

Public Disclosure Authorized

Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 23-Nov-2021 | Report No: PIDC33253



BASIC INFORMATION

A. Basic Project Data

Country Somalia	Project ID P177627	Parent Project ID (if any)	Project Name "Biyoole 2" Second Water for Agro- Pastoral Productivity and Resilience II (P177627)
Region AFRICA EAST	Estimated Appraisal Date Sep 05, 2022	Estimated Board Date Feb 15, 2023	Practice Area (Lead) Water
Financing Instrument Investment Project Financing	Borrower(s) Federal Republic of Somalia	Implementing Agency Ministry of Planning Investment and Economic Development	

Proposed Development Objective(s)

To develop water, agriculture and environmental services among agro-pastoralist communities in dry land areas of Somalia.

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	58.00
Total Financing	58.00
of which IBRD/IDA	58.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	58.00
IDA Grant	58.00



Substantial

Environmental and Social Risk Classification

Concept Review Decision

Track II-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. Recovering from conflict, Somalia has been on a trajectory toward political stabilization and reconstruction. In 2012, a provisional constitution was adopted, establishing the Federal Government of Somalia (FGS) in Mogadishu, and the Federal Member States (FMS). Following this political transition, the international community agreed to the Somali Compact with the FGS, based on the New Deal, a guiding set of principles for peacebuilding and state building. The second elections were peacefully held in 2017 to establish the current administration. The sustained political, economic, and institutional reforms have enabled rebuilding core state capabilities. However, the decision to postpone by two years the elections scheduled for February 2021, may lead to an erosion of the political stabilization so far achieved. Somalia's fiscal position is predominately sustained through Official Donor Assistance (ODA), remittances, and foreign direct investment.

2. Somalia is facing severe development challenges. The country has a population of 15 million, of which 60 percent are nomadic and semi-nomadic pastoralists, and 60 percent live in rural areas. About 70 percent of the population lives below the poverty line (US\$1.90 a day in 2011 purchasing power parity terms), although this figure is expected to have increased following a triple crisis of COVID-19, floods and locust's invasion in 2020. Nine out of ten Somali households are deprived in at least one dimension of poverty—monetary, electricity, education, or water and sanitation—and seven out of ten households suffer in two or more dimensions. Poverty in Somalia is driven by political fragility, conflict, insecurity and lawlessness, and exacerbated by climate emergencies. Social development is needed to fuel and sustain economic growth, through human capital development, social protection and disaster risk management, and the National Development Plan (NDP) 9 aims at addressing the root causes of poverty.

3. Poverty, vulnerability, and conflict are intricately linked with water. Somalia is heavily reliant on its natural resource base and the provision of ecosystem services. Water insecurity in Somalia is growing and continues to impact the lives of millions, inhibiting economic and human development. Lives and livelihoods are shaped by Somalia's uncertain water supplies. Water-related shocks in Somalia have contributed to poverty, displacement, biodiversity loss, and conflict. Areas without alternative, decentralized sources of water are likelier to be classified as being food insecure when compared to those with groundwater resources. Extensive floods also result in significant crop losses and forced displacement and make roads inaccessible, which also affects the transport and marketing of agricultural outputs from unaffected areas, whereas droughts pose a risk to agriculture, floods can cripple crop and livestock production.

4. The country's vulnerability to climate change is projected to increase due to its dependency on its natural resource base. Somalia is an arid country recording 123 mm of rainfall per year on average, with 75 percent of this annual rainfall being recorded during the Gu season (Mourad, 2020). It is prone to recurring droughts as well as to flooding given its arid and semi-arid climate and has experienced 14 droughts since the 1960s, one at least every four



years that has caused severe food insecurity. Historical trends show droughts occurring regularly at intervals of 2-3 years in the Deyr (October - December) season and 8-10 years in consecutive Deyr and Gu (April - June) seasons, extending seasonal hardships. Somalia is highly vulnerable to natural disaster and the trend is increasingly alarming. From 1934 to 2000 there were 32 disasters in 84 years, from 2000 to 2017 there were 17 disasters in 17 years. The damages and losses impact alone of the 2016/17 drought was estimated to cost the livestock economy over US\$1.65 billion.

