCIAL COMPLIANCE NOTE (ESCON)

ENVIRONMENTAL AND SOCIAL COMPLIANCE NOTE (ESCON)	**AFRICAN DEVELOPPEMENT BANK GROUP**

A. Basic Information[2]	
Project Title: STATISTICAL DEVELOPMENT SUPPORT FOR FEDERAL GOVERNMENT, JUBBALAND, HIRSHABELE AND GALMUDUG STATES OF SOMALIA PROJECT	**Project ''SAP code''**: P-SO-KF0-011

Country: Somalia	**Lending Instrument**[3]: DI ☒ FI ☐ CL☐ BS☐ GU☐ RPA☐ EF☐ RBF☐
Project Sector: Public	**Task Team Leader**: Stephen BAHEMUKA
Appraisal date: 28/10/21	**Estimated Approval Date**: 29/11/21

Environmental Safeguards Officer: Emmanuel MULIGIRWA	
Social Safeguards Officer: XXXXX	

Environmental and Social Category: 3	**Date of categorization**: 13/10/21	**Operation type**: SO ☒ NSO ☐ PBO ☐
Is this project processed under rapid responses to crises and emergencies?		Yes ☐ No ☒
Is this project processed under a waiver to the Integrated Safeguards System?		Yes ☐ No ☒

B. Disclosure and Compliance Monitoring B.1 Mandatory disclosure	
Environmental Assessment/Audit/System/Others (specify: NA)	
Was/Were the document (s) disclosed *prior to appraisal?*	Yes ☐ No ☐ NA ☒
Date of "in-country" disclosure by the borrower/client	[Date]
Date of receipt, by the Bank, of the authorization to disclose	[Date]
Date of disclosure by the Bank	[Date]
Resettlement Action Plan/Framework/Others (specify: NA)	
Was/Were the document (s) disclosed *prior to appraisal?*	Yes ☐ No ☐ NA ☒
Date of "in-country" disclosure by the borrower/client	[Date]
Date of receipt, by the Bank, of the authorization to disclose	[Date]
Date of disclosure by the Bank	[Date]
Vulnerable Peoples Plan/Framework/Others (specify: NA)	
Was the document disclosed *prior to appraisal?*	Yes ☐ No ☐ NA ☒
Date of "in-country" disclosure by the borrower/client	[Date]
Date of receipt, by the Bank, of the authorization to disclose	[Date]
Date of disclosure by the Bank	[Date]
If in-country disclosure of any of the above documents is not expected, as per the country's legislation, please explain why: NA.	

B.2. Compliance monitoring indicators	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes ☐ No ☐ NA ☒
Have costs related to environmental and social measures, including for the running of the grievance redress mechanism, been included in the project cost?	Yes ☐ No ☐ NA ☒
Is the total amount for the full implementation for the Resettlement of affected people, **as integrated in the project costs**, *effectively mobilized and secured*?	Yes ☐ No ☐ NA ☒
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes ☐ No ☐ NA ☒
Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?	Yes ☐ No ☐ NA ☒

C. Clearance

Is the project compliant to the Bank's environmental and social safeguards requirements, and to be submitted to the Board?

Yes ☒   No ☐

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[2] **Note**: *This ESCON shall be appended to project appraisal reports/documents before Senior Management and/or Board approvals.*

[3] **DI**=Direct Investment; **FI**=Financial Intermediary; **CL**=Corporate Loan; **BS**=Budget Support; **GU**=Guarantee; **RPA**=Risk Purchase Agreement; **EF**=Equity Financing; **RBF**=Results Based Financing.

Prepared by:	Name	Signature	Date
Environmental Safeguards Officer:	Emmanuel MULIGIRWA		17/11/21
Social Safeguards Officer:	XXXXX		
Task Team Leader:	Stephen BAHEMUKA		17/11/21
Submitted by:			
Sector Director:	Louis KOUAKOU		17/11/21
Cleared by:			
Director SNSC:	Maman-Sani ISSA		17/11/20 21

Federal Republic of Somalia
Ministry of Finance
Office of the Minister

جمهورية الصومال الفيدرالية
وزارة المالية
مكتب الوزير

Jamhuuriyadda Federaalka Soomaaliya
Wasaaradda Maaliyadda
Xafiiska Wasiirka

MOF/OM/354/2021   April 19th 2021

Ms. Nnenna Nwabufo
Director General of the Eastern Region
African Development Bank
01 B.P. 1387 Abidjan 01
Cote d'Ivoire

Dear Nnenna,

Further to your letter dated 14th April, 2021, ref no. **AfDB/RDGE/LTR/2021/04/023,** this is to confirm agreement with the Bank's proposal to prepare the following projects for the benefit of the citizens of Somalia.

