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ANNEX 2

of the Commission Decision on the Annual Action Programme 2019 – part 1 in favour of Eastern Africa, Southern Africa and the Indian Ocean to be financed from the 11th European Development Fund

Action Document for "INCLUCITY - Support to inclusive and sustainable development of two strategic coastal cities in Somalia"

1. Title/basic act/ CRIS number	"INCLUCITY - Support to inclusive and sustainable development of two strategic coastal cities in Somalia" CRIS number: RSO/FED/041-636 Financed under the 11 th European Development Fund (EDF)	
2. Zone benefiting from the action/location	Somalia The action shall be carried out at the following locations: Mogadishu and Berbera.	
3. Programming document	Regional Indicative Programme (RIP) 2014-2020 for Eastern Africa, Southern Africa and the Indian Ocean	
4. Sustainable Development Goals (SDGs)	Main SDGs: SDG 11 – Make cities inclusive, safe, resilient and sustainable Secondary SDGs: SDG 5 – Achieve gender equality and empower all women and girls SDG 8 – Promote inclusive and sustainable economic growth, employment and decent work for all SDG 9 – Build resilient infrastructure, promote sustainable industrialisation and foster innovation SDG 13 – Climate action	
5. Sector of intervention/ thematic area	Regional economic integration	DEV. Assistance: YES ¹
6. Amounts concerned	Total estimated cost: EUR 23 000 000 Total amount of EDF contribution: EUR 23 000 000	
7. Aid modality and	Project Modality: Indirect management with the World Bank.	

¹ Official Development Assistance is administered with the promotion of the economic development and welfare of developing countries as its main objective.

implementation modalities	Indirect management with UN-Habitat (United Nations Human Settlements Programme).			
8 a) DAC code(s)	43032 - Urban development 15185 - Local government administration 21020 - Road transport			
b) Main Delivery Channel	World Bank - 44001 ² UN-Habitat - 41120			
9. Markers (from CRIS DAC form)³	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Gender equality and Women's and Girl's Empowerment ⁴	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Global Public Goods and Challenges (GPGC) thematic flagships	N/A			

² <http://www.oecd.org/dac/stats/annex2.htm>

³ When a marker is flagged as significant/principal objective, the action description should reflect an explicit intent to address the particular theme in the definition of objectives, results, activities and/or indicators (or of the performance / disbursement criteria, in the case of budget support).

⁴ Please check the Minimum Recommended Criteria for the Gender Marker and the Handbook on the OECD-DAC Gender Equality Policy Marker. If gender equality is not targeted, please provide explanation in section 4.5.Mainstreaming.

SUMMARY

The **overall objective** of this Action is to contribute to inclusive and sustainable urban development in Somalia. This Action contributes to the three pillars⁵ of the EU Development Cooperation Strategy 2017/2020 for Somalia adopted in February 2017. The two cities targeted are Mogadishu and Berbera, which are fully embedded in the EU Territorial Approach (strategic geographical areas/corridors of concentration for EU cooperation in Somalia) and are Somali "growth nodes" on regional trade corridors.

The **specific objectives** of this Action are:

1: Improved strategic and inclusive urban development planning and local governance in Mogadishu and Berbera;

2: Improved municipal investments in enabling infrastructures and service delivery;

3: Improved decent work and business activity in the cities with a particular focus on women and those people living in the most vulnerable situations.

The final beneficiaries are the people living in the targeted cities, who will be empowered and benefit from increased livelihood opportunities, better services and improved infrastructure. In addition, local institutions will be strengthened and capacitated to better plan and deliver services, which will enhance their legitimacy and contribute to stabilisation and state building.

1 CONTEXT ANALYSIS

1.1 Context Description

After 25 years of state disintegration, Somalia is showing timid but promising signs of increased security and stabilisation, coupled with the formation of recognised state institutions and the start of economic recovery. The capacities of institutions at federal, state and local levels remain weak with very limited capacity to regulate and deliver services.

The economy has remained resilient and grown at a moderate pace despite more than two decades of conflict thanks to the private sector, which however needs to be further developed and regulated. Insecurity and the lack of infrastructure have a negative impact on Somalia's economic development, creating high costs of doing business and limiting opportunities for income and employment. Sustainable growth requires massive investments in physical and human capital as well as institutional strengthening. Recently, investments targeting port developments and roads rehabilitation have been announced and are expected to enhance the regional trade in particular with United Arab Emirates (UAE) and Ethiopia.

The socio-economic indicators of Somalia remain very low: Somalia is among the five least developed countries in the world. With more than 70% of the population under the age of 30 and a poverty incidence of 73%, Somalia is a young country with enormous development needs. Unemployment rates fluctuating between 40% and 80% in urban areas make employment creation a top priority in order to avoid the young being lured into illegal activities (armed non-state actors, charcoal production and trading, human trafficking), marginalisation and irregular migration. Results of the High Frequency Surveys suggest that most of the poor people are concentrated in the urban areas with Mogadishu accounting for

⁵ Pillar 1 "Build effective and sustainable responses to security challenges", Pillar 2 "Respond to vulnerabilities and create economic opportunities" and Pillar 3 "Build state legitimacy and responsiveness, democratic governance and protection of human rights".

21% of all poor in the country. Women in Somalia are subjected to serious inequality and lack of access to basic rights: Somalia has one of the highest rates of maternal mortality in the world (maternal mortality ratio 732 per 100,000 live births). Women also suffer from rape, high rates of female genital mutilation (92% of women), violence against women and child marriage. Women's access to justice is restricted both within the formal, clan-based and sharia-based judicial systems and women also face limited access to economic resources and assets. This is compounded by women's low participation in politics and decision-making spheres.

Somalia's urban population is growing rapidly. This growth is largely driven by the relative safe haven and economic prospects cities offer and as a result of significant forced migration caused by conflicts and natural disasters. Somalia has one of the largest internally displaced populations in the world, with 2.6 million internally displaced people (IDPs), out of which 2.2 million live in urban or per-urban areas. The recent Somalia Economic Update showed that 70% of Somalia's Gross Domestic Product (GDP) is urban-based. **Given its potential to enhance economic productivity and to reduce human vulnerability, cities play a central role in Somalia's development and stability. However, the rapid pace of urbanisation creates multiple challenges.** Indeed, this puts considerable pressure on the already stressed services and infrastructure of the main and secondary cities and creates strong competition for jobs, land and services. Protection challenges are significant and the fragile social structure can easily be destabilised. Cities are sprawling in an uncontrolled manner. **The Government has limited capacity and resources to address these challenges.** Through increased investment in urban planning, infrastructure and service provision Somali cities are likely to become more inclusive and develop their potential as engines for regional growth, while the legitimacy of the institutions will be enhanced.