Sectoral and Institutional Context

5. The economy of Somalia is largely natural resources dependent, with agriculture, livestock and fisheries contributing well over 70 percent of GDP. Somalia encompasses large areas suitable for livestock grazing, browsing, and fodder production; fertile alluvial soils for staple cereals, oil seeds, legumes, and horticulture crops; forests that provide prized gums and resins, as well as charcoal for cooking. The agriculture and livestock sectors are dependent on water of sufficient quantity, quality, and affordability. Environmental degradation is common, scarcity of water is a standard as water is hard to extract and store, the water sector is fragmented. These factors lead to loss of production, productive assets, and income sources for the most vulnerable communities that heavily depends on livestock and agriculture thus negatively impacting on the country's food security and livelihoods. Many rural Somalis earn their living from agriculture (notably animal husbandry and crop farming). However, due to the scarcity of drinking water for the people and their animals, widespread livestock and human deaths as well as crop devastation have been among the notable impacts of water scarcity. This also implies that the population further and further plunges into poverty.

6. Water is an enabling factor for socioeconomic growth, human rights promotion and peace and security building in Somalia. Investing in rural water infrastructure generates high returns, strengthens resilience and transforms livelihoods and the economy at local levels. Water infrastructure have been established to boost agro pastoral production are dilapidated due to lack of operation and maintenance after the state collapse. Investments in water systems are a necessity to increase water affordability and provide services. Basic water supply is difficult to access in most of the rural parts of Somalia. Women and girls fetch water from long distances, putting them in risk conditions.

7. Limited institutional capacity to manage water resources in Somalia exists. This needs to be strengthened to better manage and successfully implement ongoing and proposed investment opportunities. Lack of oversight and monitoring of the available water resources leads to overexploitation and pollution. This affects groundwater quality and leads to poor hygiene and sanitation practices in many rural areas in Somalia. Water security can constrain or catalyze growth and development and in the Somali context where water supports key economic sectors, this is particularly important. This will require improvement in government's capacity, the clarification of institutional frameworks, improvements in how water resources are effectively managed, strengthening of planning instruments that support infrastructural developments and the provision of services. Key in this process is to build country systems to manage service delivery and this is best achieved through learning by doing.

Relationship to CPF

8. The Country partnership framework (CPF) (FY19-FY22) of Somalia is aligned to the development priorities set by the National Development Plan (NDP) 9, the Drought Impact Needs Assessment (DINA), Recovery and Resilience Framework (RRF) and the other Individual Sector Strategic Plans. Among the CPF objectives, core results areas include: Increased quality and more inclusive basic services; Increased fiscal space and equity in the use of public resources; Increased access to finance and energy and Increased access to water for resilience and productivity. The CPF spurs Somalia's transformation by investing in strategic services and economic development opportunities while addressing the structural challenges hampering growth. Basing on the Systematic Country Diagnostic (SCD), the WBG supports



priorities in two Focus Areas: (i) building capacity of institutions to deliver services and (ii) restoring economic resilience and opportunities. Ongoing governance programs will be strengthened to improve the provision of quality key social services and resilience in Focus Area 1 of the CPF while economic resilience will be increased in the Focus Area 2 to provide a base upon durable poverty reduction and inclusive growth strategies can be made. The poverty strategy for NDP-9 is organized in four pillars: Inclusive and Accountable Politics; Improved Security and the Rule of Law; Inclusive Economic Growth (including increased employment) and Improved Social Development. By focusing interventions in these four pillars, Somalia will be addressing the root causes of poverty. These organizing pillars align with the three national development priorities identified.

