



Towards Good Governance in Puntland

(A participatory Study on Governance)

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1. BACKGROUND

In light of protracted grisly civil war, stateless situation for more than a decade; dictates of global challenges and aggressive international forces, the Somali are asking themselves: “ Which type of political system to finally choose to adopt?” or “ Which road to take to establish a democratic form of governance?” Given experience of failed systems of governance- clan based, western parliamentary democracy and eastern communism- the choice is hard to take. Perhaps focusing more closely on good governance might offer an answer.

The traditional governance of Somali society, prior to the colonial invasion of Somalia in turn of 19th Century, exemplified a simple amorphous egalitarian pastoral system of governance. However a few sections of the population living in the agro-pastoral areas between southern rivers practiced norms of governance that were slightly different from the nomadic population’s system. The Somali political order depicted traditional clan organization. This reflected in an uncoordinated, independent multitude of clans of the same culture with no central authority, each headed by a clan chief with few associates. These chiefs exercised limited authority on their corporate groups, having no power on management of most of groups’ affairs, except administration of common issues of defense against external pressures, expansion of land, inter-clan relations and chairing of inclusive clan council meetings to endorse consensus decisions.

Islamic Sharia and Customary laws served as the legal systems that regulated the Somali society judicial system. This traditional clan governance formed political and legal **structures** that were mostly characterized by anarchy and perpetual strife to access natural resources in the hash environment of pastoral and nomadic life styles.

The colonial powers introduced, undoubtedly, two major elements in the system of governance: (a) unification of Somali clans under one political rule and (b) introduction of one administrative structure throughout the country.

While the traditional political leadership lost power, the colonial powers virtually substituted the indigenous governance systems, based on Sharia and ‘Xeer’ juries, with western secular rules. The local legal systems more often than not shifted to the backyard and/or endured at the inaccessible rural areas where the authority of the administration could not reach. To the Somali this meant violation of their culture and estrangement, though powerless to challenge it. This system of governance continued to rule Somalia throughout the colonial epoch.

The political system introduced in the fifties of the last century had created secular multiparty politics but without political ideology and programs. The successive post-independence Somali governments (1960-1990), however, continued sequentially the Western and Eastern systems of governance without taking care of the people’s form of governance that are practiced in their traditions. These governments kept in script the adopted alien system of governance without practicing most of its principles, enshrined in the western democratic traditions or eastern bloc communism. Soon the system developed into mismanagement of the state, clan patronage, misuse of public resources and inability to develop a culture of political tolerance and people’s participation in governance at peripheral levels. Lack of education and high illiteracy in the population, pervasive poverty and clan politics, absence of democratic culture at leadership and popular levels and finally the dictatorial government of Siyad Barre that lasted twenty-one years, all combined, led to the collapse of the state, heralding the country into civil war and unprecedented violence, which took the toll of estimated 300,000 lives dead, displacement of about 350,000 and exiling of 1,000,000 other Somalis¹.

¹ UHCR Paper, “Reintegration of Returning Refugees and displaced Persons in Somalia” Phase I, P. -----, 2001

Despite the fading of state institutions, the clan structure has not only survived but gained ascendancy and vehemence. At an early stage of the civil war, the country partitioned into clan “enclaves” whose leadership of each enclave vied for political dominance in a bid to aspire for central power in any future Somali state. With the exception of a few, people in these “enclaves”, have failed to set up a viable, alternative model of governance and reverted to the clan politics.

Paradoxically, informed Somalis admit that such a traditional way of governing bear out of step with time cannot match the 21st century public aspirations and, therefore, cannot be considered for practice. Eventually, the clan enclaves fell into the hands of warlords. 13 years have elapsed since the civil war erupted and the country is still in the grip of self-styled warlords dressed in clan attire having no respect for good governance and in people’s participation in decision-making, control of resources without accountability.

Under this background, to assist the regional administration, Puntland Development Research Center (PDRC) has initiated a debate on good governance in a participatory workshop held between 26, 27, 28 July 2003 in Garowe. The objective was to know the perception and expectation of the people about Puntland government and highlight the requisites of good governance as understood by the people.

What Does Good Governance calls for?

Civil conflict sustains where good governance has failed. Good governance constitutes a challenge to national, regional, district and community level administrations that have to fare with the new realities of Somalia.

In defining good governance, democracy liberal advocates label governance as establishing processes and institutions that both reflect and meld together local tradition and global norms and practices (UNDP).

UNDP² defines:

Governance can be seen as the exercise of economic, political and administrative authority to manage a country’s affairs at all levels. It comprises the mechanisms, processes and institutions, through which citizens and groups articulate their interests, exercise their legal right, meet their obligations and mediate their differences.

Good governance in its present sense denotes a wide scope of interpretation covering practice of principles of democracy, which translates to as “meaningful broad-based participation of people in determining their destiny’. Others argue:

Civil society organizations in a given society mark a definitive parameter to good governance; the larger the number of civil society organizations representing diverse interest groups, the higher the rating of good governance, the smaller the number, the lower the rating. Other experts, while sanctioning the above notion, further supplement that prevalence of peace and stability in a society reflects an ultimate indicator to good governance.³

Thus, in specific terms, good governance involves: Increased people’s participation in decision-making, devolution of power to regional, district and community levels, free and fair election ethics, equities in distribution of resources, transparency and accountability in use of public funds, civilian control and accountability of legal institutions and law enforcing agencies, existence of mechanisms to resolve differences and delivery of basic services, etc.

² Human Development Report, Somalia, 2001

³ WSP International. “Global Gathering” 10-14 Oct 2002, Jongny, Switzerland

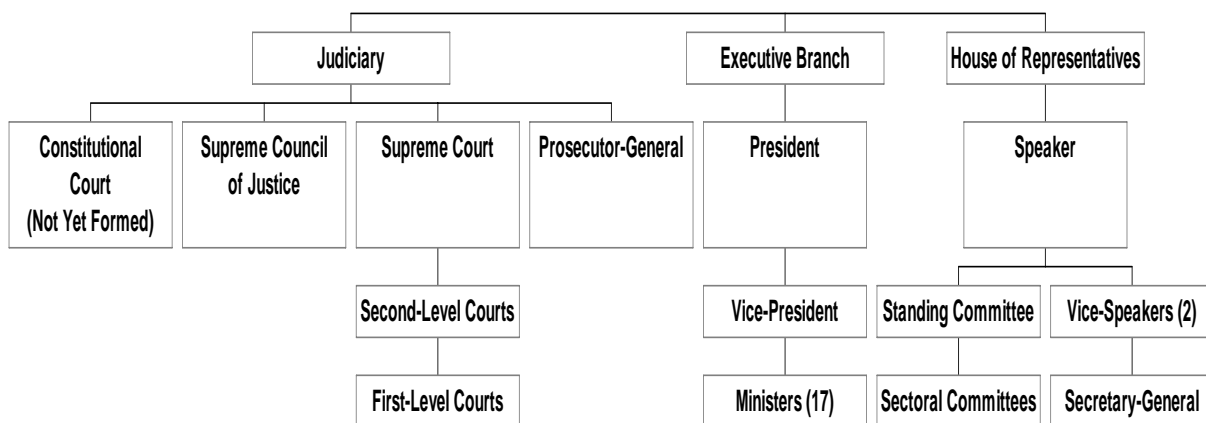
In the end, good governance expresses in attaining close working relationship of three local players: the state, civil society and private sector⁴. This paper, therefore, examines the current debate on good governance by outlining the views of workshop participants, whose composition cut-through the social groupings within the community in addition to a wide representation from the Puntland administration.

⁴ Somalia EC Development Co-operation, “*Promotion of Good Governance, Governance in Puntland State of Somalia*”. 1999, Nairobi

1.1 Formation of Puntland Administration

Puntland regional administration came into being as result of the collapse of the Somali State. Owing to the successive failures of over ten reconciliation conferences held for the Somali feuding factions from 1991 to 1998, the Puntland community thought it auspicious to form their own regional administration. The intention was not to break away from the rest of Somalia but to create a mechanism that dispenses civic affairs till those times the Somalis jointly reconstructed their state. In July 1998, the traditional leaders, politicians, representatives from the communities of the previous Northeast Regions and two other neighbouring regions of Sool and Sanaag have proclaimed formation of Puntland, adopted a three-year Charter and installed an administration with a mandate of duration of three years.

Table 1: Puntland Political Chart



The workshop participants have generally regarded, looking back after an elapse of five years, formation of Puntland a positive step that had both its achievements and shortcomings. They described The Transitional Charter as appropriate; the political structure as viable and matching modern governance structure that delineates the three main pillars of State: Executive, Legislative and Judiciary.

The Charter outlined a balancing framework of a cabinet, a 66-member mono-cameral house of representatives as well as an independent judiciary. It also guaranteed the fundamental rights of the citizen while acknowledging international conventions on human rights. Some of the most hailed achievements of Puntland administration, as participants identified, sum up:

i) Establishment of law and order. The Puntland administration instituted law and order in the region. It had eliminated the militia roadblocks⁵ that existed mostly along the Bossaso-Galkayo main tarmac road, while it took over the revenue sources of airports and the main Bossaso port. In all, 57 illicit roadblocks have been disbanded and 500 militiamen had been integrated in the Puntland security forces (Police and Paramilitary Forces). Formation of courts of various degrees and reinstating of correctional centers. The culture of the gun as the ultimate arbitrator, generally practiced in the event of disputes, has, up to certain levels, been abandoned

ii) Restitution of Public Institutions and Administrative Procedures. Puntland administration succeeded in laying ground foundation for basic public institutions and some public agencies, returning of public buildings from illegal occupants, and to an extent organizing public services.

⁵ PDRC, "Report on Demobilization and Reintegration of Militia", Garowe, April, 2001

iii) Creation of Revenue sources. Participants have stated that Puntland's restoration of law and order produced benefits. It enabled the administration to secure revenue sources; secured flow of remittances from the Diaspora and provided employment for a large number of people (6,000-both civilian and security forces)

iv) Securing Conducive Environment for Business and Trade. One of the main contributions of Puntland administration, workshop participants pointed out, symbolized in creating of a conducive environment for business and trade. Security improvement in the region greatly enhanced trade movement, developed economic sources and stimulated private sector business. This in turn generated substantial private job opportunity for the militia and displaced persons, which inversely strengthened the region's overall peace and security.

v) Recognition as a Regional Entity. The establishment of Puntland administration restored public confidence to the people, which earned it recognition and political strength. Puntlanders in the Diaspora have invested economic and social resources and developed sense of belongingness to their region.

