



Republic of Somaliland  
**Ministry of Finance Development**

# **STRATEGIC PLAN**

## **(2024 – 2028)**



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## List of Acronyms

|         |  |
|---------|--|
| AG      | Accountant General   |
| GDP     | Gross Domestic Product   |
| GoSL    | Government of Somaliland                                       |
| GST     | Goods and Services Tax   |
| ICT     | Information and Communication Technology                       |
| KPI's   | Key Performance Indicators                                     |
| MDG     | Millennium Development Goals                                   |
| MoFD    | Ministry of Finance Development                                |
| NDP III | Third National Development Plan                                |
| PDMS    | Public Debt Management Strategy                                |
| PESTEL  | Political, Economic, Social, Technological, Environment, Legal |
| PFM     | Public Finance Management                                      |
| SDG     | Sustainable Development Goals                                  |
| SLFMIS  | Somaliland Financial Management Information System             |
| SP      | Strategic Plan   |
| SWOC/T  | Strengths, Weaknesses, Opportunities and Treats/Challenges     |



## FOREWARD

The plan is structured to actively facilitate a thorough ministry-wide transformation, set to unfold over a period of five years. It combines the transactional mandate and functions of the key ministerial responsibilities, encompassing economic development, fiscal policy, and macroeconomic policy. The purpose is to enhance sustainable economic growth and financial stability for the well-being of the people of Somaliland. This will be achieved through the promotion of sound economic and financial management models, effective tax administration, robust customs enforcement, and judicious allocation of funds, optimization of revenue mobilization, and the provision of accurate and reliable data on all activities.



It also seeks to improve the operational efficiency of the Ministry, ensuring the responsible management of state revenues, protect public assets, exercise rigorous regulatory oversight, and manage government liabilities diligently. This, in turn, will enable us to fulfil the government's commitment to lifting Somaliland out of pervasive vulnerability and poverty, aligning with the overarching goals outlined in the Somaliland National Vision 2030 of creating 'a stable, democratic, and prosperous country where people enjoy a high quality of life. Since the inception of this strategy seven years ago, the ministry has made significant progress in realizing its goals. However, the current review seeks to update the strategy to align it with the ever-changing socio-economic landscape. The aim is to deepen a common understanding of the strategic plan to our staff and the extended stakeholders, proactively explore and anticipate emerging opportunities, identify potential challenges that could impede successful implementation, and strategically enhance our areas of improvement.

I acknowledge the rapid changes witness around the work during the delivery of the phased-out strategy, especially on Public Finance, that have made reforms necessary, which also significantly made access to information and data more easily, it becomes even more important to keep our citizens informed, as the owners of public resources, this has increased the importance of fiscal transparency, accountability and strategic management. Therefore, I am pleased to share the revised five year (2024-2024) Strategic Plan of the Ministry of Finance Development to all partners and stakeholders including government ministries, international financial institutions and other regional organizations, in developing the plan, consideration has been given to the strategic aims of the National Development Plan (NDPIII). The plan seeks to provide the right fiscal and macroeconomic framework which will enable the government to deliver on the aspirations of the Somaliland people. With the implementation of this Strategic Planning, public administrations we will gain a transparent and accountable structure that we aim to bring about a need to increase the quality of service, and the efficient, effective and economical use of resources, allowing us to carry out our duties in a planned manner.

I expect all the departments of the Ministry to work towards our strategic goals and objectives, and believe in our ability to successfully implement this Plan and may I take this opportunity to reiterate my commitment to providing all the necessary support to the full and successful implementation of the plan and I expect all the departments of the Ministry's to work towards these strategic goals and objectives, and believe in our ability to successfully implement this Plan. I would like to thank all Ministry's personnel for their contribution to and participation in the preparation of the Plan, including all of the stakeholders who shared their views and suggestions with us.

.....  
**Dr. Saad Ali Shire**  
**Minister of Finance Development**



It is hereby to be certified that the development of this Strategic Plan and information gathering was developed by the Budget and Planning Department, information gathered from all 14 Departments and the National Development Plan taking into account all the relevant policies, legislation and other mandates for which the departments are responsible to implement, with and accurate reflection of the strategic outcome, planned and oriented goals and objectives which all departments will endeavour to achieve over the 5 years period.

### **MESSAGE FROM THE DIRECTOR GENERAL**

It is with great pleasure that I announce the successful completion of the review process for our revised strategic plan (2024-2028) within the designated time frame. I extend my heartfelt appreciation to the dedicated team involved in this endeavour. Special appreciations go to the MIDHSHARE Consultants for their outstanding efforts and commitment ensuring the timely completion of the revised plan. The Department of Budget and Planning deserves special recognition for assuming a leadership role in effectively coordinating the entire review process. A special thanks is due to all departmental directorates and their diligent subordinates who demonstrated exceptional commitment in revising their plans and responding to inquiries from the consultants.



As we embark on the journey outlined in our revised strategic plan, I want to emphasize the crucial role each department plays in ensuring its successful implementation. The strategic plan is not just a document but a roadmap that charts our course toward excellence and sustained growth. I urge each department to prioritize the timely execution of the plan, treating it as a guide to our day-to-day operations.

Our commitment to adopt this blueprint as a shared vision, aligns your efforts with the overarching goals we've set forth that will surely enhance our collective effectiveness but also contributing significantly to the realization of the strategic directions, goals and objectives highlighted in this plan.

Let us adopt a culture of collaboration, open communication, and effective coordination to bring life into our strategic plan. Through developing better working together attitude, sharing insights, and maintaining effective communication channels, we can amplify our collective efforts and create a dynamic environment that nurtures innovation and excellence.

As we navigate this path to success, it is essential to recognize and appreciate the commitment and dedication exhibited by each member of our remarkable team. This means, our collective contributions form the foundation of our shared success, and by valuing our efforts, we can reinforce a defined future that characterize with continued growth and accomplishment.

.....  
**Mohamed Hussein Osman (Mu'adinka)**

**Director General for the Ministry of Finance Development**



## EXECUTIVE SUMMARY

The Ministry of Finance Development Strategic Plan (SP) has been in operation over the past seven years. However, the revised version (2024-2028) is crucial to align with the continuously changing socio-economic landscape. It also aims to foster a shared understanding among the staff of the ministry and extended stakeholders, proactively exploring and anticipating emerging opportunities, identifying potential challenges that may hinder successful implementation, and strategically enhancing areas of improvement. The review of the strategy also signifies the commitment of the ministry to adaptability and excellence in navigating the dynamic environment that the ministry operates within.

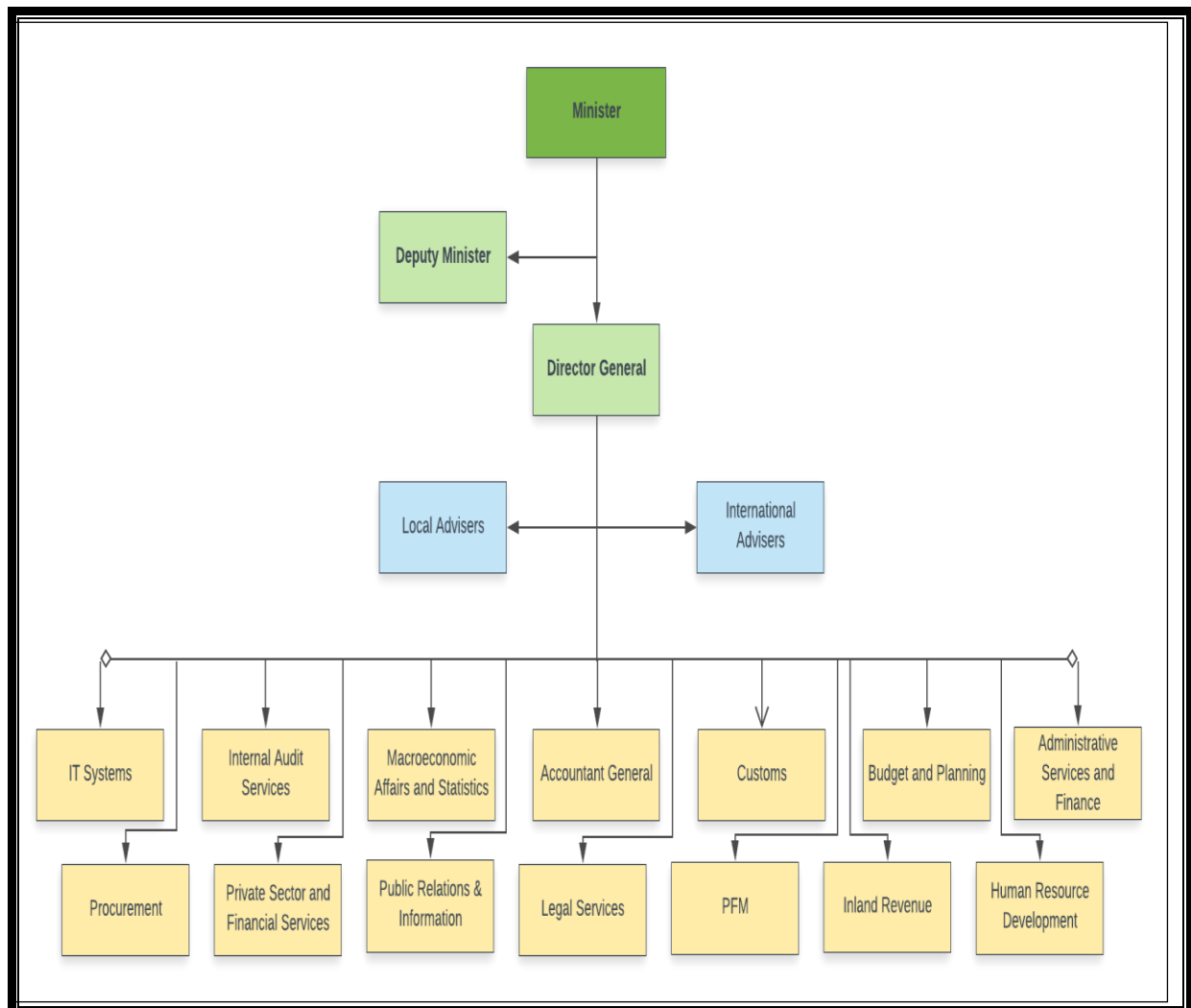
The SP comprises of six chapters, each presenting relevant sub-topics guiding toward the realization of the purpose. Chapter one introduces an overview of information encompassing the core functions of the ministry, the legal and policy context, high-level statements such as the mandate, vision, mission and core values, alignment with nationally and globally adopted documents, including Somaliland Vision 2030 and the Sustainable Development Goals (SDGs), among others. Moreover, the chapter presents the purpose, objectives and the guiding principles of the plan.

Chapter Two presents the SWOC and PESTEL analysis, along with key lessons learnt and valuable insights derived from the phased-out strategy (2019-2023.). Chapter three being the most important outlines the strategic directions, goals, and both overarching and specific objectives, concisely presented in a matrix table. In Chapter Four, the implementation strategy, implementation model, existing ministry departments, their respective roles, and the identified critical success factors are showcased to ensure effective oversight of departmental outputs.

Chapter Five exclusively illustrates the monitoring and evaluation approach of the strategy, obliging to conduct mid-term, end-line, and ad-hoc evaluations. The final chapter (Chapter Six) presents departmental plans, serving as a roadmap to guide departments in fulfilling their missions throughout the execution of this strategic plan.

In a nutshell, the MoFD's strategic plan is a comprehensive blueprint designed to drive the ministry towards achieving a greater efficiency, transparency, and fiscal responsibility. The plan reflects the ministry's commitment to not only address future challenges but also to proactively shape a dynamic and resilient Ministry capable of navigating the complexities of the economic landscape in the coming five years.

## ORGANOGRAM – MINISTRY OF FINANCE DEVELOPMENT



## CHAPTER ONE

### 1.0. INTRODUCTION

The revised five-year Strategic Plan covers the period (2024 – 2028). It presents the strategic direction that the Ministry of Finance Development (MoFD) will pursue over the next five years to achieve optimal performance in fulfilling its mandate. The Strategic Plan was initially built upon the key outcomes, core functions and strategic themes identified during the initial formulation of the strategy, guided by an assessment of environmental scanning aligned with the ministry's mandate. The MoFD is committed to strengthening its role as the guardian of the national financial resources, ensuring transparency accountability by introducing and delivering fiscal policies that promotes positive economic growth and development. For the first time, plan also developed an implementation strategy to outline the specific frameworks of task inputs, processing and outputs to reach the planned targets and to state good outcomes.

The phased-out strategy coincided with global economic challenges arising from the COVID-19 pandemic, exacerbated by the Russian-Ukraine war which has had international implications such as price increase of global energy and food markets resulted in higher inflation in Somaliland from the higher import costs. Another catastrophic factor was the fire out break at the Waheen Market in Hargeisa with estimated 155bn SLSH in lost revenue for the Somaliland economy in the year 2022. These factors contributed to a high inflation rate for essential commodities, including staple food and fuel. The net result of these challenges has slowed economic growth, with average prices (in particular food prices for the year 2022). This was further intensified by the internal conflict in Lasanod in 2023, and other enduring socio-economic repercussions of these global and national catastrophes underscore the significance of monitoring and regularly updating their effects for the effective management of any ongoing financial crises.

Recognizing the enduring economic risks and negative impacts of these crises, the Ministry of Finance acknowledges the imperative to adopt a more strategic approach in the coming years. While it is crucial to remain vigilant about the lasting effects, concerted efforts are needed to navigate the exit from those crises. This entails a shift and adjustment in public expenditure to ensure the best possible prospects for our society in the years ahead. Keeping a watchful eye on these changes and implementing prudent measures will be essential to manage and mitigate any further financial crises that may arise.

The purpose of a strategic plan is to furnish the ministry with a structured framework that directs its efforts in achieving long-term goals and objectives. The ministry comprises 14 well-established and operational departments, each designed to execute planned activities, meet targets, reach milestones, and manage expenditures in alignment with the NDPIII and other national policies and procedures. Therefore, it is important to coordinate closely across complementary areas of policy and expenditure by continuing to focus on raising the level of inclusive economic growth, contributing to the NDPIII components and milestones and its objectives of reducing poverty and inequality and improving government services. This is also crucial as the current economic environment requires continued focus on the sustainability of both reduction of government expenditure and revenues mobilisation, to achieve a long-term fiscal report that projects expenditure trends over the next 5 years based on demographic trends and economic scenarios modelling the main components of social spending, including, health and education expenditure.

The plan is set to be a transformational change designed to be ministry-wide and enacted over a period of five years. For example, it is to combine the leadership, knowledge, experience and the

transactional mandate and the function of the key ministerial responsibilities for economic development, fiscal policy and macroeconomic policy. This is to enhance sustainable economic growth and financial stability for the welfare of Somaliland through the promotion of appropriate economic and financial management methods, tax administration, customs enforcement, ensure adequate allocation of funds, optimise revenue mobilisation, promotion of accuracy and quality of all activities. Over the period of the strategic plan, the ministry dedicates itself to further uphold the constitutional mandate of being the guardian of the State financial resources, while inventing macroeconomic policy strategy and improving fiscal policies that are helpful for economic growth and development, and to safeguard that resources of the State are accounted in a systematic manner. The core functions of the Ministry of Finance can be summarised into ten main areas namely:

1. Enforcing Tax laws and Customs Laws.
2. Preparation of economic forecasts and analytical reports.
3. Predict revenue ceiling for medium-term.
4. Prepare the Annual National Budget and medium-term expenditure allocation.
5. Budget consolidation and submission for approval.
6. Implementing the economic policies of the government and public finance.
7. Budget execution.
8. Accounting and reporting.
9. Internal control.
10. Prepare consolidation of financial reports.

The Strategic Plan of 2024 - 2028 of the Ministry of Finance Development outlines new strategic objectives to set priorities by focusing on energy and resources in order to enhance fiscal stability and macroeconomic policy for equitable socioeconomic development. The following objectives have informed the formulation of this strategic plan:

- a. Domestic revenue budget credibility.
- b. Economic development and stability through fiscal sustainability and solvency of surplus budget.
- c. Managing Public Debt.
- d. Public financial management reform and budget transparency.
- e. Resource mobilisation and management.
- f. Broadening the tax base and migrating reliance on Customs to Inland Revenue.
- g. Development cooperation and regional integration.
- h. Public investment management; i.e. to strengthen and reinforce the new and existing legal, regulatory and/or policy frameworks.
- i. Fiscal policy development.
- j. Macroeconomic policy development.
- k. Private sector development.
- l. Financial sector development.
- m. Institutional capacity development.
- n. Broadening public assets.

Within the scope of this Strategic Plan for 2024–2028, and as part of our government’s objectives for sustainable growth, our intention is to strengthen macroeconomic stability, enhance the Ministry’s skills through trainings programs and develop the Public Financial Management System, increase capacity to develop technology strengthen the physical infrastructure and improve institutional quality.

