



LOCAL ECONOMIC DEVELOPMENT PLANNING AND STRATEGY FOR BOSAAO DISTRICT 2014-2016

Revised March 2016

Revised by: Somali Institute for
Development and Research Analysis
(SIDRA). Garowe-Somalia,
Email: info@sidrainstitute.com

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
CHAPTER ONE: INTRODUCTION	4
1.1 Productive Sectors in Puntland.....	5
1.2 Summary of SWOT Analysis of Bosaaso District	6
1.3 Stake holder analysis for Bosaaso.....	7
CHAPTER THREE: Mission, Vision and planning goals for Bosaaso	9
3.1 Mission.....	9
3.2 Vision.....	9
3.3 Goals	9
CHAPTER FOUR: Resource mobilization to actualize the strategic plan.....	11
4.1 Project based funding	11
4.2 Leveraging the available district resources.....	11
4.3 Sustainable community involvement	11
CHAPTER FIVE: Monitoring and evaluation framework.....	13
5.1 Responsibility and accountability of leadership	13
5.2 Monitoring and audit of projects.....	13
5.3 Reporting.....	13
5.4 Matrix of key planning activities	15
ANNEXES	19
Annex 1. Local economic assessment for Bosaaso	19
REFERENCES	24

EXECUTIVE SUMMARY

Below is a revised Strategic Plan for the District of Bosaaso within the framework of the Local Economic Development (LED) project, an initiative by the International Labor Organization (ILO).

The LED forum is a framework to inject new blood into the local economy to boost the local businesses again it is a process where the government, private businesses and the civil society work collectively to achieve enhanced local economy of great wealth creation. It goes without saying that if the local economy of a district is improved then the living standard of the people living in that district is also improved to the extent everyone is accessible to their basic needs. Usually, the Local Economic Development Forum are selected from the administrative body at the district such as the Municipality, it is agreed that the highest administrative body hosting the local economic forum is the district counsel.

The district counsel was elected by the people in the district to represent them by making the local government accountable for them. The district counsel is the formal parliament for the district where people's interests and compliances are processed. Getting down to the Local Economic Forum , in some districts it comes that some Locally arranged economic development forum are formed in the inclusion of the district counsel, take the case of Galkayo, there are 3 LED forum members who are also members of the district counsel. In the formation of LED forum members, the basic criteria of selecting the members from the community is the degree of influence that person is in the community, the role he/she can take in the development of the local economy.

This is a kind of planning harmonization where the strategic plans for the LED forum, existing district development framework and the overall development plans of the state are interlinked in such away the overall goals and sub-goals are achieved in both the short and long terms. In every year, these documents are revised to update and include local achievements of economic improvements, challenges and recommendations for way forward. Hence, SIDRA has already begin to visit Puntland district to revise and update the local economic assessment papers and the strategic documents drafted for the functioning LED forum association Qardho, Bosaaso, Bayla, and Garowe.

CHAPTER ONE: INTRODUCTION

Local Economic Development is the approach of building up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partner work collectively to create better conditions for economic growth and employment generation”,

By GWEN SWINBURN, SORAYA GOCA & FERGUS MURPHY

Formed by businesses and local authorities the LED Forums were constituted and supported to provide vision and strategic leadership to drive sustainable private sector-led growth and job creation in their area. They are a vehicle to deliver Government objectives for economic growth and decentralization as stipulated in the NDP, whilst providing a means for local authorities to work together with businesses in order to promote local growth.

Many management practitioners agreed that business is the only process of wealth creation in the aggregate terms. Possible developments on the local businesses will render increases in the employment and later income enhancement which will finally change peoples' living standard. For instance, the world economic leading rations are the pioneers in business development theories and the entrepreneurial concepts.

Specifically, the richest people on this planet are businesspeople who have engaged and practiced business development routine. The subject 'strategic management' is very new to the management academy as it was recently recognized to be much more important for business management. The subject began in the military field where the military practiced in the tactical designing processes in the battlefield. Later, the knowledge body was taken into the social and business development realm.