1.2. Shortcomings

i) Absence of Constitutional Court: The workshop participants had shown concern over absence of a Constitutional Court, which was seen as a deficiency in the Puntland political structure. The Transitional Charter clearly specified that the House of Representatives and the Administration formulate a constitutional council /court, which could arbitrate on constitutional conflicts

However, whether intentional or on oversight, Puntland legislative and executive organs both failed to establish this institution. When, in July 2001, a constitutional crisis developed over the legitimacy of extension of term of the administration for additional three years, the lack of constitutional court was felt and this led to 22 months of political crisis and fighting between two factions for power.

ii) Clan Affiliation Versus Public Loyalty. Workshop participants pointed out that the administration did not meet public expectations and rated administration's effectiveness as extremely low. They explained that the primary cause of administration's ineffectiveness derives from the fact that loyalty to the clan interest overrides the public responsibility of the politicians and functionaries. The gravest blunder committed constituted the fact that the managers of state organs had been selected on clan quota-allocation- MPs, Ministerial and Judicial posts and recruitment of police officers and civil servants- instead of on formal qualifications, merit and competence. This system impacted dramatically in the functioning of political, legislative and executive organs and the democratic way of governance.

iii) Lack of respect for Charter and Laws. The workshop participants were in agreement that both the administration and the public are not respecting the Charter and the Laws. This is, they said, due to many factors that inhibit the development of democratic culture, flexible attitudes and good social behavior towards understanding of functions of the State organs and objectives of public laws. As mentioned elsewhere, the lack of education, higher illiteracy rates, clan factor and poverty are the main causes.

iv) Accountability and Transparency on Public Funds. Sustainance of misappropriation of public funds characterizes Puntland administration. The debate addressing this issue brought forward tremendous contentions. Senior administration officials, members of the House of Representatives, informed public, elders, women groups and LNGOs engaged in a heated brainstorming session to debate this issue. In the end,

they unanimously agreed that, despite existence of rules and regulations and organs of public fund control, the system does not function properly.

The participants attributed the misuse of public funds to the administration's inefficiency and lack of democratic control of public assets. Two technical reasons were noted. First, the formal financial control organs of the Magistrate of Accounts and Accountant General, which are mandated by an act of the House, to control the legal use of public funds and properties are said to be not independent of the Executive. The second reason constituted low professional skill and poor performance of the personnel.

Moreover, participants added that clan security of the personnel also paralyzes implementation of law and accountability of Puntland officials. As mentioned earlier, Puntland officials first identify with their clan and secondly with the state. They harbor self-assurance that their clans furnish them immunity from legal action in the event that they are taken to justice for misappropriation of public funds. Armed and committed to giving protection, the clan usually goes to extreme levels in defending its member. This has also weakened the effectiveness of justice and public prosecution of perpetrators of corruption and misappropriation of public funds.

It was reported that, in the entire history of Puntland administration, there was only one incident in which 16 public officials were taken to the law on grounds of misappropriation of funds. The court found them guilty and awarded a light sentence of dismissal from public service. However, informed participants stated that, due to clan pressure, the administration returned most of these individuals to their previous jobs.

v) Failure to Provide Basic Needs. Participants have criticized the administration for not providing adequate funds for basic services-education, health and sanitation, water and food security. They argued that the administration underrates the importance of public service while allocating the greater part of the taxpayers' money to political and security issues. More of this will be discussed in the section on delivery of basic services.

vi) Failure to Resolve the 2001 Constitutional Crisis. In July 2001, the term of the Puntland administration expired. Being unable of accomplishing the obligatory covenants provided in the Charter, the administration opted to holding a limited gathering of traditional titled elders, circumventing an all-inclusive popular conference as required by the Charter. It proposed an extension of its term for additional years. **The gathered titled elders disagreed on the issue; some advocating for implementation of the Charter assertion, while others ratified the proposed three-year extension term to the administration.**

Out of this, a constitutional crisis developed, for which the workshop participants criticized the administration for being incapable of resolving the crisis. The crisis aggravated to open armed confrontation between supporters of the administration and the opposition, who rejected the extension. Informed participants complemented that an element of major clans' rivalry for political leadership inflamed the situation. Participants argued that the administration should have resolved such political conflicts within the rule of law and in peaceful manner

In conclusion, although the debate on Puntland administration's performance highlighted its efficacy in reinstatement of law and order, promoting the resolution of the conflict with opposition, yet it is apparent that the administration is far from achieving the people's expectation in catering to their needs.

Recommendations

To avoid recurrence of above inadequacies, the participants suggested a series of crucial proposals:

- Start preparations for conducting population census in Puntland to set the stage for a referendum for the draft constitution and elections
- The House to accelerate legislation of multi-parties political system. Although the New Draft Constitution authorizes a multi-party system, relevant laws still need promulgation
- The administration should practice the culture of accountability, particularly strict financial controls on public funds and control of justice institutions and law enforcing bodies. Professional training of revenue and expenditure personnel must immediately initiate.
- Channel revenue on provision of essential services
- Immediate establishment of a constitutional committee/court
- Separate clan politics from public service/responsibility
- The administration should respect the constitution and laws

2. CITIZENS' PARTICIPATION IN DECISION-MAKING

While definition of participation always depends on the context, yet a most general description might probably summarize participation as: “a meaningful broad-based involvement of people in decision-making⁶. Departing from this, workshop discussions concentrated on citizens’ participation levels in the areas⁶ of separation of power in basic state organs (executive, legislative and judiciary), devolution of power to regional, district and community levels, equity in distribution of resources, and civil society organizations’ role in decision-making including independent media that serves a watchdog to the administration’s actions.

On the basis of the above criteria, participants of this workshop assessed and debated about the level of citizenry participation in governance. They revealed that segregation of power to lower levels exists on paper and real people’s participation in governance is lacking. A very limited degree of participation **in certain elements that does involve grass** root levels sometimes takes place. This is expressed in the form of clan lineage representatives’, participation in the election of members to parliament; in addition to occasional consultation with titled traditional elders in certain issues such as nomination of cabinet members by the President, etc.

However, administration supporters sustained that the administration cannot be expected to attain full participation at this initial stage of political development and scored some points in some of their arguments. These included: that primary tasks charged to the administration to realize at the outset, in the three-year’s term, had been unrealistic under the prevailing conditions. Their argument was that the administration could not be **anticipated** to fulfill such complex and daunting tasks of carrying out population census, referendum on constitution, or attaining full citizens’ participation in all aspects of governance. Among other rational explanations forwarded included: limited resource and clan rivalry that perpetually hampered both peace and stability as well as administration work.

On the contrary, while admitting validity of above restraints, others still contended that the administration could have accomplished much better had it showed more willingness and efficient use of resources. They accused it of reluctance to execute the process of democratization, perpetually using excuses and/or delay tactics. A good number of participants refused to accept the justification that a large part of the resources and time of the administration had to be spent in participation and/or lobbying at Somalia reconciliation conferences, which supporters presented. The critics insisted that the administration had neglected available opportunities to serve the needs of the public. **Focusing on relevant individual aspects of participation, as categorized above, critics underlined a number of concerns.**

⁶ Rafeeuddin Ahmed, Manfred Kulesa and Khalid Malik, “*Lessons Learned in Crisis and Post Conflict Situations*”, The Role of UNDP in Reintegration and Reconstruction Program, 2002

i) Monopoly of decision-making: The participants remarked that the Executive Branch had monopolized political decisions. It rarely consulted the legislative or judiciary organs on important decisions and actions, and if it did so, used them as rubber stamps. One of the reasons advanced for this reflected that many of the Legislative members lacked formal education to know their roles and responsibilities or looked after narrow personal interests. Sometimes, the administration conferred with particular titled elders on certain issues, to earn token approval. Consequently, most vital decisions that affected people's life pass in the form of disguised "impositions." Some participants added that even within the executive minimal decision-sharing takes place, depicting an image of one-man or group-rule.

ii) Lack of Communication. It was also pointed out that while the administration overlooked to uphold meaningful communication with its people, the situation duplicated within the executive. Line Ministers/Ministries operated independently without concern with peers that sometimes shared responsibilities in certain areas. The politicians (in administration and parliament) did not develop significant contacts with their individual constituents.

iii) Devolution of Power to Local Councils. The Transitional Charter and **Draft** Constitution obliges speedy steps toward devolution of power to regions, districts and down to community. Despite this, the executive and parliament repeatedly failed to act duly, ostensibly ignoring the initiative. Rather than organizing early elections or, in the least, establishing village, district and regional level councils to elect/select governors, mayors and headmen respectively, the central authority habitually nominates and replaces governors and mayors with little consultation. This has strengthened in the belief of top-down approach, created by previous Somali Governments, that makes governors and mayors accountable to the central authority but not to the people for which they work.

As end of the administration's second term approaches (2001-2004), the administration seems to be taking, under pressure from the people, some steps towards democratization / decentralization:

- The House in its regular session of June 2003 passed a law on establishing local governments, election of municipal councils and village heads and definition of councils' powers. This law empowers people's local district councils to autonomously run their respective localities and elect mayors and local resources.
- After sending out a fact-finding mission to the districts, the admin organized between 21st and 24 Sept 2003 a four-day workshop for mayors in office on "Resurgence of Local Governments". The issues discussed included: up-grading efficacy, tax collection, expansion of governance to rural villages, preparation for election of local councils, etc.
- In the opening ceremony of the mayors' training on 21st September 2003, the Vice President of Puntland declared that the council of ministers have decided formation of a 15-member committee charged to explore possibilities of conducting population census, referendum for the Draft Constitution, and holding elections for local government councils. He explained the committee that would consist of 8 members to be nominated by the cabinet and 7 selected by regions will start functioning from October 1, 2003

iv) Freedom of Expression and Association: Article 25 of Draft Constitution guarantees freedom of expression of citizens, while Article 28 declares freedom of association. Nevertheless, regulations defining specifics on political and civil society organizations have not yet been formulated. Many participants argued that the administration assumes a hostile attitude towards civil society organizations and denies them participation in political decision-making/consultation, as it sees them as parallel political organizations serving foreign interests. On their part, civil society organizations are accused of having no strong collaboration among themselves, of immaturity and harboring beliefs of being accountable to their funding international agencies but neither to the administration nor the community.

In practice, however, there is no conclusive freedom of expression and association because the administration imposes certain restrictions. Parliament is still to enact by-laws on a multi-party system, which indicates that the administration does not envision early free and fair elections. It does not allow peaceful demonstrations of citizens to voice their complaints or views on important issues. The media (newspapers, local news radios, Internet networks, etc.) cannot criticize the administration's actions and decisions and, in a number of times, the administration had unlawfully arrested reporters, protestors or closed a private broadcasting station, etc. for critical reports, announcements or broadcasting.

In spite of the above, participants have noted that the administration tolerates individual freedom of expression in public places and private gatherings-in Somali known as "*Fadhi-ku-dirir*" - meaning literally as "peaceful exchange of views". The term implies gatherings in which people freely exchange their opinions on pertinent issues; be they political, economic or social. Principally, no one is made accountable to what one speaks of at these occasions.