### **I.1. ENSURING SUSTAINABILITY**

It is important to ensure fiscal sustainability to anchor Somaliland economic stability over the coming years by improving the Revenue and Tax Collection Mobilisation and to ensure that systems are developed steadily within an achievable base. The Ministry of Finance is committed to developing the Public Financial Management system to improve the current financial management system and to continue to support the long-term goals and objectives of the country. The Ministry of Finance recognises that improving revenue mobilisation and the tax collection system plays a vital and important role in economic growth and sustainable development, and it also provides commercial incentives for the private sector enterprises; improving the quality of public services rendered to all citizens.

### **I.2. IMPROVING PUBLIC EXPENDITURE**

Within the economic landscape, the Ministry of Finance will concentrate on enhancing public expenditure to ensure better value for money and reduce corruption. The Ministry acknowledges the persistent occurrence of corruption in our society, emphasizing that there is still much work to be done to elevate the quality of government spending and enhance service provision. Therefore, Ministry of Finance will remain resilient in routing out corruption and introducing innovative approaches to sound the public procurement in government service delivery.

### 1.3. BACKGROUND

The Ministry of Finance Development has introduced many reforms aimed at growing improving the performance of the ministry, and this includes the Public Financial Management Reform. The objective of the PFM as indicated by its reform strategy which is “to have in place a holistic, country-led PFM reform strategy”. This will provide a broad strategic framework, establish priorities and sequencing of tasks and provide an actionable plan for short, medium and long-term phases. The ultimate goal is to: “ensure efficient, effective and accountable use of public resources as a basis for economic development and poverty eradication through improved service delivery”. On the top of that, PFM reform is needed to improve the government’s capability and systems to utilise the public financial resources towards the NDP II targets and the broader vision of 2030 goals. By promoting transparency and enhancing governance, a more effective PFM system reduces fiscal waste, and improves value for money and makes all stakeholders more assured that public expenditure is used for its intended purposes.

In tandem with the consistent changes of a modern economy, Ministry of Finance Development has unceasingly delivered and revised Somaliland’s economic policy framework directing Government’s growth programme and generating an enabling environment for sustained economic growth and development. The ministry has constantly commenced and implemented several fundamental reforms aimed at growing the economy. These reform initiatives have occurred against the backdrop of persistent economic growth and a massive reduction in poverty levels. According to the Millennium Development Goals, the poverty levels declined from 37.5% to 30% in the seven years between 2003 and 2010 for the urban population (community census 2007/08). The situation further improved and the proportion living below one dollar fell to 29% in the year 2012.

However, the World Bank separately reported that the situation of the poverty level was not encouraging, and instead stood 38% in the same year (World Bank House Hold and Enterprise Survey 2013). Somaliland poverty level is similar to poverty in urban areas in Ethiopia but is worse than Ethiopia in rural areas. Regarding the proportion of people living below the minimum level of dietary energy consumption, there was a noticeable disparity between Urban & Rural populations. In the year 2012, 42% of Urban & 57% of rural populations lived below the minimum dietary consumption level (World Bank survey 2012). The employment-to-population ratio in Somaliland is 38.5% for urban and 59.3% for rural (NDP 2011). In contrast, according to the labour survey conducted by the ILO in 2012 in three cities, (Burao, Hargeisa and Borama), the ratio of employment-to-population is lower than for the NDP survey, at 23% in these three cities. There is a wide gap between males and females, and as for the urban and rural population, the difference was negligible.

As Somaliland transits from the Millennium Development Goals (MDGs) to Sustainable Development Goals (SDGs), more emphasis is needed in addressing the underlying constraints that impede achievements of improved service delivery. Realising and attaining the 17 Sustainable Development Goals, including ending poverty, fighting inequality and injustice, and tackling climate change by 2030, require a significant rethink of how public services are delivered. The Ministry of Finance Development has developed this 5-year strategic plan (2019 – 2023) to specify strategic policy direction and repositioning, which will contribute to the achievement of the SDGs to visualise faster and sustainable economic growth. The plan provides a medium-term policy, and legal, institutional and regulatory reforms framework for accelerating growth in a dynamic socio-economic environment.

As mandated by the Constitution of Somaliland, the Ministry of Finance Development is responsible for general financial management and economic policy of Somaliland. Consequently, it plays an important role to ensure the mobilisation of public resources for the whole Government. The ministry is concerned with matters of achieving the fastest rate of economic transformation alongside emerging economies. Therefore, the strategic plan includes approaches to formulate and target sound economic policies that lead to sustainable economic growth and development. This is more to do with the responsibility of the ministry, which is to ensure that systems are in place for the efficient monitoring and reporting of all Government's transactions. The Ministry concerns itself with taxation, financial legislation, generating revenue, oversees expenditure, mastermind economic policy, fiscal policy, administers effective coordination of government financial operations.

The strategic objectives cover maintaining a strong fiscal policy and a stable, simple tax system to provide maximum support for macroeconomic stability, an efficient macroeconomic policy system, raising economic growth to increase employability, and to restore the competitiveness and reliability of the financial environment. The plan inspires active participation in economic development in compliance with the regulation. The goal of the strategic plan is to set an example in the development of public administration by combining the best financial management system.

The Ministry of Finance Development guards the national treasury and works towards ensuring that Somaliland is financially healthy and prosperous. This is achieved by overseeing effective spending of government resources, making rules to provide a stable financial system, and directs the better governance of the quality of financial institutions. The plan is also designed to work on equitable and robust tax legislation. The strategy aims to pursue the implementation of the work programmes related to these, and to develop economic policy.

This Strategic Plan (SP) covers the approach of the ministry's high-level statements, this is to redefine the institution's vision, mission, and core functions as well as strategic objectives, policy priorities, and resource requirements based on its mandate and the prevailing socio-economic environment. The strategy also defines its policies to ensure that the ministry's priorities are achieved. It is, therefore, expected that this Strategic Plan would facilitate the ministry to establish and systematise itself to improve its performance of services continually.

The primary goal of this Strategic Plan is to contribute meaningfully to the highlighted objectives of the NDPIII by developing economic mechanisms and policies to fast-track the momentum of economic growth and the success of national development. This is to be accomplished through the application of institutional and structural reforms, augmented throughout, enabling and stimulating more public and private investments, and forging an integrated, self-sustaining economy. To raise productivity rates in the various sectors of the economy, the plan offers substantial chances to influence regional and global knowledge, opportunities and technology advances.

#### **I.4. LEGAL AND POLICY CONTEXT**

The highlighted policy, legal and regulatory frameworks below are the existing ruling principles of the Ministry of Finance Development:

##### **Laws and regulations of the ministry of the finance**

1. The 2001 Constitution of the Republic of Somaliland.
2. Revenue Act – Law No. 72/2016 and their regulation.
3. Customs Act – Law No. 73/2016. and their regulation.
4. National Audit Act X/L 74 /2016.
5. Public Financial Management & Accountability Act: 75/2016. and their regulation.
6. Somaliland Auditor General Law No. 76/2016.vi.
7. The Public Procurement Law – Law No. 82/2018.
8. Annual National Budget Act.
9. Registration Tax, Law No. 83/96.
10. Stamp Duty Act, Law No. 85/96.
11. Road tax Act Law. No 84/96.

##### **Other related laws and regulations**

1. The Act of Delineation of Trade Bill – Law No. 26/2004.
2. Foreign Investment Law No 29/2008.
3. Central Bank Law No 54/2012.
4. Islamic Bank Law No. 55/2012.
5. Law on the Delineation of the Organisation of the Government and the Independent Public Bodies – Law No. 71/2015.
6. The Code of Conduct Bill 01/2018.
7. Somaliland Company Law No. 80/2018.

#### **I.5. OVERALL MINISTRY MANDATE**

The overall mandate of the Ministry of Finance Development is:

- To formulate sound economic and fiscal policies that mobilise internal and external financial resources for public expenditure.
- To enhance national economic stability, by focusing on socioeconomic development as a tool of poverty reduction.
- Regulate financial management, oversee national planning, ensure effectiveness and efficiency on revenue and expenditure and set the directions of the strategic development initiatives for economic growth.
- The mandate further seeks to manage budget planning, state revenue fund, and formulation of the macroeconomic policy, state assets, liabilities, and revenue fund and debt management.



## I.6. HIGH-LEVEL STATEMENTS

### I.6.1. MANDATE

- To formulate sound economic and fiscal policies that mobilise internal and external financial resources for public expenditure.
- Regulate financial management, oversee national planning, ensure effectiveness and efficiency on revenue and expenditure and set the directions of the strategic development initiatives for economic growth.
- The mandate further seeks to manage budget planning, state revenue fund, and formulation of the macroeconomic policy, state assets, liabilities, and revenue fund and debt management.

### I.6.2. VISION

A catalyst institution that promotes public financial management for inclusive and sustainable development.

### I.6.3. MISSION

Enhance sustainable economic growth through effective revenue mobilization, sound budget development, provision of macroeconomic leadership and fiscal policy direction, and ensuring transparent, accountable management of public resources for prudent human development.

### I.6.4. CORE VALUES

The Core Values of the Ministry of Finance Development reflect the behavioural standards that are necessary for the Ministry to fulfil their constitutional mandate, pursue the vision and accomplish the mission of the Ministry:

- **Integrity and Confidentiality:** we shall uphold highest standards of ethics that characterize with respect, fairness, open communication, and foster collaboration while exercising required level of confidentiality.
- **Transparency and Accountability:** We shall be responsive in provision of services that involves openly sharing information and taking responsibility for actions, promoting trust, integrity, and good governance.
- **Efficiency and Effectiveness:** To continuously seek to implement its plans using the smallest possible expenditure of resources. While at the same time, able to accomplish its aims and objectives effectively to remain a fiscally responsible entity.
- **Innovation:** We are adopting creative and forward-thinking approaches to financial management, incorporating technological advancement and best practices.
- **Teamwork:** We create successful operational relationships with team members by treating others justly, upholding and preserving an amicable atmosphere, sustaining and nourishing honest and open two-way communication, and connecting others in decision-making processes when the time is right.
- **Customer oriented:** We shall strive to provide quality services to meet our customers' expectations.

## **I.7. ALIGNMENT WITH NDPIII AND OTHER DOCUMENTS**

The strategic plan (2024-2028) aligns with NDPIII, specifically chapter six (economic sector), with strategic objective one focusing on promoting a sound and stable macroeconomic environment. For instance, outcome one under chapter six clearly outlines the goal that by 2026, Somaliland aims to achieve inclusive and sustainable economic growth through the implementation of sound macroeconomic frameworks and policies. The document further outlines that the Ministry of Finance intends to realize this outcome by implementing policy and administrative reforms to enhance compliance and bolster domestic revenue mobilization. Additionally, it emphasizes the strict enforcement of a tax exemption regime for both international trade and inland revenue. Due to limited access to development financing from multilateral development banks, the Ministry plans to explore various financing schemes. Continued efforts include the realignment of the budget and prioritization of expenditures for growth-enhancing sectors. Simultaneously, there is a commitment to strengthen the democratic gains of the country and uphold budget transparency as integral components of achieving the outlined objectives.

The Ministry of Finance Development is the key player for accountability. The ministry administers public financial assets and coordinates the supervision of the main economic and development activities of government, as empowered by law, and proposes the financial and economic policy for sectors of Somaliland. Thus, it plays a significant role in public accountability for implementing programmes aimed at achieving the targets for inclusive economic growth. The critical roles of the MoFD in the implementation of the National Development Plan include the following:

- Formulation and implementation of sound macroeconomic policy for economic stability and growth.
- Domestic financing and revenue mobilisation, including tax and non-tax revenue to increase the low base of GDP growth over the medium term.
- External finance mobilisation to service the public debt, public, private partnership, and future concessional and non-concessional loans to support Somaliland economic development sector.
- Public Investment Management as a catalyst for economic growth.
- Enhancing the implementation model of the Ministry of Finance Development.

According to the Somaliland National Vision 2030, Somaliland should be a nation whose citizens enjoy sustained economic growth and reduced poverty levels. The Somaliland National Vision 2030 identifies six priority areas of its economic agenda:

- Agriculture, livestock and fisheries
- Trade and financial services
- Tourism – Manufacturing
- Mining and extractives
- Private sector and investment
- Diaspora

## **I.8. PURPOSE AND OBJECTIVES OF THE PLAN**

The purpose and objectives of the Strategic Plan are to shape the roadmap of strategic actions required to be undertaken by the ministry towards achieving a common goal. This is to underpin the main objectives of the Somaliland National Vision 2030 and the NDPIII. Therefore, the Strategy Plan sets;

- The five-year strategic direction to achieve the targeted high-level statements of the ministry's mandate, vision, mission, and core values.
- Prepare the annual fiscal policy together with the adequate regulations for its implementation.
- Participate in the negotiation of international and regional trade and financial agreements.
- Deliver a method for monitoring improvement towards the attainment of the set of purposes and objectives.

## **I.9. THE GUIDING PRINCIPLES OF THE PLAN**

This strategic plan will embrace the following guiding principles;

- Sound, consistent and credible policy formulation and implementation.
- Legal and regulatory reform for financial accountability and management to advocate PFM laws.
- Accelerate the pace of development in the areas of resources and equitable development.
- Technological advancement to boost productivity.
- Promote sustainable development that upholds environmental protection while maintaining resource utilisation.
- Strong institutional building and human resource development to sustain growth.

## CHAPTER TWO

### 2.0. SITUATIONAL ANALYSIS

This chapter highlights the current internal strengths and weaknesses as well as the external opportunities and challenges facing the Ministry of Finance Development. The SWOC analysis (Strengths, Weaknesses, Opportunities and Challenges) and PESTEL analysis ((Political, Economic, Social, Technological, Environmental and Legal) come through a highly participatory and interactive meeting by all the senior leadership team including the minister, deputy minister, DG and all departmental directorates with the facilitation of MINDSHARE Consultants. The conducted review process of the strategic plan that includes re-adjustment of strategic directions, goals, broad objectives as well as environmental scan enables the identification of factors that may either expedite or impede the implementation of this strategic plan. On the same token, it emphasizes subjects that significantly affect and influence the recognized key result areas or themes of the ministry.

#### 2.1. SWOC ANALYSIS

As part of the strategy review process, the table below presents details from the SWOC analysis session held for the senior leadership team of the ministry. This analysis builds upon the phased-out strategy, incorporating mostly updated elements. The institutionalization of the ministry is rapidly advancing, bringing forth new opportunities and simultaneous challenges.