Due to the increasing challenges and the scarcity of the natural resources and introduction of neon technology, today, the strategic planning and development is very essential part of every functioning economy in the earth. For example, there is no operating economic unit without research and development department for strategic development. Hence strategies are part of our live. SWINBURN and his colleagues believe that only strategically planned LED is capable to strengthen the local economic capacity of an area as there are chances to improve local investments, increase in productivity, increase in businesses competitiveness, and increase of entrepreneurs.

The Economist Bennet, who was also a management practitioner connotes that different horses goes different courses when he was taking why there can't be universal similarity of management discipline, management discipline is circumstance based and the manager must

be flexible to adopt that circumstance, he added. The dynamic transformation of the world market economy forced the hands of the leaders to call for universal economic collaboration and the implementation of individual economic development initiatives to explore both the comparative and competitive advantages of any existing economy on the globe. The globalization is one of these initiatives accelerating quick interrelation of the developed world with the under developing economies to avoid nations lagging behind in deep poverty and diseases.

Scientifically, the sustainable development goals which the world leaders adopted to reach within the coming 15 years can be expressed to be the implementation tools for globalization and economic integration in the universal arena. In short, the need for strategic planning for development in the management of the local economy for every nation, every state and every district is very inevitable for sustainable life and economic growth. There is no doubt that developed local businesses will fight against poverty, diseases, unemployment and terrorism in every living economy.

1.1 Productive Sectors in Puntland

- i. **Livestock:** Pastoralism remains a key driver of economic activity. As per the official estimates, it contributes to 40 percent of GDP, 60 percent of employment, and about 80 percent of foreign exchange earnings. The livestock sector is dominated by sheep and goats, which have a niche market in the countries of the Arabian Peninsula. The sector not only provides livelihoods but also a strong food market for rural and urban areas. Yet the sector operates in a fragile environment with no permanent rivers, severe droughts, and a poor infrastructure that badly serves the burgeoning exports of livestock and livestock products.
- ii. **Fisheries:** The fisheries sector has substantial untapped potential along the 1,640 km coastline of Puntland State of Somalia, which makes up about half of Somalia's overall coastline. Studies show that the potential has never been tapped beyond 7 percent, at peak.
- iii. **Agriculture:** Agriculture makes a relatively small contribution to the GDP in Puntland State of Somalia. Among the producing areas in Puntland State of Somalia, Iskusciuban, the largest district, produces tomatoes, onions, hot peppers, guavas, lemons, limes, etc. Vegetables and fruits are also grown in Galgala, Nugal, and Dharor valleys, the Sanag highlands, and Kubo (Gardo). The best agricultural method involves irrigation using two natural springs near Iskusciuban.
- iv. **Industry:** Today, the sector comprises mostly privately owned manufacturing and construction subsectors. The industrial enterprise base is at its embryonic stage of

development, mainly composed of a growing number of recently established, small-scale manufacturing factories. While a vibrant group of entrepreneurs owns most of these factories, others are established under the strict ownership and management of cooperatives formed by local communities. The construction boom is clearly seen in towns like Bossaso, Garowe, Galkacyo, Las-anod, Badhan, Armo, and Buhodle.

- v. **Physical Infrastructure:** Infrastructure in Puntland State of Somalia is limited to an international port, a paved road, some airstrips, and a network of access routes to the seashore, where fishing communities have settled. Towns have electricity and telephone facilities. Water provision services operate privately, as do air, sea, and land transportation services. Puntland State of Somalia has good international airline connections to its main urban centres – Bosaaso, Garowe, and Galkacyo.
- vi. **Services:** Private sector services have expanded, while public services lag behind due to meager fiscal resources and low capacity. Private sector services comprise wholesale and retail trade, hotels, restaurants, transport and communications, financial services, etc.
- vii. **International Trade:** Trade has survived state failure to become an important sector of the Puntland State of Somalia economy. The growth of remittances, financial services (as a substitute for commercial banking), and the telecommunications sector has helped to drive trade. The importance of trade for the economy is underlined by the current efforts of the authorities to establish an Investment Promotion Centre and an Export Promotion Centre. Key exports are related to livestock, as well as fishery and agriculture

