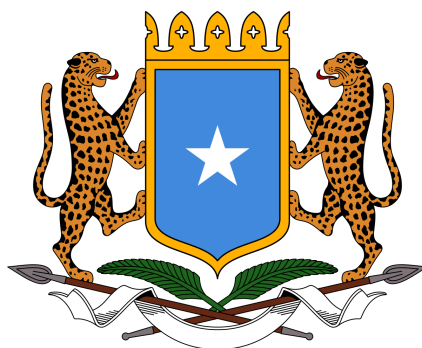


# Somalia Development and Reconstruction Facility (SDRF)

Establishment arrangements for the revised aid architecture  
under the National Development Plan (NDP)



Draft for Discussion – 12 Sept 2017

MoPIED

This proposal builds upon the coordination architecture that was established to support the coordination and implementation of the New Deal Compact. While the overall structure will remain the same, a number of changes have been made to reflect the primacy of the NDP. These are highlighted explicitly.

While this document presents the overall aid architecture, it does not cover the details of the coordination structures around the Comprehensive Approach to Security (CAS), which should be defined by the CAS Executive Group. Rather, it focuses on the roles and responsibilities of the Somalia Partnership Forum, SDRF Steering Committee and Pillar Working Groups.

# 1 Introduction to the SDRF

The Somalia Development and Reconstruction Facility (SDRF) serves as both a coordination framework and a financing architecture for implementing the Somalia National Development Plan (NDP), in line with the principles of the New Partnership for Somalia for Peace, Stability and Prosperity (NPS). This aid architecture builds on and reinforces the mechanisms that were set up for the implementation of the Somali Compact, with minor changes aimed at improving its effectiveness.<sup>1</sup>

The SDRF aid architecture serves as the centerpiece for the partnership between the government and international community (Figure 1). However, its effectiveness depends on the important role played by other coordination for a within government and the international community. The Somalia Donor Group (SDG) and UN Country Team have served to build consensus amongst their constituencies and prepare their representatives to engage strategically in the SDRF structures. Such a group has been missing for coordinating the different views and voices within government.

Filling this gap, the newly established National Development Council (NDC) will perform the critical roles of strengthening inter-governmental coordination between the Federal Government of Somalia (FGS) and the Federal Member States (FMS) to oversee implementation of the NDP and engage strategically with international partners through the SDRF. Through consultation and consensus building, government representatives will be better prepared to speak with one voice when engaging with the Pillar Working Groups and SDRF Steering Committee. It will also serve to improve communication within government, so representatives do not feel “in the dark” about issues related to NDP implementation.

It will serve an important advisory function to the SDRF. The NDC should enhance the strategic focus of the SDRF, without adding a layer of administrative bureaucracy to the three-tiered joint structure. It will also cover issues related to intergovernmental coordination and implementation that may not be covered in the agenda of the SDRF Steering Committee.

Figure 1. SDRF: Centerpiece for Partnership between Government and International Community



In addition to the coordination role it plays for all development resources, the SDRF provides a common governance structure for three multi-partner trust funds administered by the African Development Bank, the United Nations and the World Bank. The SDRF functions for these funds and associated procedures are detailed in the “Operations Manual for SDRF Funding Windows.”<sup>2</sup>

<sup>1</sup> The SDRF was established in 2014 to serve as a platform for government and development partners to provide strategic guidance and oversight for development activities in Somalia over a ten-year period.

<sup>2</sup> The Operations Manual is currently being updated in line with the revised aid architecture. The previous version of the Manual, established in 2014 under the Somali Compact, is available here: <http://somaliampf.org/operations-manual>.

The practical organization and logistical support to the different layers will continue to be provided by the Aid Coordination Unit (ACU). The Ministry of Planning, Investment and Economic Development (MoPIED) will develop and oversee coordination of the NDP implementation, tools and strategies that will require coordination with and inputs from the members of the SDRF at different levels. These include: *i)* Pillar Group annual work planning arrangements, *ii)* programmatic alignment to the NDP; *iii)* the NDP monitoring framework, *iv)* communications and outreach strategy, and *v)* the Aid Information Management System (AIMS), expected to be operational towards the end of 2017.