Weaknesses cited in this area include: (a) limited knowledge of the public in the concept of freedom of expression, (b) absence of strong civil society groups that advocate for freedom of expression, (c) low quality media; low skilled professionals and poor equipment and readership, and (d) high illiteracy rates of people.

v) *Peaceful Resolution Of Conflicts.* Experts explain that political parties, minority groups' organizations, professional associations, human right watch bodies, periodic elections, etc serve as venues for redressing grievances and/or peaceful resolution of conflicts. Participants disclosed that these mechanisms are missing in Puntland. However, the resolution of *the* conflict between the administration and the opposition crowned by the May agreement that took place in Bosaso had surprised many views held by different sections of the society. The resolution of that conflict in a civilized and peaceful manner encouraged the people of Puntland to believe that armed conflicts could be transformed into peace and reconciliation.

vi) *Equity In Resources Distribution.* This issue raised strong controversy among the workshop participants, as conflict of interest appeared to emerge. Some argued that fairness in distribution of wealth exists, while others pointed out that resources are not fairly distributed on region-wise, group-wise and individual-wise. The issue was assessed from three perspectives namely, sharing in political power as an indicator, participation in justice institutions and law enforcing bodies as another indicator, and finally opportunities of employment and other income generating schemes (indicator).

It is interesting to note from the participants discussion that three indicators mentioned above as "resources" are technically "resources", but positions and opportunities. But in the Somali context, having political and government positions entails access to resource, particularly *Public Funds*. So, those groups in the system who have access to public funds distribute these resources according to political interest, clientele, clan affiliation, regional preferences as well as misappropriation.

The discussions on public participation in decision-making exposed that, apart from the specific social groups of women and segregated groups such as Tumaal and Madhibaan, who are almost left out or under-represented in every sector, in Puntland power sharing. The minority sub-groups or sub-lineages within the clan are fairly represented in the legislative and executive organs but under represented in the judiciary, civil service and security forces in comparison to major lineages.

In summary, Puntland administration, during the six years of its reign, fared poorly in working towards citizenry participation in decision-making. Notwithstanding limited resource, anarchy, turbulent political volatility in the second term of office, the administration did not genuinely respond to the aspiration of its people e.g. provision of essential services and initiation of the vital democratization process and facilitation

of people's participation in management of their own affairs. However, the recent decentralization initiatives that the administration embarked on to introduce election of local councils in this year is seen as a positive development towards democratization of the political system

Recommendations

- Expand governance to the districts and peripheral villages
- Administration should recognize the role of civil society organizations
- The administration must be more transparent and accountable. To do this, it should improve communication to its people and organize public forums to exchange opinions with public and civil society organizations
- Citizens should create organizations that monitor administration performance
- Carry out population census in the earliest time possible to work for free and fair elections, where people elect their political representatives directly through the ballot or any other form that the people accept
- Parliament should speed up promulgation of remaining laws on decentralization, towards pluralism and civil society organizations
- Parliament should finalize by-laws on freedom of expression and association. It should specify media limits in national interest and/or general security
- The administration should assist, encourage and advocate for civil society organizations.
- Civil society organizations should realize that they are accountable to local administration and their respective communities
- Civil society organizations should establish umbrella organization to enhance their interests
- The civil society organizations and political leadership should encourage the public to advocate for freedom of expression, express their views through the media, petitions and peaceful demonstrations
- The international agencies should assist the media in capacity building to improve news quality and communication skills.
- Recruitment of jobs should take place on merit and competence
- Projects and contracts should be healthily competed on tender and bidding basis

A Famous Somali Poem on Importance of Decision Sharing By Mr. Sahid Qaman

<i>Masow Aabahay Iyo</i>	<i>Waxaan Magan Ka Soo Gaarey</i>
<i>Rag Waxaan Ku Maamuli</i>	<i>Aqaan Ama Ku Maamuusi</i>
<i>Maso Inaannu Nahay oo</i>	<i>Tolnimo Meerto Noo Tahay 'e</i>
<i>Oon Weliba Kaga Miil</i>	<i>Caddahay Miirse Diidani 'e</i>
<i>Ninkii Aniga Iga Maarmi</i>	<i>Kara Uma Muraad Yeesho</i>

<i>Masallahi Ninkaan ii Dhigeyn</i>	<i>Keyga Uma Meersho</i>
<i>Inaan Malab Rag Kale Loo</i>	<i>Shushubi Wax Uga Miileeyo,</i>
<i>Oo Aanan Fartana Muuudsaneyn</i>	<i>Meeshana Aan Joogo</i>
<i>Seddex Magac Ilaahay Midhkaa</i>	<i>La Ima Maqashiiyo</i>

Waxa tiriyey: Saahid Qamaan
Waxa la ridayey Ugaas Xaashi oo sida la yiri uu Saahid Boqortooyada ka lahaa

Translation:

My father, Mr. Magan, teaching me Lessons of life, had explained'
 That humankind can be guided through appliance of following principles:
 That all are equal and by fostering harmony'

That each is valuable; oh' I do not tolerate scorn
I do not offer my hand to the one, which believes he/she does not need me'
I shall not welcome the one, which does not care for me'
I shall not distribute honey to others without having my share'
I swear to God' I shall not accept such treatment'

Composed by: Mr. Sahid Qaman, during an uprising against King Hashi, who robbed the throne from him, Mr. Sahid.

3. JUSTICE ADMINISTRATION

According to assessment of the workshop participants, the administration of justice is well below by the people's anticipation. The judiciary organs and security forces, created to dispense application of justice and rule of law, are lacking the capacity needed to fulfill their duties and responsibilities. This is due to multiple factors that undermine effective dispensation of justice at both urban centers, and rural districts or villages. The challenges to execution of fair justice can be divided into two categories: (a) circumstantial impediments such as scarcity of resources, armed public or anarchy, low professional skill of personnel, etc, and (b) structural deficiencies, reflecting, among others, in existence of three parallel diverse legal systems. The courts, prosecutors and law enforcing bodies (police and prison custodians) all share these inadequacies.

The customary, Sharia and Secular courts operate side by side, a structure that confuses uniformity of the legal systems in issuing verdicts. Most formal courts' (Sharia and Secular) personnel exhibit low professional skill and know-how. Professional adjudicators are rarely found in secular courts, as the few available are reluctant to serve the justice administration under the prevailing circumstances and would prefer working privately. Most adjudicators or judges of Sharia courts, who constitute the largest group of the existing judges, have neither formal academic qualifications nor experience in court procedural techniques. Seventy percent (70%) of the present court judges are from 'Xeer circles-traditional non-formal learning of Sharia, and as such unable to manage a judicial system requiring profound knowledge in jurisprudence and its dispensation in a modern way.

Likewise, the administration, in its first term (1998-2001), created a 5000-strong security force comprising of urban Police and Paramilitary Force (Daraawish). But the performance of the law enforcing bodies is not better either. A compound of problems renders them dysfunctional. The security forces compose of an amalgam of ex-policemen, ex-military, ex-SSDF combatants, ordinary clan militia (*Marya-calas*), most of whom lack policing expertise as their background illustrates. Of the trained ex-police group, a large portion entered retirement age though not willing to vacate posts, while too old to serve. They are liability to the force. The administration is unable to dispose of them because they are holding the police stations and police transport vehicles as security men, and exert pressure on government through their clans.

The police force (including custodian guards), with a budget of 32.78 billion SoSh., equivalent to 1.8 Million US \$ out of a total budget of 13 Million US \$ (2003), comes under the Minister of interior. Being largely the elite police of the previous Somali government, they believe that the administration does not respect them, accredit them advancement, nor deem them fit to high posts' nominations. They consider that ex-SSDF combatants are preferred by the administration, whom it often awards accelerated promotions and high posts. The police dismiss the paramilitary force as illiterate and unprincipled. The participants observed that the police generally perform minor services to the people, such as arresting burglars and petty thieves, keeping the accused until Sharia and Customary Courts decide on, etc. The police usually slacken work when unpaid. During such times, urban security deteriorates, burglary increases and one does not find police at roads guiding traffic.

On their part, the Paramilitary Force, receiving a budget of SoSh.64.42 Billion equaling to US \$, 3.6 Million come from ex-SSDF combatants, ex-military officers and soldiers, civil war Galkayo frontline fighters, clan

recruits, etc. The Paramilitary Force is under the direct command of the President of Puntland. Its present number is unknown since it is thought to have beefed up during fighting campaign to regain power in 2002 as well as in the subsequent absorption of opposition forces after the Bossaso Peace Agreement of May 17, 2003. The Paramilitary Force, in its turn, belittle the police as “Remnants of ousted Barre Regime”, unproductive and deserving to be disbanded.

Among the structural deficiencies in the justice institutions and law enforcing agencies comprise inequity in participation and absence of accountability. Minority groups/clan lineages, particularly women, complain about inequity in representation in these institutions, which makes them liable to marginalization and lack of access and support, leading to various forms of injustices. They insisted on respect of proportionality quotas. On accountability of officials, it was made clear that, since clan power supersedes the law, the administration most often is politically unable to take action against individuals in the justice and law enforcing institutions, who misuse power or abuse dispensation of justice.

The constraints that the justice institutions and law enforcing bodies experience are inter alia:

i) Armed Public. The clan lineages are armed mostly with automatic light weapons making the clan more powerful than the police force in any given locality. This renders the police and courts generally powerless to execute rule of law. Thus forcing them to become either mere peace mediators or seek support from clan elders, who usually refuse to bring their kinsmen to justice and deviate the matter to customary law. As the life of the court judge often remains at risk in an armed public, they often refrain from administering of justice in serious cases involving murder to avoid retaliation from the convicted. Similarly, afraid of clan retaliation, police most often hesitate arresting of murderers even when the culprits are in close proximity. Disarming the public is a daunting challenge to the administration; though, ironically, the political leaders see, at the same time, arms in the clan hands as stock of firepower against potential external aggression. Such a duality of the administration’s thinking in the issue of arms in private possession makes the choice of disarmament policies and process more difficult to realize. An overwhelming majority of murder cases are carried out, not any more with white traditional arms (dagger, spear, stick or stone), but by automatic firearms.

ii) Low Remuneration. The salaries of judges and law enforcing officials are low. This fact accounts, to a great extent, for prevalence of corruption, bribery, negligence and injustice. The amount of salary paid to the ordinary policeman is about US\$60 that does not suffice the basic needs of the individual. They regularly received monthly salaries in the first three-year term of the administration. (July 1998— July 2001). But the situation worsened during the 22-month-long crisis, which caused frequent disruption of salary payment, some time for months.

iii) Poor Facilities and Equipment. To be effective, the justice and law enforcing institutions should possess enabling facilities and equipment. Apart from few “bonded” transport vehicles and working offices; the property of the defunct government has virtually disappeared. The Puntland administration underwent great pains in re-establishing justice and law enforcing institutions. On monetary terms, it had allocated a relatively large percentage of its fiscal revenue to the security forces and justice institutions. For instance, the annual budget allocations for security forces were in percentage wise 40%, 36.7%, 53.6% and 45.7% of total annual budgets for the financial years 2000, 2001, 2002 and 2003 respectively. While most of the allocated budget goes out on salary payments, yet, the workshop participants have alleged that good amounts earmarked for repair and maintenance of facilities and equipment, known as *Adeeg* (service funds), illegally ends up in the private pockets of high-ranking officials. Such allegations from the citizens enforce the mistrust that people nourish against the way the administration handles public fund.