1.2 Summary of SWOT Analysis of Bosaaso District

SWOT Analysis of Bosaaso District	
<p>Strengths</p> <ul style="list-style-type: none"> • Strategic location on the Red Sea with a well functioning Seaport with a great potential • Potential oil reserves and mineral deposits • Bosaaso has good higher education institutions and vocational training centers • Commercial hub and financial capital of Puntland • Fisheries in the long coastline • Quarantine facilities for export 	<p>Opportunities</p> <ul style="list-style-type: none"> • Fish and meat processing industries • Transportation and logistics services from the port to other parts of the country • Generation of energy through Solar power • Oil and minerals exploration • Export of livestock, hide and skins, and frankincense • Agriculture, dates etc.

livestock <ul style="list-style-type: none"> • Cheap labour from the south central regions of Somalia • Democratically elected district councils • Industrial revolution 	
Weakness <ul style="list-style-type: none"> • Extreme weather conditions especially very high temperatures between June, July and August. • Very poor town planning • Unaffordable electricity • Poor sanitation and sewerage systems • Poor road infrastructure and town planning • Drugs and alcohol abuse • Lack of emergency local government services such as fire fighting departments Lack of capacity in the local Government to create business enabling environments • Inefficient revenue collection • Higher youth migration to the overseas will spark shortage of emerging manpower 	Threats <ul style="list-style-type: none"> • A large number of illegal immigrants from Ethiopia as a result of ineffective border control • Piracy issues along-side Puntland's coastline • Illegal fishing by foreign companies, and the presence of foreign battleships in Puntland's territorial waters • Competition from neighbouring Berbera and Djibouti ports especially in the livestock export sector • Dumping of toxic waste in the high seas • The growing youth migration will cause lose of hope for new professional generation covering local labor market demands.

1.3 Stake holder analysis for Bosaaso

Name of stake holder	Organization focus	Potential role in LED
General Ali Ismail Ali	Politician	Chairman of LED forum
Mohammed Aidiid Jaamac	Business	Vice Chairman of LED forum

Abdifitaah Mohammed Sugulle	Business	Secretariat of LED forum
Yusuf Qarowe	Elder	Member
Bashiir Siciid Cumar	Municipality	Member

CHAPTER THREE: MISSION, VISION AND PLANNING GOALS FOR BOSAASO

3.1 Mission

To find a society that mitigate all forthcoming disaster such as narcotics, and tribalism having the capacity for development, awareness raising, environment sanitation, streets construction and collaboration of unity for peace and prosperity.

3.2 Vision

Attain health and attractive environment and united society for peace and development sustainability.

3.3 Goals and objectives

1. **Infrastructure:** To make Bosaaso a well developed city with the requisite economic infrastructures to support the growth of the business sector and create an enabling environment to attract both local and foreign investments.

Key objectives

- Construction of strategic inner township roads
 - Provide land for investors to set up their businesses
 - Construction of new markets
2. **Employment:** To enable Bosaaso district to have maximum employment and good living standards plus economic growth.

Key objectives

- Investment promotions
 - Enabling business environment such as lower taxes, laws etc
 - Food security
 - Increase local government revenue
 - Prevention of youth at risk
 - Stoppage of human trafficking
3. **Business environment:** To make Bosaaso a competitive and investment city with basic and appropriate infrastructure and good service delivery.

Key objectives

- Skill development
- Investment friendly regulations
- Developed Fiscal Policies

- Developed taxation
- Infrastructure such as roads, markets and improved telecommunications with appropriate interconnectivity.
- Investment promotions

4. **Support to MSMEs:** To create employment and also increase local government revenue

Key objectives

- Access to finance
- Job creation
- Increase local government revenue improve existing taxes space.
- Delivery of services by local government

CHAPTER FOUR: RESOURCE MOBILIZATION TO ACTUALIZE THE STRATEGIC PLAN

4.1 Project based funding

In 2014, the LED forum conducted assessment to identify the immediate district needs and through this process the need for employment for graduate schools were found out. Due to the increasing youth migration to the overseas, and the diminishing skilled labor, the LED forum launched a campaign to employ 40 gradulators from East Africa University in 40 more local companies as interns. The LED forum was covering the salary for these internships getting financial and technical assistance from ILO. This has been very successful in the manner that most of the internships were absorbed by their organizations.