As part of the strategy review process, the following table shows details of the SWOC analysis that was built upon the phased-out strategy.

| Strengths     |  | Weaknesses |   |
|---------------|--|------------|---|
| 1             | Strong support for reforms and improving financial management systems. | 1          | Inadequate infrastructure (office space, equipment etc) |
| 2             | Staff allowances   | 2          | Inadequate transportation facilities                    |
| 3             | Improved financial management system                                   | 3          | Customs systems at standard level and compatibility     |
| 4             | Robust FMIS System and automation in place                             | 4          | Integration of IT Systems                               |
| 5             | Strong financial regulations and legal framework                       | 5          | Inadequate budget                                       |
| 6             | Young and dynamic qualified staff                                      | 6          | Limited fiscal policy enforcement and follow up         |
| 7             | Positive trends in tax collection.                                     |            |   |
| 8             | Debt information management.   |            |   |
| 9             | Strong Tax Policy.   |            |   |
| 10            | Policy and Legal framework availability.                               |            |   |
| 11            | Reform arising from PFM Act.   |            |   |
| 12            | Tax Laws Reform  |            |   |
| 13            | Financial Management Reporting.  |            |   |
| Opportunities |  | Challenges |   |
| 1             | Government's commitment to economic growth and poverty reduction.      | 1          | Higher Unemployment                                     |
| 2             | Discovery of natural resource.   | 2          | Lack of International Comm. recognition.                |
| 3             | Regional trade and economic cooperation.                               | 3          | Regional stability                                      |
| 4             | Public communications  | 4          | Security and protection of maritime roots.              |
| 5             | Fiscal Policy Formulation.   | 5          | Low exports.  |

|    |  |    |   |
|----|--|----|---|
| 6  | Social media platforms   | 6  | Strong foreign currency.                      |
| 7  | Political stability of the region.                                   | 7  | Depreciation of local currency.               |
| 8  | Adoption of advanced technologies (i.e. connectivity and automation) | 8  | Environmental hazards due to Climate change.  |
| 9  | Regulatory framework and policies                                    | 9  | Political climate and civic tension/conflicts |
| 10 | External support   | 10 | Piracy  |
| 11 | Completion of Berbera corridor, duty free zone,                      | 11 | Cybersecurity                                 |

## 2.2. PESTEL ANALYSIS

During the formulation of the Strategic Plan, a broad Political, Economic, Social, Technological, Environmental and Legal (PESTEL) analysis was undertaken. This PESTEL Analysis allowed the ministry to candidly portray and depict the environment in which it operates, and therefore be able to understand the dynamics that will either upkeep or hinder the implementing process of the strategic plan. The table below shows the PESTEL Analysis.

| <b>PESTEL ANALYSIS</b>   |  |
|--|--|
| <b>POLITICAL FACTORS</b>                                       | <b>IMPLICATIONS</b>  |
| Relative peace and stability                                   | Positive local investment and optimum revenue collection.                      |
| <b>ECONOMIC FACTORS</b>  | <b>IMPLICATIONS</b>  |
| Regional integration   | Poverty rates reduction, lower food prices and real income rises.              |
| Global and regional economic growth                            | Positive or negative fiscal outcomes (depends)                                 |
| <b>SOCIAL FACTORS</b>  | <b>IMPLICATIONS</b>  |
| Negative perception of government expenditure                  | Decline of domestic revenue mobilisation                                       |
| <b>TECHNOLOGICAL FACTORS</b>                                   | <b>IMPLICATIONS</b>  |
| Poor information system  | Lack of integration of public ICT Systems.                                     |
| <b>ENVIRONMENTAL FACTORS</b>                                   | <b>IMPLICATIONS</b>  |
| Natural disasters, climate change, droughts, famine, flooding. | Decrease of tax collection and negative impact to the wellbeing of the economy |
| <b>LEGAL FACTORS</b>   | <b>IMPLICATIONS</b>  |
| Legal procedures and PFM Legal Frameworks                      | Enforcement constraints and lack of implementation strategy                    |

### 2.3. LESSONS LEARNT

The utilization of lessons learned stands as a fundamental element within an organizational culture dedicated to continuous improvement and adaptive management. This activity ensures that valuable information is integrated into future planning, work processes, and activities. As such, the forthcoming insights that the ministry will derive from the implementation of its mandate over the next five years are positioned to enhance the execution of next Strategic Plan and related policies:

- The importance of having a thorough implementation plan to ensure the effective and timely execution of the strategic plan. To achieve set targets in this strategic plan, there is a need for regular monitoring and evaluation.
- The crucial role of continuous monitoring and evaluation, ensuring the alignment of performance indicators with departmental strategic objectives
- Recognizing the importance of revenue mobilization by empowering the engaged department to effectively generate income for the ministry.
- Recognizing the importance of conducting equitable and merit-based performance appraisals for ministry staff, serving as a pivotal tool for promotion, reward, and motivation purposes.
- Promoting a Culture of Continuous Learning, urging staff to stay abreast of relevant developments and emerging issues for enhanced departmental effectiveness.
- Prioritizing the active involvement of stakeholders from diverse financial institutions to foster collaboration, ensuring the successful implementation of strategic plans and other national initiatives.
- Acknowledge the significance of enhancing communication within the department and with external stakeholders.
- Recognizing the effectiveness of using visual media, such as video clips or drama, as a powerful tool to enhance awareness and understanding among taxpayers.
- Recognize the importance of building strong trust with taxpayers through launching tax education program, emphasizing the significance of trust in fostering positive relationships and compliance.
- Performing tasks with a sense of professionalism and uphold transparency and accountability in all activities
- Implementation of active change management and communication campaigns during SLFMIS rollouts enhances system acceptability through increased visibility of activities and progress.
- Empowered financial and human resources enable better achievements, and it is critical for the successful implementation of the ministry's mandate.
- Use of technology improves efficiency and effectiveness in service delivery for providing clear visibility of the roadmap to development partners for holistic interventions.
- Compliance to PFM reforms increases accountability and management of public resources.

## CHAPTER THREE

### 3.0. STRATEGIC DIRECTIONS

A strategic direction is crucial for the ministry to effectively execute its mandate. It sets the internal responsibilities for each department within the ministry, while clear vision helps departments understand the ministry's purpose and objectives. The outlined strategies and tactics will guide each department to understand the role supposed to play in contributing to the realization of the vision, mission, values, and objectives by fulfilling the overall mandate. Through comprehensive examination and analysis of the ministry's mandate, vision, mission, the SWOC analysis, PESTEL analysis, and the country's National Vision and Development Agenda, the MoFD has identified four essential outcomes;

1. Increase the revenue-to-GDP ratio from 10% to 14%.
2. Establish the Somaliland Revenue Authority.
3. Change budget line-item to program-based budget.
4. Move from cash basis to accrual basis of accounting.

To achieve the key institutional outcomes outlined above, the ministry will align and concentrate its endeavours on six strategic core areas to be executed throughout the planning period (2024-2028). These include;

- 1) Economic development and macroeconomic stability.
- 2) Improvement of Public Financial Management system.
- 3) Effective management and resource mobilization.
- 4) International investment and private sector development.
- 5) Financial sector development.
- 6) Strengthen institutional capacity.

Strategic planning entails establishing goals and objectives to guide activities, prioritize efforts, concentrate energy and resources, enhance operations, foster alignment among employees and stakeholders toward shared objectives, establish consensus on intended outcomes/results, and evaluate and adapt the direction of the Ministry of Finance Development in response to a dynamic environment.

This five-year strategic plan represents a concerted effort aimed at formulating essential decisions and actions that define and direct the ministry's core values, target audience, functions, and underlying purpose, all with a forward-looking perspective. A successful strategic planning process not only outlines the trajectory of the ministry and the necessary steps for advancement but also outlines mechanisms for recognizing and celebrating achievements.

The purpose of this Strategic Plan is to administer the ministry's management activities to transform the static plan into a system that provides strategic performance feedback to decision making and enables the plan to evolve and grow as requirements and other circumstances change. Hence, building on the six strategic areas of the Ministry of Finance Development, several goals have been identified. For each goal, a set of SMART objectives has been proposed along with their strategies. This is to prioritise, strengthen operations, focus energy and resources, ensure that employees and other stakeholders are working toward common goals, establish agreement around intended

outcomes/results, and assess and adjust the ministry's strategic direction in response to a changing environment. The Ministry of Finance Development plans to practice a number of measures and indicators to improve each strategic objective that supports these eight areas.

### **3.1. STRATEGIC DIRECTIONS, GOALS AND OBJECTIVES**

**First Strategic Direction: Increase the revenue-to-GDP ratio from 10% to 14%.**

**Strategic Goal: Enhancing the Government Services Delivery**

**Broad Objective:** To contribute to sustaining social needs, the Ministry of Finance Development should use proper methods to promote the revenue generation, whilst at the same time creating suitable revenue collection environment.

**Specific Objectives:**

- To expand the government tax-base,
- To increase the Inland Revenue share from 25% to 35% of the total revenue,
- To strengthen the financial act/regulations to enhance revenue mobilization,
- To facilitate an easy tax payment system,
- To put in place tight tax policy to increase tax collection,
- To move rough estimated income tax to a similar standardized evaluation system, and
- To promote income tax system from a proportional to a progressive system.

**Second Strategic Direction: Improvement of Public Financial Management System.**

**Strategic Goal:** Enhance the budget preparation, execution and transparency.

**Broad Objective:** To put in place effective country-led PFM system to enhance governance and Fiscal Management by optimizing the efficient, effective, and accountable utilization of public resources through systematic improvements in the service delivery mechanism.

**Specific Objectives:**

- To improve Budget Credibility and transparency.
- To shift from current line-item budget to program-based budget.
- To move from MDA level budgeting to sectoral allocation.
- To implement a comprehensive performance management system to measure and evaluate the efficiency and effectiveness of public resource utilization.
- To implement accrual accounting system to emphasize the transparency of financial reporting.
- To enhance transparency in financial reporting by implementing standardized and accessible reporting mechanisms for public resource usage.
- To develop and implement training programs for public officials to improve financial management skills, ensuring responsible resource allocation.
- To strengthen collaboration between governments agencies to streamline service delivery processes and eliminate duplication of efforts.
- To implement technology solutions to enhance the efficiency of public service delivery, reducing bureaucratic hurdles and improving accessibility for citizens.



- To establish a citizen feedback mechanism to assess the satisfaction and effectiveness of public services, promoting accountability and continuous improvement.

### **Third Strategic Direction: Establishment of Somaliland Revenue Authority**

**Strategic Goal:** Harmonizing integrated domestic revenue mobilization

**Broad Objective:** To implement DRM Policy and procedures through strategic revenue optimization efforts.

**Specific Objectives:**

- To set out Terms of Reference for the Board of Directors and how the authority will work with the MoFD within the framework of the Revenue Act;
- To appoint the Board of directors of the revenue authority;
- To develop the structure and hierarchy of the authority.
- To set out the staff modality and terms of reference of the authority.

### **Fourth Strategic Direction: Strengthen Institutional Capacity**

**Strategic Goal:** Effective and efficient ministry that achieves required results

**Broad Objective:** To develop human resource policies, conduct training and capacity building to develop training and skills plan for the ministry.

**Specific Objectives:**

- To identify and nurture leadership potential through training programs, mentorship, and succession planning.
- To assess current technological infrastructure and identify areas for improvement.
- To develop and implement advanced financial management systems.
- To establish specialized teams for in-depth economic analyses.
- To review and implement a comprehensive strategic plan aligning with the organization's mission and vision.
- To strengthen HR policies and procedures for recruitment, training, performance evaluation, and employee engagement.
- To improve financial management practices, including budgeting, financial reporting, and resource allocation.
- To establish a culture of continuous learning and knowledge sharing through training programs and knowledge management systems.
- To strengthen relationships with key stakeholders, including donors, government agencies, and community partners.
- To develop and implement robust monitoring and evaluation mechanisms to assess program impact and ensure quality service delivery.
- To enhance the ministry's ability to identify, assess, and mitigate risks through a comprehensive risk management strategy.
- To ensure compliance with relevant laws and regulations by regularly reviewing and updating policies, procedures, and governance structures.

### **3.2. MATRIX OF THE STRATEGIC PLAN**

The strategic plan matrix serves as a concise yet comprehensive snapshot of the institutional roadmap, capturing its key directions, goals, objectives, and strategies, each accompanied by measurable performance indicators. Drawing primarily from the insights mentioned in chapter three, this matrix outlines a well-defined timeframe, ensuring a focused and time-bound approach. The matrix presents four distinct directions that are connected with goals and objectives, creating a cohesive narrative to achieve the purpose of the strategy. The creation of this strategic plan matrix is also a deliberate effort to establish a clear trajectory and facilitate the effective implementation of identified strategies. The matrix acts as a dynamic guide, enabling the institution to steer its course with precision and purpose.

Specifically tailored to foster economic sustainability and growth, the strategic objectives outlined in the matrix have been prioritized to align with the designated period of the Strategic Plan. In essence, the strategic plan matrix is a strategic compass, guiding the institution through a journey of purposeful development. It aims at ensuring that the institution not only sets ambitious goals but also charts a course for their successful realization, thereby laying the foundation for sustained growth and prosperity.

## 3.2 Strategic Plan Matrix

| Direction  | Goal  | Broad Objective/s   | Performance Indicators  | Time-Frame in Years |     |     |      |      | Responsibility         |
|--|---|---|---|---------------------|-----|-----|------|------|------------------------|
|  |   |   |   | Y1                  | Y2  | Y3  | Y4   | Y5   |                        |
| Increase the revenue-to-GDP ratio from 10% to 14%. | Enhancing the Government Services Delivery.                 | To contribute sustaining social needs, the Ministry of Finance Development should use proper methods to promote the revenue generation, whilst at the same time creating suitable revenue collection environment.                                   | Measuring and evaluating the effectiveness of the existing policies and strategies (i.e. GDP ratio from 10% to 14%) in maintaining macroeconomic stability while fostering sustainable economic development   | 10%                 | 30% | 50% | 70%  | 100% | Office of the Minister |
| Improvement of Public Financial Management System. | Enhance the budget preparation, execution and transparency. | To put in place effective country-led PFM system to enhance governance and Fiscal Management by optimizing the efficient, effective, and accountable utilization of public resources through systematic improvements in service delivery mechanism. | Measurement and evaluation of efficient, effective, and accountable use of public resources for economic development and poverty eradication Budgetary Compliance Index (BCI), Fiscal Transparency Score (FTS), Performance-Based Budgeting Effectiveness (PBBI), Capacity Building Impact Metric (CBIM), and Service Delivery Impact Assessment (SDIA) | 20%                 | 50% | 80% | 100% | X    | DG Office              |
| Establishment of Somaliland Revenue                | Harmonizing integrated domestic                             | To implement DRM Policy and procedures through strategic revenue  | Well-established and functional revenue authority   | 20%                 | 50% | 80% | 100% |      |                        |

|                                   |   |  |  |     |     |     |      |  |  |
|-----------------------------------|---|--|--|-----|-----|-----|------|--|--|
| Authority                         | revenue mobilization  | optimization efforts.  |  |     |     |     |      |  |  |
| Strengthen Institutional Capacity | Effective and efficient ministry that achieves required results | To develop human resource policies, conduct training and capacity building to develop training and skills plan for the ministry. | Number of staff accessing capacity development.<br>Development and effectiveness of the staff performance management system.<br>Number of institutional infrastructures constructed / renovated and fully equipped.<br>Operational systems in place. | 20% | 50% | 80% | 100% |  |  |

## CHAPTER FOUR

### 4.0. THE IMPLEMENTATION STRATEGY

Strategic implementation is aimed to apply a process that puts plans and strategies into action to reach desired goals. It involves executing plans, aligning day-to-day activities with overarching strategies, and allocating resources effectively. Strategic implementation is critical to the ministry's success: addressing who, where, when, and how the desired goals and objectives will be achieved. Strategic planning is the driving force that transforms strategic aspirations into concrete achievements, ensuring organizational success in the long run.

The implementation strategy covers the entire Ministry of Finance Development and other related stakeholders. The ministry will continue to address structural problems that delay progress identified in the environmental scan, SWOC and PESTEL analysis to improve the quality and strength of the staff capacity in the delivery of the ministry's mandate. The ministry will also make broad stakeholder consultations to encourage and promote innovation, creativity and professionalism towards the realisation of the strategic plan. Implementation involves assigning individuals to tasks and timelines that will help the Ministry of Finance Development reach their goals.

A successful implementation plan will have a prominent leader. The role of the minister in the strategy implementation involves contributing to policy formulation, strategic planning, resource allocation, communication and monitoring, which are essential for translating strategic goals into tangible outcomes and the overall achievement of MoFD. Everyone in the ministry should be engaged in the plan. Implementation strategy and performance measurement tools are useful to stipulate motivation and allow for continuation. Components of a plan include finances, market, work environment, operations, people and partners.

The minister will launch the Strategic Plan and will later be uploaded to the ministry's website. Therefore, the public and other stakeholders will have easy access to the plan. To implement the Strategic Plan successfully, the different departments of the ministry will operationalise the objectives of the Strategic Plan to achieve the main strategic goals by putting everything into action on annual plans. Hence, each department shall cascade the strategic plan to their annual plans by identifying strategic objectives for which they have a direct or indirect influence. The annual plan is a one-year schedule of the activities or tactical operations which are linked to the departments' budgetary and other resources.

### 4.1. IMPLEMENTATION MODEL

Implementation of the Strategic Plan will be established in the prevailing/existing structures of the Ministry of Finance Development while enlarging the range of reporting responsibilities at the policy, administrative and technical level. In order to accomplish the strategic objectives, the ministry has adopted the following implementation model to guide the coordination and implementation of the Strategic Plan:

- Departmental operations and work plans shall be considered to constitute the ministry's short, medium and long-term plans.

- Departmental work plans shall develop all the details of the five-year results matrix, in order to formulate a yearly based internal monitoring and evaluation, which is the act of judging the value, quality and importance of the plan to ensure the progress towards producing the outputs listed in the strategic plan. Trimestral and yearly reports at administrative and Procedural levels will confirm the periodic assessment, learning and corrective actions for amendment.
- A framework for Monitoring and evaluation has been settled for the ministry and its directorates to learn from what they are doing and how they are doing it and taking action to adjust their strategy accordingly. Regular monitoring and evaluation will help the ministry to assess how well it is doing against the objectives it has set and ensure time and resources are used effectively.

## **4.2. MINISTRY DEPARTMENTS AND ROLES**

The institutional setup of the Ministry of Finance Development can generally be categorised into two levels: Policy and Technical levels.