1.2 Policy Framework (Global, EU)

The importance of sustainable cities is highlighted in the 2017 new **European Consensus on Development**⁶. In particular, it calls on the EU and its Member States to "boost the potential of cities as hubs for sustainable and inclusive growth and innovation, taking account of their wider rural communities and of balanced regional development". **The UN 2030 Agenda for Sustainable Development (2030 Agenda)** highlights the importance of urban development by dedicating Sustainable Development Goal (SDG) 11 to "Make cities inclusive, safe, resilient and sustainable" and indirectly targeting cities in a number of other SDGs. The 2030 Agenda is supported by key global commitments: the Sendai Framework on Disaster Risk Reduction, the UN Framework Convention on Climate Change and the Paris Agreement, and the Addis Ababa Action Agenda on Financing for Development. The New Urban Agenda (NUA) adopted at the 3rd UN Conference on Housing and Sustainable Urban Development, held in Quito, in October 2016, aims to "promote inclusivity and ensure that all inhabitants, of present and future generations, without discrimination of any kind, are able to inhabit and produce just, safe, healthy, accessible, affordable, resilient, and sustainable cities and human settlements, to foster prosperity and quality of life for all".

The **EU Commission Communication on "Lives in Dignity: from Aid-dependence to Self-reliance"**⁷ lays out that addressing displacement in an integrated way requires three interconnected work streams: (1) considering the interaction between displaced populations and the existing conflict dynamics, (2) addressing the way in which service provision to

⁶ OJ C 210 of 30.6.2017.

⁷ COM(2016) 234 final of 26.4.2016.

displaced populations can be strengthened and integrated into systems that equally reach host communities and (3) considering livelihood and resilience activities that can increase self-reliance and strengthen the socio-economic situation at local or regional level.

The programme contributes to the EU Gender Action Plan II 2016-2020⁸, in particular objectives 14 "Access to decent work for women of all ages" and 16 "Equal access and control over clean water, energy, transport infrastructure, and equitable engagement in their management, enjoyed by girls and women".

1.3 Public Policy Analysis of the partner country/region

This Action is aligned to the priorities stated by the government, notably in its first **National Development Plan (NDP) 2017-2019**, the **Recovery and Resilience Framework**, and **District Development Frameworks**. The NDP and the Somaliland Development Plan II (2017-2021) envision development and implementation of urban strategic development plans, spatial plans, urban regulatory frameworks and urban renewal, rehabilitation and expansion to facilitate development of inclusive and sustainable urban centres. With limited resources, the capacity of the government to implement these plans is limited.

As per the **2018 Drought Impact Needs Assessment (DINA)**, the needs in terms of Urban Development and Municipal Services are estimated to reach around USD 300 million. The documents highlight the need to facilitate the provision of basic services and accommodations, to strengthen the capacities of local institutions in particular in terms of spatial planning and investment planning, to promote inclusive area-based interventions catalysing economic development, including formal job creation activities and key infrastructure development. Mapping of and investment in connectivity gaps is another key part of the approach. An adequate focus is put on crisis-affected persons in urban settings, and the government has recently committed to promoting durable solutions through its commitments in the **Nairobi Comprehensive Plan of Action for Durable Solutions for Somali Refugees** and the development of a **National Action Plan for Durable Solutions**.

1.4 Stakeholder analysis

Key stakeholders as duty bearers in this Action will be:

- The ability of **local/district authorities** to deliver on their mandate is challenged by an overlap of responsibilities between the local and the central government and their limited ability to deliver services due to capacity and fiscal constraints.

And regarding direct beneficiaries as rights holders:

- **Community committees** are non-elected bodies. They are very influential but not always interested in more inclusive decision making, especially as regards women and Internally Displaced Persons (IDPs);
- **Women and people living in vulnerable situations like youth, IDPs, people with disabilities**. These different groups in general have limited access to income-generating activities and are excluded from decision-making processes and thus require specific measures to be able to participate in governance and to benefit from emerging economic opportunities and increased access to services;

⁸ Gender Equality and Women's Empowerment: Transforming the Lives of Girls and Women through EU External Relations 2016-2020, SWD(2015)182 final of 21.9.2015.

Other relevant stakeholders:

- **Civil Society Organisations (CSOs)** are active in the participation and governance arena as most of them work directly or indirectly to support the empowerment of marginalised and poor people and investment in development programmes;
- **The Private Sector and the Chambers of Commerce** are other relevant non-state actors, consisting mainly of large and medium-sized businesses. Large businesses belonging to the chamber have economic power that can translate into political power. In other words, large businesses have sufficient influence to support or block measures that are relevant to inclusive and equitable governance. Small businesses have a much lower level of influence. The Chambers could support businesses to speak with one voice;
- **Donors/international community** are generally perceived as supporting, on the one hand, the interests of poor people and citizens and, on the other hand, the interests of their own constituencies. Development in Somalia and Somaliland is perceived to be largely donor-driven.

1.5 Problem analysis/priority areas for support

Despite the challenges inherent to Somalia's context, appropriate investments in governance and infrastructure in strategic Somali coastal cities can significantly contribute to the development of efficient trade corridors, linking the Somali ports of Berbera and Mogadishu to the Ethiopian hinterland. Somali urban centres provide socio-economic opportunities and are relative safe havens from conflict as well as centres of resilience. The urbanisation rate is estimated to reach 4% per annum, which is one of the highest in the world and outstrips municipalities' coping capacities. On the other hand, the government's ability to manage urban areas is closely linked to perceptions of the state's capacity to deliver benefits to its people. Therefore, improved urban governance and municipal services are critical in the stabilisation process and in building trust in public institutions.

This Action fits within the EU broader territorial development approach in Somalia, geographically focused along four areas (or corridors). In order to maximise the impact of this Action, the support is focused on Mogadishu and Berbera, which have been selected mainly on the basis of these criteria:

- Inclusion in the "EU prioritised corridors";
- Importance for regional trade and potential for development;
- Urban growth;
- Potential of synergies with on-going or committed support to the cities;
- Accessibility;
- Regional balance in terms of support.

Mogadishu and Berbera are located within the Shabelle River Corridor and the Somaliland Corridor respectively. They play an important role in the regional economy and trade and are both projected to grow in importance with planned investments in the pipeline. They are critical from a political-economy perspective and offer sufficient accessibility. This choice allows us to build on on-going or committed interventions and takes into account absorption capacity.