To sum up, participants saw enhancement of application of justice as crucial to community cohesion and maintenance of general security and political stability. They insisted that the Puntland administration could

resolve much of the constraints impeding fair performance of the justice institutions and law enforcing bodies if some structural reforms and capacity building are systematically undertaken. The participants had further urged the administration to urgently act on reducing the weaknesses in the dispensation of justice.

Recommendations

To strengthen application of justice, participants have recommended implementation of the following:

- There is an urgent need to dramatically reduce the size of Puntland Security Forces, which absorbs a sizeable portion of annual income revenue.
- Recruit the police and judiciary personnel on merit, including women and minority groups.
- Encourage women to participate in judiciary and law enforcement jobs and positions.
- Improve the skill and know-how of members of the police and judiciary.
- upgrade remuneration of police and judiciary to dissuade or minimize nepotism and corruption.
- The Legislative, the Executive and Higher institutions of Justice must maintain strict control over police and judiciary performance.
- Provide proper facility and equipment to the justice institutions and law enforcing bodies
- The administration must improve and upgrade health and living conditions in prisons and transform them into correctional centers.
- Cases of young offenders should be treated at Juvenile Courts, following international standards
- Respect for human rights and protection of weaker section of the population must be guaranteed

4.0. REVENUE GENERATION

No public administration can operate or survive without revenue. Thus, revenue generation stands a first priority to any administration. In the Puntland context, taxation features the only revenue source available. Taxation itself is mainly limited to import/export levies. Since most of the public has no easy access to information and data on the administration's revenue and expenditure practices, the Puntland Development Research Center (PDRC) had, prior to the workshop, conducted a survey on collection of relevant data. Relating to revenue generation in Puntland, the center had prepared tabulation by sector of annual budgets and budgetary allocations of the preceding four years of 2000-2003 and distributed them to the workshop participants. Workshop participants have furnished mixed reactions and views on revenue generation and expenditure for the first time.

4.1. Revenue Generation

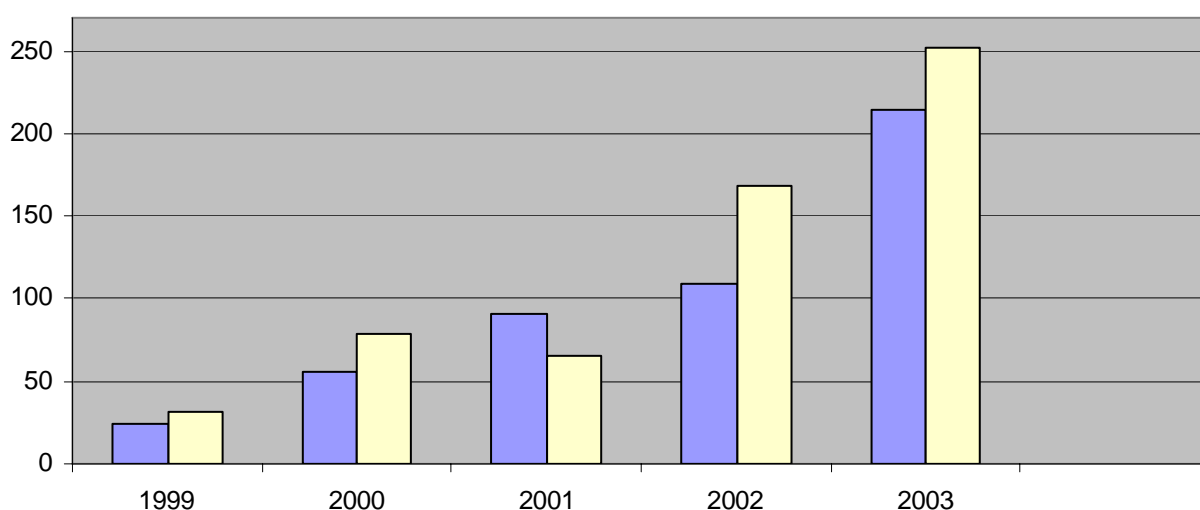
A relatively low levy on import and export goods, passing through the Bossaso Port, Bossaso Airport and Galkayo Airport, preceded formation of Puntland administration in July 1998. The administration can be said to have set up the first formal tax collection system. At its inception, the administration took over the main outlet revenue sources of Bossaso and Galkayo, cleared trade routes and established a central bank at Bossaso. Its Ministry of Finance overhauled the operating taxation system and refurbished it with financial regulations and administrative procedures to improve efficiency. Formal financial documents were printed. After their nomination, mayors initiated collection of municipal taxes in the main towns of Bossaso, Garowe and Galkayo. In early 1999, the administration introduced tax increases of 50%, but still the revenue produced, despite steady, met only salary and operational costs requirements.

To fulfill the difficult mission of creating a strong revenue base, the administration took a number of steps. To a limited extent, it enlarged the sources of revenue (for major sources of revenue see annex), which still largely depend on import/export. Apart from the customs duty, it administered few other levies such as that of the semi-autonomous agency of Puntland Road Authority (NESHA), Water and Energy

Agency (PASWEYN), etc. Nonetheless, the admin is criticized for not expanding governance to the district and village levels, thereby, unable extending tax collection.

The Ministry of Finance organized itself into Departments of General Accountant’s Office, Admin/Finance Dept, Revenue Dept, Budget Formulation and Control Dept, and Training and Statistics Dept. The Revenue Dept is further sub-divided into Inland Revenue and import/export revenue sections. Accomplishing this, the administration formulated regular annual budgets. On scrutiny, the prepared annual budgets exhibited many deficiencies. They lacked budgets of the international aid projects and those of autonomous and semi-autonomous state agencies, which should have been recorded as revenues in the global budget. No funds for development included in these budgets.

Actual central government revenues collected during 1999 valued at 30,820,000,000 Somali Shillings equalling to US\$3,625,882 (1 US\$=8,500SoSh.), surpassing estimates by over US\$700,000 (see chart)⁷. Ever since, the administration’s revenue continued to rise registering as shown below:



Source:

Ministry of Finance, Puntland

Estimated (in SoSh)
Actual (in SoSh)

Year	Annual Budget in SoSh.	Annual Budget in US \$
1999	30,820,000,000	US \$3,625,882
2000	79,300,000,000	US\$ 7,552,381
2001	90,700,000,000	US\$ 5,182, 857
2002	167, 800,000,000	US\$ 7,990,476
2003	252, 000,000,000	US \$13,000,000

Table 2: Budgets 1999 -2003

Source: Ministry of Finance

⁷Rate of 1 US\$: ‘99--- 8,500 So Sh.; 2000: 10,500 So. Sh.; 2001: 15-20,000 So Sh.; 2002: 20-22,000Som. Sh. 2003 --18-22,000 So Sh.

Despite of such a continuous upward trend of revenue increase, from another perspective, the value of the shilling plummeted against the dollar as of start of 2000. For example, the amount of Somali Shilling revenue produced in 2001 increased by 14.4% over 2000, however in dollar terms, the revenue of 2001 dropped by 31.4% less than that of 2000. Economists outlined that devaluation of the Somali Shilling transpired primarily as a result of injection of printed new money. Informed sources revealed that, since the raised revenue covered only basic expenditure (salaries and running costs) of the administration, the leadership needed extra money for enlarging the public institution's base and funds on political grounds. For this purpose, the administration had to print new money notes abroad with the assistance and partnership of business individuals.

The first batch of printed money of 65 billion SoSh arrived in 2000. A second consignment of 130 billion SoSh followed in 2001. The situation was further aggravated when Mogadishu businessmen printed a very large package of paper money from the same source, which flooded the market. The new money had its serious adverse effect on the economy and financial markets. In spite of the fact that Puntland administration, to a large extent, expertly regulated flow of the new money into the market, yet the Shilling negatively impacted, devaluing within three years from 8,500 to the dollar to 22,000 in the end of 2002 and all through the first half of 2003. In this third quarter of 2003, the Shilling slightly recovered to 18,000-19,000 Shilling to the dollar. By this, the purchasing power of the Shilling devalued between 2-2.6 times, which impacted heavily on the economy, particularly the purchasing power of the poorer segments of the population.

To get more revenue and compensate for the loss in value, the administration, after outliving the Puntland political crisis of 2002, submitted a bill increasing tax rates of import goods to a parliamentary emergency session in Jan 2003. The parliament approved the bill, which raised tax rates of import goods by 22-30%. Two months later, in its following session of March 2003, parliament passed a similar law on export items raising the import tax rates to the same level as the exports.

As earlier noted, the revenue much depends on exports and imports. The administration is highly criticized for not diversifying its revenue sources. Available data on taxation is normally under-rated due to incompetence in data collection and tabulation, lack of appropriate equipment and tax evasion. The Inland Revenue lingers non-existent and the little accrued out of Inland Taxation comes from the three main towns of Bossaso, Garowe and Galkayo.

Major export items include Livestock on the hoof and livestock products, cooled fish (including lobster) and fish products, and frankincense as illustrated in the table below. It appears that, rather than suffering from the Saudi livestock ban on livestock, Puntland greatly benefited from the ban, in regard to the service sector and revenue generation. As export of livestock shuts down at Berbara Port, livestock trade diverts to Bossaso Port, where it passes mainly to Abu Dubai and Oman countries⁸ that turn out big livestock export markets, when direct livestock traffic from Somalia to Saudi Arabia halts.

Bossaso Port that normally exported between 500-600,000 heads of livestock annually when the Saudi market is open has during the ban of 2002 exported over 1,475,923 heads on the hoof in addition to 295,853 slaughtered heads of sheep and goats transported by air to Dubai from Galkayo Airport. According to the export figures of the first six months of this year, the trend continues to maintain the level of livestock export of 2002, existing conditions prevailing.