1. At the Policy level, the minister heads the ministry, and responsible for a range of state entities that aim to advance the economic growth and development of Somaliland. The Minister of Finance Development is accountable for ensuring that his responsibilities are fulfilled both within the ministry and with respect to the authorities assigned through legislation and in line with government policies.
2. At the technical level, the Director-General, who is the chief executive and operating officer of the Administrative and Technical Secretariat. The Director-General implements the policies established by the minister and reports to him. He/she also makes recommendations on policy issues for their consideration and assists the technical consultants in reaching agreements.
3. The ministry is comprised of fourteen Departments (14), The Pensions Fund and the Tax Tribunal will be established within five years commencing the year 2024. The fourteen departments of the ministry include;
  1. Accountant General's Office.
  2. Administrative Services and Finance Department.
  3. Budgeting and Planning Department.
  4. Customs Department.
  5. Human Resource Development Department.
  6. Inland Revenue Department.
  7. Internal Audit Services Department.
  8. IT and IFMIS Department.
  9. Legal Services Department.
  10. Macroeconomic Affairs and Statistics Department.
  11. PFM Department.
  12. Private Sector and Financial Services Department.
  13. Public Relations and Information Department.
  14. Procurement Department

### 4.3. CRITICAL SUCCESS FACTORS

In order to achieve the goals, objectives and strategic directions of this five-year Strategic Plan (2024-2028) a set of critical success factors is established to ensure each departments' outputs. This is to provide the common points of reference to help direct and measure progress and ensure the competitive performance of the ministry. It is essential that the Ministry of Finance Development carefully manage the following factors to achieve success in the implementation of projects:

| Critical Success Factors  | Description   |
|---------------------------|---|
| Leadership                | Having a vision and sharing it with others. This means; having the leadership, motivation and guidance that provides inspiration to the ministry staff to implement the Strategic Plan successfully.  |
| Good Communication        | The implementation of the Strategic Plan requires the ability to communicate effectively; therefore, each department and its staff understand what is expected and how they can assist to the successful execution of the ministerial Strategic Plan. |
| Operationalising Strategy | Utilising available human resource institutional capacity to fulfil the strategy magnificently. Accelerate the promotion of the high-level ministerial statements, including vision, mission and core values.   |
| Monitoring and Evaluation | Periodical review, performance oversight, measurement, and reporting.   |
| Integrity                 | Strong moral of Strategic Plan implementation and sustaining higher standards of better performance and the determination not to lower these high standards of honesty and high quality.  |
| Ownership                 | Safeguard the fact and state of ownership and understanding the importance of Strategic Plan implementation.  |
| Accountability            | Ensuring a sense of responsibility and able to give a satisfactory reason when implementing the strategic plan and maintaining good communication to all stakeholders.  |

## CHAPTER FIVE

### I. MONITORING, EVALUATION AND LEARNING

The monitoring and evaluation model for the Strategic Plan encompasses the process of assessing the achievement status of performance indicators within the framework of performance programs, which represent the annual implementation phases of the plan. This involves analysing results at the conclusion of each year, implementing necessary measures, and reporting on all these stages.

The Ministry of Finance Development is committed to conduct an integrated monitoring and evaluation exercise to ensure successful execution of the strategic plan. The primary goal of measuring and assessing the performance of the Strategic Plan is to draw valuable lessons from the implementation experience. The insights gained from the monitoring and evaluation framework will play a crucial role in informing decision-making processes. Therefore, it is imperative to consistently measure performance against the strategic plan during monitoring period meetings, enabling prompt actions and the formulation of corrective solutions for any potential deviations.

Exercising control over process during the strategy implementation period will empower us to monitor and assess reports related to the accomplishment of strategic objectives and targets. This includes evaluating the performance indicators against the set targets, scrutinizing the data sources, understanding the reasons behind any deviations from the targets, and examining the planned actions to address such deviations. There will be perioding meetings that will serve as a platform to assess the encountered problems in performance management, ensuring a comprehensive review and proactive response to any challenges or deviations from the strategic plan.

Each department will carry out input and output analyses as part of a series of assessments. Additionally, departments will organize and conduct initial assessments, incorporating cost analysis. The initial phase of monitoring, being the first part of the process, will adhere to the following guidelines:

- All Departments will monitor all accomplishments and activities based on their jurisdiction and responsibility.
- Directors will be in charge of their department's monitoring and evaluation processes falling under their responsibility. This will include tracking for output and inputs, and related activities.
- Directors of each Department will be responsible for preparing Annual Work Plans (AWPs) for each year of implementation, and all individuals prepare Individual Operational Plans (IOPs). This is based on the Departmental implementation plans.
- Departments and their directorates will monitor: areas of performance, ways of utilisation of resources, and institutional capacity. The monitoring process will involve regular progress of the strategic plan implementation.





Evaluation will be conducted to examine and investigate the medium and long-term effects of trends within specific objectives of the Strategic Plan. The evaluation activities will be scheduled in three distinct terms: -

- a. **Mid-term Evaluation:** This is to examine the implementation progress of all departments. The mid-term evaluation will ensure all strategic goals and objectives are to be achieved within the planned time set by the Strategic Plan.
- b. **End Term Evaluation:** at the end of the Strategic Plan, a final evaluation will be conducted by the ministry to measure achievements and re-design the next Strategic Plan.
- c. **Ad-hoc Evaluation:** In order to inform the implementation strategy and whether goals and objectives are to be achieved the ministry will conduct an ad hoc evaluation based on need.

Therefore, it is incredibly important to monitor during the course of the activity planned period, the progress and the performance programs that have been achieved and reported through the performance indicators.

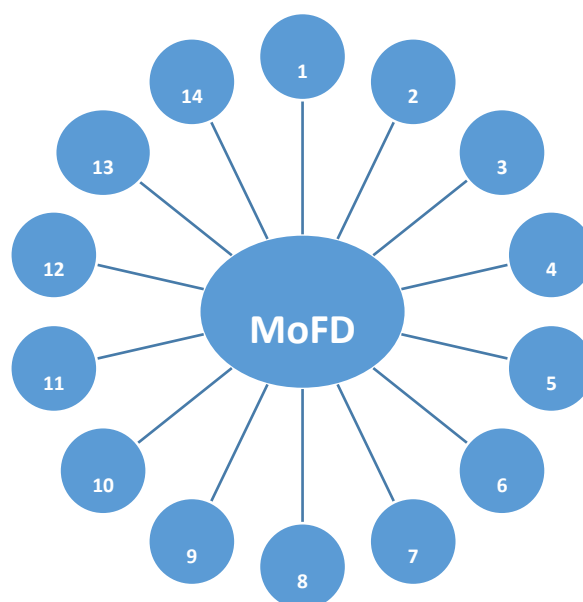
## CHAPTER SIX

### 6. DEPARTMENTAL PLANS

This chapter provides a comprehensive overview of the 14 departments within the ministry, offering a concise summary of their respective functions and strategic goals. Within the departmental plans, there is a systematic exploration of each department's vision, mission, and objectives, outlining the distinctive path each department aims to follow.

These plans also delve into the detailed activities that have been carefully designed to align with and drive the realization of each department's overarching vision. The departmental plans will serve as roadmaps, guiding the departments towards the fulfilment of their missions by strategically outlining the activities required to meet their objectives. Furthermore, the individual plans highlight the interconnectedness between the vision, mission, and objectives, of that specific department emphasizing the harmonious synergy that exists within each department.

Through these comprehensive plans, stakeholders will gain valuable insights into the strategic direction of each department, fostering a deeper understanding of how their individual efforts contribute to the overall success of the ministry. This chapter, therefore, serves as a vital resource for both internal and external audiences, offering articulate perspective on the detailed strategies employed by each department to advance the collective vision of the ministry.



## CHAPTER SIX

### Department of Budget and Planning

| Vision   | Mission   | Objectives   | Output Indicators   | Time-frame in Years |      |      |      |      | Response |
|--|---|--|---|---------------------|------|------|------|------|----------|
|  |   |  |   | 2024                | 2025 | 2026 | 2027 | 2028 |          |
| Aspire to lead the development of reliable budget, ensuring excellence in preparation and execution, while promoting equitable allocation, transparency, fiscal discipline, and fostering strategic economic growth. | To formulate sound budgetary policies aligned with government policy priorities, enhancing the budgetary framework for sound public financial management and improved transparency. | To Enhance Budget Preparation and Alignment with Government policy priorities                  | <p><b>Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>Improved budget preparation policies &amp; procedures;</li> <li>Improved chart of accounts segments and budget preparation module features;</li> <li>Budget preparation process is implemented to planned schedule; &amp; public participation;</li> <li>Staff capacity building.</li> </ul> |                     |      |      |      |      |          |
|  |   |  |   | 20%                 | 40%  | 60%  | 80%  | 100% |          |
|  |   |  |   |                     |      |      |      |      |          |
|  |   |  |   |                     |      |      |      |      |          |
|  |   | To Improve Budget Execution, Transparent, Accountability & Public Participation and Engagement | <p><b>Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>Budget comparison report</li> <li>Produced quarterly, semi-annually and yearly reports;</li> <li>Budget performance published;</li> <li>Public comments responded.</li> </ul>  |                     |      |      |      |      |          |
|  |   |  |   | 20%                 | 40%  | 60%  | 80%  | 100% |          |
|  |   |  |   |                     |      |      |      |      |          |
|  |   |  |   |                     |      |      |      |      |          |

|     |     |   |   |  |     |     |     |     |  |
|-----|-----|---|---|--|-----|-----|-----|-----|--|
|     |     | <p>To Strengthen support for expansion of key government services to local governments /autonomous agencies to enhance sound public financial management and reporting.</p>                 | <p><b>Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>• Number of LGs and autonomous agencies trained to the standard chart of accounts;</li> <li>• Number of LGs and autonomous agencies implemented to FMIS;</li> <li>• LGs &amp; autonomous agencies budget preparation with standard chart of accounts.</li> </ul>   |  |     |     |     |     |  |
|     |     |   |   | <table border="1"> <tr> <td>20%</td> <td>40%</td> <td>60%</td> <td>80%</td> <td>100%</td> </tr> </table> | 20% | 40% | 60% | 80% |  |
| 20% | 40% | 60%   | 80%   | 100%   |     |     |     |     |  |
|     |     | <p>To Lead the revision and implementation oversight of the strategic plan for the ministry of finance development &amp; cross cutting issues related to the budget/planning activities</p> | <p><b>Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>• Number of med-term review implemented;</li> <li>• Number workshops that department participated;</li> <li>• Number of trainings of cross cutting issues that the department participated, and the number of staffs benefited;</li> <li>• Other obligations of cross cutting issues implemented.</li> <li>• Approved work plan Documents</li> <li>• Workshops report</li> <li>• Implementation report</li> <li>• Training report</li> </ul> |  |     |     |     |     |  |
|     |     |   |   | <table border="1"> <tr> <td>20%</td> <td>40%</td> <td>60%</td> <td>80%</td> <td>100%</td> </tr> </table> | 20% | 40% | 60% | 80% |  |
| 20% | 40% | 60%   | 80%   | 100%   |     |     |     |     |  |

### SWOC ANALYSIS

| Strengths   | Weaknesses  |
|---|---|
| <ul style="list-style-type: none"> <li>• SLFMIS competency for budget preparation and execution modules;</li> </ul>                   | <ul style="list-style-type: none"> <li>• Inadequate Office space;</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Strong leadership and commitment;</li> </ul>   | <ul style="list-style-type: none"> <li>• Limited budget policies (Sector allocation policy &amp; fiscal decentralization);</li> </ul> |
| <ul style="list-style-type: none"> <li>• Professional skilled staff;</li> </ul>   | <ul style="list-style-type: none"> <li>• Inadequate office furniture &amp; equipment;</li> </ul>                                      |
| <ul style="list-style-type: none"> <li>• Budget Control mechanism in place;</li> </ul>  | <ul style="list-style-type: none"> <li>• Insufficient transportation Facilities</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Better communication within the department, ministry &amp; external stakeholders;</li> </ul> | <ul style="list-style-type: none"> <li>• Limited certified professional staff to the department.</li> </ul>                           |
| <ul style="list-style-type: none"> <li>• Capacity and competence for knowledge and Skills transfer.</li> </ul>                        | <ul style="list-style-type: none"> <li>•</li> </ul>   |

| Opportunities   | Challenges   |
|---|--|
| <ul style="list-style-type: none"> <li>• Commitment of enforcing ministerial policies</li> </ul>                | <ul style="list-style-type: none"> <li>• Information barrier about the external funding projects during budget preparation;</li> </ul> |
| <ul style="list-style-type: none"> <li>• PFM Acts;</li> </ul>   | <ul style="list-style-type: none"> <li>• PFM reform information sharing;</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Positive economic growth</li> </ul>                                    | <ul style="list-style-type: none"> <li>• Nomination and changes about the top management of the MDAs;</li> </ul>                       |
| <ul style="list-style-type: none"> <li>• Availability of external funding</li> </ul>                            | <ul style="list-style-type: none"> <li>• Lack of study tour to assess the benchmarking;</li> </ul>                                     |
| <ul style="list-style-type: none"> <li>• Increasing public awareness on budget plans and allocations</li> </ul> | <ul style="list-style-type: none"> <li>• Budget knowledge gap in the top management of MDAs;</li> </ul>                                |
| <ul style="list-style-type: none"> <li>• Price stability.</li> </ul>  | <ul style="list-style-type: none"> <li>• Inadequate information about allocated funds to the MDAs by the donors.</li> </ul>            |

Department of Human Resource (HR)

| Vision   | Mission   | Objectives  | Output Indicators   | Time-frame in Years  |      |      |      |      | Responsible       |     |     |     |     |      |
|--|---|---|---|--|------|------|------|------|-------------------|-----|-----|-----|-----|------|
|  |   |   |   | 2024   | 2025 | 2026 | 2027 | 2028 |                   |     |     |     |     |      |
| To inspire competent and qualified staff promote merit-based appointment and performance appraisal | Our mission is to cultivate a performance culture by attracting, developing, and retaining top talent staff and providing strategic human resource leadership that empowers individuals and advances the success of MoFD. | To update automation system to the staff data     | <b>Performance measures will be included:</b><br>• Availability of Database of staff Contact details.   | 20%  | 40%  | 60%  | 80%  | 100% | Human Resource Mg |     |     |     |     |      |
|  |   | To modify performance appraisal system            | <b>Performance measures will be included:</b><br>• Policy & procedures in place well established and functioning performance appraisal system | 20%  | 30%  | 70%  | 80%  | 100% |                   |     |     |     |     |      |
|  |   | To strengthen the Capacity the departmental staff | <b>Performance measures will be included:</b><br>• Capacity assessment report<br>• Training reports, photos and list of training participants | <table border="1"> <tr> <td>20%</td> <td>40%</td> <td>60%</td> <td>80%</td> <td>100%</td> </tr> </table> |      |      |      |      |                   | 20% | 40% | 60% | 80% | 100% |
|  |   | 20%   | 40%   | 60%  | 80%  | 100% |      |      |                   |     |     |     |     |      |
|  |   | To implement employee internal communications     | • Existence of effective varied communication channels  | 20%  | 40%  | 60%  | 80%  | 100% |                   |     |     |     |     |      |
|  |   | To improve staff payroll system                   | • Effective IFMIS System in use<br>• Grading system   | <table border="1"> <tr> <td>20%</td> <td>40%</td> <td>60%</td> <td>80%</td> <td>100%</td> </tr> </table> |      |      |      |      |                   | 20% | 40% | 60% | 80% | 100% |
|  |   | 20%   | 40%   | 60%  | 80%  | 100% |      |      |                   |     |     |     |     |      |
|  |   | To promote health and safety of the staff         | • Number of supported access to medical treatment   | 10%  | 40%  | 60%  | 80%  | 100% |                   |     |     |     |     |      |
| To improve staff attendance  | • Computerized finger printing system and attendance reports  | 10%   | 40%   | 60%  | 80%  | 100% |      |      |                   |     |     |     |     |      |

|  |  |  |  |     |     |     |     |      |  |
|--|--|--|--|-----|-----|-----|-----|------|--|
|  |  | To maintain the accountability                         | <ul style="list-style-type: none"> <li>Updated code of conduct</li> </ul>                | 20% | 40% | 60% | 80% | 100% |  |
|  |  | To improve collaboration with the CSC on staff affairs | <ul style="list-style-type: none"> <li>Workshop reports</li> </ul>                       | 20% | 30% | 40% | 70% | 100% |  |
|  |  | To prepare annual work plan                            | <ul style="list-style-type: none"> <li>Work plans, employee recruitment plans</li> </ul> | 10% | 40% | 60% | 80% | 100% |  |