As the capital city of Somalia, **Mogadishu** has a particular political significance and is by far the most economically important city of Somalia. Indeed, partly due to the geographic features of Somalia, it is the main port on the 1,700 km stretch from Kismayo to the furthest point of the Horn of Africa. Despite the poor conditions of the roads and the volatile security situation, Mogadishu is connected to most of the fertile regions of southern Somalia but also

the main trade corridors going to Ethiopia and Kenya. It is the largest seaport and as such a growing source of income for the Federal Government of Somalia (FGS) and Benadir Regional Administration/Mogadishu Municipality (BRA). Apart from the 15% share of the port's revenue, the city does not benefit yet from other fiscal transfers and locally generated revenue remains limited. It is expected that improvements in the financial management and the tax collection system will strengthen the fiscal space of the administration.

Mogadishu is the 5th largest city in the East African region with an estimated population of over 2.5 million residents that accounts for about one-quarter of Somalia's total population. Its annual growth rate is one of the highest in Africa (83% growth 2005-2015). At the same time, Mogadishu is also considered one of the most fragile cities in the world. As a result of years of conflict, no planned city extensions have been carried out and settlements have sprawled on the edges as a result. The sprawling area is almost 3/4 as large as the planned area. The high concentration of Internally Displaced People (IDPs) in Mogadishu, exacerbated by the recent drought, and the high youth unemployment make the creation of economic opportunities critical. Increased access to basic services and security is strategically vital in order to strengthen people's trust in the municipal government's ability to deliver services and therefore its legitimacy. IDPs are largely disconnected from the economic centres of the city partly due to poor connectivity.

BRA has prioritised the rehabilitation and construction of secondary roads with streetlights and an improved drainage network based on the equitable social, human and economic impacts expected. Indeed, such investments are expected to support economic growth, improve access to basic services, enhance security and foster social cohesion thanks to the provision of benefits to both host communities and displaced people. Despite a solid basic network of primary and secondary roads, the main network has either not caught up with the recently built up areas or been damaged due to conflict and lack of maintenance, leaving large areas without connections. In addition, drainage is insufficient to mitigate flash floods and to reduce water-borne diseases. Streetlights are in general missing, posing a significant challenge for the security of the city's inhabitants, particularly women and girls who face a heightened risk of sexual and gender-based violence.

Berbera is a small port city, with an estimated population of 45 000 residents on the coast of Somaliland, facing the Gulf of Aden. It has high economic potential and serves as an entry point for goods heading to Ethiopia. This is the economic centre of Somaliland and is about to assume a major role on the Red Sea Shipping route.

The largest employer in Berbera is the Port of Berbera, followed by small and medium enterprises engaged in livestock, fishery and trade. Berbera has a strong service sector accounting for 40% of Somaliland's GDP, followed by retail trade at 38.7%. However, it is estimated that 40% of the population are below the poverty line.

Berbera has an elected council headed by a mayor. The local council is mandated to provide basic services including basic health, education, utilities, waste management, and environmental conservation. Berbera District is amongst the few districts showing substantial progress in the delivery of social services (health and education). The Berbera Municipality Authority is generating its own resources and succeeds in providing services to the residents. The Municipality has by-laws to govern the city but these need to be reviewed and adapted to align to the changing context driven by a growing and expanding city but also expected increasing investments from development partners (notably UAE) but also from the private sector.

There has been important investment in the infrastructure sector during the last five years. Road networks, with adequate drainage connecting major markets and service facilities have been developed and market facilities expanded. Labour intensive approaches have been used and the multiplier effects have contributed to boosting the local economy growth.

In 2016, Somaliland and the UAE-owned company DP World signed a 30-year concession contract for the management and development of a multi-purpose port project. In addition, the UAE had been granted permission to use and refurbish the existing military facility at Berbera airport. All these investment opportunities are expected to rejuvenate the local economy and increasingly strengthen the city's strategic location as a gateway for the international transport corridor. As a result, many businesses are coming in or returning.

These recent developments have already led to an increase in construction and to widespread land speculation anticipating an urban boom. This positive development also raises concerns that social cohesion may be affected if inequality rises and previous inter-clan agreements are disrupted. Signs of extreme urban sprawling coupled with spatial imbalances and social exclusion are visible around the main highways leading into Berbera. To respond to this, Berbera Municipality Authority has embarked on the development of the Berbera Urban Master Plan. However, the plan has remained a draft since 2016 and did not take into account the growing strategic importance of the city. There is a need to support the participatory development of a Strategic Urban Development Framework and to create an enabling environment for its implementation.

Urban environmental management is one of the main priorities identified by the Berbera Municipality. Waste production in the district is growing fast and the dumpsites are not extended simultaneously. The residential area is now closer to the existing dumpsite exposing nearby residents to serious health risks and provoking complaints from the residents. The Department of Social Affairs (DSA) in the Mayor's office is in charge of the day-to-day management of solid and liquid wastes. An existing public-private partnership (PPP) arrangement is in place at the Berbera Port, where a private company collects garbage both from ships bringing and collecting goods to Somaliland, and from the port itself. The city has plans to move the dumpsite to another identified site 9 km east of the city. The city garbage collection processes an estimated 12 tons of garbage per day with a relatively high content of organic and combustible matter, although most of the waste is burned. The population is not recovering or recycling waste and there are no formal businesses involved in waste recovery/recycling activities, though there may be some businesses recovering iron/steel/copper informally. Waste production is expected to grow significantly with urban growth and increased port activity. The livestock quarantine in Berbera generates large amounts of manure, an untapped resource that could be used to generate biogas.

2 RISKS AND ASSUMPTIONS

Risk	Level	Mitigation measures
Lack of Somali ownership and political will, and political competition over scarce financial resources.	M	Consultation and regular communication with the Government at all levels as well as other relevant stakeholders; A collaborative approach adopted between implementing partners and relevant stakeholders (including government institutions at various levels) through a Memorandum of Understanding (MoU); Promotion of transparent processes; support the local authorities to take the lead in planning and implementation of the initiatives; To the greatest extent possible, make use and strengthen current country systems; support a clear exit strategy that will enable a sustainable handover by the end of the initiative.
Insufficient capacity of the local authorities to lead the implementation of the interventions and to ensure maintenance of the infrastructures rehabilitated.	H	Intensive capacity building and skills transfer through recruitment of qualified consultants and engineers,
Security continues to undermine the development efforts.	H	Promote an inclusive approach through community engagement – both at the planning and implementation stages; Monitor and redress potential grievances from communities and private sector; Closely monitor the security as well as the political developments; Ensure that up-to-date security information and assessment is taken into consideration in the implementation process.
Fiduciary risks – misappropriation of funds due to weak financial management and procurement systems, and corruption.	M	Continued support to improve the Public Financial Management System; Strict fiduciary control mechanisms built in, social accountability mechanisms promoted to facilitate identification of risks; Dedicated procurement financial management specialists; Use of Monitoring Agent and third party monitoring; Close coordination and project monitoring by EU; Established international partners are responsible for supervising and assuring that the implementation is carried out as planned; prior review and post review supervision of the procurement processes.
High turnover of the leadership and staff at the relevant ministries and within local government.	M	Signature of a MoU for joint implementation; Support the use of necessary tools that will contribute to build institutional memory; Support staff capacity building through e.g.