⁸ A small volume of livestock trade goes to Yemen

Year	Type of commodity	Quantity	Destination	No of Vessel Arrivals
2002	Camels	10,160 heads	Saudi Arabia/Major Yemen—Minor	
	Cattle	53,313 heads	Dubai---Major Yemen—Minor	Ships—98
	Sheep/goats	1,412,450 heads	Dubai and Oman—Major Yemen---Minor	Boats—599
	Meat (sheep/goats)	295,853 heads	Dubai	
	Frank & Myrrh	783,251 kg	Dubai	Plane Landings-1970
	Hides and skins	1,501,857 pcs	Dubai	
	Fish cooled	204,249 kg	Yemen	
	Lobster	288,085 kg		
	Shark fins	13,378 kg		
	Others (handicraft, sesame, ghee)	672,000 kg	Dubai	

Year	Type of commodity	Quantity	Destination	No of Vessel Arrivals
Jan-June 2003	Camels	3,006 heads	Saudi Arabia –Major Yemen—Minor	Ships-31
	Cattle	30,387 heads	Dubai---Major Yemen—Minor	Boats-302
	Sheep/goats	668,789 heads	Dubai and Oman- Major Yemen---Minor	
	Meat (Sheep/goats)	137,345 heads	Dubai	
	Frank & Myrrh	304,543 kg	Dubai	
	Hides and skins	871,006 pcs	Dubai	
	Fish cooled	198,950 kg	Yemen	
	Lobster	165,376 kg	Dubai	
	Shark fins	5,959	Dubai	

Table 3: Puntland Export (Bossaso Port, Bossaso Airport, Galkayo Airport)

Sources: Bossaso Port, Bossaso Airport and Galkayo Customs

Similarly, Imports considerably increased during the years of 2001 and 2002. Where 79 ships and 332 boats ferrying merchandise called at the Bossaso Port in 2001, the number swelled to 98 ships and 599 boats in 2002 with 1928 and 1970 plane landings in 2001⁹ and 2002 respectively. Total tonnage of imported merchandize through Bossaso Port leveled at 204,654 and 278,330 MT in 2001 and 2002 respectively (see tables). Basic foodstuffs (sugar, rice and flour), cement and other construction materials, and diesel figure out as the major items of import (see charts on imported merchandize in the tables in the annex). This evidences of a growing trade and business in the region as the vast construction activities in progress confirms.

Lastly, participants and interviewed traders confirmed that the key weakness of Puntland revenue reflects in its dependence on one major item, livestock trade, that suffers of constant constraints. These include: reliance on limited foreign markets, lack of trade regulation and ineffective chamber of commerce, which brings great losses- Often active traders go bankrupt, new ones replace, which in their turn follow suit

⁹ UNCTAD Bosaso

their predecessors. A culture of smuggling, individualistic business culture/no corporate culture and lack of vessels suitable for livestock transport are among other constraints cited.

Recommendations

Trade

- Organize the Puntland traders and limit the number of traders, in other words introduce licensing system for export of essential commodities in order to minimize the unnecessary competitions
- Diversify export commodities and markets to increase hard currency revenue base
- Fight smuggling and contraband by engaging coastal guards and customs officers
- Improve public relations of Police officers at outlet points
- Resolve frictions among'/ between port police, port veterinary officers and customs officials, which impedes speed and efficiency of loading and offloading of merchandize
- Intensify trade promotion and strengthening of Chamber of commerce

Revenue generation

- Explore introduction of new tax/service charges
- Improve efficiency of tax administration/enforcement
- Review tax procedures (tax policy) of 100% ad valorem or partial/mixed valuation system
- Revise expenditure management
- Expand inland taxation to areas uncovered
- Review staff skill and number
- Assist municipalities in all districts in revenue generation for local needs

5. Revenue Usage

Management of public funds characterizes with widespread misuse, failure of transparency and accountability on expenditure of the taxpayers' money. The discussions on revenue usage had been critical. The workshop participants voiced great concern and reservations on revenue usage of Puntland administration.

Participants opinions and inferences about collected data both confirmed that the 2003 financial situation of the administration as a big fiasco. The administration expenditure policies defy established norms, bypassing financial rules and regulations. Funds are withdrawn on instructions. The ministries do not observe their allocated budgets, by often running into over expenditure. This has created budget deficits and unaccounted expenditures that signal suspicion of misappropriation of revenue money. The public criticizes political leaders for allegedly misusing the public fund.

In spite of the production of a large amount of unforeseen revenue income in 2003, the administration repeatedly faltered in payment of employee salaries. Civil servants and security forces do not get regular salary payments and a 3-months' salary lapse keeps on. The estimated annual budget of 2003 amounted to 213.4 billion SoSh. However, the mid-year fiscal budget review submitted to the parliament and approved, demonstrate that substantial supplementary revenue turned in. The annual budget has been, therefore, adjusted to 252 billion SoSh. Despite all this, the administration recorded a standing deficit of 35 billion SoSh. in the first half of 2003.

During the parliamentary discussions of the budget, the Minister of Finance, when asked for explanation on the deficit and lack of employee salary payments, he justified that the administration tackled unanticipated challenges. According to the Minister's account, the revenue depleted in resolving the Puntland internal conflict and in absorbing the forces of the opposition, and the Somalia Reconciliation Conference in Kenya that both drained off significant amounts of money.

5.2. Prioritization

On examining the Puntland annual budget blueprint, participants have strongly disapproved the admin sector prioritization policy (see table below), which, they said, does not represent the people's needs and vision. Some ministry representatives added that concerned ministries do not participate in formulation of the annual budget but the Ministry of Finance and selected individuals solely prepare it without consultation. No development funds are envisioned in the annual budget. The budgets allocated address only operational costs and salaries.

Gov't Agencies	Operat. Costs (Adeeg)	Salaries	Total in SoSh
Presidency	2,947,200,000	5,108,220,000	8,055,420,000
Political and Travel funds	4,396,800,000		4,396,800,000
Para forces	2,700,000,000	61,717,440,000	64,417,440,000
Ministry of Labor & sports	360,000,000	523,260,000	883,260,000
Auditor General	180,000,000	587,640,000	767,640,000
Ministry of Inform.	360,000,000	775,980,000	1,135,980,000
Prosecutor General	120,000,000	123,120,000	243,120,000
Parliament	840,000,000	2,308,500,000	3,148,500,000
Ministry of Finance	3,276,000,000	13,889,028,000	17,165,028,000
Central Gov't Funds	62,403,204,000		62,403,204,000
Ministry Of Interior	1,420,200,000	1,785,240,000	3,205,440,000
Police Forces	1,800,000,000	27,503,100,000	29,303,100,000
Ministry of Religious Affairs	360,000,000	575,100,000	935,100,000
High Court	540,000,000	1,091,880,000	1,631,880,000
Custodial Corps	1,440,000,000	2,042,400,000	3,482,400,000
Ministry of Livestock and Agriculture	360,000,000	727,380,000	1,087,380,000
Assistance to Main Electric Stations	516,000,000		516,000,000
Ministry of Public Works	540,000,000	1,381,860,000	1,921,860,000
Ministry of Health	540,000,000	1,268,460,000	1,808,460,000
Ministry of Fishery and Marine Resources	540,000,000	1,296,000,000	1,836,000,000
Ministry of Planning & Inter. Coop.	360,000,000	429,300,000	789,300,000
Ministry of Commerce & Industry	360,000,000	265,680,000	625,680,000
Ministry of Educ.	540,000,000	1,453,944,000	1,993,944,000
Journal & Media	360,000,000		360,000,000
Ministry of Rehab. & Nation. Reconciliation	540,000,000	375,840,000	915,840,000
Minister without Portfolio	360,000,000	32,400,000	392,400,000
Total	88,159,404,000	125,261,772,000	213,421,176,000

Table 4: Admin Budget for 2003 in SoSh Billions

In 2003, the budget allocations divided as: 45.7% for security forces, 29.2% funds for political purposes, and 8% for the Ministry of Finance. This adds up to a total of 82.9% leaving a margin of 17.1% of the annual budget for the rest of the ministries and agencies. In contrast, the amounts allocated to the basic services totaled 2.9% while that of the economic sectors of livestock, agriculture and fishery amounted 1.35%. This means that the basic services and economic sectors together received an allocation of 4.25% of total budget (for detail see tables below).

Sector	Amount Allocated In SoSh	% Of Total Annual estimated budget
Education	1.99 Billion SoSh	0.9%
Health	1.8 Billion SoSh	0.8%
Public works (includes water sector)	1.9 Billion SoSh	0.89%
Assistance to Electric Stations	0.52 Billion SoSh	0.24%
Total	6.21 Billion SoSh	2.9%

Table 5: Budget allocation for basic services

Sector	Amount Allocated in So Sh.	% of Total Annual budget
Ministry Livestock and Agriculture	1.09 Billion SoSh.	0.51 %
Ministry of Fishery and Resources	1.8 Billion SoSh.	0.84 %
Total	2.89 Billion SoSh.	1.35%

Table 6: Budget allocations for economic sectors

The participants were astounded to learn that the administration expends taxpayers' money on marginal issues. While admitting the priority and importance of security forces to establish law and order, participants saw nevertheless that the allocation of 45.7% of annual budget as too high, yet the effectiveness of security forces is low and their number is above required levels. They proposed a dramatic reduction of the number of the security forces, particularly the paramilitary forces, which some estimated at about 5,000 strength.

Participants rejected, in principle, the funds marked as "Central government funds", which, they said, it is meant for unspecified ends. Participants exceedingly questioned the rationale of appropriating 29.2% of 2003 annual budget for political motives, in contrast to only 4.25% allocated to basic services and economic sectors taken together.

Workshop partakers have shown dismay on the administration's allocation criterion and advised that the administration should pay due attention to the urgent needs of the people; namely basic services and economic sectors. Nevertheless, their views diverged on which of two areas constitutes the first priority. Some insisted that basic services have the precedence because human resource constitutes the actor that develops the economy. Contrarily, the other group advocated that human resource development is unattainable without food security, health care and education, which all depend on family income that leads to prevalence of favorable economic conditions performance.

Both arguments had their validity and on voting the results differed in a small margin; of the 33 participants present in the session, 15 cast votes for preference to basic services, whereas 18 voted for economic sectors' priority. The result of the voting demonstrates that participants view both provision of basic services and enhancement of economic sectors as Puntland's immediate priority, to which the administration should adhere.

On the other hand, participants strongly charged the Puntland parliament for incompetence. They stated that parliament represents the people and has to promote the interests of the people and compel the administration to be accountable. Parliament reviews and approves the annual budget, which they have to base on the actual needs of the people.

Recommendations

- Parliament should fulfill its responsibility of controlling the administration performance, accountability and transparency in the management of the state assets
- Channel revenue to the urgent needs of the people
- Conduct a dramatic reduction of the size of the civil service and security forces to save revenue
- All those tasked in the formulation of budget should take part in its preparation
- Each ministry should confine itself to its budget. No over expenditure should be allowed/entertained
- The administration should stop paying out political funds
- Revenue collection should be extended to district and village levels
- The Administration should explore new areas of tax collection
- The administration should create a central bank reserve to meet cost of emergencies
- Accountant General's Office should be made independent and enabled to control the budget
- As an administrative court, the Magistrate of Accounts should be more assertive in making sure that the legitimacy and the merit of budgetary expenditure and revenue reflect strictly the financial regulations and established principles of accounting. And should report finance situation (both expenditure and final accounts) to the House of Representatives every year.