### SWOC ANALYSIS

| Strengths   | Weaknesses   |
|---|--|
| <ul style="list-style-type: none"> <li>Good staff communication skills</li> </ul>   | <ul style="list-style-type: none"> <li>inadequate specialized training on HR;</li> </ul>   |
| <ul style="list-style-type: none"> <li>Clear staff disciplinary procedures</li> </ul>   | <ul style="list-style-type: none"> <li>Non-consultations on matters of transfer and designations of the staff;</li> <li>Inadequate transportation;</li> <li>Inadequate equipment and furniture.</li> </ul> |
| <ul style="list-style-type: none"> <li>Staff promotion system</li> </ul>  |  |
| <ul style="list-style-type: none"> <li>Well defined staff grades</li> </ul>   |  |
| <ul style="list-style-type: none"> <li>Have human resource computerized system</li> </ul>   |  |
| <ul style="list-style-type: none"> <li>Implement Human resource policy, HR manual, code of conduct, performance appraisal system and ministerial degree number</li> </ul> |  |
| Opportunities   | Challenges   |
| <ul style="list-style-type: none"> <li>Strong support from the ministry's senior management team</li> </ul>   | <ul style="list-style-type: none"> <li>Office space;</li> </ul>  |
| <ul style="list-style-type: none"> <li>Good working relations with CSC</li> </ul>   | <ul style="list-style-type: none"> <li>Communication Barrier B/W department;</li> </ul>  |

|  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Good internal communication of the staff and top level of the department</li> </ul> | <ul style="list-style-type: none"> <li>• Limited finger print for staff attendance.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Well-equipped and strong educational experienced of the staff</li> </ul>            | <ul style="list-style-type: none"> <li>•</li> </ul>  |
| <ul style="list-style-type: none"> <li>•</li> </ul>  | <ul style="list-style-type: none"> <li>•</li> </ul>  |



## Department of Macro-economics and Statistics

| Vision  | Mission   | Objectives  | Output Indicators   | Time-Frame In Years |      |      |      |      |
|---|---|---|---|---------------------|------|------|------|------|
|   |   |   |   | 2024                | 2025 | 2026 | 2027 | 2028 |
| Striving to lead the promotion of evidence-based policies and setting benchmarks for sustainable economic development | Our mission is to assess the macroeconomic status of the country, employing comprehensive analysis to formulate strategic fiscal and monetary policies. | 1. To collect primary and secondary macroeconomics data for Reports Production.                             | <b>Performance measures will be included:</b> <ul style="list-style-type: none"> <li>Main Economic Reports</li> </ul> | 25%                 | 50%  | 75%  | 85%  | 100% |
|   |   | 2. To formulate sound economic and fiscal policies that mobilize internal and external financial resources. | <ul style="list-style-type: none"> <li>Fully operationalized macroeconomic policies.</li> </ul>                       | 25%                 | 50%  | 75%  | 85%  | 100% |
|   |   | 3. To provide realistic revenue forecasts and other macroeconomic parameters.                               | <ul style="list-style-type: none"> <li>Fully operationalized macroeconomic Models.</li> </ul>                         | 25%                 | 50%  | 75%  | 85%  | 100% |

## SWOC ANALYSIS

| Strengths  | Weaknesses   |
|--|--|
| <ul style="list-style-type: none"> <li>Improvement of the number of Economic Parameters Data.</li> </ul> | <ul style="list-style-type: none"> <li>Limited staff capacity.</li> </ul>      |
| <ul style="list-style-type: none"> <li>Policies and legal framework availability.</li> </ul>             | <ul style="list-style-type: none"> <li>Limited ICT Infrastructure.</li> </ul>  |
| <ul style="list-style-type: none"> <li>Economic variables forecasting model's availability.</li> </ul>   | <ul style="list-style-type: none"> <li>Insufficient transportation.</li> </ul> |
| <ul style="list-style-type: none"> <li>Sufficient staff levels.</li> </ul>                               | <ul style="list-style-type: none"> <li>Insufficient office space.</li> </ul>   |

| Opportunities  | Challenges  |
|--|---|
| <ul style="list-style-type: none"> <li>• Somaliland's strategic economic position.</li> </ul>                        | <ul style="list-style-type: none"> <li>• Poor cooperation among MDAs in data sharing.</li> </ul>                          |
| <ul style="list-style-type: none"> <li>• There is awareness in importance of economic statistics in MDAs.</li> </ul> | <ul style="list-style-type: none"> <li>• Lack of reliable census data.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Support from international technical expertise.</li> </ul>                  | <ul style="list-style-type: none"> <li>• Poor international, regional and local current political instability.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Strong top management commitment.</li> </ul>                                | <ul style="list-style-type: none"> <li>• Weak reliable data sources.</li> </ul>   |
| <ul style="list-style-type: none"> <li>•</li> </ul>  | <ul style="list-style-type: none"> <li>• Manual data collection.</li> </ul>   |
| <ul style="list-style-type: none"> <li>•</li> </ul>  | <ul style="list-style-type: none"> <li>•</li> </ul>   |

Department of Procurement

| Vision  | Mission  | Objectives   | Output Indicators   | Time-frame in Years |      |      |      |      | Respon |
|---|--|--|---|---------------------|------|------|------|------|--------|
|   |  |  |   | 2024                | 2025 | 2026 | 2027 | 2028 |        |
| To become a centre of procurement excellence, enhancing effectiveness and efficiency in service Delivery. | To promote success through collaborative partnership with client departments , providing the highest quality goods and contracting services at the lowest competitive costs. | To achieve and maintain compliance with pertinent procurement regulations and policies to mitigate legal and financial risks:      | <b>Performance measures will be included:</b> <ul style="list-style-type: none"> <li>Monitoring report findings evidencing adherence to procurement procedures</li> <li>Procurement risk assessment report</li> <li>Audit report findings</li> <li>Procurement software tools improved</li> </ul>   |                     |      |      |      |      |        |
|   |  |  |   | 20%                 | 40%  | 60%  | 80%  | 100% |        |
|   |  | To strengthen relationships with key stakeholders, enhancing collaboration and ensuring a more reliable and efficient supply chain | <b>Performance measures will be included:</b> <ul style="list-style-type: none"> <li>Effective communication channels for suppliers in place</li> <li>Meeting minutes for stakeholders' action</li> <li>Training reports</li> <li>Quarterly meeting minutes</li> <li>Positive working relationship with the ministry of public works</li> </ul> |                     |      |      |      |      |        |
|   |  |  |   | 20%                 | 40%  | 60%  | 80%  | 100% |        |
| To strengthen procurement department management through development of structure, tools and               |  |  |   |                     |      |      |      |      |        |

|  |  |   |  |     |     |     |     |      |
|--|--|---|--|-----|-----|-----|-----|------|
|  |  | <p>capacity building for staff:</p> <p>To enhance contract management processes to ensure timely delivery, quality assurance, and compliance throughout the contract lifecycle:</p> | <p><b>Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>Revised departmental structure</li> <li>Market research report</li> <li>Number of procurement policies and procedures published</li> <li>Number of quarterly procurement reports produced</li> <li>Number of capacities strengthening trainings organized</li> </ul> <p><b>Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>List of prequalification</li> <li>Copy of contract agreements</li> <li>Number of multiple purpose rooms Built</li> <li>Assessment report</li> </ul> |     |     |     |     |      |
|  |  |   |  | 20% | 40% | 60% | 80% | 100% |
|  |  |   |  |     |     |     |     |      |
|  |  |   |  | 20% | 40% | 60% | 80% | 100% |

**SWOC ANALYSIS**

| Strengths   | Weaknesses  |
|---|---|
| <ul style="list-style-type: none"> <li>Automation of procurement process.</li> </ul>  | <ul style="list-style-type: none"> <li>Limited monitoring and auditing mechanisms for procured materials/equipment</li> </ul> |
| <ul style="list-style-type: none"> <li>Internal communication mechanism made through WhatsApp group for all departmental employees and suppliers</li> </ul> | <ul style="list-style-type: none"> <li>Inadequate qualified staff</li> </ul>  |
| <ul style="list-style-type: none"> <li>Existence of clear job description for departmental staff</li> </ul>   | <ul style="list-style-type: none"> <li>Insufficient office space.</li> </ul>  |
| <ul style="list-style-type: none"> <li>Young and experienced staff.</li> </ul>  | <ul style="list-style-type: none"> <li>Absence of risk management strategies</li> </ul>                                       |
| <ul style="list-style-type: none"> <li>Positive working relationship with suppliers</li> </ul>  | <ul style="list-style-type: none"> <li></li> </ul>  |

| Opportunities | Challenges |
|---------------|------------|
|---------------|------------|

|   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Strong partnerships with other agencies.</li> </ul>  | <ul style="list-style-type: none"> <li>• Delay in payment to suppliers.</li> </ul>                                  |
| <ul style="list-style-type: none"> <li>• Existence of a legal framework that enables the department to exercise its mandate.</li> </ul> | <ul style="list-style-type: none"> <li>• Fluctuating market conditions and prices</li> </ul>                        |
| <ul style="list-style-type: none"> <li>• Existence of strong financial software to improve procurement transactions</li> </ul>          | <ul style="list-style-type: none"> <li>• Bidders' capacity to effectively implement contracted projects.</li> </ul> |
| <ul style="list-style-type: none"> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>• Absence of decentralized procurement system.</li> </ul>                    |

Department of Private Sector and Financial Services

| Vision   | Mission  | Objectives  | Output Indicators   | Time-frame in Years |      |      |      |      | Respon<br>n |  |  |
|--|--|---|---|---------------------|------|------|------|------|-------------|--|--|
|  |  |   |   | 2024                | 2025 | 2026 | 2027 | 2028 |             |  |  |
| A vibrant and thriving private sector serving as a catalyst for the future economic development and poverty alleviation in Somaliland. | Developing the national private sector through increasing regional competitiveness, promoting international integration, engaging the business community, supporting economic diversity, and driving sustainable growth and job creation | <p>To collect accurate primary and secondary data from the financial and private sectors for Decision-making purposes.</p> <p>To provide technical assistance in fostering the development of the financial sector and private sector.</p> <p>To conduct research on key topics related to private sector development and doing business in Somaliland.</p> | <p><b>Performance measures will be included:</b></p> <p>Measuring the number of branches that offer financial products and services.</p>                              | 20%                 | 40%  | 60%  | 80%  | 100% |             |  |  |
|  |  |   | <p><b>Performance measures will be included:</b></p> <ul style="list-style-type: none"> <li>• Training report/program</li> <li>• Country focus report</li> </ul>      |                     |      |      |      |      |             |  |  |
|  |  |   | <ul style="list-style-type: none"> <li>• Policies and programs supporting SMEs in place</li> <li>• Training report/program</li> <li>• Country focus report</li> </ul> | 20%                 | 40%  | 60%  | 80%  | 100% |             |  |  |
|  |  |   |   |                     |      |      |      |      |             |  |  |
|  |  |   | <p><b>Performance measures will be included:</b></p>  | 20%                 | 40%  | 60%  | 80%  | 100% |             |  |  |
|  |  |   | <ul style="list-style-type: none"> <li>• Research and Development</li> </ul>  | 20%                 | 40%  | 60%  | 80%  | 100% |             |  |  |
|  |  |   | <p><b>Performance measures will be included:</b></p>  |                     |      |      |      |      |             |  |  |
|  |  |   |   |                     |      |      |      |      |             |  |  |
|  |  |   |   |                     |      |      |      |      |             |  |  |
|  |  |   |   |                     |      |      |      |      |             |  |  |
|  |  | To facilitate the development of legal, regulatory and operational framework conducive growth of the Private Sector   | <ul style="list-style-type: none"> <li>• Several unapproved laws Parliament must pass</li> </ul>  | 20%                 |      | 60%  | 80%  | 100% |             |  |  |

|  |  |   |  |     |     |     |     |      |  |
|--|--|---|--|-----|-----|-----|-----|------|--|
|  |  | To strengthen and promote effective public-private partnerships Programs. | <ul style="list-style-type: none"> <li>• Implemented PPP projects;</li> <li>• Workshops meetings;</li> <li>• Approved PPP Acts &amp; regulations.</li> </ul> | 20% | 40% | 60% | 80% | 100% |  |
|--|--|---|--|-----|-----|-----|-----|------|--|

**SWOC ANALYSIS**

| Strengths  | Weaknesses   |
|--|--|
| <ul style="list-style-type: none"> <li>• Availability of reliable and accurate information on the formal and informal private sector.</li> </ul> | <ul style="list-style-type: none"> <li>• Insufficient financing is available for the promotion, and raising of awareness regarding private sector development and engagement.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Employees who have a kind attitude and carefully follow instructions.</li> </ul>                        | <ul style="list-style-type: none"> <li>• Lack of facilities for training staff, as well as a lack of capacity building and experience in research development.</li> </ul>                |
| <ul style="list-style-type: none"> <li>• Strong involvement of key issue in financial sector reforms.</li> </ul>                                 | <ul style="list-style-type: none"> <li>• Not having a database or IT system to store and manage data and information.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Strong Leadership and Dedication.</li> </ul>  | <ul style="list-style-type: none"> <li>• Inadequate data collection facilities and transportation.</li> </ul>  |
| Opportunities  | Challenges   |
| <ul style="list-style-type: none"> <li>• Technical support of the public and private institutions.</li> </ul>                                    | <ul style="list-style-type: none"> <li>• The absence of training and experience might impair staff performance and difficult task handling.</li> </ul>                                   |
| <ul style="list-style-type: none"> <li>• Training and capacity building.</li> </ul>  | <ul style="list-style-type: none"> <li>• The absence of TA expert can hinder departmental performance and limit ability to handle complex tasks.</li> </ul>                              |
| <ul style="list-style-type: none"> <li>• Promoting an environment that encourages investment.</li> </ul>   | <ul style="list-style-type: none"> <li>• Limited Collaboration among other government institutions in creating a conducive working environment for the private sector</li> </ul>         |
| <ul style="list-style-type: none"> <li>• <b>Regional trade and economic cooperation.</b></li> </ul>  | <ul style="list-style-type: none"> <li>• Inadequate facilities for data collection can impede the department's ability to gather necessary information.</li> </ul>                       |

## Department of Legal Services

| Vision  | Mission  | Objectives  | Output Indicators  | Time-frame in Years |      |      |      |      | Responsible      |
|---|--|---|--|---------------------|------|------|------|------|------------------|
|   |  |   |  | 2024                | 2025 | 2026 | 2027 | 2028 |                  |
| To become central hub for all ministerial legal services strengthening robust legal foundations | To offer comprehensive legal guidance and services that empower the Ministry to promote economic growth, ensure sound financial systems, and contribute to national development. | 1. To improve financial laws and regulations through implementing relevant activities | <b>Performance measures will be included:</b> <ul style="list-style-type: none"> <li>Number of laws to be implemented</li> <li>Number of books distributed</li> </ul>  |                     |      |      |      |      | Legal Department |
|   |  |   | 20%  | 40%                 | 60%  | 80%  | 100% |      |                  |
|   |  | 2. To provide legal guidance to all relevant stakeholders                             | <ul style="list-style-type: none"> <li>Produced legal guides &amp; brochures</li> </ul>  | 20%                 | 40%  | 60%  | 80%  | 100% | Legal Department |
|   |  | 3. To train and educate the ministry' staff on tax laws and their regulations         | <ul style="list-style-type: none"> <li>Training reports</li> <li>Assessment report</li> </ul>  |                     |      |      |      |      | Legal Department |
|   |  | 4. To conduct assessments to ensure compliance with current regulations               | <ul style="list-style-type: none"> <li>Result of research of the PFM Act</li> </ul>  | 40%                 | 50%  | 60%  | 80%  | 100% | Legal Department |
|   |  | 5. To draft contracts and prepare ministerial decrees/ministerial legal advice        | <b>Performance measures will be included:</b> <ul style="list-style-type: none"> <li>Number of decrees prepared or verified its reference</li> <li>Number of Contracts</li> <li>number of legal recommendations</li> </ul> |                     |      |      |      |      | Legal Department |
|   |  |   | 20%  | 40%                 | 60%  | 80%  | 100% |      |                  |



|  |  |  |   |     |     |     |     |      |                  |
|--|--|--|---|-----|-----|-----|-----|------|------------------|
|  |  | 6. To lead the articulation, amendment and translation of all necessary and legal documents. | <ul style="list-style-type: none"> <li>Reviewed Acts Updated regulations GST</li> </ul> | 40% | 50% | 60% | 80% | 100% | Legal Department |
|--|--|--|---|-----|-----|-----|-----|------|------------------|