From Performance Based Allocation (PBA)

i. Kismayo/Baidoa Urban Water Supply and Sanitation Project Phase 1 (supplementary financing of UA 7.5 million to cover the funding gap identified after completion of the feasibility studies.
ii. Statistical Development and Support for the FGS, Jubaland, Hirshabelle and Galmudug States - UA 3 million.
iii. Rehabilitation of Lowyaddo – Farddaha - Borama Road - UA 10 million.
iv. Households Access to Modern Energy and Clean Cooking Technologies - UA 7 million.

From the TSF allocation with a current balance of UA 2.68 million, as part of the Horn of Africa initiative, he rod from Kenya border connecting the Beled Hawa to Dollow/Luuq road section that is already part of an ongoing road project financed by the Bank. As indicated in your letter, please complete the funding to UA 10 million by seeking resources from PBA allocation, regional operations envelope and if necessary from the Somalia Infrastructure Fund.

We expect the Bank's team to prepare the following projects without further delay in order to avoid any loss of resources by the end of the ADF 15 period in 2022.

Yours Sincerely,

Dr. Abdirahman D. Beileh
The Minister

Ministry of Finance-Shangani District
Mogadishu, Somalia
P.O. Box 106

جمهورية‏الصــومــال الفيدرالية
جهاز الاحصاء الوطني للصومال
مكتب المدير العام

Federal Republic of Somalia
Somalia National Bureau of Statistics
OFFICE OF THE DIRECTOR GENERAL

Ref: /HIQS/ 864 /2021   Date: 03/11/2021

East Africa Regional Hub (RDGE)
African Development Bank Group
Nairobi, Kenya

Subject: The Autonomous Status of the Somali National Bureau of Statistics

Dear Nnenna Lily Nwabufo,

I would like to first of all accentuate how deeply we value, and earnestly commend the enduring partnership and support the African Development Bank (AfDB) has consistently extended to the Somali National Bureau of Statistics (SNBS) over the years, including the currently ongoing statistical capacity building support project.

The SNBS is an Autonomous Government body and the sole central repository for all official statistics produced in Somalia. The Bureau was established under the Somalia Statistics Law number 24, (2020), that repealed the Somalia Statistics Law number 35 of 1970, with a view to harmonizing it with Somalia's Federal System of Governance as envisaged in the current Provisional Constitution (2012). The law incorporates appropriate international best practice to guarantee the independence of the system and respect for statistical confidentiality across the Somalia's Statistical system. The new law also fosters the statistical coordination and provides the SNBS the exclusive mandate for coordination and supervision of the entire NSS.

The SNBS is exclusively mandated to collect, collate, compile, coordinate, analyze, evaluate, coordinate, validate and periodically disseminate all National Statistical Information through the establishment and management of a centralized National Statistical System (NSS), as well as conducting national population census, surveys, collecting and assembling of socio-economic statistics.

The Statistics Law guarantees the autonomy of the SNBS in so far as its independence to collect any data of choice and publish it without prior approval from any other arm of government is concerned, in tandem with the key indicator in the Ibrahim Index of African Governance that evaluates National Statistical Organization's independence.

The Bureau's Board of Directors, who are in place by dint of Federal Cabinet approval, and as enshrined in the Statistics Law, provide the supervisory, monitoring and advisory role of the SNBS. The fiduciary duties of the Board gives the SNBS's requisite budgetary and financial management independence, having its own bank accounts, internal controls, and in line with Somalia's Public Finance Management System. Currently the SNBS is the custodian and has

SOMALIA NATIONAL BUREAU OF STATISTICS
(SNBS)

Board of Directors → Technical, Governance, Finance Committees

General Director → Partnerships, FMS Relations, Media, Internal Audit, Legal Services

Deputy Director General → Training, Evaluation and Development

Macroeconomic and Financial Statistics	Production Statistics	Population and Social Statistics	Policy, Planning and Coordination Services	ICT and Data Processing	Adminstration and Finance
National Accounts	Agriculture Statistics	Population Statistics	Research and Development	Data Processing and System Development	Finance
Price Statistics	Labour Statistics	Social Stastistics	Research planning and methodology	Website and Portal Admin	Human Resources
Trade Statistics	Environment, Water and Natural Resources	Migration and Displacement Statistics	National Coordination and Field Services	Design, publication & Dissemination	Procurement and Asset Management
External and Financial Statistics	Energy & Infrustructure Statistics	Gender Statistics	Sampling, Cartography and GIS Services	Data and Resource Centre	Logistics
Business Registers	Food Security and Nutrition Statistics	Civil Registration & Vital Statistics	SDGs, NSDS Monitoring and Reporting	Infographic & Visual Data Media	Security
		Human Settlements Statistics	Governance Statistics		