### Box 1. Strengthening FMS Participation

While the overall structure builds up on the New Deal structure, a number of revisions are designed to improve the engagement and inclusion of the Federal Member States (FMS). The revised structures will support strengthened engagement through:



**Supporting state-level coordination** by establishing and strengthening state-level coordination structures to ensure better representation of Federal Member States in the national aid architecture.



**Enabling more focused, sector specific discussions by** streamlining working groups around the NDP pillars. This also allows for less frequent meetings, as groups can dedicate more time to specific sectors, without the pressure of covering a wide range of issues.



**Rebalancing representation** in the Steering Committee to create better balance between the FGS, FMS and international community. Refocusing on a more limited number of core members, additional partners can be invited on an *ad hoc* basis as the agenda requires.

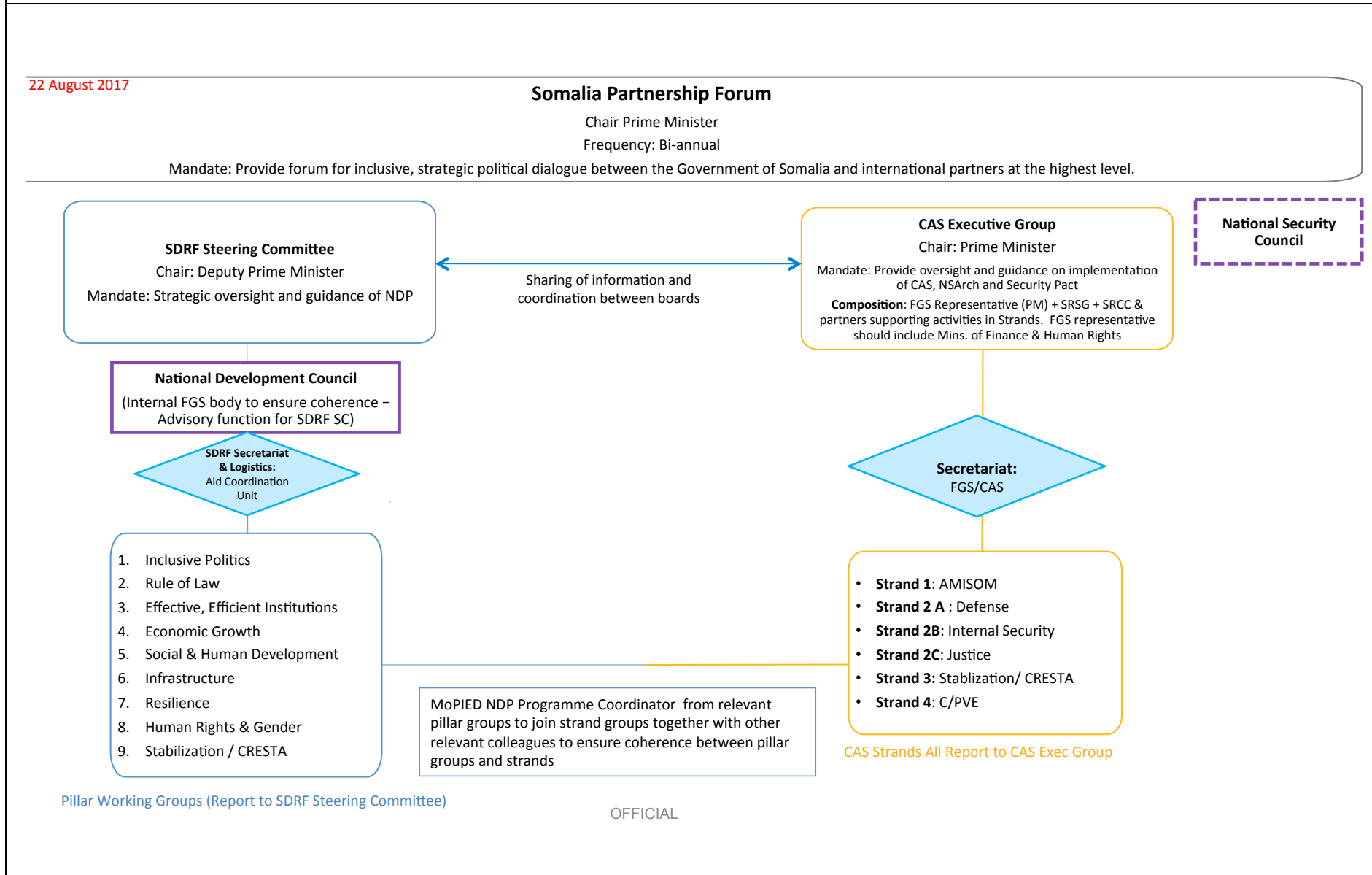


**Building trust through consistent representation.** The FGS and FMS should be regularly represented by the same individuals, enabling them to build trust and establish systems for communicating back to other parts of government.

## 2 SDRF Aid Architecture

Figure 2 on the next page presents the overall aid architecture for coordination between the government and the international community in Somalia. However, this note focuses primarily on the functions of the Somalia Partnership Forum, the SDRF Steering Committee and the Pillar Working Groups. The functions of the structures under the Comprehensive Approach to Security (CAS) will be defined by CAS leadership.

Figure 2. Aid Architecture Organigram



## 2.1 Somalia Partnership Forum

Co-chaired by the President of the FGS and the UN SRSG, the Somalia Partnership Forum convenes high level officials twice a year for political dialogue and stock taking of progress in NDP implementation and NPS adherence.

Forum Composition	Responsibilities
<p><b>Co-Chairs:</b> Prime Minister &amp; UN SRSG</p> <p>High-level representatives from FGS, FMS, Civil Society, and international partners, including bilateral and multilateral donors, the UN, IFIs, and AMISOM.</p>	<p><i>Frequency of meetings:</i> Biannually</p> <ul style="list-style-type: none"> <li>• Provide forum for inclusive, strategic political dialogue between the Government of Somalia and international partners at the highest level</li> <li>• Facilitate linkages between the political process, security needs, human rights protection and development activities in support of an integrated approach</li> <li>• Provide oversight of both the SDRF Steering Committee and CAS Executive Group.</li> </ul>