### SWOC ANALYSIS

| Strengths   | Weaknesses   |
|---|--|
| <ul style="list-style-type: none"> <li>Increased understanding on legal compliance among the ministerial staff</li> </ul>   | <ul style="list-style-type: none"> <li>A low level of literacy to comprehend the tax law.</li> </ul>   |
| <ul style="list-style-type: none"> <li>Compliance and Risk Management: The department is well-versed in compliance matters, helping the Ministry of Finance adhere to legal requirements and manage risks effectively.</li> </ul> | <ul style="list-style-type: none"> <li>Loopholes in Laws and Regulations:</li> </ul>                   |
| <ul style="list-style-type: none"> <li>Well established Legal Department capable for advising the ministry on legal issues</li> </ul>   | <ul style="list-style-type: none"> <li>Limited Team Collaboration:</li> </ul>                          |
| <ul style="list-style-type: none"> <li>Strong leadership and strategic direction</li> </ul>   | <ul style="list-style-type: none"> <li>Limited spaces (Offices) for Legal Department staffs</li> </ul> |
| <ul style="list-style-type: none"> <li>Staff and fully equipped offices</li> </ul>  | <ul style="list-style-type: none"> <li></li> </ul>   |

| Opportunities  | Challenges  |
|--|---|
| <ul style="list-style-type: none"> <li>Tax simplifications through review of legislation and system enhancements to improve tax compliance.</li> </ul>   | <ul style="list-style-type: none"> <li>Confusion over legal mandates: The presence of unclear roles and responsibilities among various departments and external institutions poses a significant threat.</li> </ul> |
| <ul style="list-style-type: none"> <li>Legislative Reforms: The department has a unique opportunity to actively participate in and influence legislative reforms and proposals related to</li> </ul> | <ul style="list-style-type: none"> <li>Outdated and Complex Legal Framework: The presence of outdated and complex laws poses a significant challenge to the Legal Services Department.</li> </ul>                   |

|   |  |
|---|--|
| <p>financial laws, ensuring they align with the ministry's mandate.</p>   |  |
| <ul style="list-style-type: none"> <li>• Having the opportunity to enhance its capabilities through external and internal support for training and capacity building</li> </ul> | <ul style="list-style-type: none"> <li>• <b>Inaccurate Interpretation of Financial Laws and Regulations:</b> The risk of misinterpreting financial laws and regulations poses a significant threat, potentially leading to misunderstandings and misapplications.</li> </ul> |
| <ul style="list-style-type: none"> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>• <b>Legislative Approval Challenges:</b> The potential delay in securing approval from the House of Representatives for revisions to financial laws poses a significant threat</li> </ul>  |
| <ul style="list-style-type: none"> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>• <b>Weak compliance culture</b></li> </ul>   |
| <ul style="list-style-type: none"> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>• <b>Lack of proper accounting practices (on the side of business)</b></li> </ul>   |

Department of Customs

| Vision   | Mission  | Objectives   | Output Indicators  | Time-frame in Years |      |      |      |      |
|--|--|--|--|---------------------|------|------|------|------|
|  |  |  |  | 2024                | 2025 | 2026 | 2027 | 2028 |
| Envisioning to be a globally trusted revenue agency facilitating customs management and compliance | Our mission is to strengthen service delivery, trade facilitation, tax payer education and improving compliance for increasing domestic venue. | To realize government revenue targets through combating tax evasion and adoption of smart intelligence and risk-based compliance strategies.       | <p><b>Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>The existence of simplified and standardized customs procedures, policies, and legislation based on international standards.</li> <li>Promote integrated quality service and taxpayer education</li> </ul>  |                     |      |      |      |      |
|  |  |  |  | 20%                 | 40%  | 60%  | 80%  | 100% |
|  |  |  |  |                     |      |      |      |      |
|  |  |  |  |                     |      |      |      |      |
|  |  | To adopt new customs system and single window solution phase 2 and use the Electronic Cargo Tracking and ruling centre System in Berbera corridor. | <p><b>Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>Customs risk and fraud reduced.</li> <li>Acquisition of customs system and single window.</li> <li>Evaluation book 2024 completed.</li> <li>Procedure is revised and implemented.</li> <li>Enhanced trade facilitation, increased compliance, and</li> <li>Improved stakeholder satisfaction.</li> </ul> <p>Staff ability of valuation is increased</p> |                     |      |      |      |      |
|  |  |  |  | 20%                 | 40%  | 60%  | 80%  | 100% |
|  |  |  |  |                     |      |      |      |      |
|  |  | To improve quality of customs service delivery through effective operations and through a research driven approach.                                | <p><b>Performance measures will be included</b></p> <p>Performance measures will be included:</p> <ul style="list-style-type: none"> <li>Production of quality statistical reports</li> <li>Perception survey report findings</li> <li>Increased efficiency, enhanced accuracy, cost savings, compliance adherence, user satisfaction, and integration with other systems.</li> </ul>  |                     |      |      |      |      |
|  |  |  |  | 20%                 | 40%  | 60%  | 80%  | 100% |
|  |  |  |  |                     |      |      |      |      |
|  |  | To enhance understanding and   | <p><b>Performance measures will be included</b></p>  |                     |      |      |      |      |

|  |  |  |  |     |     |     |     |      |  |
|--|--|--|--|-----|-----|-----|-----|------|--|
|  |  | awareness of tax payers on relevant tax compliance and related legal procedures.   | <ul style="list-style-type: none"> <li>• Volume of contraband reduced.</li> <li>• Internal audit report recommendations implemented.</li> </ul>  | 20% | 40% | 60% | 80% | 100% |  |
|  |  | To enhance staff productivity and ethical behaviour to effectively perform duties through Integrity and professionalism.                                       | <p><b>Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>• Creating green customs</li> <li>• Control examiners fraud and faults.</li> <li>• Number of contrabands successfully brought to justice.</li> <li>• New HS codes updated and adopted.</li> <li>• Customers complains recoded and responded.</li> </ul>                           | 20% | 40% | 60% | 80% | 100% |  |
|  |  | To improve customs department effectiveness through sustained capacity development programs (process review, new policies and procedures and law enforcement). | <ul style="list-style-type: none"> <li>• Perception survey report findings</li> <li>• Increased efficiency, enhanced accuracy, cost savings, compliance adherence, user satisfaction, and integration with other systems.</li> <li>• Number of contrabands reduced</li> <li>• Internal audit report recommendations implemented</li> <li>• Creating green customs</li> </ul> | 20% | 40% | 60% | 80% | 100% |  |
|  |  | To foster the opportunities for increased legitimate intra-regional trade.   | <ul style="list-style-type: none"> <li>• Control examiners fraud and faults</li> <li>• Number of contrabands successfully brought to justice</li> <li>• New HS codes updated and adopted</li> <li>• Customers complains recoded and responded</li> <li>• Availability of professional staff</li> <li>• customs protocol finished</li> </ul>                                  | 20% | 40% | 60% | 80% | 100% |  |

### SWOC ANALYSIS

| Strengths  | Weaknesses  |
|--|---|
| <ul style="list-style-type: none"> <li>• Government commitment to customs reform</li> </ul>  | <ul style="list-style-type: none"> <li>• Inadequate capacity to enforce customs compliance to target smuggling and evasion of duty;</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Committed Customs leadership, willing to change and create a modern, efficient, and professional Customs Service;</li> </ul>                        | <ul style="list-style-type: none"> <li>• Lack of international customs system</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Customs service presence along international borders to enforce Customs regulations; supported by internal checkpoints at key locations;</li> </ul> | <ul style="list-style-type: none"> <li>• Absence of research and development capacity for customs improvement;</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Relevant Customs Legislation system to provide a legal basis for Customs operations</li> </ul>  | <ul style="list-style-type: none"> <li>• Legislation relating to many Customs functions has not been enforced and needs to be implemented in conformity with the working conditions in Somaliland;</li> </ul> |
| <ul style="list-style-type: none"> <li>• High level of readiness for organizational transformation.</li> </ul>   | <ul style="list-style-type: none"> <li>• Limited facilities and resources at Custom level Offices.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Strong revenue accountability system.</li> </ul>  | <ul style="list-style-type: none"> <li>• Inadequate training of customers officers</li> </ul>   |
| <ul style="list-style-type: none"> <li>•</li> </ul>  | <ul style="list-style-type: none"> <li>• Inadequate office furniture &amp; equipment;</li> </ul>  |
| <ul style="list-style-type: none"> <li>•</li> </ul>  | <ul style="list-style-type: none"> <li>• Limited staff training and incentives</li> </ul>   |
| <ul style="list-style-type: none"> <li>•</li> </ul>  | <ul style="list-style-type: none"> <li>• Inadequate sharing and integration with third party systems to obtain data to drive tax compliance</li> </ul>  |
| <ul style="list-style-type: none"> <li>•</li> </ul>  | <ul style="list-style-type: none"> <li>• Inadequate skills and competences in some technical areas</li> </ul>   |

| Opportunities   | Challenges  |
|---|---|
| <ul style="list-style-type: none"> <li>• Trade and Transit Agreement with Ethiopia; will give Customs greater chances to improve procedures and exchange of information</li> </ul>  | <ul style="list-style-type: none"> <li>• Security issue in cross border trade</li> </ul>  |
| <ul style="list-style-type: none"> <li>• External funding to enhance customs</li> </ul>   | <ul style="list-style-type: none"> <li>• Increased sharing and integration with third party systems to obtain data to drive tax compliance</li> </ul> |
| <ul style="list-style-type: none"> <li>• Investment by DP World in Berbera Corridor initiative to improve Customs facilities in Somaliland and bring transit procedures into line with international standards</li> </ul> | <ul style="list-style-type: none"> <li>• Increasing trade barrier between Ethiopian and Somaliland</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Tax simplifications trough review legislations and system enhancements to improve tax compliance</li> </ul>  | <ul style="list-style-type: none"> <li>• Tribal fights between Somaliland clans</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Growing electronic payment transactions</li> </ul>   | <ul style="list-style-type: none"> <li>• Low tax compliance culture by some taxpayers</li> </ul>  |
| <ul style="list-style-type: none"> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>• New and constantly-evolving smuggling techniques.</li> </ul>   |

Department of -Inland Revenue

| Vision   | Mission  | Objectives  | Output Indicators   | Time-frame in Years |      |      |      |      | Responsible |      |
|--|--|---|---|---------------------|------|------|------|------|-------------|------|
|  |  |   |   | 2024                | 2025 | 2026 | 2027 | 2028 |             |      |
| Premier tax administration that is reliable, fair, and supportive, with taxpayer-focused approach. | IRD's mission is to ensure fairness and to advance an optimal and sustainable national revenue base. | Expanding the tax base by 10% by approaching potential taxpayers for broadening tax base. | <b>Performance measures will be included:</b> <ul style="list-style-type: none"> <li>Extent of accessibility for online self-registration and TIN Certificate.</li> <li>Increased integrity of registered taxpayers.</li> <li>Digitalized taxpayers' registration in collaboration</li> </ul> |                     |      |      |      |      | IRD         |      |
|  |  |   |   |                     | 20%  | 40%  | 60%  | 80%  |             | 100% |
|  |  |   |   |                     |      |      |      |      |             |      |
|  |  | To increase tax revenue generation and collection by 15% compared to 2023                 | <ul style="list-style-type: none"> <li>Application of GST on the remaining business sectors</li> </ul>  | 25%                 | 20%  | 20%  | 20%  | 100% |             |      |
|  |  | To strengthen the core functions and operations of IRD.                                   | <b>Performance measures will be included:</b> <ul style="list-style-type: none"> <li>TADAT Assessment report</li> <li>Reform agenda based on TADAT.</li> <li>Customs tax audits reports</li> </ul>  |                     |      |      |      |      |             |      |
|  |  |   |   |                     | 20%  | 40%  | 60%  | 80%  |             | 100% |
|  |  |   |   |                     |      |      |      |      |             |      |

|            |            |   |  |   |     |     |     |      |            |            |            |            |             |     |
|------------|------------|---|--|---|-----|-----|-----|------|------------|------------|------------|------------|-------------|-----|
|            |            | To Plan and Operationalize Revenue Academy.               | <ul style="list-style-type: none"> <li>Operationalized SL Revenue Academy.</li> </ul>  | 30%   | 25% | 25% | 10% | 100% | IRD        |            |            |            |             |     |
|            |            | To enhance academic excellence.                           | <ul style="list-style-type: none"> <li>The extent of TNA, Scholarships,</li> <li>Study tours, and training courses conducted successfully.</li> </ul>  | <table border="1"> <tr> <td><b>20%</b></td> <td><b>40%</b></td> <td><b>60%</b></td> <td><b>80%</b></td> <td><b>100%</b></td> </tr> </table> |     |     |     |      | <b>20%</b> | <b>40%</b> | <b>60%</b> | <b>80%</b> | <b>100%</b> | IRD |
| <b>20%</b> | <b>40%</b> | <b>60%</b>  | <b>80%</b>   | <b>100%</b>   |     |     |     |      |            |            |            |            |             |     |
|            |            | To automate tax administration system.                    | <ul style="list-style-type: none"> <li>An increase usage of electronic filing, registration, payment, and debt management.</li> <li>Implementation of full ITAS system.</li> </ul>   | <table border="1"> <tr> <td><b>20%</b></td> <td><b>40%</b></td> <td><b>60%</b></td> <td><b>80%</b></td> <td><b>100%</b></td> </tr> </table> |     |     |     |      | <b>20%</b> | <b>40%</b> | <b>60%</b> | <b>80%</b> | <b>100%</b> | IRD |
| <b>20%</b> | <b>40%</b> | <b>60%</b>  | <b>80%</b>   | <b>100%</b>   |     |     |     |      |            |            |            |            |             |     |
|            |            | To optimize the education and communication to taxpayers. | <ul style="list-style-type: none"> <li>Created and executed a strategy for taxpayer education and communication.</li> <li>Implementation of education and outreach programs for taxpayers.</li> <li>Improvement to taxpayer services.</li> </ul> | <table border="1"> <tr> <td><b>20%</b></td> <td><b>40%</b></td> <td><b>60%</b></td> <td><b>80%</b></td> <td><b>100%</b></td> </tr> </table> |     |     |     |      | <b>20%</b> | <b>40%</b> | <b>60%</b> | <b>80%</b> | <b>100%</b> | IRD |
| <b>20%</b> | <b>40%</b> | <b>60%</b>  | <b>80%</b>   | <b>100%</b>   |     |     |     |      |            |            |            |            |             |     |



|  |  |   |   |     |     |     |     |      |  |
|--|--|---|---|-----|-----|-----|-----|------|--|
|  |  | To stablish independent revenue authority | <ul style="list-style-type: none"> <li>Stablished revenue authority, followed by offices, board of directors, related approved Acts and regulations.</li> </ul> | 10% | 30% | 50% | 30% | 100% |  |
|--|--|---|---|-----|-----|-----|-----|------|--|

### SWOC ANALYSIS

| Strengths   | Weaknesses   |
|---|--|
| <ul style="list-style-type: none"> <li>Dedicated leadership and IRD management team.</li> </ul>   | <ul style="list-style-type: none"> <li>Limited taxpayer education and awareness functions.</li> </ul>  |
| <ul style="list-style-type: none"> <li>Potential number of taxpayers with IRD Database.</li> </ul>  | <ul style="list-style-type: none"> <li>Delay of taxpayer account management system.</li> </ul>   |
| <ul style="list-style-type: none"> <li>Strong and high reliability of tax records</li> </ul>  | <ul style="list-style-type: none"> <li>Inadequate IT infrastructure Limited staff capacity</li> </ul>  |
| <ul style="list-style-type: none"> <li>Existence of Reviewed Revenue Act and Regulations offering powers that are needed to administer tax.</li> </ul>  | <ul style="list-style-type: none"> <li>Limited staff Training and capacity</li> </ul>  |
| <ul style="list-style-type: none"> <li>Existence of IRD bureaus at decentralised levels: Regions, Districts and villages.</li> </ul>  | <ul style="list-style-type: none"> <li>Absence stock of tax arrears not known.</li> </ul>  |
| <ul style="list-style-type: none"> <li><b>Diverse Audit Approaches:</b> Utilizing a range of audit types, including registration checks, desk audits, and full audits, demonstrates a comprehensive and adaptive approach to ensuring tax compliance and revenue collection.</li> </ul> | <ul style="list-style-type: none"> <li>Filing compliance rate low. Many taxpayers are not filing tax returns: Payroll, Income Tax, etc.</li> </ul> |
| <ul style="list-style-type: none"> <li></li> </ul>  | <ul style="list-style-type: none"> <li>Incomplete and low consistency of tax records.</li> </ul>   |
| <ul style="list-style-type: none"> <li></li> </ul>  | <ul style="list-style-type: none"> <li>Incomplete ICT Strategic plan Databases</li> </ul>  |

| Opportunities   | Challenges   |
|---|--|
| <ul style="list-style-type: none"> <li>• Strong political support from President Office and Ministry of Finance;</li> </ul>   | <ul style="list-style-type: none"> <li>• Rampant tax avoidance culture. Tax evasion, corruption and resistance to pay tax deeply rooted in the community;</li> </ul> |
| <ul style="list-style-type: none"> <li>• Committed Donor Support;</li> </ul>  | <ul style="list-style-type: none"> <li>• Filing compliance rate very low. Many taxpayers are not filing tax returns: Payroll, Income Tax, etc.</li> </ul>            |
| <ul style="list-style-type: none"> <li>• Good working relationship with Chamber of Commerce, Association of Accountants, Ministry of Investment, Port Authority, etc</li> </ul> | <ul style="list-style-type: none"> <li>•</li> </ul>  |
| <ul style="list-style-type: none"> <li>• International donor’s support.</li> </ul>  | <ul style="list-style-type: none"> <li>•</li> </ul>  |
| <ul style="list-style-type: none"> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>•</li> </ul>  |