In addition, the LED forum has also identified the importance of the implementation of another micro finance project for the growing small businesses that have the chances for development but in need for immediate cash injection. Complete proposal was share with ILO, in response 30 local small business owners were selected as primary beneficiaries for the micro finance project after checking for their guarantees for reimbursements. The maximum financing amount was \$800 to each and every businesses owner and these funds were subject to be repaid within short period of time.

Amal Bank was monitoring the receipt and payment of these funds and ILO was providing both technical and financial supports. As a result, all financed small businesses expanded with both capital and asset increases.

4.2 Leveraging the available district resources

The Municipality of Bosaaso collects taxes from the district business activity and these monetary resources goes back to the district in the form of salary for employees, construction of public centers such as hospital, schools, and business centers, and support to the internally displaced people and the poor in the host community. The Municipality of Bosaaso has annual budgets and District Development Framework, in the budgets tax collection forecasts are also shown in the form of predictions which was scientifically driven from the general state budgets. The district council is the highest administrative body to whom the district executive branch is accountable to them.

4.3 Sustainable community involvement

In the development and emergency programs, the stakeholder involvement is given much more priority and to achieve sustainable community involvement. The led forum members were chosen from the private, public and civil society networks. The private sector is the only car driving the development and the creation of wealth in the district, civil society is that part of the society engaged in identification of the basic needs of the people, whereas the local government is the administration body devoted to service for the citizen delivering all basic necessary needs and wants.

The private sector will contribute their business skills and strategic properties to uplift the entire economy from the deficits to surpluses which results positives in the balance of payment; the civil society will contribute their leadership and programming knowledge to identify the society needs of relief and development, whereas the role of the municipality will be to host the rest of the development partners in such a way the overall district needs and wants are attained within specified timeframe.

Together, the work of these parts will be complementary to one another to achieve mainstreamed relief work to that part of the community in need at the right time.

CHAPTER FIVE: MONITORING AND EVALUATION FRAMEWORK

5.1 Responsibility and accountability of leadership

The chairman of the LED-Bosaaso forum is responsible for the planning, organizing, staffing, directing, coordinating, reporting and budgeting for the activities of the LED forum in this district. More specifically, the chairman is the head of the board of directors and the rightful leader of the association who has the power to take decisions, implement work/project, dismiss staff, and take remedial actions to correct deviations. Therefore, the chairman is accountable to the general assembly of the LED forum members.(for details, please see LED-Bosaaso constitution).

Below is the administrative hierarchy of the operating forum and their accountability chain of command:

1. Chairperson
2. Vice Chairperson
3. Secretary
4. Treasurer

(For details see the constitution).

5.2 Monitoring and audit of projects

At the beginning, projects are designed in log frames so that monitoring and evaluation plans are built into the project proposals. The chairman of the LED forum will assign someone to closely monitor the ongoing projects and report back in the forum sessions before the big monitoring and auditing is scheduled.

At the end of every project, Representatives from the donor organization, representatives from the LED forum and the municipality must visit the project sites to make sure that things were implemented as shown in the predetermined plans. Controlling and monitoring are used in this case interchangeably. Thus, checklists are used to monitor field works and the reports produced by the assessment team will be used as baseline information for later project extensions in the same fields in the future.

5.3 Reporting

Reporting is the basic information sharing and the rightful communication channel of the LED forum with the rest of the partners. The forum has a led officer who handles all reports and proposal writing duties. The forum shall prepare weekly, monthly, progressive and yearly reports and submit these reports to the concerned parts such as ILO and the municipality of Bosaaso.