Explanation of Changes	
<p>Only minor changes:</p> <ul style="list-style-type: none"> <li>- Change in name from High Level Partnership Forum to Somalia Partnership Forum</li> <li>- Chaired by Prime Minister, rather than President of FGS</li> <li>- Additional oversight responsibilities for the CAS Executive Group</li> </ul>	

## 2.2 SDRF Steering Committee

The SDRF Steering Committee (SC) meets regularly in Mogadishu, serving as a forum for dialogue between the FGS, FMS and international partners. Co-chaired by the Deputy Prime Minister and the agency head of an international partner, the SC provides general oversight and guidance for NDP implementation, based on progress reports from the Pillar Working groups, and adherence to the commitments of the NPS.

The SC also endorses the pipelines of the three SDRF funds to ensure alignment with NDP priorities, coherence across the fund portfolios, complementarities with activities delivered outside of the funds, and feasibility based on available funding. Proposed modifications to pipelines should be circulated to the SC two weeks before meetings to ensure ample time for consultation within the NDC, SDG and UN CT. All documents for the SDRF SC will be circulated to the NDC by the ACU. Once pipelines are endorsed, concepts are elaborated into projects/programs, which are reviewed and endorsed by the most relevant Pillar Working Group. This process, including the advisory role of the NDC, is explained in more detail in the “Operations Manual for SDRF Funding Windows.”<sup>3</sup>

<sup>3</sup>Available here: <http://somaliampf.org/operations-manual>.

To strengthen SDRF oversight of the funds, the SDRF co-chairs, Ministers of Planning and Finance (FGS) and fund administrators meet on a quarterly basis before or after SDRF SC meetings to review the funds in detail. This should prevent the SDRF from getting bogged down in the minutia of the funds, as it should provide oversight of all activities related to NDP implementation, while still providing an important oversight and advisory function for the funds. As Secretariat for the SDRF, the ACU will also facilitate these fund-specific meetings (e.g. meeting organization, invitations, minutes, etc.)