Department of Public Relations

| sd   | Mission  | Objectives   | Output Indicators   | Time-frame in Years |      |      |      |      | Resp on |
|--|--|--|---|---------------------|------|------|------|------|---------|
|  |  |  |   | 2024                | 2025 | 2026 | 2027 | 2028 |         |
| Envisioning a future where we inspire the hearts and minds of taxpayers and the general public through establishing a harmonious relationship founded on mutual trust and partnership. | Our mission is to enhance citizen awareness regarding the payment of due taxes, promote voluntary compliance, and diligently inform and educate the public about government service delivery and development priorities. | <p>To promote voluntary tax compliance with effective strategies, nurturing a culture of increased voluntary tax returns and educate the public on government services for enhanced civic understanding.</p> <p>To sustain and enhance the online presence and visibility of the MoFD through consistent and impactful digital strategies, ensuring effective communication and engagement with the target audience.</p> | <p><b>Performance measures will be included:</b></p> <ul style="list-style-type: none"> <li>Number of awareness raising video programs</li> </ul>                     | 20%                 | 40%  | 60%  | 80%  | 100% |         |
|  |  |  | <ul style="list-style-type: none"> <li>Number of tax education program publicized in the social media outlets and level of public awareness improved</li> </ul>       |                     |      |      |      |      |         |
|  |  |  | <p><b>Performance measures will be included:</b></p> <ul style="list-style-type: none"> <li>Number of awareness creation posters published and distributed</li> </ul> | 20%                 | 40%  | 60%  | 80%  | 100% |         |
|  |  |  | <ul style="list-style-type: none"> <li>Number of video clips produced and improvement level of public awareness on government budget plans</li> </ul>                 |                     |      |      |      |      |         |

|     |     |   |  |      |     |     |     |      |  |  |
|-----|-----|---|--|------|-----|-----|-----|------|--|--|
|     |     | <p>To carryout continuous Media Monitoring in order to manage and respond to any crisis or negative publicity affecting the ministry, in a timely and effective manner.</p>   | <p><b>Performance measures will be included:</b></p>   |      |     |     |     |      |  |  |
|     |     | <ul style="list-style-type: none"> <li>• Copies of Quarterly magazines developed</li> <li>• Number of promotional branded items printed</li> </ul>  | <table border="1"> <tr> <td>20%</td> <td>40%</td> <td>60%</td> <td>80%</td> <td>100%</td> </tr> </table> | 20%  | 40% | 60% | 80% | 100% |  |  |
| 20% | 40% | 60%   | 80%  | 100% |     |     |     |      |  |  |
|     |     | <p>To strengthen the capacity of the Communications and Public Relations Department through targeted initiatives and professional development programs</p>  | <p><b>Performance measures will be included:</b></p>   |      |     |     |     |      |  |  |
|     |     | <ul style="list-style-type: none"> <li>• Copies of Quarterly magazines developed</li> <li>• Number of promotional branded items printed</li> </ul>  | <table border="1"> <tr> <td>20%</td> <td>40%</td> <td>60%</td> <td>80%</td> <td>100%</td> </tr> </table> | 20%  | 40% | 60% | 80% | 100% |  |  |
| 20% | 40% | 60%   | 80%  | 100% |     |     |     |      |  |  |
|     |     | <p>To build a positive reputation for the MoFD among taxpayers and broader citizens through implementing strategic initiatives, transparent communication, and engaging promotional activities.</p>                           | <p><b>Performance measures will be included:</b></p>   |      |     |     |     |      |  |  |
|     |     | <ul style="list-style-type: none"> <li>• Tax payer perception survey reports</li> <li>• Systems/tools and materials</li> <li>• Communication strategies and plans in place</li> <li>• Number of events coordinated</li> </ul> | <table border="1"> <tr> <td>20%</td> <td>40%</td> <td>60%</td> <td>80%</td> <td>100%</td> </tr> </table> | 20%  | 40% | 60% | 80% | 100% |  |  |
| 20% | 40% | 60%   | 80%  | 100% |     |     |     |      |  |  |

**SWOC ANALYSIS**

| <b>Strengths</b>  |  | <b>Weaknesses</b>  |  |
|---|--|--|--|
| <ul style="list-style-type: none"> <li>• Committed and motivated staff with the necessary public relations and communication skills</li> </ul>  | <ul style="list-style-type: none"> <li>• Limited office space &amp; Limited equipment</li> </ul>   | <ul style="list-style-type: none"> <li>• Culture of teamwork, trust and working better together attitude among staff members</li> </ul>        | <ul style="list-style-type: none"> <li>• Limited inhouse production tools (studio, Lack of production studio)</li> </ul> |
| <ul style="list-style-type: none"> <li>• Availability of Job Descriptions (JDs) and plans to effectively perform work duties</li> </ul>   | <ul style="list-style-type: none"> <li>• Insufficient financial resources</li> </ul>   | <ul style="list-style-type: none"> <li>• Positive working relationship with other departments</li> </ul>                                       | <ul style="list-style-type: none"> <li>• Lack of transportation</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Necessary Legislations are in place</li> </ul>   | <ul style="list-style-type: none"> <li>• Staff skills gaps Gap in professionalism especially in communication, public relation, and customer care</li> </ul> | <ul style="list-style-type: none"> <li>• Committed and motivated Staff with the necessary public relations and communication skills</li> </ul> | <ul style="list-style-type: none"> <li>• Limited office space &amp; Limited equipment</li> </ul>                         |
| <ul style="list-style-type: none"> <li>• Culture of team work, trust and working better together attitude among staff members</li> </ul>  | <ul style="list-style-type: none"> <li>•</li> </ul>  |  |  |
| <b>Opportunities</b>  |  | <b>Challenges</b>  |  |
| <ul style="list-style-type: none"> <li>• Availability of government media               <ul style="list-style-type: none"> <li>○ SLN TV</li> <li>○ Radio Hargeisa</li> <li>○ Dawan</li> <li>○ Horntribune.com</li> <li>○ SOLNA</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• Limited awareness and tax education among the public;</li> <li>• Office space;</li> </ul>                           | <ul style="list-style-type: none"> <li>• External funding to enhance customs</li> </ul>  | <ul style="list-style-type: none"> <li>• Police ethics during tax collection</li> </ul>                                  |
| <ul style="list-style-type: none"> <li>• Investment by DP World in Berbera Corridor initiative to improve Customs</li> </ul>  | <ul style="list-style-type: none"> <li>• Non-professional mass media</li> </ul>  |  |  |

|   |   |
|---|---|
| <p>facilities in Somaliland and bring transit procedures into line with international standards</p>   |   |
| <ul style="list-style-type: none"> <li>• Tax simplifications through review legislations and system enhancements to improve tax compliance</li> </ul> | <ul style="list-style-type: none"> <li>• Public attitude problem which creates limited trust in revenue collecting Government institutions. Poor public relations on the government institutions including MODF.</li> </ul> |
| <ul style="list-style-type: none"> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>• The spread of false or misleading information through social media and other channels can damage the ministry's reputation and create confusion among the public.</li> </ul>       |
|   |   |

## Department of Accountant General

| Vision   | Mission   | Objectives   | Output Indicators   | Time-Frame In Years |      |      |      |      |
|--|---|--|---|---------------------|------|------|------|------|
|  |   |  |   | 2024                | 2025 | 2026 | 2027 | 2028 |
| To become a premier institution in the provision of high-quality financial management and accounting services to the government, exemplifying excellence and Innovation in this in endeavour | To carryout timely, reliable, and accurate financial management services in line with national legal and regulatory framework and international standards in promoting public sector accountability, transparency, and Value for Money. | 1. To improve the application of international standards, modernize preparation of financial reports with modified cash bases and accrual accounting system. | <b>Performance measures will be included:</b> <ul style="list-style-type: none"> <li>Trained adoption and utilization of IPSAS</li> <li>Implanted modified cash bases.</li> <li>Development of Accrual implementation roadmap.</li> </ul> | 25%                 | 50%  | 75%  | 85%  | 100% |
|  |   | 2. To ensure proper internal controls are in place to protect and preserve the financial assets of the government  | <ul style="list-style-type: none"> <li>successful adoption of the accrual basis of IPSAS and IFRS</li> </ul>  | 25%                 | 50%  | 75%  | 85%  | 100% |
|  |   | 3. To Improve the management of government Fixed Assets  | <ul style="list-style-type: none"> <li>Utilization of IPSAS-compliant GGPFRR and the completion of accounting manuals, policies, and procedures</li> </ul>  | 25%                 | 50%  | 75%  | 85%  | 100% |
|  |   | 4. To Create and implement Treasury Single Account (TSA) and unification of all government accounts for proper cash management                               | <ul style="list-style-type: none"> <li>Internal control implementation progress report.</li> </ul>  | 25%                 | 50%  | 75%  | 85%  | 100% |

|  |  |  |   |     |     |     |     |      |
|--|--|--|---|-----|-----|-----|-----|------|
|  |  | <p><b>5</b> . To Properly manage government debt, borrowing and ongoing unpaid bill<br/>To effectively manage and control systemic<br/>Business process automation by adopting technology under SLMIS that are related to AGO functions.</p> | <ul style="list-style-type: none"> <li>• Number of asset items distributed</li> <li>• Training assessment forms and reports</li> <li>• Debt registration road map</li> <li>• OAG ICT help desk</li> </ul> | 20% | 40% | 60% | 80% | 100% |
|  |  | <p><b>6</b>. To establish fully functioning records retention, destruction and management system that is secure and reliable.</p>  | <ul style="list-style-type: none"> <li>• Standard records for retention, destruction and management in place</li> </ul>   | 25% | 50% | 75% | 85% | 100% |

### SWOC ANALYSIS

| Strengths   | Weaknesses   |
|---|--|
| <ul style="list-style-type: none"> <li>• A mix of young and experienced staff capable of adapting emerging tech and reforms.</li> </ul>   | <ul style="list-style-type: none"> <li>• lack of ICT unit with the Accounting General</li> </ul>                     |
| <ul style="list-style-type: none"> <li>• Strong network and understanding of regional context.</li> </ul>                                 | <ul style="list-style-type: none"> <li>• Insufficient job training and Capacity building regional offices</li> </ul> |
| <ul style="list-style-type: none"> <li>• Proper transaction recording, accounting, and timely preparation of financial reports</li> </ul> | <ul style="list-style-type: none"> <li>• Poor structure of the office of the Accounting General</li> </ul>           |
| <ul style="list-style-type: none"> <li>• Smooth collaboration with other public entities</li> </ul>                                       | <ul style="list-style-type: none"> <li>• Lack of skilled and specialized professionals</li> </ul>                    |
| <ul style="list-style-type: none"> <li>• Establishing direct connection with bilateral and multilateral organizations</li> </ul>          | <ul style="list-style-type: none"> <li>• In adequate ICT equipment</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Stable macro-economic framework</li> </ul>   | <ul style="list-style-type: none"> <li>• Inability to attract and retain qualified staff</li> </ul>                  |
| <ul style="list-style-type: none"> <li>• Modern IT investment and infrastructure</li> </ul>   | <ul style="list-style-type: none"> <li>•</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Adoption of ICT for service delivery</li> </ul>  | <ul style="list-style-type: none"> <li>•</li> </ul>  |



| Opportunities  | Challenges  |
|--|---|
| <ul style="list-style-type: none"> <li>Willingness and political commitment of reforms from the government</li> </ul>  | <ul style="list-style-type: none"> <li>Limited office space (regional and headquarter), infrastructure (hardware and software, and human capital)</li> </ul>  |
| <ul style="list-style-type: none"> <li>PFM Reforms and technical assistance from the World Bank</li> </ul>   | <ul style="list-style-type: none"> <li>Lack of clarity of the office's independence</li> </ul>  |
| <ul style="list-style-type: none"> <li>New Public Financial Management laws and regulations</li> </ul>   | <ul style="list-style-type: none"> <li>Late or not receiving updates and information about new tariffs and other instructions from the MoFD</li> </ul>  |
| <ul style="list-style-type: none"> <li>Public financial reform emphasis on accountability, modernization of business process and achievement of NDP vision 2030</li> </ul> | <ul style="list-style-type: none"> <li>Inappropriate appointments of Admin and Finance directors and accountants of MDAs</li> </ul>   |
| <ul style="list-style-type: none"> <li>National technology improvement</li> </ul>  | <ul style="list-style-type: none"> <li>Poor budget estimates and lack of cash forecasting (release of warrants without fund availability)</li> </ul>  |
| <ul style="list-style-type: none"> <li>Public sector reforms- Program based budgeting and results-based management initiatives</li> </ul>                                  | <ul style="list-style-type: none"> <li>Mismatch of new laws and regulations</li> </ul>  |
| <ul style="list-style-type: none"> <li>Leverage on multiagency and multilateral collaboration for better management of public resources</li> </ul>                         | <ul style="list-style-type: none"> <li>SLFMIS not operating at full capacity</li> <li>Limited funds of training and capacity building on recent financial management and reporting issue</li> <li></li> </ul> |
| <ul style="list-style-type: none"> <li>Political stability and good will</li> </ul>  | <ul style="list-style-type: none"> <li></li> </ul>  |
| <ul style="list-style-type: none"> <li></li> </ul>   | <ul style="list-style-type: none"> <li></li> </ul>  |

Department of Admin & Finance

| Vision  | Mission   | Objectives   | Output Indicators  | Time-frame in Years                              |      |      |      |      | Respon |
|---|---|--|--|--|------|------|------|------|--------|
|   |   |  |  | 2024   | 2025 | 2026 | 2027 | 2028 |        |
| To be a leading department for the facilitation and delivery of essential financial and administrative serves | To maintain the day-to-day financial and administrative functions of MoFD by providing timely support to other departments and staff in a spirit of excellence and dedication | To ensure efficient office operations and workflow.  | <b>1. Performance measures will be included</b>  |  |      |      |      |      |        |
|   |   |  | <ul style="list-style-type: none"> <li>• Successful implementation of automation tools</li> <li>• Staff prioritization of workload</li> <li>• Training program/report</li> <li>• Records management system in place</li> </ul> |  |      |      |      |      |        |
|   |   |  |  | 20%  | 40%  | 60%  | 80%  | 100% |        |
|   |   |  |  |  |      |      |      |      |        |
|   |   |  |  | <b>2) Performance measures will be included:</b> |      |      |      |      |        |
|   |   | <ul style="list-style-type: none"> <li>• Assessment reports;</li> <li>• Reshaped office, purchase equipment &amp; furniture;</li> <li>• Office extension;</li> <li>• Well maintained office inventory.</li> </ul>                              | 20%  | 40%  | 60%  | 80%  | 100% |      |        |
|   |   |  |  |  |      |      |      |      |        |
|   |   |  | <b>3) Performance measures will be included:</b>   |  |      |      |      |      |        |
|   |   | <ul style="list-style-type: none"> <li>• Monitoring findings and corrective actions adopted</li> <li>• Training program/report</li> <li>• Improving employee proficiency in equipment</li> <li>• Developing Adequate budget of MOFD</li> </ul> |  |  |      |      |      |      |        |
|   |   |  | 20%  | 40%  | 60%  | 80%  | 100% |      |        |
|   |   |  |  |  |      |      |      |      |        |

|  |  |  |  |  |     |     |     |     |      |
|--|--|--|--|--|-----|-----|-----|-----|------|
|  |  | To facilitate budgeting and financial planning | <ul style="list-style-type: none"> <li>• Getting Quarterly allotment Based on Actual Revenue</li> <li>• Evaluating Government Debts</li> <li>• Evaluating Government Debts</li> <li>• Making Cost Minimization</li> <li>• Facilitating budgeting and financial Planning</li> <li>• Developing Financial Reporting</li> <li>• Getting correct payroll and employee Allocations</li> </ul> |  |     |     |     |     |      |
|  |  |  |  |  | 20% | 40% | 60% | 80% | 100% |
|  |  |  |  |  |     |     |     |     |      |