6.0. DELIVERY OF BASIC SERVICES

The administration allocated 4.25% of its 2003 annual budget to provide essential services, while 29.2% of budget is reserved as political funds. The basic services envisaged include: education, health, water, electricity and infrastructure. This budget allotment sounded implausible to the workshop participants. Instead, Puntland heavily relies on international agencies operating in Puntland for funding basic services. The administration can only be accredited to performing a fairly good role of partnership to international agencies, and organizing into better shape the available physical and human resource.

6.1. Education and Health

UNICEF greases the wheels of social services. The administration partially assists in payment of education and health public employee and plays the role of facilitation. It also takes part in policy formulation, and monitoring and evaluation of programs. Generally, provision of health and education in the region, prior to the collapse of the Somali government in 1991, had been limited in quality and scope, and wholly dependent on the central government. People traveled all the way to Mogadishu or Dubai for medical care incurring high costs for medication. The inadequate local structures existing had, during the civil war, either been destroyed or rendered un-operational.

In the absence of any functioning authority, the international agencies intervened in the early 1990s to implement programs that basically focused at relief. Gradually, delivered programs aimed at self-reliance and more involvement and/or ownership of community. The new approach seeks to engage communities in identifying their needs, contributing financially to their health and educational needs and providing essential managerial skills through capacity building of community level committees. The Somali people have been accustomed to free health and education services, though with low quality.

Health

The Ministry of Health supervises the health program. The health sector resource base in the six regions of Puntland consists of structures and human resource. Operational physical health facilities comprise 5 regional hospitals, 14 district hospitals, 6 health centers, 42 MCH/OPD and 90 health posts. The human resource base dividing into private and public is illustrated in the table below. **Of this 44 doctors, 7 midwives, 43 nurses, 18 lab techs, 2 x-ray techs, 54 assistants. lab techs, 16 sanitarians, 110 CHWs and 36 TBAs operate on private basis.**

No	Description	Bari	Nugaal	Sool	Sanaag	Mudug	Buuhoodle	Total
1	Doctors	28	7	7	0	19	1	62
2	Pharmacists	3	3	4	2	1		13
3	Post basic Nurse	1		1				2
4	Midwives	18	2	2	3	3		28
5	Nurses	25	42	35	16	17	5	140
6	Lab Technicians	6	1	3	4	5	1	20
7	Ass. Lab. Tech	28	18	10	3	21	1	81
8	Sanitarians	14	1	1		1		17
9	CHWs	72	120	19	20	60	4	295
10	TBAs	72	119	19	20	44	4	278
	Total	267	313	101	68	171	16	936

Table 7: Health Professionals- *Source Ministry of Health. (estimate)*

Education

The education system in Somalia disintegrated with the collapse of the Somali State in Jan 1991. In this process of social disintegration, schools, technical training centers and university facilities and resources became among the first casualties of the senseless mass destruction of the country's total infrastructure (Ali A. Abdi, 1998).

In the declaration of fundamental human rights, education is a fundamental human right of children (UNESCO, p. 16):

"Everyone has the right to education, and education shall be free, at least, in elementary and fundamental stages. Education shall be directed to the full development of human personality and to the strengthening of respect for human rights and fundamental freedoms."

In the Puntland context, the education system is recovering from the effects of the civil war. Concerned international agencies and the Ministry of Education together manage the education system. Apart from the primary and secondary schools, tertiary schools are limited to one university, named East Africa University, located in Bossaso and few other individual faculties at primary stages and vocational schools. The total number of pupils enrolled in primary schools exceeded the 50,000 mark in 2002/3 (DG of Education).

UNICEF and other international agencies such as UNESCO, Diakonia, CfBT, etc. support the education system, while the Ministry of Education interfaces with them. Local authorities' management and ownership of schools is in decline and community/parent committees are replacing the local authorities. The number of schools and female teachers is increasing as well as girls' enrolment in lower primary schools. Gradually, a formal solid education system seems emerging.

The proportion of primary schools rose from 16% in 2001/2 to 17.4% in 2002/3 reaching a ceiling of 204 schools (UNICEF Primary School Survey of 2002/3). This contrasts to the overall Somalia rates of operational primary schools that rose from 1105 in 2001/2 to 1170 in 2002/3 (UNICEF). The average number of pupils per school in Puntland is 182 relative to the overall Somalia record of 240. PCR in Puntland is lower (33) than the overall average of Somalia (37).

The ratio of girls enrolled in Puntland in grades 5-8 raised from 33% in 2001/2 to 36% in 2002/3 whereas that of Somalia increased from 35% in 2001/2 to 36% in 2002/3. As to the teachers, Puntland recorded the highest increase in female teachers in primary schools- from 16% of total of teachers in 2001/2 to 19% in 2002/3 (UNICEF). In ownership and management of schools, Puntland leads the rest of Somalia. Local authorities' management of schools fell from 70% in 2001/2 to 30% in 2002/3 (UNICEF) as community/parent committees have taken over the place of the local governments. No accurate data on secondary schools could be located.

Before the formation of the administration, the education system was unorganized with diverse types of schools operating in the region, which had been founded by sundry voluntary groups. The Ministry of education, during its two-term life, had, in conjunction with international agencies, revitalized the education system and had accomplished fairly good work. It took over management of all the schools operating in the public school premises. A foremost standing problem was and still is existence of diverse types of schools without coordination and differing in quality, materials given or curriculum, and medium of instruction.

The Ministry put to effect a standardized 1-5 grade curriculum in addition to finalizing a blueprint curriculum for 6,7,8 grades that awaits availability of printing funds. While it implemented a temporary secondary school curriculum set up by a British NGO named CfBT, which had, in addition, prepared and supervised the first secondary school leaving exams in 2003. Formal primary grade 8 exams for pupils all

through Puntland were taken in the last three school years of 2000/1, 2001/2 and 2002/3. A standard non-formal curriculum was set up and is functioning.

Moreover, there exist numerous Arabic curriculum based schools of various grades operated by Somali NGOs. The Ministry had put these schools in the mainstream of education system. As international agencies are not willing to assist these schools, the Ministry is in the process of producing a unified curriculum for these schools. It had, in this regard, approached Egypt and a delegation from the Ministry would soon travel to Egypt. The orphan centers' schools funded by voluntary NGO beneficiaries in the Arabian Gulf are an exception to this, as they have not yet secured cooperation with the Ministry of Education.

The Director General of the Ministry of Education informed that an education policy of a ten-year plan, 2003-2013, is in final stage. He predicted that in the coming years a significant number of secondary school leavers would come up with no job opportunities. Thus, the Ministry, proposed a number of initiatives that include: establishment of 6 new higher professional schools, and upgrading and enlarging existing nurse, business and management schools. The projected new professional schools consist of a technical institute, marine institute, agro-forestry institute and veterinary institute, a teacher's training college for primary school teachers and another training college for the secondary school teachers.

For this, the Ministry approached international agencies in the region for assistance. It had already elicited funds for a primary school training teachers' college. Construction of this institute is in progress in Garowe, funded by Diakonia, a Swedish NGO. The Ministry submitted assistance requests to SIDA and EU for realization of the four other institutes of technical, marine, agro-forestry and veterinary. The DG stated that the EU has accepted the request in principle and no response has been yet achieved from SIDA. No funds have been secured, so far, for the secondary school teachers' training school.

In brief, the international agencies mainly fund the education and health systems in Puntland. Provision of education and health evidences steady increase and improvement in quality and organization. Albeit, the international funding agencies have proposed cost sharing and public shouldering full responsibility of health and education management. Although the Puntland people are constrained to adopt this new approach, yet, it characterizes with weaknesses of not considering the plight of poorer sections of the population, the large number of unemployed and the persistent low family income.

Participants commented that the principal constraints to education and health are: lack/absence of parent income, who cannot afford to pay school fees and health care, low skill of professionals, absence of bylaws. A large number of expected high school leavers in the coming years will face the crude reality of joblessness and less opportunities for tertiary education, and poor performance of the education and health ministries due to overburden and increased demand for provision of services

Recommendations

Education

- Organize capacity building for teachers particularly, strengthening knowledge of primary school teachers
- Install a strong supervision and monitoring system
- Revitalize the secondary schools in Sanaag, Sool and Ain regions
- Set up higher professional schools to absorb secondary school leavers
- Plan construction of vocational schools for demobilized militia and adolescent youth

- Organize seasonal schools system for youth engaged in frankincense collection and fishing activities
- Establish an assessment and certification center
- Devise Income generating schemes for schools
- Strengthen education management, planning, administration and assessment
- Promote management of primary schools through Community Education Committees (CEC) as partners at local level.
- Increase government budget for education

Health

- Organize capacity building for health professionals.
- Ministry of Health and community health management committees develop partnership
- Improve quality of preventive and curative care
- Increase coverage of communities by increasing delivery points

6.2. Water and Power Generation

The region had little basic service before the disintegration of the last Somali Government. The people of these regions could not dream to access to such services as potable water and electricity.

At present the water supply system consists of the following:

- Hand-dug shallow wells in urban and pastoral locations.
- Few boreholes at pastoral areas, mostly financed by foreign aid, with partial contribution from government
- Privately built concrete cement reservoirs at pastoral villages and nomadic settlements
- Piped water system in few towns and villages

UNICEF invested in piped water projects in Bossaso, Garowe and Galkayo and shallow wells, while CARE Somalia and other international NGO such as OTP and SAWA funded water projects (some in piped system and some as shallow or drilled wells) in Qardho, Qandala, Ufeyn, Sinujif etc. No town had any piped water before the government collapse in 1991.

UNOPS has also carried out water projects in some districts and villages; such as Alulla District, and villages and towns of Iskushuban, 'Harfo, Buqatote, Washington, Baargaal. Most of these water projects based on the concept of community ownership and sustainability. This policy proved effective as the community communities manage the water supply system. Diakonia (Swedish), Care Somalia (USA), OTP also supported water projects.

DANIDA, a Danish aid agency, financed two electric power facilities in Bossaso and Gardho in 1989-1990. Garowe, Las-Anod and Galkayo had old dilapidated electric systems. Since the collapse, the UN and other international agencies assisted in power generation projects in the region. Accurate data on these agencies are not available. However, some can be cited. **UNICEF, CARE Somalia, Diakonia of Sweden and UNOPS are the lead agencies as well as private companies that have also entered the power generation business.**

Electric power generation is at a formative stage. Funds from UNOPS rehabilitated the Bossaso public electric power facility. Private power generation companies are in the increase. At present private companies supply electricity to the towns of Galkayo, Galdogob, Garowe, Burtinle and Baçaadweyn; while the towns of Basaaso, Qardho and Laas Anood have mixed system of public and private power supply.