Steering Committee Composition	Responsibilities
<p>Co-Chairs: Deputy Prime Minister of FGS and Representative of an international partner (Agency Head)</p> <p>Members:</p> <p><i>Government:</i> Ministers of Finance and Planning of FGS and FMS, Representative of Parliament (Relevant line Ministers invited if their sector is on agenda)</p> <p><i>International community:</i> UN DSRSG/RC, WB, AfDB, Heads of Donor Agencies providing aid for development in Somalia, IDB</p> <p><i>Civil Society:</i> 1 representative of nat'l CSOs and 1 of NGO Consortium</p>	<p><i>Frequency of meetings:</i> Bi-monthly or twice quarterly</p> <ul style="list-style-type: none"> <li>• Hold quarterly, strategic discussions of policy issues</li> <li>• Provide strategic oversight and guidance for NDP implementation               <ul style="list-style-type: none"> <li>• Review implementation plans and progress reports from working groups</li> <li>• Hold discussions on cross-cutting issues</li> <li>• Coordinate government and development partner activities at portfolio level in line with NDP priorities</li> </ul> </li> <li>• Provide forum for FMS to report on state-level progress and challenges.</li> <li>• Monitor adherence to NPS commitments</li> <li>• Review and endorse pipelines for SDRF funds administered by AfDB, UN and World Bank</li> </ul>

### Explanation of Changes

*Frequency:* Instead of monthly, the frequency is to be decreased slightly to allow more time for preparation in order to hold more strategic discussions.

*Simplification:* The previous arrangements for the SC included a distinction between the larger plenary meeting and the Executive Committee. In practice, neither the membership nor the content of the meetings differed significantly between these two bodies. Therefore, in the new set-up, this distinction is abandoned and membership re-assessed to ensure a balanced representation of the FGS, FMS and international community.

*Composition:* The Ministries of Planning and Finance from the FGS and FMS are to be responsible for representing the views of the NDC in the Steering Committee. Line ministries may be invited if their sectors are on the agenda. Greater line ministry engagement will be strengthened at the Pillar Working Group level.

*Focus/approvals:* The SDRF SC will focus less on individual projects and more on high level, strategic issues of cross-cutting importance. To reflect this change in focus, in its function as governance structure for the SDRF funds, the SDRF SC endorse fund pipelines as a whole at the concept stage. Individual project approvals are to be handled by the Pillar Working Groups, which delve into greater detail of specific projects developed in line with the direction approved by the SDRF SC.

### 3 Pillar Working Groups

The Pillar Working Groups also meet on a bi-monthly / twice quarterly (TBD) basis ahead of the Steering Committee Meetings, although certain working groups or sub-working groups may meet more regularly as needed. They are co-chaired by representatives of the government (including the Ministry of Planning) and international community. The purpose of the working groups is to promote sector-level coordination in alignment with the priorities of the NDP; knowledge sharing and policy coherence; and collective monitoring and reporting of progress. The Working Groups define their agendas based on the NDP and report back to the SRDF Steering Committee on progress on a quarterly basis. The Ministry of Planning will play a significant role to make sure projects are in line with the NDP and to make sure there is a follow up on monitoring, evaluation and reporting.

For the three SDRF funds, the Pillar Working Groups review and endorse project proposals, in line with the pipelines endorsed by the SDRF SC. Project documents submitted to the Pillar Working Groups that are not based on an endorsed pipeline will not be considered. This process is explained in more detail in the “Operations Manual for SDRF Funding Windows.”<sup>4</sup>

Working groups will have the flexibility to organize themselves as they see fit to effectively and efficiently fulfill their functions. They are responsible for establishing a limited number of sub-working groups, according to need. More detail on the functions and tools for the Pillar Working Groups is provided in the Pillar Working Group Guidance Note.

