I. Introduction and Context

Country Context

1. The Federal Government of Somalia (FGS) emerged in 2012 and has taken up state- and institution-building activities. Several new laws have been enacted by parliament, new Federal Member States (FMS) have emerged, and central government revenues are growing. In 2015, the FGS started developing a new National Development Plan (NDP) covering the 2017-19 period. Elections for a new federal government are expected to be held in the second-half of 2016 with a political agreement being recently reached on electoral modalities.

2. Somalia has a severe lack of basic economic and social statistics. Population is estimated to about 12 million people. There are about one million internally displaced people and a further one million refugees in neighboring countries. Somalia has an important diaspora of about one million people across the globe. GDP per capita is estimated at 450 USD per capita. The GDP estimate, other macro-economic indicators as well as the sectoral setup of the economy are based on rough estimates given the scarcity of reliable data.

3. About two thirds of the population are estimated to be poor. However, the survey only covered 39 percent of the population excluding nomads in their totality. With the same limitations of coverage, about 55 percent of the population is literate. More than half of the working-age population is 'outside the labor force'.

Sectoral and Institutional Context

4. Policy makers and development partners in Somalia are operating in a statistical vacuum. The NDP aims to qualify as an Interim-Poverty Reduction Strategy Paper (I-PRSP). However, the NDP as well as other strategy documents suffer from a lack of available quantitative data to inform...
policies and programs fostering economic growth and stability. Many of the basic macroeconomic (e.g., CPI and GDP) and development indicators (e.g., poverty measures) are either not available or do not cover all of Somalia.

5. The sample frame for Somalia is incomplete and cannot provide the foundation for representative surveys. In 2012, the UNFPA, UNDP and the Government started implementing the first nationwide Population Estimation Survey (PES) preparing for a Census. The PES consist only of a short household questionnaire with very limited scope in terms of economic or social indicators. While PES aimed to provide a sample frame for upcoming surveys, demarcation of enumeration areas especially in rural areas is incomplete. Thus, representativeness of surveys based on this patchy sample frame is not warranted.

6. Only limited representative survey data is available. Previous data sources were mostly limited to food and nutrition surveys conducted by FSNAU and FAO, and a range of other smaller surveys implemented by organizations operating in Somalia. The data are fragmented and aligned to specific collecting agency requirements. An exception was the Somaliland household survey from 2012 but with limited coverage to Somaliland and excluding IDPs and nomads. The main reliable data source is the Somali High Frequency Survey from 2016. The survey is representative for 39 percent of the population thanks to an ad hoc revised sample frame using PES complemented by satellite imagery.

7. The Government does not have the capacity to provide statistical products. The main statistical products either do not exist in Somalia (National Accounts) or were provided with considerable funding as well as technical and implementation assistance by Development Partners. Statistical activities are implemented in a legal vacuum. Puntland and Somaliland have developed strategies for the development of Statistics but their implementation is hindered by funding and capacity constraints.

**Relationship to CAS/CPS/CPF**

8. The Interim Strategy Note (ISN) for Somalia includes the objective to develop the statistical sector in Somalia. The ISN recognizes the lack of reliable data affecting the design of effective policies targeting poverty and development. The lack of reliable data in Somalia is attributed - among other causes - to the fragmentation of data providers and weak capacity in its Statistics departments.

**II. Project Development Objective(s)**

**Proposed Development Objective(s)**

9. The PDO is to strengthen the capacity of the statistical authorities in the Federal Government of Somalia, the Government of Puntland and the Government of Somaliland to provide a better statistical infrastructure and enhance dissemination practices.

**Key Results**
10. The key aspect of the PDO is provision of a better statistical infrastructure and enhanced dissemination practices. The main outputs of the project will be:

a. Drafted legal framework for Statistics including data dissemination policies.
b. Better trained staff at the statistical authorities.
c. Updated sample frame for Somalia with comprehensive geographic coverage and inclusion of nomads.
d. A micro-data library offering datasets for download.

III. Preliminary Description

Concept Description

11. The project has three components: (a) Institutional Reform; (b) Human Capacity Building; and (c) Statistical Data Infrastructure. The first component will deliver a drafted legal framework for statistics and data dissemination policies. The second component will provide trainings. The third component will update the sample frame and setup a micro-data library.

12. Institutional Reform: A good legal framework is a necessity to create a sustainable statistical system. Equally important are open data access policies to maximize usage of data but also create better accountability and transparency. This component will use international experience to help Somali authorities to draft a forward-looking legal framework for Statistics and open data access policies. It will also support advocacy and coordination for Statistics in Somalia.

13. Human Capacity: Staff at the statistical authorities has limited experience in Statistics and is generally either not at all or not well trained. This component aims to provide some of the key staff training contributing to the creation of a professional civil service work force. Trainings will cover basic and intermediary trainings including Excel, National Accounts and poverty analysis trainings. Female staff will have preferential access to the trainings with a minimum quota reflected also in the results framework.

14. Statistical Data Infrastructure: A comprehensive sample frame is a necessity to conduct representative sample surveys. The current sample frame is incomplete and insufficient for this purpose. Therefore, the component will produce a revised sample frame using satellite imagery. Given the specialized skillset needed for this task, a contractor will be hired for this activity. The component will also create a micro-data library to offer a platform to provide datasets including a description of the dataset in standardized format.

IV. Safeguard Policies that Might Apply

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<thead>
<tr>
<th>Safeguard Policies Triggered by the Project</th>
<th>Yes</th>
<th>No</th>
<th>TBD</th>
</tr>
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<tbody>
<tr>
<td>Environmental Assessment OP/BP 4.01</td>
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<td>Natural Habitats OP/BP 4.04</td>
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<td>Safety of Dams OP/BP 4.37</td>
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Projects on International Waterways OP/BP 7.50  ✗
Projects in Disputed Areas OP/BP 7.60  ✗

V. Financing (in USD Million)

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<th>Financing Source</th>
<th>Amount</th>
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<tr>
<td>Trust Fund for Statistical Capacity Building</td>
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Total Project Cost: 0.5
Total Bank Financing: 0
Financing Gap: 0

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