### SWOC ANALYSIS

| Strengths  | Weaknesses  |
|--|---|
| <ul style="list-style-type: none"> <li>• Availability of all financial rules and regulations.</li> </ul>   | <ul style="list-style-type: none"> <li>• Lack of manuals and guidelines for the facilitation of the duties and obligations of the department</li> </ul> |
| <ul style="list-style-type: none"> <li>• Operationalization of the Public Financial Management Reform program transforms departmental functions</li> </ul> | <ul style="list-style-type: none"> <li>• Lack of proper analysis of the actual expenditure needed</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Strong leadership and team spirit of the department's staff</li> </ul>  | <ul style="list-style-type: none"> <li>• Insufficient budget allocation according to the ministry's huge responsibility.</li> </ul>                     |
| <ul style="list-style-type: none"> <li>• Centralized Ministry payment system</li> </ul>  | <ul style="list-style-type: none"> <li>• Lack of staff training and career development</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Well managed and smooth running of the department's responsibilities</li> </ul>                                   | <ul style="list-style-type: none"> <li>•</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Quick responses to inquires</li> </ul>  | <ul style="list-style-type: none"> <li>•</li> </ul>   |
| Opportunities  | Challenges  |

|   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Access to Departments and Regional Coordinators</li> </ul>                         | <ul style="list-style-type: none"> <li>• Currency depreciation (Effects by purchasing goods and Rent expenses)</li> </ul> |
| <ul style="list-style-type: none"> <li>• Implementation of SLFMIS to standardize systems, procedures and reports</li> </ul> | <ul style="list-style-type: none"> <li>• Lack of manuals and guidelines for simplification of the duties</li> </ul>       |
|   | <ul style="list-style-type: none"> <li>• Loopholes in the laws and regulations.</li> </ul>                                |
|   | <ul style="list-style-type: none"> <li>• Lack of adequate resources-offices and staff</li> </ul>                          |
| <ul style="list-style-type: none"> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>•</li> </ul>   |

**Department of Public Financial Management (PFM)**

| Vision   | Mission  | Objectives   | Output Indicators   | Time-frame in Years |      |      |      |      | Respon |
|--|--|--|---|---------------------|------|------|------|------|--------|
|  |  |  |   | 2024                | 2025 | 2026 | 2027 | 2028 |        |
| To achieve the highest possible efficiency, transparency and accountability in the allocation, management and use of public resources to meet the Somaliland's development and economic growth priorities. | To Coordinate and harmonize the financial management reforms and to strengthen public finance management systems in order to enhance effectiveness, efficiency | To achieve overall fiscal discipline through the implementation of standard procedures                                   | <b>Performance measures will be included:</b>   |                     |      |      |      |      |        |
|  |  |  | Number of accounting policies and procedures, tax guidance manuals and revenue policies reviewed  | 20%                 | 40%  | 60%  | 80%  | 100% |        |
|  |  |  | Number of internal audit manuals reviewed   |                     |      |      |      |      |        |
|  | Improve transparency accountability in the use and management of resources   | To ensure appropriate allocation of public sector resources to meet national priority needs effectively and efficiently. | <b>Performance measures will be included:</b>   |                     |      |      |      |      |        |
|  |  |  | <ul style="list-style-type: none"> <li>• Successful expansion of cash forecasting automation</li> <li>• Number of established or improved processes, methodologies, or IT based models</li> </ul> | 20%                 | 40%  | 60%  | 80%  | 100% |        |
|  |  |  | <ul style="list-style-type: none"> <li>• Sector planning and budgeting guidelines developed; Training reports and performance outcomes resulted</li> </ul>  |                     |      |      |      |      |        |
|  | To train to MoF and MDAs on general  | <b>Performance measures will be included:</b>  |   |                     |      |      |      |      |        |

|  |  |  |  |  |     |     |     |     |      |  |
|--|--|--|--|--|-----|-----|-----|-----|------|--|
|  |  | budget preparation guidelines  | <ul style="list-style-type: none"> <li>• Feasibility plans reports</li> <li>• Training Reports</li> <li>• Number of platforms and processes built</li> <li>• The level of maintenance and monitoring of tax tariffs policies</li> <li>• Number of potential tax payers registered</li> </ul> |  | 20% | 40% | 60% | 80% | 100% |  |
|  |  | To support on planning and budgeting in the Ministries of Health and Education by establishing sector planning and budgeting guidelines, processes, and systems, | <p><b>Performance measures will be included:</b></p> <ul style="list-style-type: none"> <li>• Assessment report</li> <li>• Level of support provided to internal and external audits</li> <li>• M&amp; E system and framework</li> </ul>   |  | 20% | 40% | 60% | 80% | 100% |  |
|  |  | To put in place transparent and accountable PFM system facilitating efficient and effective key waste  | <p><b>Performance measures will be included:</b></p> <ul style="list-style-type: none"> <li>• Availability of stakeholders' engagement plan</li> <li>• Assessment report</li> </ul>  |  | 20% | 40% | 60% | 80% | 100% |  |

## SWOC ANALYSIS

| Strengths   | Weaknesses  |
|---|---|
| <ul style="list-style-type: none"> <li>MoFD senior management is treating the PFM reforms as matters of top priority and leading the implementation process.</li> </ul>   | <ul style="list-style-type: none"> <li>Significant financial constraints impede GoSL's ability to fund PFM reforms, making them reliant on external financial support.</li> </ul>   |
| <ul style="list-style-type: none"> <li>The establishment of a Change Management Team (CMT) of senior officials to assess and help resolve obstacles and challenges facing the reforms.</li> </ul>                       | <ul style="list-style-type: none"> <li>Weak oversight institutions and lack of transparent budget-making process.</li> </ul>  |
| <ul style="list-style-type: none"> <li>There is a mutually supportive working relationship between the PFM Reformation Coordination Unit and the stakeholders.</li> </ul>   | <ul style="list-style-type: none"> <li>Lack of full compliance with the new legal framework.</li> </ul>   |
| <ul style="list-style-type: none"> <li>The donor community supports PFM reforms through provisions of financial support and technical assistance, and participation in the consultative processes.</li> </ul>           | <ul style="list-style-type: none"> <li>Weaknesses in Parliamentary oversight.</li> </ul>  |
| <ul style="list-style-type: none"> <li>The Parliament has passed key PFM bills. Regulations supporting some of these bills were adopted.</li> </ul>   | <ul style="list-style-type: none"> <li>Audit institutions are weak, tendering and procurement are not transparent at all levels.</li> </ul>   |
| <ul style="list-style-type: none"> <li>There is increasing acceptance of the use of IT solutions (e.g SLMIS tax and customs systems) by the stakeholders to replace the manual processes and legacy systems.</li> </ul> | <ul style="list-style-type: none"> <li>Lack of comprehensive and costed sector strategies.</li> </ul>   |
| <ul style="list-style-type: none"> <li>Since 2011, government revenue has been growing consistently.</li> </ul>   | <ul style="list-style-type: none"> <li>The absence of key financial information may facilitate the development of corrupt practices by limiting public scrutiny and the use of appropriate PFM tools (e.g. public procurement procedures).</li> </ul> |
| <ul style="list-style-type: none"> <li>The strong involvement of key stakeholders in the reform process.</li> </ul>   | <ul style="list-style-type: none"> <li>Significant capacity and knowledge gaps for PFM staff to manage financial processes, including a deficit of data needed to produce financial statements.</li> </ul>  |

|  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• The stable political environment in the country bodes well for sound PFM practice.</li> </ul> | <ul style="list-style-type: none"> <li>• The financial reporting shows evidence of inaccuracy and delays in the provision of timely reports.</li> </ul>  |
| <ul style="list-style-type: none"> <li>•</li> </ul>  | <ul style="list-style-type: none"> <li>• A lack of adequate expenditure controls with subsequent poor compliance to procurement and expenditure cycle procedures.</li> </ul>                                 |
| <ul style="list-style-type: none"> <li>•</li> </ul>  | <ul style="list-style-type: none"> <li>• Weaknesses in management and leadership across public service resulting in inadequate preparation and management of change brought about by PFM reforms.</li> </ul> |

| Opportunities   | Challenges   |
|---|--|
| <ul style="list-style-type: none"> <li>• Partial compliance with PFM legislation and regulation</li> </ul>  | <ul style="list-style-type: none"> <li>• Government’s absorptive capacity to address multiple, simultaneous, and inter-connected reforms activities coupled with staff and management day-to-day responsibilities.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Government’s commitment to economic growth and poverty reduction and the clear articulation of its development policy within the NDP, which identifies improvements in governance as the basis for achieving economic growth and poverty reduction.</li> </ul> | <ul style="list-style-type: none"> <li>• The continued fragmentation of donor support and failure to replenish the World Bank’s funding allocation for the continuation of PFM reforms undermines the efficiency and effectiveness of reforms.</li> </ul>                      |
| <ul style="list-style-type: none"> <li>• Joint government and public interest in reducing corruption.</li> </ul>  | <ul style="list-style-type: none"> <li>• Lack of qualified personnel and professional financial management institutions to support reform efforts.</li> </ul>  |
| <ul style="list-style-type: none"> <li>• Anti-corruption and good government agencies have been set up.</li> </ul>  | <ul style="list-style-type: none"> <li>• Government’s limited financial resources, which undermine its ability to fund reforms.</li> </ul>   |
| <ul style="list-style-type: none"> <li>•</li> </ul>   | <ul style="list-style-type: none"> <li>• Lack of comprehensive HR and capacity development strategy and retention policy implementation may lead to continued loss of competent staff in key positions after training and capacity-building, leaving the government</li> </ul> |



|   |  |
|---|--|
|   | without adequate capacity to sustain the reforms program.  |
| • | <ul style="list-style-type: none"> <li>• Lack of sustained commitment and political willpower to be a driving force behind a complex and long-term reform effort.</li> </ul> |
| • | <ul style="list-style-type: none"> <li>• The recruitment policy is not based on competency and qualifications.</li> </ul>  |

Department of Financial Management Information System (FMIS)

| Vision   | Mission   | Objectives   | Output Indicators   | Time-frame in Years |      |      |      |      | Respon |
|--|---|--|---|---------------------|------|------|------|------|--------|
|  |   |  |   | 2024                | 2025 | 2026 | 2027 | 2028 |        |
| To become an efficient Financial Management Information System (FMIS), optimizing revenue and budget management while ensuring precise accounting and reporting to advance public financial governance | To utilize information technology systems in mobilization, planning, budgeting, managing, accounting, and reporting of public finances within all ministries departments and agencies (MDAs), local governments (LGs) and government public enterprises (GPEs). | To enhance the SLFMIS and its rollout to all LGs and GPEs                            | <p><b>2. Performance measures will be included</b></p> <ul style="list-style-type: none"> <li>Decentralized budget in place for all MDAs</li> <li>Contract management module in practice</li> <li>Availability of e-procurement integrated with SLFMIS</li> <li>SLFMIS application operational in mileage, bank, and other platforms</li> <li>FMIS integrated with HRMIS and PMS</li> <li>Helpdesk system in place</li> <li>Availability of service vehicle</li> <li>IT certification training report</li> <li>Scope of work in place</li> <li>United data and DRC servers</li> </ul> |                     |      |      |      |      |        |
|  |   |  |   | 20%                 | 40%  | 60%  | 80%  | 100% |        |
|  |   | To implement Revenue Automation System covering Customs department and IRD           | <p><b>2) Performance measures will be included:</b></p> <ul style="list-style-type: none"> <li>Specification for revenue automation system</li> <li>Training report and attendance sheets</li> </ul>  | 20%                 | 40%  | 60%  | 80%  | 100% |        |
|  |   |  |   |                     |      |      |      |      |        |
|  |   | To upgrade IT Infrastructure for security, disaster recovery and business continuity | <p><b>3) Performance measures will be included:</b></p> <ul style="list-style-type: none"> <li>Availability of hardware and infrastructure</li> <li>supporting FMIS, PDC &amp; DRC</li> <li>Number of DRC centers constructed</li> </ul>  | 20%                 | 40%  | 60%  | 80%  | 100% |        |
|  |   |  |   |                     |      |      |      |      |        |

**SWOC ANALYSIS**

| <b>Strengths</b>  | <b>Weaknesses</b>   |
|---|---|
| <ul style="list-style-type: none"> <li>Empowered young and vibrant motivated IT team.</li> </ul>  | <ul style="list-style-type: none"> <li>Uncompetitive remuneration of IT staff</li> </ul>  |
| <ul style="list-style-type: none"> <li>Well defined TORs for all IT staff.</li> </ul>   | <ul style="list-style-type: none"> <li>Irregular performance appraisal of staff</li> </ul>  |
| <ul style="list-style-type: none"> <li>Staff retention policy in place.</li> </ul>  | <ul style="list-style-type: none"> <li>Absence of enterprise commercial security tools for the SLFMIS</li> </ul>  |
| <ul style="list-style-type: none"> <li>IT security policy in place.</li> </ul>  | <ul style="list-style-type: none"> <li>Lack of in-house professional certified IT staff to manage the ICT datacentres hardware and infrastructure.</li> </ul> |
| <ul style="list-style-type: none"> <li></li> </ul>  | <ul style="list-style-type: none"> <li>High staff turnover</li> </ul>   |
| <b>Opportunities</b>  | <b>Challenges</b>   |
| <ul style="list-style-type: none"> <li>MoFD policy position for full automation</li> </ul>  | <ul style="list-style-type: none"> <li>Attraction of IT department staff by other market corporate entities.</li> </ul>                                       |
| <ul style="list-style-type: none"> <li>Strategic support of automation by minister.</li> </ul>  | <ul style="list-style-type: none"> <li>Slow and intermittent internet connectivity</li> </ul>   |
| <ul style="list-style-type: none"> <li>Continued funding of SLFMIS by development partners</li> </ul>   | <ul style="list-style-type: none"> <li>Slow uptake of the SLFMIS by LGs and GPEs</li> </ul>   |
| <ul style="list-style-type: none"> <li>Improved acceptance and buy-in of the SLFMIS by stakeholders.</li> </ul>   | <ul style="list-style-type: none"> <li>Inadequate funding for automation from development partners</li> </ul>   |
| <ul style="list-style-type: none"> <li>Existence of PPP arrangement for optic fiber that will easy setup backbone for MDAs interconnectivity</li> </ul> | <ul style="list-style-type: none"> <li></li> </ul>  |
| <ul style="list-style-type: none"> <li>MoFD policy position for full automation</li> </ul>  | <ul style="list-style-type: none"> <li></li> </ul>  |

## Department of Internal Audit

| Vision   | Mission   | Objectives  | Output Indicators  | Time-frame in Years |      |      |      |      | Respon |
|--|---|---|--|---------------------|------|------|------|------|--------|
|  |   |   |  | 2024                | 2025 | 2026 | 2027 | 2028 |        |
| Enhanced transparency through internal controls, risk management and governance with best practices and standards. | To provide an objective appraisal of internal control systems, improve the effectiveness of risk management and governance in the Ministry. | To strengthen the capacity of Internal audit department   | <b>Performance measures will be included:</b>  |                     |      |      |      |      |        |
|  |   |   | <ul style="list-style-type: none"> <li>• Learnings/reports from the tour</li> <li>• Training report</li> <li>• Library</li> <li>• Learning report</li> <li>• On-job guidance/training report</li> <li>• Workshop report</li> </ul> | 20%                 | 40%  | 60%  | 80%  |      | 100%   |
|  |   | <b>Performance measures will be included</b>  |  |                     |      |      |      |      |        |
|  |   | <ul style="list-style-type: none"> <li>• Performance appraisal feedback</li> <li>• Risk plans</li> <li>• Monitoring framework</li> </ul>                          | 20%  | 40%                 | 60%  | 80%  | 100% |      |        |
|  |   | To enhance effective and efficient implementation of IAD operations<br>To improve accountability and transparency of MDAs through enforcement to legal regulation |  |                     |      |      |      |      |        |

## SWOC ANALYSIS

| Strengths  | Weaknesses  |
|--|---|
| <ul style="list-style-type: none"> <li>• Availability of all financial rules and regulations.</li> </ul>                 | <ul style="list-style-type: none"> <li>• Poor technology and ICT scarcity.</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Strong leadership and team spirit of the department's staff</li> </ul>          | <ul style="list-style-type: none"> <li>• Limited of automated Asset Registration system</li> </ul>                                  |
| <ul style="list-style-type: none"> <li>• Centralized Ministry payment system</li> </ul>                                  | <ul style="list-style-type: none"> <li>• Vehicles Control mechanism (Log Book)</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Well managed and smooth running of the department's responsibilities</li> </ul> | <ul style="list-style-type: none"> <li>• Insufficient budget allocation according to the ministry's huge responsibility.</li> </ul> |
| <ul style="list-style-type: none"> <li>• Quick responses to inquires</li> </ul>  | <ul style="list-style-type: none"> <li>• Staff training and career development,</li> </ul>  |

|                              |   |
|------------------------------|---|
| • Supportive Minister and DG | • |
|------------------------------|---|

| Opportunities   | Challenges  |
|---|---|
| • Access to Departments and Regional Coordinators                         | • Attraction of IT department staff by other market corporate entities. |
| • Implementation of SLFMIS to standardize systems, procedures and reports | • Slow and intermittent internet connectivity                           |
| • Access to Departments and Regional Coordinators                         | • Slow uptake of the SLFMIS by LGs and GPEs                             |
| • Implementation of SLFMIS to standardize systems, procedures and reports | • Inadequate funding for automation from development partners           |
| •   | • Attraction of IT department staff by other market corporate entities. |