		internal trainings, validation of qualifications and improvement of HR systems in order to alleviate risk of staff turnover.
Limited capacity of local private sector and potential negative impacts on human rights and the environment..	M	Use of locally available and adequate technology and materials; Clear project requirements, specifications and guidelines comprising of both ethical aspects as well as practical aspects e.g. use of construction materials and technology; Capacity building of the tenderers on the procurement process; Use of international supervision firm to ensure that the required technical competence and financial capacity necessary to supervise the construction sites is up to standard; Rights-based approaches applied is applied across all aspects of the projects.
Resistance or reluctance among certain stakeholders towards the inclusion of women and marginalised groups.	M	Dialogue, coordination, sensitisation and collaboration on issues of gender equality and women's empowerment and social inclusion mainstreamed in all activities, with particular attention on women and girls from marginalised groups such as persons living with disabilities, ethnic minorities, IDPs and refugee-returnees.
Loss of livelihoods due to construction works displacing micro-businesses in affected areas. Potential risk of evictions due to increased land prices as a result of rehabilitated roads. Increased social tensions and higher incidence of Gender Based Violence (GBV).		Social impact assessment and mitigation measures implemented; Set-up of grievances redress and feedback mechanisms; Adoption of a code of conduct; Continued monitoring of GBV risk; Implementation of relevant safeguarding instruments (Environment and Social Management Frameworks, Resettlement Policy Framework, Environment and Social Management Plans and Abbreviated Resettlement Action Plans), capacity-building of local authorities to conduct risk mapping and prevent as well as respond to evictions.
Assumptions The assumptions for the success of the intervention and its implementation include: <ul style="list-style-type: none"> • The Government of Somalia and the civil service remain committed to establishing a policy, regulatory, and institutional framework conducive to urban development; • Continuation of the peace and state building processes resulting in increased institutional and political collaboration between the different levels of government; • The Government continues to improve financial governance, transparency and accountability and refrains from detrimental interventions or legislations; • The security, political, social and environmental situation permits appropriate access to the targeted geographic areas and communities. 		

3 LESSONS LEARNT AND COMPLEMENTARITY

3.1 Lessons learnt

The World Bank identifies several lessons in their engagement in urban development in Somalia through the Multi-partner Trust Fund. The use of country systems contributes to building the capacities of the authorities to plan and manage assets and deliver services, which leads to increased legitimacy of the Government. Applying area-based approaches that take into account the needs of various different groups helps building social cohesion and prevents tensions between groups such as IDPs, returnees and host communities. Participatory decision-making also contributes to building social cohesion, increasing ownership and improving relations between government and citizens, leading in turn to stronger sustainability.

According to a recent report produced by the Research and Evidence Facility under the EUTF⁹, IDPs in Mogadishu feel excluded from the city and many would prefer to return to their areas of origin but the prospects of returning are few due to prevailing insecurity and loss of livelihoods. Due to the lack of security, poor living conditions and absence of clan protection internally displaced women and girls, persons with disabilities and ethnic minorities face higher risks of being victims of GBV and sexual exploitation in the cities.

The final evaluation of the EU funded *Sustainable Employment Creation and Improved Livelihoods for Vulnerable Urban Communities* (SECIL) project, implemented by UN-Habitat, in Mogadishu recommended to include considerations of access for persons with disabilities and other persons living in vulnerable situations in the design phase. Focus on mainstreaming efforts such as ensuring that infrastructure is accessible to the disabled can broaden the impact of projects.

Economic growth does not translate automatically into poverty reduction. Specific efforts need to be made to facilitate a more inclusive growth. Vested interests are likely to play a disruptive role unless risks are managed properly. Special attention should be paid to increase young people and women's access to traditional and non-traditional jobs. In addition, labour-intensive approaches have shown multiplier effects that boost local economic growth.

3.2 Complementarity, synergy and donor coordination

The EU broader territorial development approach requires a strong coordination of all instruments supporting security, stabilisation, institution building, economic development and protection of those people living in the most vulnerable situations. This Action is expected to strengthen both the humanitarian-development nexus and security-development nexus.

In particular, the Action is expected to strengthen the security-development nexus by complementing the recently approved EUTF programme on "*Enhancing Security and Rule of Law*" and contribute to the implementation of the Transition Plan. It will be reinforced by 3 on-going Common Security and Defence Policy (CSDP) missions: EUCAP, EUTM and EUNAVFOR but also by the EU "*Port Security and Safety of Navigation in Eastern and Southern Africa and the Indian Ocean*" programme which aims at improving port security and the safety of navigation, and from which Somalia will benefit. It will further be supplemented by interventions supported by the Multi-donor Somali Stability Fund (SSF), IcSP (Instrument contributing to Stability and Peace)-funded interventions, the USAID "*Transition Initiatives*

⁹ "Return and (Re) Integration after Displacement Belonging, Labelling and Livelihoods in Three Somali Cities", Research and Evidence Facility (2018), https://ec.europa.eu/trustfundforafrica/all-news-and-stories/return-and-reintegration-after-displacement-belonging-labelling-and-livelihoods_en

for Stabilisation", and the UK's "Early Recovery Initiative". Finally, the UNDP's "Rule of Law Programme" will help mitigating potential disputes.

The Action is designed to complement in particular the EU funded "*Inclusive Local and Economic Development*" (ILED) Programme, thanks to its focus on the sustainable development of the two urban coastal cities. ILED will have a stronger focus on stabilisation and local governance, the support to productive value chains, diversifying the economy and creating a more conducive environment for private sector development. ILED will also contribute to setting up a social transfer system. Specific effort to facilitate the coordination will be made.

The Action will directly benefit the foreseen investment of Qatar in the rehabilitation of roads from Mogadishu towards Afgoye and Jowhar. In addition, the EU *Somalia Regional Corridors Infrastructure Programme* (SRCIP) that contributes to improving road connectivity will also reinforce this Action. Further coordination will be sought with the projects supported under the World Bank Multi Partners Trust Fund, as well as with the *UN Joint Programme for Local Governance* (JPLG) which is supporting the development of capacities of the district authorities in the two targeted areas and improving urban planning in Mogadishu and the *Youth Employment Programme* as well as EU and other donor partners' resilience and durable solutions projects.