The contents of these reports show activities done with pictures of the beneficiaries and expectations of likely positive outcomes. The guideline of the official report is as shown below:

- Introductions
- Activities done
- Pictures
- Conclusions
- Challenges and Recommendations

5.4 Matrix of key planning activities

Bosaaso summary matrix										
Vision	Strategic goals	Operational objectives	Priority projects	Key activities	Source(s) of funds	Budget allocation				
						YR1	YR2	YR3	YR4	YR5
Attain health and attractive environment and united society for peace and development sustainability.	Infrastructure : To make Bosaaso a well developed city with the requisite economic infrastructures to support the growth of the business sector and create an enabling environment to attract both local and foreign investments	<ul style="list-style-type: none"> ✓ Provide land for investors to set up their businesses ✓ Construction of markets ✓ Construction of strategic inner township roads 	<ul style="list-style-type: none"> ✓ Construct fish, meat, vegetables, and milk markets ✓ Set up land for the construction of a transport terminal to deviate traffic from the main town center ✓ Construct economic strategic roads that will ensure smooth movements within the town center and improve accessibility ✓ To construct ecological parks to promote local tourism ✓ To allocate land for establishing business/industrial parks for investors 							

<p>Employment: To enable Bosaaso district to have maximum employment and good living standards plus economic growth.</p>	<ul style="list-style-type: none"> ✓ Investment promotions ✓ Enabling business environment such as taxes, laws etc ✓ Food security ✓ Increase local government revenue ✓ Prevention of youth at risk 	<ul style="list-style-type: none"> ✓ Fishing ✓ Livestock ✓ Vocational training ✓ Microfinance ✓ Job placement and entrepreneurship training ✓ Business support services 							
<p>Enabling business environment To make Bosaaso a competitive and investment city with needed infrastructure and good service delivery.</p>	<ul style="list-style-type: none"> ✓ Investment friendly regulations ✓ Taxes ✓ Policies ✓ Infrastructure such as roads, markets and telecommunications ✓ Investment promotions Skill development 	<ul style="list-style-type: none"> ✓ Taxes limitations ✓ Business associations ✓ Allocation of land for businesses ✓ Skill development ✓ Employment of graduate students through internship. 	<ul style="list-style-type: none"> • Select 80 gradulators from the colleges of Bosaaso and put them in 80 more companies in Bosaaso to work as interns. • Distribute monthly salary of \$500 to each of the internship gradulators until he/she is 	ILO	2016				

			<p>✓ Execute micro finance project targeting 300 direct beneficiaries in Bosaaso district.</p>	<p>absorbed by his employing organization.</p> <ul style="list-style-type: none"> • Write project proposal and submit to ILO. • Write and submit technical proposal. • Choose 300 project beneficiaries from the small businesses in Bosaaso district. • Design eligibility criteria for beneficiary selection. • Filter the applicants checking their eligibility. • Hold sensitization 	ILO		2017				
--	--	--	--	--	-----	--	------	--	--	--	--

				<p>workshop for the successful candidates.</p> <ul style="list-style-type: none"> • Submit list of the finance bearers to Amal bank. • Monitoring and controlling of the beneficiaries. • Information sharing with Amal bank and ILO. 						
	<p>Support to the MSMEs: To create employment and also increase local government revenue</p>	<ul style="list-style-type: none"> ✓ Job creation ✓ Access to finance ✓ Increase local government revenue ✓ Delivery of services by local government 	<ul style="list-style-type: none"> ✓ Job placement ✓ Capacity building ✓ Finance support ✓ Local procurement ✓ Asset financing 							