9. The project is aligned with the 2021 National Water Resources Strategy (NWRS). A first for Somalia, the NWRS describes the critical economic and social importance of water in Somali society. It identifies opportunities to use access to water as a key steppingstone for socioeconomic development as well as an entry point to peace building. Managing Somalia's water resources requires a strategic national approach that involves the engagement of key government actors, the private sector, civil society, as well as the support of a range of international cooperating partners and development financing institutions. The NWRS provides a suite of strategies, objectives, and actions for the water sector for 2021–2025, although some of the expected outcomes will only be realized in the longer term. The NWRS targets to unlock key actions and align with the Provisional Constitution (2012), Sustainable Development Goals, and sectoral policies and laws. The NDP9 will be the key driver for the NWRS over the next five to 10 years. The vision of the NWRS is: "Sustainable, equitable and secure water for national unity, growth and well-being, for all and in harmony with nature". The NWRS includes a roadmap that sets out flagship projects numerically and the concluding tables in this report align to this NWRS roadmap.

C. Proposed Development Objective(s)

To develop water, agriculture and environmental catchment services among agro-pastoralist communities in dry-land areas of Somalia.

Key Results (From PCN)

- 11. Key expected results include:
- People in rural areas provided with access to improved water sources for multiple uses, of which female
- Farmers/clients adopting improved technology, of which female
- Land area restored
- Target beneficiaries satisfied with project investments.

D. Concept Description

12. Somalia has embarked on a journey for the sustainable development of its water resources for its communities. With the support of the World Bank, the Somaliland and Puntland states piloted low cost and conflict deterring water solutions under the Water for Agro-Pastoralist Livelihoods Pilot Project (WALP), a US\$2 million pilot that resulted in the building of eight sand dams over the period 2016 to 2018. This investment paved the way for the ongoing Water for Agro Pastoral Productivity and Resilience (Biyoole) Project. The increased budget (US\$42 million) allowed to scale up activities across Puntland, Galmudug and South West States. The two projects validate the country's approach to increasing water catchment in the drylands through sand dams which have the potential to protect water from high evapotranspiration whilst supplying in small amounts water for both domestic and agricultural consumption. The dams being small and not requiring extensive land masses to build pose less conflicts of which can be managed through both



community level and high level conflict resolution mechanisms. The Biyoole project is building capacity in issues of policies, regulations and guidelines. Biyoole II, continues this trajectory by scaling up the investments and introducing environmental catchment services.

13. The project will use an environmental catchment approach. The project will: increase access to domestic and productive water services, strengthen climate change adaptation and resilience, increase agricultural and livestock production and development through tailored extension services for water and environmental management and build the capacity of line institutions to provide basic services that address poverty and strengthen resilience. This project will: (a) improve access to water infrastructure among rural communities; (b) strengthen management of natural resources—e.g., water, land, forests, rangelands; (c) strengthen agricultural knowledge and innovation systems for livelihoods development.

14. The project will deliver water harvesting and storage infrastructure and facilitate community action to help restore the quality of the land. It will leverage sand dam and other water-harvesting technology to enhance the adaptive capacity of Somalia's dry lands and the livelihoods that depend on them. Through rigorous social mobilization processes, the project will help communities better understand how their decisions about management of land and water resources affect their well-being and how to become more climate-resilient. Communities will be aided to improve the quality of their land and water resources and to invest in the technology, training, and services necessary to improve crop production, pasture management and fodder production, animal health, and productivity. With improved organization and knowledge, communities can manage a more inclusive development agenda that increases the availability of water and food for all their member households and supports sustainable livelihoods that generate income for households that can be saved to help them better withstand inevitable future shocks.

15. While the central and northern Somalia has water scarcity, the southern Somalia has both water management and water scarcity challenges. Government plans for future phases of the Biyoole to expand to include Jubaland and HirShabelle.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	Yes
Projects in Disputed Areas OP 7.60	No
Summary of Screening of Environmental and Social Risks and Impacts	



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