The Action will likely be further reinforced by the support to Public Finance Management and the EU Budget Support programme, which aim to strengthen country systems and enhance the relations between the Federal Government of Somalia and the sub-national authorities.

In Mogadishu, the Action will benefit directly from the on-going work of UN-Habitat on urban planning and strategic spatial planning, use community institutions set up at the district level by the TIS+ (Transition Initiatives for Stabilization Plus) project to carry-out consultations. It will build upon lessons learned and mechanisms tested under the Special financing facility for Local Development and use some of the feasibility studies prepared for the Somali Urban Investment Planning Programme (SUIPP), the Trunk Drainage Master Plan as well as a Road Connectivity Assessment for Mogadishu. The Action will also facilitate linkages with the EU funded "The BRIDGES" project that has trained young Somalis in road construction and solar energy infrastructure maintenance.

In Berbera, the Action will use the data collected for the initial Urban Master Plan foreseen and analytical work performed. Impact will be further enhanced by the foreseen investment by DP World not only in the port's development but also in service delivery and connectivity and by investments made under the Somaliland Development Fund.

The principal coordination mechanism at the national level will be the Somalia Development and Reconstruction Facility (SDRF) and the various Pillar Working Groups, which serve as the centrepiece for the partnership and mutual accountability between the government and international community for implementing the Somalia National Development Plan (NDP), in line with the principles of the New Partnership for Somalia (NPS). The Federal Government has recently dedicated a sub-working group on urban development within the revised aid architecture, which is expected to facilitate dialogue among key stakeholders.

The Somaliland Government is in the process of establishing a donor coordination framework for its National Development Plan II, which was finalised in 2017. Once the coordination framework is finalised, the programme will utilise it for information sharing and building synergies with relevant donors and programmes.

At the local level, the implementing partner will ensure strong leadership of the government and will facilitate coordination with local actors, particularly civil society organisations

representing women, youth, IDPs and persons living with disabilities. Targeted discussions with other key donors engaged in Berbera and Mogadishu will be ensured. The Berbera Economic Forum, a platform for business people, and the Association of Local Government Authorities of Somaliland, which benefit from EU support through the Netherlands Association of Municipalities (VNG), can facilitate the promotion of good practices and discussions around public-private partnerships. This dialogue will also include civil society organisations representing a wide range of right holders.

4 DESCRIPTION OF THE ACTION

4.1 Overall objective, specific objective(s), expected outputs and indicative activities

The **overall objective** is to contribute to the stabilisation of Somalia and inclusive and sustainable urban development of the regional growth nodes Mogadishu and Berbera.

Specific objective 1: Improved strategic and inclusive urban development planning and local governance in Mogadishu and Berbera.

Specific objective 2: Improved municipal investments in enabling infrastructures and service delivery.

Specific objective 3: Improved decent work and business activity in the cities with a particular focus on women and those people living in the most vulnerable situations.

Result 1: Enabling tools and capacities for urban development and infrastructure investments created

The intervention will build the capacity of local authorities in gender responsive and rights-based investment planning and management so they can better plan and improve the urban environment.

In Mogadishu, the Action will further pilot the use of country systems and strengthen BRA capacity to plan and deliver infrastructure. BRA will have the overall responsibility for project implementation. Indeed, the Project Implementation Unit (PIU) established within BRA/Mogadishu Municipality through the MPTF Somali Urban Investment Planning Project (SUIPP) will be in charge of the implementation of the project and thus will receive capacity building through on-the-job training thanks to this intervention. This intervention will also facilitate knowledge transfer to the wider municipal staff through the twinning of PIU staff with their municipal counterparts. The activities foreseen include:

- Strengthening of BRA capacity to better plan the rehabilitation of critical roads and drainage systems, in a climate resilient, gender sensitive and rights-based manner, and including support to the design of roads, provision of engineering supervision and management of community consultations;
- An environment and social safeguard screening of all infrastructure investments and preparation of any necessary safeguard documents will be prepared to ensure (i) there are no negative environmental impacts; (ii) any people whose properties or livelihoods impacted by the construction/investment are adequately compensated; and (iii) adequate labour management policies are in place for the construction and that contractors sign a code of conduct;
- Community mobilisers will be engaged by the PIU to ensure the unskilled labour used in this project are selected in a participatory manner and opportunities are provided to women, youth and vulnerable members of the population. Efforts will also be made to utilise the graduates of the EU funded "THE BRIDGES" Technical and Vocational Education and Training (TVET) project trained in road construction and solar lighting

as well as engineers that were trained under the USAID-funded TIS+ project to the greatest extent possible to leverage on-going projects;

- Capacity building to the PIU on engineering, financial management, procurement and environmental and social safeguards (based on needs identified through the SUIPP institutional assessment) including impact of the project on gender equality, women's empowerment and any potential adverse effects on human rights;
- Training and equipping of BRA units responsible for infrastructure maintenance. This will build on the World Bank's planned technical assistance on Operation and Maintenance;
- Help BRA develop and improve guidelines for the formation process and composition of Maintenance Committees and strengthen the capacity of these Maintenance Committees to take on their role of informing the municipal government of maintenance needs and mobilising and engaging community members for day-to-day maintenance such as gutter clearance as required;
- Support to better coordination of the committees' activities;
- Establishment and implementation of a grievance redress and feedback mechanism related to project activities. This would include the formation of Grievance Redress Committees composed of community members in order to address any project related grievances that may arise.

In **Berbera** the intervention will strengthen the capacity of the municipality in terms of urban planning and will create a more conducive and inclusive environment for investments. The waste management services will be improved through strengthened planning and development of key policies and regulatory frameworks, including potential establishment of public-private partnerships that will ensure effective and efficient management and increased revenue for the municipality. The activities foreseen include:

- Support the City Development Strategy for Berbera, through an inclusive and participatory process involving local communities, the private sector, local and central government and civil society actors (including those representing the most left behind);
- Development of a Spatial Strategic Plan that outlines growth directions, investment areas, main land uses and protected areas for the next 10-15 years. As part of the Spatial Strategic Plan, a Berbera Economic Development Strategy will provide economic analysis to inform city extension and urban development;
- Strengthen the Municipal Development Forum/Berbera Economic Forum which will enhance economic development and to support Berbera local authority to create an enabling environment for the private sector development;
- Strengthen urban land management through the implementation of a building permit system and improved public property management (including environmental sensitive areas and solid waste facilities);
- Develop and support implementation of a plan to strengthen the delivery of waste management services in Berbera, including bio-medical waste, across the city and improve opportunities for poor households to get access to the services and related economic opportunities. The use of the already established GIS-based property taxation system will be explored to collect municipal revenue for garbage collection from the properties;
- Support the development of city waste management policy, regulatory framework and public-private partnership frameworks for garbage collection and waste management.