In comparison to the pre-civil era, the region had relatively achieved some development in power supply. The international agencies funding power and water projects recommend the policy of sustainability and community involvement in the management of these two important sectors by either supporting private enterprises or after completion of project hand over management of utilities to community committees. Some critics think that privatization utilities entail monopolization that poses a threat to the general well being of the public.

6.3. Infrastructure-Roads and Ports and Airports

Infrastructures remain limited and underdeveloped. A tarmac road crosscutting the region, a small port at Bossaso and two airports at Bossaso and Galkayo form present infrastructures in Puntland.

A tarmac road of Km 660, financed by Italy in the second half of the 1980s, links the towns of Bosaso, Garowe, Laas Anood and Galkayo. This road is the major conduit of trade and goods transportation from the port of Bosaso to the rest of Puntland, linking to other regions of Somalia. However, Puntland lacks good feeder roads to both inland and the coastal areas, which greatly hampers communication, trade and social and economic development. The administration had established, in collaboration with EC and Danish consulting firm, in 1999 an autonomous agency-North East Somalia Highway Agency (NESHA), for road maintenance. A seven-member B.O.D. and a management team run the agency.

The EU and US funded the road maintenance project in 1999-2000 with the administration contributing partially to “Emergency Rehabilitation of Roads Project” that rehabilitated the Bossaso-Galkayo tarmac road. NESHA executed the project. It was a labor-intensive enterprise that created employment for many people and local contractors as well. To sustain the agency’s operational and program cost, the administration has allocated a monthly contribution of 300 Million Somali Shillings (USD 16,000) levied on imported vehicles and vehicle related items such as diesel, oil and spare parts. This fund is spent on routine tarmac road maintenance, staff salary and running costs.

The workshop participants informed that at present the agency encounters difficulties from frequent interference of the administration, which undermines the agency’s autonomy. According to the mandate of the agency, the agency stakeholders (construction engineers’ association, transport association, taxpayers, administration representatives) should elect the B.O.D., which in turn nominates the general manager and other management staff. In spite of this provision, the administration interferes by nominates and disbands the board and management staff, a policy that stifles the smooth running of the agency, and discourages the funders’ interest in the road program.

Another problem that constrains the effectiveness of the agency is low revenue to sustain required road maintenance, overstaffing and bad relationship with stakeholders. Regardless of these difficulties the workshop participants felt the need of preserving the agency’s independence from the administration.

The two main airports of Bossaso and Galkayo have not received much attention, despite the fact that a significant percentage of export and import passes through these outlets. However, the international agency of ICAO supervises these airports by conducting some maintenance and repair works, provision of basic communication equipment and training of staff. ICAO also manages Somalia air space and collects royalties/fees from Somali space users.

An autonomous department, under the Puntland presidency, is responsible for managing the two airports and other airstrips. However, due to frequent bickering and lack of clear definition of competence, the Civil Aviation Department has recently been at loggerhead with the Ministry of public works over airports' management. Such quarrellings often occur between various Ministries and department or agencies over competence and jurisdiction of authority. These had many times confused both the development stakeholders and the public as well.

Galkayo airport need a complete overhaul and improvement of facilities-buildings, control tower, communication equipment, security and provision of water supply system.

Equally, the small Port of Bossaso, which is the main outlet of Puntland, typifies with minimal capability and had not undergone any significant improvements since its construction in 1990. It lacks essential loading and offloading equipment, a warehouse and service buildings. The 175m long and an average draught of 9m harbor had, due to over usage as well as neglect, filled up with silt, which required urgent intervention. UNCTAD, a UN agency that assists in port management, had for the ten years supported in improving the port's operational efficiency by providing human capacity building and equipment.

UNCTAD solicited funds for rehabilitation and dredging of the Port on condition of provision of 10% local contribution. The administration secured the required percentage and the project was implemented from Nov 2002 to May 2003. The project mainly comprising of dredging the harbor, extracted so far 5000m³ while excavating the main harbor section from 5.8m to 9m and the inner boat harbor section from 3.9m to 9m. At work completion, the dredger becomes property of the port for future use. Moreover, a UNCTAD fund for construction of a warehouse of 60m x 30m is in the pipeline. Cooperation of the Administration with UNTACD sustains the functioning of the Bosaaso Port, and is an indication of partnership for good governance.

By and large, Puntland lacks decent infrastructure, which hinders economic growth. Rough feeder roads to the coastal fisheries' communities and mountainous economic production centers pose difficulty tasks to transport products to the outlet points; while districts, such as Caluula and Qandala as wells as vast areas of Sanaag and the Indian Ocean coasts, are hardly accessible to motor traffic.

PROLIFERATION OF ARMS- A CHALLENGE TO GOVERNANCE

The workshop discussion singled out proliferation of arms in the hands of the public as a key challenge to good governance since the issue has bisected the themes explored. Traditionally, the Somali have a culture of carrying arms, which denotes a sign of prestige and status. The history of proliferation of arms in the Somali society dates back to the colonial days and colonial powers' competition for annexation. The Military Government and the opposition fronts have, in the 1980s, exacerbated the situation by providing arms to their respective supporters.

Since the collapse of the Somali State, arms continuously flow in the region from diverse sources resulting in easy accessibility of arms and munitions at open markets in the main towns. During the civil war, clans acquired not only light automatic guns but also various types of heavier weapons of 25mm, 37mm caliber anti-aircraft and 106mm anti-tank weapons mounted on vehicles, mortars, Bazooka rockets and missiles, grenades and mines, etc. Although, at inception of Puntland administration, in 1998, many clan lineages handed over their heavy weapons to the authority, still some retained their weapons, while in the volatile 22-month period of constitutional crisis of 2001/2002, a number of lineages re-armed by buying heavy weapons.

Possession of arms disturbs clan/lineage local balance of power and emasculates governance. It encourages the clan/lineage with more firepower to try to dominate others to aspire access to the local and central power. In Puntland, due to possession of arms, lineages often pressure unrealistic political demands or individual interests and, sometimes, hinder application of justice, which weakens governance and establishment of law and order. This also encourages the civil servants to misuse of funds and/or power abuse since he/she is protected by the lineage. By and large lineage arms' possession forces the local authority to succumb to lineage demands, rather than the opposite. It renders authority inept that cannot enforce law and order or accountability.

The discussion found out that disarmament of the public, while cannot be executed forcefully at the present time, raises a number of pertinent issues. First, disarmament cannot be executed until the external threat from the other regions of Somalia decimates, pending on Somalia reconciliation. Second, some lineages argue that they keep arms to protect their interests from the authority's excessive power usage. In this regard, the local authority needs to be credible and representative, which means a neutral judicial and law enforcement system, an urgent star of the process of democratic system of governance such as decentralization, free and fair elections and equality to economic opportunities.

Another precondition to disarmament is control of arms flow from outside. Despite production of a number of UN resolutions banning sale and export of arms to Somalia, nevertheless, monitoring procedures and punitive actions against perpetrators are weak and arms flow easily from the neighboring countries and distant producers. The international community should revise and improvise its monitoring and punitive strategies.

CONCLUSION-LESSONS LEARNED

This study examined the Puntland administration's performance from the perspective of "Good Governance" with the current concept of the term. The participants of the workshop, who were from different sections of stakeholders, had, with clear understanding, presented invaluable contribution to the inputs of the workshop outcome.

From the comments and contributions of the participants, five relevant issues emerged:

1. In order to develop a system of "Good Governance", some political and constitutional principles must be maintained by all-political leadership and citizens alike. It has been pointed out that the Puntland political and constitutional crisis that plagued Puntland during 2001-2003 was totally caused by lack of abiding by the rules and covenants required in the Puntland Charter. The misinterpretation of the Charter, and the absence of a Constitutional Court or legal instrument for arbitration led to encourage the political leadership to ignore the fundamental principle enshrined in the Charter.
2. To attain stability and development, practice of a democratic system of governance is a prerequisite, i.e. real political participation of citizens in decision-making. In view of this, the administration should accelerate decentralization of power to the lower regional and district echelons, population census to conduct referendum for the Draft Constitution as well as regular elections that enable free and fair competition. The admin should also refrain from media censorship and support civil society and the private sector
3. Durable peace and stability preserves where social justice triumphs. To achieve this, the judicial and law enforcing bodies have to be overhauled, on the one hand, and their capacity built, on the other. The present size of the security forces should be dramatically reduced to increase effectiveness and save resources. The monetary compensation must be raised to match the standard of living and to combat corruption and nepotism. Alternatively, equity in distribution of wealth must be sought. This can come through inequity in power-sharing and employment opportunities as well as participation in the judicial organs and security forces.
4. Lack of control and mismanagement of public funds constitute both a source of conflict and an impediment to application of good governance. Strict control and accountability can eliminate misuse of funds. Misappropriation and inadequate revenue collection has been identified as another fundamental weakness of the administration. Participants recommended that budget allocation should prioritize provision of essential services and support to the economic sectors in addition to diversification and enlargement of the revenue base.
5. Loyalty of public servants to the clan poses a basic constraint to implementation of good governance. Guarantee of the physical security of the judicial and law enforcing personnel and provision of lifelong benefits can minimize reliance on clan.

GENERAL RECOMMENDATIONS

A) Democratization of Political System

- Start preparations for conducting population census in Puntland to set the stage for a referendum on the draft constitution and fair and free elections to elect representatives directly through the ballot
- Parliament to accelerate legislation on civil rights- freedom of expression and media limits in national interest and/or public security, establishing decentralization of political and administrative powers at local level; recognition of social, political and economic importance of the civil society organizations, multi-parties political system. Although the New Draft Constitution stipulates freedom of expression and association, and authorizes a multi-party system, relevant by-laws still need promulgation
- Puntland administration should practice the culture of accountability, particularly strict financial control of public funds and control of justice institutions and law enforcing bodies. The workshop participants saw these as the most single important issue in the whole political and social set up.
- The cause of the last constitutional and political crisis that led the administration and the opposition to military confrontation was due to misinterpretation of the Charter and principles it contained. Neglecting the importance of the Constitution means destroying the social and political fabric of Puntland. Based on this reality, the workshop participants recommended that the Administration and other organs of Puntland must refrain from all acts-political, economic, social-that violates the Constitution both in letter and spirit.
- Parliament should fulfill its responsibility of checking the administration
- Immediately establish a constitutional committee/court
- Separate the clan system and public service/responsibility
- Expand governance to the peripheral areas
- The administration has to be more transparent and accountable to the people. To do this, it should improve communication to its people and organize: public forums to exchange opinions with public and civil society organizations
- Citizens should enabled/ assisted to create organizations that monitor administration performance
- Recruit civil servants on merit and competence by eliminating the clan quota system
- Projects and contract should be healthily competed for on tender basis

Civil Society

- Administration should recognize the role of civil society organizations and private sector.
- Civil society organizations should realize that they are accountable to the public and local administration

- Civil society organizations. should establish umbrella organizations to enhance their interests
- The civil society and political organizations enable, empower the public to advocate for freedom of expression, express their views through the media, petitions and peaceful demonstrations
- The international agencies and the administration should promote the Media in offering quality information as means to educate the public

Justice Institutions and Law Enforcing Bodies

- There is an urgent need to dramatically reduce the size of Puntland Security Forces, which absorbs a big part of annual revenue.
- Recruit the police and judiciary personnel on merit
- Improve the skill and know-how of members of the police and judiciary
- Upgrade remuneration of police and judiciary to dissuade or minimize nepotism and corruption
- The funds allocated for services should be kept under strict control and spent on intended purpose
- The Legislative, the Executive and higher institutions must maintain strict control on the police and judiciary performance
- Provide proper facility and equipment to the justice institutions and law enforcing bodies
- The state must ameliorate health and living conditions in prisons and transform them into correctional centers than detention houses.