Pillar Working Group Composition	Responsibilities
<p>Co-chairs: 2 government representatives at DG/PS level (1 from line Ministry, 1 from MoPIED) and 1-2 development partners</p> <p>Members: Representatives of government (FGS &amp; FMS), bilateral and multilateral partners, and civil society</p> <p><i>Sub-working groups should also have co-chairs: a government representative at DG or Director level and 1-2 development partners</i></p>	<p><i>Frequency of meetings:</i> Bi-monthly / twice quarterly (or more as needed for specific WGs or SWGs)</p> <ul style="list-style-type: none"> <li>• Sectoral / programmatic coordination               <ul style="list-style-type: none"> <li>• Promote coordinated planning, consulting on new programs during planning and design phase</li> <li>• Review and endorse SDRF funds’ programs/projects</li> <li>• Facilitate coordination between political, development, humanitarian and security actors</li> </ul> </li> <li>• Promote knowledge sharing and policy coherence aligned to the achievement of the pillar’s objectives and milestones</li> <li>• Prepare progress reports, contributing to NDP monitoring and reporting</li> </ul>
<p><b>Explanation of Changes</b></p>	
<p><i>Frequency:</i> Bi-monthly or twice quarterly at a minimum</p>	

<sup>4</sup>Available here: <http://somaliampf.org/operations-manual>.

*Leadership:* Government chairs of Pillar WGs will all be at DG/PS level to ensure government ownership. Positions will not be held by advisors. It is also proposed that MoPIED also serve as a government co-chair for each Pillar Working Group.

*Structure:* The working group structures are aligned to the NDP Pillars, rather than the Peacebuilding and Statebuilding Goals of the Somali Compact.

## 4 NDP Coordination Functions for MoPIED

### *Coordination & Planning*

- Provide leadership across Federal Government Institutions and ensures proper coordination of NDP implementation;
- Prepares a short and medium term results-oriented comprehensive and integrated development plans for the country;
- Supports local capacity development for national planning, and in particular, provide support and guidance to the national and local bodies responsible for the decentralized planning processes;
- Liaise with the private sector and civil society to collect their views and feedback on Government performance, policies and programs;

### *M&E, Research and Analysis*

- Harmonize and standardize M&E procedures, practices and mechanisms across the Federal Institutions;
- Provides technical support and oversight to PME Units in sectoral ministries i) the operationalization of monitoring and statistics functions, and ii) the design and implementation of evaluation plans;
- Design and implement M&E framework for the NDP;
- Study and publish independent assessments of key economic and social policy issues and options to increase public understanding and participation in the economic and social policy debate
- Monitor the performance of the decentralized system of development planning and propose such institutional innovations that may be required for its improved operation;
- Monitor and evaluate the effectiveness and impact of development programs and the performance of the economy;
- Conduct in-depth evaluations of the impact and cost of selected development programs;

### *Reporting*

- Report to Cabinet periodically on Government performance and results;
- Contribute to the preparation of the Government's Annual Performance Report with data and evidence on progress towards national development plan objectives;
- Maintain a public website concerning the coordination arrangements and outcomes.



## 6 Secretariat Functions for ACU

The secretariat functions for the three-tiered structure of the SDRF will be performed by the Aid Coordination Unit (ACU). These functions include:

- Maintaining a public calendar of meetings for the Somalia Partnership Forum, the SDRF Steering Committee, the Pillar Working Groups and SWGs;
- Maintaining up-to-date mailing lists the members of these groups;
- Circulating invitations and documents in preparation for and in follow up to meetings;
- Preparing the minutes for the SDRF Steering Committee and documenting key decisions and recommendations of the Somalia Partnership Forum;
- Facilitating information sharing between members and groups (compiling and circulating documents; maintaining a public website; maintaining semi-public platforms for document sharing such as Dropbox folders for working groups); and
- Facilitating engagement of FMS in the aid architecture by coordinating logistics and travel.
- Maintain a public website concerning the coordination arrangements and outcomes.

# Annexes

## Annex A: Somalia Partnership Forum - Terms of Reference

The Somalia Partnership Forum provides a platform for inclusive political dialogue between the Government of Somalia and the international community at the highest levels, in promotion of accountable, transparent and coherent decision making. It facilitates linkages across political, humanitarian, development, and security spheres.