Result 2: Infrastructure and service delivery improved

In **Mogadishu** the project will directly contribute to the rehabilitation of approximately 13-17 km of urban and community roads along with rainwater drainage and streetlights in selected areas of Mogadishu. Through the World Bank Multi-partner Trust Fund Somalia Urban Resilience Programme (SURP), a feasibility study was conducted for 47 community roads and a preliminary design prepared for 31 of them. In addition, a feasibility study and preliminary designs were prepared for 4 urban roads (17km). The Environmental and Social Management Framework for these investments is already prepared. With the funding already available, the World Bank will rehabilitate 19 of these community roads (but without street lighting). This intervention will cover the rehabilitation/construction of the remaining 12 community roads (9.8 km in 10 districts and one priority urban road (3.1 km). In addition, the funding will support the preparation of the detailed engineering designs and rehabilitation of some inter-connecting roads that can enhance connectivity of the priority community roads to key socio-economic facilities and road networks in the city. These will be rehabilitated in a climate resilient, rights-based and gender sensitive manner. The additional connecting roads have already been prioritised based on detailed multi-criteria analysis under the World Bank funded Road Connectivity Assessment which included a community participatory decision making process. The activities foreseen include:

- Preliminary and detailed design including site-specific Environment and Social Management Plan (including grievance system and human rights due diligence);
- Road construction and rehabilitation of key community and urban roads in Mogadishu using labour intensive methods;
- Road rainwater drainage in prioritised areas based on the Mogadishu Trunk Drainage Master Plan which was developed by the World Bank;
- Streetlights along the supported roads in Mogadishu.

The approach chosen for the construction of the community roads contributes to the circular economy. Indeed, the road paving material used (either precast concrete interlocking paving blocks or other labour intensive road surfacing) is reducing use of machinery with higher labour input. It is therefore more labour intensive than in the construction of asphalt/bitumen pavement. The construction materials are mainly locally available sands and aggregates and of course the concrete pavers. The manufacturing process for the concrete pavers is also environmentally friendly with minimum use of energy and motorised equipment. Finally, concrete pavers are easier to maintain by the community, as it does not require any imported material or technology/equipment to repair damaged sections. Broken pavers can also be chiselled, reshaped, and reused.

In **Berbera**, this component will focus on strengthening the management of the urban environment through support to an improved waste (solid and bio-medical) management system. The activities foreseen will be aligned with the City Development Strategy and Spatial Strategic Plan. Sustainability will be ensured through an approach that is based on private sector participation, both for garbage collection and the management of the new landfill site to be established under the project. The activities foreseen include:

- Conduct an assessment of the economic and environmental efficiency and effectiveness, as well as the social impact, of the existing waste management system and facilities;
- Undertake a feasibility study and detailed design for the closure of the existing dumpsite and establishment of the new site;
- Support the closure and environmental rehabilitation of the existing dumpsite;
- Creation of an engineered dumpsite in a strategically selected location;
- Construction of a feeder road that connects to the new dumpsite;
- Support urban environmental awareness campaigns.

By incentivising greater recycling and reuse, the intervention will bring benefits for both the environment and the economy and is promoting circular economy.

Result 3: Livelihood opportunities for women and young urban poor and IDPs created

The project will support the creation of both short-term income-generating opportunities through labour intensive approaches and longer-term decent job opportunities. Specific measures will be taken to ensure IDPs, poor and marginalised and host communities, particularly women and female-headed households benefit from the Action.

By applying a labour intensive approach in the rehabilitation of community and urban roads in selected areas of **Mogadishu**, the intervention will contribute to the direct creation of short-term income generation opportunities (at least 45 000 person days of job created). Indeed, the road construction will use precast concrete interlocking paving blocks or other labour intensive methods. Community mobilisers will be engaged for the facilitation, negotiation on the selection criteria of the people who will take part in manual labour and specific contractual measures will be taken to ensure that part of the population of the targeted communities, including IDPs, refugee-returnees and people living in the most marginalised situations benefit from the livelihood opportunities. In addition, some community members will benefit from construction skills training so that they can engage in semi-skilled labour for higher income. Finally, the selection criteria of the roads entail an evaluation and consequent ranking of the socio-economic benefits of the road investment. Therefore it is expected that the investment will further contribute to generate economic opportunities.

In **Berbera**, various initiatives to support youth employment and entrepreneurship, particularly for young women and people from marginalised groups, will be explored and the circular economy will be promoted. The activities foreseen include:

- Facilitate and promote private sector engagement in recycling and re-usage of materials through the implementation of investment projects identified in the City Development Strategy, such as the support of setting up a business incubator;
- Support to long-term employment opportunities within the waste management/recycling sectors by providing skills training on waste management and/or entrepreneurship, etc.;
- Support to the launch and development of business activities in waste management and recycling, including carrying out feasibility studies, supporting business advisory services to prepare business plans, technical/engineering, access to finance and non-financial services;
- Create short-term job opportunities by supporting clean-up campaigns in the city, the harbour and the beach.

4.2 Intervention Logic

Somalia is going through a peace and state-building process and faces several challenges in terms of insecurity, good governance and poverty reduction. The State has limited reach and the Government lacks capacities and resources to ensure inclusive access to services and livelihood opportunities. By providing the enabling tools and capacities needed for urban planning and strategic investment while decent work is promoted, particularly for groups experiencing vulnerabilities, inclusive urban development will be facilitated and access to services improved significantly. This hinges on the assumption of a continued commitment from the Government and civil service to work with the international community to promote decent jobs and services delivery. The commitment showcased by the local, regional and

federal levels of government during the identification process is testament that this assumption is realistic.

Improving strategic and inclusive urban development planning and local governance and expanding municipal investments in enabling infrastructures and service delivery, while increasing opportunities for decent work and business activities in the cities is expected to contribute significantly to the stabilisation of Somalia and inclusive and sustainable urban development of Mogadishu and Berbera. To achieve this, there is a need for continued progress in terms of the peace and state-building process to ensure inclusive development in Somalia. Mogadishu has shown impressive resilience since its liberation and transformed significantly, while Berbera has proven that its ability to collect revenues and deliver services, which is why the two cities are showing promising signs of stabilisation and development that encompasses women and those people living in the most vulnerable situations.