ANNEXES

Annex 1. Local economic assessment for Bosaaso

Local economic Assessment tool kit		
LEA focus area	Economic sectors	Description
Business and enterprise	Structure of local Economy	The economy of Bosaaso revolves around the seaport, mainly for the export of livestock, frankincense and other items. Imports include construction materials, automobile spare-parts, pharmaceuticals and everyday consumer goods. Road transport especially local on-road shipping is also a major economic activity servicing the needs of the population in the entire Puntland cities. A new international airport was newly opened in Bosaaso, this airport will cover all air travel needs of the district. Exports through the airplanes are increasing as well the imports of the Khat and other consumable products from Kenya and Ethiopia will be much easier for the local businesses.
	Economic Competitiveness	<ul style="list-style-type: none"> • Strategic location on the Red Sea with a well functioning Seaport and airport with a great potential. • Potential oil reserves and mineral deposits • Bosaaso has good higher education institutions and vocational training centers • Bosaaso serves as a commercial hub and financial capital of Puntland state • Fisheries in the long coastline • Quarantine facilities for export livestock (holding grounds for livestock awaiting export) • Cheap labour from the south central regions of Somalia • Growing agriculture
	Enterprise and innovation	Bosaaso has a balanced sector presence at 20% across retail and trade, construction, small manufacturing, services and agriculture. This is largely due to the port and other support functions that importers require to move their goods from the port to the various destinations. It also has the highest percentage 81% of business over two years. This shows that it has a more predictable economic environment. Most MSME, fall into the sole ownership category over 50% of enterprises. This form of

Local economic Assessment tool kit		
LEA focus area	Economic sectors	Description
		<p>ownership is preferred as it is the least costly and simplest form of ownership to create. This form of business also brings about total decision-making authority into the hand of the owner, there is no legal restrictions and is a type of business ownership that is easy to discontinue. The partnership businesses form the largest percentage of 32 among other districts. A few cooperatives exist.</p> <p>Most MSME employ only 1 staff, which by international definitions would be classified as micro-enterprises. This implies the need to boost the productivity and competitiveness of micro-enterprises through access to credit, business development services, improved infrastructure and enhanced business enabling environment. Such initiatives would go some way towards lifting micro-enterprises away from the production of low-value goods and services.</p> <p>Majority of businesses start with USD 1000, the initial capital ranges from USD 1000 to USD 5000.</p>
	Business needs	<p>The largest percentage of the running cost goes towards labour 81%, The second goes towards obtaining raw material 13%, while costs of utilities are ranked as third 3% place which is surprisingly given the high cost of energy.</p> <p>Processing and issuing business licenses are very reasonable by international standards. JPLG through ILO technical assistance implemented the integration of bills information management systems with the business license system through standardizing process, business categories and license fees for the JPLG districts including Bosaaso. This integration resulted increases on business registration, the licensed businesses in Bosaaso is 70% in estimation.</p> <p>The fact that the majority of MSME are not members of business associations and cooperatives could be partly attributed to a) not knowing the value they could offer them, b) not knowing anything about them, and c) not having one in their locality.</p> <p>Business membership organizations (BMOs) can promote MSME growth through facilitation or direct provision of selected demand-driven services and through advocacy aimed at creating a better business environment. ILO is currently collaborating with the</p>

Local economic Assessment tool kit		
LEA focus area	Economic sectors	Description
		Chamber of Commerce to ensure the active representation of BMO in the MSME sector. In analyzing business priorities that will enhance growth, Access to credit came first 45% but also of importance was the need for business development services 25% and improved infrastructure 30%.
People and communities	Labour market	Bosaaso shows a balance in the structure of the number of employees from the small companies to the large companies. The presence of higher learning institutions and abundant supply of labour coupled with its predictable economic environment largely support all sizes of business hence employment opportunities.
	Skills	The high presence of training institutions especially private universities has improved the level of human skills. However, there is still need for TVET colleges to address the other level of apprentices needed for the economy and also open up employment for young people.
	Economic inclusion	<p><i>The figures below are from parts of Somalia and there is no reason to believe that the situation in Puntland deviates from these.</i></p> <p>About 26% of businesses have and use accounts with the formal institutions, while 74% do not. The accounts are mainly for receiving money or payments for work or selling of goods and services (15%). About 10% use it for savings while 1% use accounts for receiving money or payments from the government.</p> <p>Some reasons for not operating business accounts in formal financial institutions include;</p> <ul style="list-style-type: none"> ✓ Most business people claim not to have any money to keep in the bank ✓ Others don't trust financial institutions ✓ Some claim that service fee or premiums are too expensive ✓ Financial institutions are located far away ✓ Lack of necessary documentation such as ID card, wage slips etc. <p>The usage of mobile money transfer is high amongst traders. About 96% use mobile money services. However, the usage is higher amongst traders aged between 18-30 years (53%) and 31-40 years (31%). The usage amongst age group of 41-60 years is 12%. In terms of gender, more men than women traders have access to financial services.</p>