Under the chairmanship of the Prime Minister of Somalia and co-chaired by the Special Representative of the Secretary General of the UN, the Somalia Partnership Forum brings together high-level representatives from the Government of Somalia, the Parliament, civil society, and the international community. It meets twice a year, with ministerial or senior official level with international partner participation from headquarters to ensure constant political attention and review overall performance in implementing the National Development Plan (NDP) and adherence to the commitments of the New Partnership for Somalia (NPS).

The FGS Aid Coordination Unit serves as the Secretariat of the Somalia Partnership Forum and facilitates the necessary preparation, decision-making and follow-up processes.

### Membership

The Somalia Partnership Forum will bring together representatives from:

#### Government:

- Prime Minister (chairman)
- Parliament
- Selected line ministries
- Federal Member State representatives

#### Civil Society:

- Representatives of local and international Civil Society Organizations

#### International Community

- UN (co-chair)
- World Bank Group
- African Development Bank
- IMF
- African Union
- IGAD
- Islamic Development Bank
- Bilateral and Multilateral Partners

### Roles and Responsibilities

The Somalia Partnership Forum will, inter alia, aim to:

- Provide a forum for inclusive and strategic political dialogue;
- Facilitate a more integrated approach across the humanitarian-development-peace nexus;
- Guide the partnership between the Government of Somalia and the international community;
- Mobilize the necessary political, technical and financial support to Somalia.

The Somalia Partnership Forum meets twice a year. Decisions of the Forum will be taken by consensus.

## Annex B: SDRF Steering Committee - Terms of Reference

The Steering Committee (SC) of the Somalia Development and Reconstruction Facility (SDRF) provides strategic oversight and guidance for the implementation of the National Development Plan (NDP) and adherence to the mutual commitments of the New Partnership for Somalia (NPS).

Convened in Mogadishu, the Steering Committee is chaired by the Deputy Prime Minister of the Federal Government of Somalia (FGS) and co-chaired by a representative of an international partner (Agency Head). It brings together a limited group of representatives from the government and the international community. Its members are responsible for representing the views of broader constituencies.

The FGS Aid Coordination Unit serves as the Secretariat of the SDRF SC and facilitates the necessary preparation, decision-making and follow-up processes.

The SC meets bi-monthly/twice quarterly (TBD). Decisions are taken by consensus.

### Membership of the SDRF Steering Committee

#### Government:

- Deputy Prime Minister (Chairman)
- Ministry of Planning, Investment and Economic Development (MoPIED)
- Ministry of Finance (MoF)
- 1 Member of Parliament
- 1-2 Representatives from each of the Federal Member States and Benadir Regional Administration (BRA)<sup>5</sup>

#### International Community<sup>6</sup>:

- UN (UNRC/HC and UNDP)
- World Bank Group
- African Development Bank
- Islamic Development Bank
- Heads of donor agencies providing aid for development in Somalia

#### Civil Society:

- 1 Representative of national CSOs
- 1 Representative of international NGOs (NGO Consortium)

**N.B.** Other entities may be invited by the Steering Committee as observers to participate in specific discussions (e.g. line Ministries, Pillar Working chairs and co-chairs).

### Roles and Responsibilities

- Hold quarterly, strategic discussions of policy issues
- Provide strategic oversight and guidance for NDP implementation
  - Review implementation plans and progress reports from working groups
  - Hold discussions on cross-cutting issues
  - Coordinate government and development partner activities at portfolio level in line with NDP priorities
- Provide forum for FMS to report on state-level progress and challenges.
- Monitor performance / adherence to the mutual commitments of the NPS
- Review and endorse pipelines for SDRF funds administered by AfDB, UN and World Bank<sup>7</sup>

<sup>5</sup> The SDRF SC is also open to a representative from Somaliland.

<sup>6</sup> The international community members will be represented at the director level, by the Head of Development Cooperation, Agency or Mission or their alternate.

<sup>7</sup> The SC responsibilities and functions for the SDRF funds are detailed in the Operations Manual for SDRF Funding Windows.