4.3 Mainstreaming

Gender, human rights, inclusivity and conflict sensitivity (Do No Harm), environmental and climate change will be crosscutting issues central for this Action. Creating opportunities for youth and women will be a particular focus, given their political, social and economic marginalisation. Assessments of the needs and opportunities of both will be undertaken and recommendations followed. Giving women more access to finance, labour participation, and educational opportunities is likely to have a disproportionate impact on alleviating poverty. Youth and women's associations will be consulted and engaged in planning and decision-making and specifically targeted in income generating opportunities supported by the intervention. The programme will also respond to the development needs of the displaced – both IDPs and returnees – and of their host communities. Implementing partners will work with authorities to promote their socio-economic inclusion. Impact on these specific groups will be measured. A grievance redress and feedback mechanism to address any concerns affected people may have will be established. It is expected that road rehabilitation and street lighting will contribute to a safer environment and facilitate access to basic services including security. Increased capacity of BRA to plan the road network will help them analyse security threats and implement mitigation measures (road-checkpoints, crash-resistant bollards, barriers, surveillance cameras, etc.).

Migration to urban centres in Somalia is one of the main coping mechanisms of Somalis during climate shocks but this is not yet taken into consideration in terms of urban planning. Given the high vulnerability of Somalis to natural disasters, climate change and environment and displacement will be important crosscutting issues addressed by the programme. Indeed, the Action will contribute to integrating climate risk, environmental hazards and vulnerability assessments in policy development and planning. By supporting better waste management and rainwater drainage, the Action will have a direct positive environmental impact and contribute to climate change mitigation and adaptation. The better drainage will contribute to mitigate flash floods, and prevents roads from getting damaged. Proper flood management will alleviate the exposure of the urban poor to flash floods as they often live in precarious areas.

4.4 Contribution to SDGs

This intervention is relevant for the UN 2030 Agenda for Sustainable Development. It contributes primarily to the progressive achievement of SDG 11 – "Make cities inclusive, safe, resilient and sustainable", SDG 5 – Achieve gender equality and empower all women and girls, SDG 8 – "Promote inclusive and sustainable economic growth, employment and decent work for all", and SDG 9 – "Build resilient infrastructure, promote sustainable industrialisation and foster innovation". SDG 13 – "Climate action" – will also be targeted.

The Action will contribute to achieving these goals directly as well as interlinkages between the expected results that will contribute to this end. Supporting improved urban planning and investments in infrastructure will strengthen economic opportunities for the urban population through more employment opportunities, which will also lead to poverty reduction through inclusive economic growth.

5 IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is 48 months from the date of the entry into force of this financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Decision and the relevant contracts and agreements.

5.3 Implementation of the budget support component

N.A.

5.4 Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.¹⁰

5.4.1 Indirect management with an international organisation (World Bank)

A part of this Action may be implemented in indirect management with the World Bank.

This implementation entails carrying out the activities in Mogadishu listed under section 4, Results 1-3. The envisaged entity has been selected using the following criteria: combination of operational capacity and the value added of the entity. The Multi-partner Fund for Somalia managed by the World Bank is now fully operational and the World Bank has a unique implementation capacity with regards to the use of country system. This modality will contribute to enhancing the Government visibility and therefore its legitimacy and to strengthening the PFM, project planning and implementation capacity of the government. Therefore it can be an important instrument to prepare sub-national governments for possible inter-governmental capital fiscal transfer in the future. The Somalia Urban Resilience Programme has been approved by the SDRF and builds on previous and on-going other interventions

5.4.2 Indirect management with an international organisation (UN Habitat)

A part of this action may be implemented in indirect management with the UN-Habitat¹¹ (United Nations Human Settlements Programme). This implementation entails carrying out

¹⁰ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

¹¹ Reinforced pillar assessments were recently completed.

the activities in Berbera listed in section 4 under Results 1-3. The envisaged entity has been selected using the following criteria: combination of operational capacity and the value added of the entity. UN-Habitat has a specific operational expertise and experience in urban development and local governance in Somalia and has been supporting Berbera municipality to prepare their first urban plan and also to review the gaps of the recent draft urban master plan. They also have a strong local and international expertise in waste management.

5.5 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

5.6 Indicative budget

Component	EU contribution (in EUR)
5.4.1 Indirect management with World Bank	15 000 000
5.4.2 Indirect management with UN-Habitat	7 500 000
5.9 Evaluation, 5.10 Audit	300 000
5.11 Communication and visibility	200 000
Total	23 000 000

5.7 Organisational set-up and responsibilities

The intervention in Mogadishu will be implemented on behalf of the Federal Government of Somalia by the Benadir Regional Administration/Mogadishu Municipality using proceeds from the World Bank Multi-partner Trust Fund through a Grant Agreement with the Bank. As per the Grant Agreement signed between the Bank and the Ministry of Finance, the federal government will have oversight of the project. The Municipality will, however, have overall responsibility for project implementation. A Project Implementation Unit (PIU) has already been established within the BRA under the SUIPP and reports to the Mayor of Mogadishu.

The PIU will have project management responsibility, coordinating overall project implementation, ensuring the timely availability of fund transfer to contractors, implementing the Abbreviated Resettlement Action Plans and Environment and Social Management Plans and ensuring continuous community outreach and consultation, maintaining project accounts and producing financial reports, monitoring and evaluating programme implementation and impacts, developing and implementing the grievance redress and feedback mechanism and reporting results to various stakeholders. The PIU will be supported by a contracted supervision agent who will be responsible for monitoring the contractors of the civil works. The World Bank will carry out a prior review and post review of procurement actions. The PIU will also be supported by an independent Monitoring Agent that has been contracted by the Bank to provide monitoring support of all projects in the Bank portfolio. The EU Delegation will participate in the supervision missions foreseen twice a year and in donor briefings facilitated by BRA.

An agreement of cooperation will be signed between UN-Habitat and Berbera Municipality describing the activities and defining the roles and responsibilities. UN-Habitat will provide technical expertise and coordinate the implementation. The municipality will be in charge of some of the procurements in particular the ones linked to waste management.

A Project Steering Committee will be set-up. It will be responsible for reviewing the overall policy and strategic directions of the project, monitoring the overall performance and coherence between the different components, as well as ensuring the coordination with other relevant stakeholders. The effective implementation of gender mainstreaming and rights-based approach will also be monitored. It will also provide guidance as appropriate and will analyse the progress reports. It will meet annually twice a year and will indicatively consist of representatives of the EU Delegation, UN-Habitat and Berbera Municipality. Ministries of Interior, Public Works and Planning will be involved in the steering committee. The final composition of the steering committee will be confirmed once the programme is operational.

5.8 Performance and Results monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the Log frame matrix (for project modality). SDG indicators and, if applicable, any jointly agreed indicators, for instance Joint Programming document, should be taken into account.

The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.9 Evaluation

Having regard to the importance of the action, mid-term and final evaluations will be carried out for this action or its components via independent consultants contracted via an implementing partner.

A mid-term evaluation will be carried out for problem solving and learning purposes, in particular with respect to the need to ensure complementarity with planned interventions by EU and other partners.