Trade

- Organize the Puntland traders and limit the number of traders, in other words introduce licensing
- Diversity export commodities and markets
- Improve public relations of Police officers at outlet points
- Resolve frictions among port police, port veterinary officers and customs officials, which impedes speed and efficiency of loading and offloading of merchandize

Revenue generation

- Introduce new tax/service charges to expand revenue base
- Discuss with concerned actors (chamber of commerce) of increasing of rate of taxation
- Improve efficiency of tax administration/enforcement
- Review tax procedures (tax policy) 100% ad valorem or partial/mixed valuation system
- Expand inland taxation to areas uncovered
- Review staff skill and number

Revenue Use

- Channel revenue to the urgent needs of the people
- Conduct an urgent study on reducing the size of the civil servants and security forces to save revenue, and divert savings to the essential, basic services-health, education, water, environment, etc
- Each Ministry should confine itself to its budget. No over expenditure should be allowed/entertained
- The administration should stop paying out political funds to its supporters

Education

- Capacity building for teachers, particularly strengthening of primary school teachers
- Install a strong supervision and monitoring system, including parents
- Sanaag, Sool and Ain regions Secondary schools are functioning well. The administration should take urgent steps to reinstate these schools and help parents and local authorities in this matter
- An urgent need for higher professional schools to absorb secondary school leavers
- Vocational schools for demobilized militia and adolescent youth
- Seasonal schools system for youth engaged in frankincense collection and lobster
- Establish an assessment and certification center
- Income generating schemes for schools
- Strengthen education management and planning, administration, and assessment

Health

- Organize capacity building for health professionals, Ministry of Health and community health management committees
- Improve quality preventive and curative care
- Increase coverage of communities by increasing delivery points

Annex I: Discussion Paper

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SUBJECT: WORKSHOP ON GOOD GOVERNANCE

DISCUSSION PAPER

Civil conflict sustains where good governance is missing. Since good governance is vital for Puntland administration, this discussion paper, meant to provoke discussion or act catalyst on good governance deliberations, precludes a workshop on good governance that constitutes one of two components of a project named “Peace building and Good Governance”. The project goal is to assess the drive towards democracy and good governance in Puntland, to promote Puntland citizenry’s awareness in participation in policy formulation and to contribute input into the on-going process of peace building and reconstruction in Puntland and Somalia in general. In defining democracy liberal advocates label governance as establishing processes and institutions that both reflect and meld together local tradition and global norms and practices. UNDP defines:

“Governance can be seen as the exercise of economic, political and administrative authority to manage a country’s affairs at all levels. It comprises the mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal right, meet their obligations and mediate their differences”.

Thus, Good governance in its present sense denotes a wide scope of interpretation covering practice of principles of democracy, which translates to as ‘meaningful broad-based participation of people in determining their destiny’. Puntland Development Research Center (PDRC) intends to hold the workshop on good governance at its center, Garowe, between **26 July and 28 July 2003** to discuss effective ways of augmenting practice of good governance as well as assessing strengths and weaknesses of Puntland system of governance. The theme was earlier presented to a small working group selected to steer the participatory research process, which held a two-day meeting at the end of last June to plan for the major gathering. Working group deliberations focused on research proceedings, formulation of relevant topics for discussion and identification of potential workshop participants.

Objectives:

Targeted objectives include:

- Distinction of traditional governance and current codes of good governance
- Assessment of position of Puntland towards good governance, and
- Review of major constraints to good governance for Puntland and identification of relevant strategic options to promote good governance

Workshop Agenda

Currently, attainment of good governance constitutes a challenge to local national, regional, district and community level administrations that have to fare with the new realities of Somalia. In this context, the Somali people abominate a central system of governance and demand, among others:

- Increased people’s participation in decision-making
- Devolution of power to regional, district and community levels
- Free and fair election ethics
- Equities in distribution of resources
- Transparency and accountability in use of public funds
- Civilian control and accountability of legal institutions and law enforcing agencies
- Existence of mechanisms to resolve differences and

- Delivery of adequate social services.

Likewise, the international community is mounting pressure on implementation of human right obligations, facilitation of as well as political space for civil society organizations, gender equality issues, etc. Thus, invited participants will discuss where Puntland administration stands in these areas and, therefore, would explore effective ways of enhancing good governance in assessing the strengths and weaknesses of Puntland system of governance.

In the light of the requisites of good governance listed above, the following guiding questions are proposed for discussion:

Guiding questions:

1. Does the Puntland political structure reflect an apposite structure of good governance? If not, what are the weaknesses and how can these weaknesses be addressed?
2. Does the Puntland administration accept or support emerging civil society Organizations? How can this be improved?
3. In your view, how do we improve practice of freedom of expression of views and association?
4. Are effective controls to management of public funds in place in Puntland? If not, how do we install strict controls on use of public funds?
5. Is Puntland government transparent and accountable to the people, in the sense of responsiveness to constituents, accountability to its actions and decisions, and citizens' oversight?
6. Is there a degree of fiscal and political autonomy of local governments? Who selects/elects local government officials? What is the level of decentralization in puntland?
7. Many people complain of injustices in Puntland. What type of law- enforcement organs do we need, centralized or community based? To whom should they be accountable to?
8. Specify the appropriate form that Puntland people can effectively participate in Decision-making?
9. Mechanisms for peaceful resolution of conflicts among various interest groups are missing. How can this be devised?
10. Is there equality to control of and access to resources in Puntland? If not, how can this be achieved in regard to power sharing, horizontal distribution of income, equal opportunities to employment and social segregation?
11. The budget allocated for the social services (Health and Education) amounted to **2.4%, 2.6% and 2.5%** of total Puntland budget during the years of 2000, 2001 and 2002 respectively, while that of only the Darawish and Police Forces amounted to **40%, 36.7% and 53.6%** in the same years respectively. The Ministry of Finance got in the same years **38.9%, 40.6% and 24.3%** respectively. Total budget of the Ministry of Finance and Drawish and police forces added rated to **78.9%, 77.3% and 77.9%** of total budget. What is your opinion on that? What would you suggest?

Annex 2: List of Workshop Participants on Good Governance Workshop: 26 – 28 July 2003

Description	Title	Region
1. Mohamed Muse	Puntland Legal advisor	Government
2. Abdi Mohamoud Mohamed	DG MIC	Government
3. Dr. Abdi Awad	DG- MOH	Government
4. Abdulkadir Mohamud Ahmed	DG MOP	Government
5. Abdulkadir Sheikh Ahmed	Ch/S/Court	Government
6. Mohamed Soofe Hassan	DG-DDR	Government
7. Salado Ismail Mirood	WAWA	Bossaso
8. Hawa Ismail Ahmed	AID	Bossaso
9. Abshir Said Farax	Civil Soc	Bossaso
10. Mohamed Abshir Omar	Lawyer	Bossaso
11. Omar Ismail Sanweyne	MP	Bossaso
12. Yusuf Haliye	Elder	Bossaso
13. Salad Xared	MP	Bossaso
14. Omar Haji Said (M/Finance)	Finance controller	Bossaso
15. Mohamed Haji Said	Elder	Sanaag
16. Mohamed Ali Guuleed	MP	Sanaag
17. Ahmed Farah Ali	Intellectual	Sanaag
18. Fawsiyo Mohamed Ahmed	Horn Relief	Sanaag
19. Said Mohamud Salah	Elder	Sanaag
20. Osman Adan Sheikhdoon	LNGO	Mudug
21. Hawa Yusuf Ahmed	GECPD	Mudug
22. Hawa Abdirashid Hussien	W-group	Mudug
23. Osman Yusuf Harare	Local Gov.	Mudug
24. Abdi Ali Yusuf	DDR	Sool
25. Farah Ali Shire	Som.Vision	Sool
26. Ali Mohamed Noor	Elder	Sool
27. Ibrahim Omar Adan	Tender Co.	Sool
28. Omar ismail Mohamed	Elder	Sool
29. Faiza Abdi Dhala	Radio Lasanod	Sool
30. Abdulkadir Osman Uke	Vice Governor	Sool
31. Dahir Ali Essa	Mayor	Garowe

32.	Ali Mohamed Abdirahman	REO	Garowe
33.	Sheikh Said Abdi Farah	Judge	Garowe
34.	Aydarus Haji Hirsi	NEC	Garowe
35.	Shugri Salad Weyrah	MP	Garowe
36.	Amino Ahmed Abdi	W Group	Garowe
37.	Fadumo Dahir Warsame	W Group	Garowe
38.	Mohamud Sheikh Hamid	KAALO	Growe
39.	Safiyo Sugulle	W. Group	Growe
40.	Abdinasir Haji Mohamud	Agriculture	Garowe
41.	Ali Haji Abdulle	Elder	Garowe
42.	Abdiasis Dirriye Hussien	Elder	Garowe
43.	Amino Magan Yusuf	W Group	Garowe
44.	Abdullahi Mohamud Mohamed	DDR	Garowe

Annex 3: Sources of Revenue

Tax Line Items:

Import duty	Temporary circulation tax
Export duty	Road maintenance tax
Administrative duty	Loading and off loading tax
Passenger duty	Commercial and transfer tax
Immigration duty	Other general indirect taxes
Registration duty	Production tax
Stamp tax	
Circulation tax	Registration tax on ships and boats
Pallet tax	Airplane tax
Car testing tax	Landing fee on planes
License tax	Embarkation tax
Communication tax	printing tax
Printing tax	Court levies
Port service charges	
Tax on frank and fishery products (ports)	
Others	
Livestock health certification levy	
Livestock export levy	
Animal husbandry revenue and environment	
Unexpected income	
Local donations	
Transfers	

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