Local economic Assessment tool kit		
LEA focus area	Economic sectors	Description
		Majority of men (24%) have accounts with the formal money transfer companies as opposed to 2%women. In mobile phone money transfer, about 79% of the users are men in comparison to 17% women. About 24% of men use hagbed services compared to 8% of women. There are various factors which affect women in accessing financial services, some of which are religious or cultural.
Sustainable economic growth	Environmental sustainability	The city has extreme weather conditions, with a very harsh summer in the months of June-August which adversely impacts its socio-economic activities. Most of the population moves to the neighboring towns which are cooler during this period. Dependence on wood fuel for domestic energy is putting a lot of pressure on the vegetation. Efforts need to be made to seek affordable sources of energy (renewable) for both urban domestic and rural families.
	Infrastructure	<ol style="list-style-type: none"> I. Airports: Bosaaso has one of the busiest commercial airports in Puntland. II. Seaport/Storage: Bosaaso’s deep seaport which was built by the United States is on a strategic location on the busy Gulf of Aden. It has sufficient storage for both liquid and solid goods. III. Road Network: Condition of the road leading to Gardo and Garowe is satisfactory. IV. Electricity supply & distribution: diesel-generated power supply from the local government and private distributors is available; however, due to the high price of fuel the electricity remains unaffordable to the majority of the population.. V. Water & Sewerage: Sufficient water supply is provided by the local government in partner with private enterprises. The sewerage system is poor. VI. Telephone/Internet: The coverage of the three major Telecommunication service providers extends to Bosaaso. Landline and mobile telephone services offered by Golis, Nationlink, and Somtel are available at reasonable costs. VII. Social facilities: Educational institutions are mainly run as social businesses by local and International NGO’s while others are run by the government. There are good public hospitals. The lack of playgrounds and public recreation centers is common to all districts in the country and is not seen as a priority considering the

Local economic Assessment tool kit		
LEA focus area	Economic sectors	Description
		<p>situation.</p> <p>VIII. Energy: Most households use charcoal and firewood which destroys the environment because kerosene or/and Liquid Petroleum Gas (LPG) is unaffordable.</p>
Investment Opportunities in Bosaaso	Summary	<p>I. A vibrant harbor: This economic infrastructure provides the lifeline for the city of Bosaaso. It has supported the growth and development of the retail and wholesale business in the district and still has the potential to grow other professional support services that enhance quality of business relationships like banks, insurance and legal services among others.</p> <p>II. A long coastline for hospitality investment: The close to 1,600km stretch of beautiful coastline and beach provide unique opportunity for tourism and hospitality. This is currently generating some good level of interest from investors and is likely to be the next major frontier for economic growth.</p> <p>III. Emerging opportunities in financial service provision: As detailed above, the need for financial services cannot be over emphasized. Unique financial products that are Sharia compliant is required to support the growing private sector especially the MSMEs.</p> <p>IV. Fishing industry: This is still one of the sectors with the greatest economic potential but have the least developed support infrastructure. Opportunities exist around value addition, fishing gears and skill development, financial services to improve equipments and market access.</p>

REFERENCES

1. Local Economic Assessment, Bosaaso, 2014-2016, revised in 2016
2. Bosaaso LED profile, 2014
3. Bosaaso District Development Framework, 2015
4. Municipality of Bosaaso Profile, Registration manual
5. LED primer, World Bank, 2006, GWEN SWINBURN, SORYA GOCA AND FERGUS MURPHY
6. Local Economic Assessment, Mogadishu, 2015
7. LED strategy, Mogadishu, 2016-2020
8. Local Economic Development ToolKIT, UNJPLG and ILO, Sept 2014
9. LED DEMYSTIFIED, A local Economic Development TOOLKIT for South Africa, NAMBIA, AND BOTSWANA, From Words to Action, publishers: SALAR international Section, February 2012.