A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), to ensure that lessons learned and recommendation for future similar actions in other locations in Somalia are recorded.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, one contract for evaluation services shall be concluded under a framework contract in 2022.

5.10 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

It is foreseen that audit services may be contracted under a framework contract.

5.11 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. This action shall contain communication and visibility measures, which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

It is foreseen that a contract for communication and visibility may be contracted under a framework contract.

APPENDIX - INDICATIVE LOGFRAME MATRIX¹²

	Results chain: Main expected results	Indicators	Sources of data	Assumptions
Impact (Overall Objective)	Overall objective: contribute to the stabilisation of Somalia and inclusive and sustainable urban development of the regional growth nodes Mogadishu and Berbera.	<ol style="list-style-type: none"> 1. Fragile State Index (FSI) Score. 2. Mo Ibrahim Index of African Governance ((IIAG) Score C- GDP per capita (Current USD). 3. Annual GDP growth rate (%). (**EU RF 1.13)¹³ 4. Unemployment rate (disaggregated by sex, age, disability, migratory status, income quintile). (**EU RF 1.14) 	<ol style="list-style-type: none"> 1. FSI Score on http://fundforpeace.org/fsi/country-data/. 2. IIAG Score on http://iiag.online. 3. GDP per capita on https://data.worldbank.org/indicator GDP per capita on https://data.worldbank.org/indicator/country/somalia 4. Unemployment Rate (NDP). 	
Outcomes (Specific Objectives)	Specific objective 1: support strategic urban development planning and local governance.	SO1: Status of regulations in the field of waste management. (**EU RF 2.25) SO2: Status of procedures of the municipality on management of investments. (** EU RF 2.12) SO3: Status of a set of investment programmes for the both municipalities.	Project reports and evaluation reports.	The Government of Somalia and civil service remain committed to establishing a policy, regulatory, and institutional frameworks. The government has and implements a dedicated policy for roads and for waste management.

¹² Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

¹³ <http://ec.europa.eu/transparency/regdoc/rep/10102/2018/EN/SWD-2018-444-F1-EN-MAIN-PART-1.PDF>, Annex 2

	Specific objective 2: improved municipal investments in enabling infrastructure and service delivery.	SO4: Annual average daily traffic (vehicles /day). SO5: Average speed on rehabilitated roads (km/h). SO6: Number of people with access to all season roads within a 500-meter range, by sex and migratory status. SO7: Percentage of beneficiaries satisfied that infrastructure met their needs, by sex, disability and migratory status. SO8: Proportion of urban solid waste regularly collected and with adequate final discharge out of total urban solid waste generated (SDG 11.3.2). SO9: Percentage of households covered by solid waste management services in Berbera, disaggregated by household type (male/female headed), migratory status and income percentile. SO10: Tonnes of waste recycled. SO11: Cubic metres of bio-fuel generated.	Project reports and evaluation reports.	Continuation of the peace and state building processes. No negative impact of any potential deterioration of the security situation. Roads maintenance works are planned and budgeted for the longer-term. The new waste management system / dumpsite / biofuel facility are operating efficiently.
	Specific objective 3: improved decent work and business activity in the cities with a particular focus on women and those people living in the most vulnerable situations	SO12: Number of long-term decent jobs created, jobholders disaggregated by sex, age, and migratory status. SO13: Number of businesses started within waste management or bio-fuel generation. SO14: Level of household incomes among marginalised community members, disaggregated by household type (i.e. female/male headed household). SO15: Amount (EUR) of new investments contributing to sustainable urban development in Berbera.	Project reports and evaluation reports.	The security, political, social and environmental situation permits appropriate access to the targeted geographic areas and communities. Stability of road maintenance and waste management sectors and businesses.
Outputs (results)	Output 1: enabling tools and capacities for urban development and infrastructure investment created.	O1.1: Number of project and government staff formally trained, disaggregated by type of the training and sex and age, and place / institution. (EU RF 2.15). O1.2: Status of the vision and city development strategy in Berbera and to what extent they contribute to gender equality and ensure that people have equal access to services. (** EU RF 2.25). O1.3: Status of the Spatial Development plan of Berbera. O1.4: Status of the building permit system in Berbera	Project reports, perception surveys and assessment of the municipality.	The staff & officials are available and willing to learn, and have a framework for in-service training. The draft strategies and guides are accepted and endorsed by the municipalities / government.

		<p>O1.5: Status of community members consulted disaggregated by sex and migratory status.</p> <p>O1.6: Status of the guidelines for Maintenance Committees.</p>		
	<p>Output 2: infrastructure and service delivery improved.</p>	<p>O2.1: Kilometres of secondary roads with rainwater drainage constructed or rehabilitated. (** EU RF 2.16)</p> <p>O2.2: Kilometres of road equipped with adequate streetlights. (** EU RF 2.16)</p> <p>O2.3: Number of participants in functioning Maintenance Committees, disaggregated by sex and migratory status.</p> <p>O2.4: Number / capacity (volume) of environmentally engineered dumpsites created.</p> <p>O2.5: Kilometres of feeder road to the dumpsite constructed. (** EU RF 2.16)</p> <p>O2.6: Number people reached by environmental awareness campaigns.</p> <p>O2.7: Number of strategic capital investment projects unlocking local economic potential derived from the city development strategy identified and</p> <p>O2.8: Number of people (disaggregated by sex) with access to all season roads with EU support (EU RF) designed.</p>	<p>Project reports and evaluation reports.</p>	<p>Local Human Resources and physical resources are satisfactory for the performance and for planning maintenance.</p> <p>Municipalities abide to the recommendations of the Maintenance Committees.</p> <p>Regulatory issues, permits and certification are efficient to allow tendering and completion of works.</p>
	<p>Output 3: livelihood opportunities for young urban poor and IDPs generated.</p>	<p>O3.1: Person days of employment created, disaggregated by sex, age and migratory status. (** EU RF 2.11)</p> <p>O3.2: Number of scholarships for youth supported, disaggregated by sex, age and migratory status.</p> <p>O3.3: Number of business start-ups and investors supported with feasibility studies, business advisory services, technical/engineering, access to finance and non-financial services.</p> <p>O3.4: Proportion of employed urban poor and IDPs earning an average income of more than USD1.50 per day (disaggregated by sex).</p>	<p>Project reports and evaluation reports.</p>	<p>The recruitment and on-the job training for construction works is perceived positively by women and people living in the most vulnerable situations, IDPs and locals.</p> <p>The business confidence is growing and allows the investors to handle the business risks</p> <p>The regulatory environment is conducive for business in terms of protection of property and equity, contract law and alternative disputes, equal access to market and avoiding political economy to protect market and competition.</p>