## Annex C: National Development Council - Terms of Reference

### Preamble

The National Development Plan (NDP) 2017-2019 for Somalia has been prepared in broad consultation with all stakeholders and development partners. The plan describes the developmental direction and vision for the nation and clearly articulates its priorities and needs with the aim of poverty reduction and economic growth. The plan will be implemented from 1 January 2017 to 31 December 2019 and will succeed the New Deal Compact and Economic Recovery Plan.

### Purpose of the National Development Council

The National Development Council is a coordination body which has been set up to provide strategic direction, guidance and leadership to the drafting of the National Development Plan and advocate for the plan at the National and local community level. Besides these objectives, and considering that the formulation phase of the National Development Plan is finalized, it is proposed to update the ToRs of the NDC so that it also supports the implementation of the National Development Plan. It is suggested then that this council promotes intra-governmental (sectoral and federal-State) coordination, ensures that Federal Member States and national priorities are aligned, promotes national ownership, and oversees progress in the implementation of the National Development Plan. It is proposed for the Council to also undertake the following functions:

### Roles and Responsibilities

The terms of reference of the NDC should be expanded and the Council should become a high level policy discussion forum on the National Development Plan. In particular:

- It will oversee implementation of the plan at sectoral, Federal Member State and federal levels, ensuring that expected outputs and targets are achieved, analysing funding and implementation gaps and proposing corrective measures to improve achievement of development results, if needed. It will not only analyse implementation of the plan by sector and state, but also discuss on the impact of sector and state programme implementation in overall national development.
- The National Development Council will ensure that FMS and federal planning and implementation processes are coherent, in particular by verifying that Federal Member States' priorities are aligned with NDP objectives and targets, providing strategic guidance to NDP implementation and recommendations to the SDRF Steering Committee. The council will also position itself on the extent into which aid is delivered in support of NDP and State Strategic Plans' implementation is effective.
- It will also oversee coordination and communication between FGS and FMS in what relates to implementing, monitoring and evaluating the National Development Plan, discuss and identify potential sources of conflict of competence, and it will also identify capacity building needs and priorities.
- The council should in addition serve as a forum for information exchange between ministries, presentation of projects, peer commenting, sharing lessons, and providing feedback to program evaluations.
- Upon request, international agencies and NGOs could participate in NDC meetings. Its conclusions should be submitted to the SDRF Steering Committee.
- To engage and inform line Ministries at both levels about the NDP priorities, implementation process, coordination and expected reporting.
- NDC shall take leading role in promoting national budget formulation, revenue generation and resource sharing. ACU may attend Council meetings on observatory role.

In addition, it will also:

- Review (annually) the implementation of the NDP
- Review (bi-annually) proposals for amendment of the NDP
- Review (annually) the effectiveness of overall coordination arrangements

## **Term**

The NDC will be effective from the date of validation of the NDP or 1 January 2017, whichever comes first, until 31 December 2019. The Council will initially serve for a period of 24 months after which its term and TOR is to be reviewed.

## **Composition & Membership**

**Participants:** Ministries of Planning (FGS and FMS), Federal Ministry of Finance of the Federal Government of Somalia.

NDC shall from time to time consider additional attendees as deemed necessary by the Council.

**Chaired by:** Federal Government MOPIED. The secretariat will be provided by MOPIED and each FMS will have a focal point appointed by the Minister to coordinate NDC activities.

**Frequency of meetings:** The NDP will hold its regular meetings on a monthly basis.

## **Secretariat Functions**

The NDC Secretariat will perform all secretariat functions for the Council as listed below.

1. Receiving and submitting recommendations and feedback from the technical working groups (Pillars) to the Council.
2. The general administration and financial management of the Council.
3. Proposing draft agenda for the meetings of the Council.
4. Taking minutes and maintaining records of meetings of the Council.
5. Conducting research, collection of information or verification of any matter related to the NDP.
6. The submission of annual reports on the activities of the NDP to the Council.

This TOR was revised today, Thursday, May 25<sup>th</sup>, 2017 in Mogadishu at the Council's session.