



**Puntland State of Somalia**  
**Gardo District**



**LOCAL REVENUE ENHANCEMENT PLAN**  
**(2015-2017)**



**PREPARED BY:**  
**DEPARTMENT OF REVENUE**

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## **I. Background:**

Gardo is the regional capital of Karkaar region and before it used to be one of the districts of Bari region. It is one of the most important districts in Puntland due to its geographic location, climate, and good pastoral landscape also settlement started centuries ago but became a town at the end of the 19th century and was officially considered as a district in 1930. A tarmac road connects Gardo town and some of its villages to the other main towns in Puntland, such as Bosaso, Garowe and Galkacayo, the length of this road is about 675km. This road is the most important infrastructure and the lifeline for the economy, the movement of the people and for transporting goods. Gardo is located 238km south of the port town Bosaso and 215 north of the Puntland capital Garowe.

The district has borders with the regions of Sanaag, Sool and Nugaal, it is located in a strategic location which gave the district the extra importance. Ant the total population of the district is estimated to be 450,000 in which 85, 000-100,000 of them reside in Gardo town and 350,000 are nomads and villagers outside the town. In addition to the above figure there are IDPs estimated to be 2603 households.

Gardo is one Puntland Districts qualified access to UN Joint Programme for Local Government in 2011, thus enhancing overall district performance in project planning, and execution. In this period, Gardo implemented about 20 projects ranging from all sectors such road improvements, construction of market place, schools, and other useful infrastructures have improved the lifes of the district inhabitants. Based on its credibility on donor relations, Gardo became the seat of various international organization such Save the Children UK, Danish Refuge Council DRC, and Danish Demining Group (DDG). Similarly all government ministries (Health, Education, Livestock, Finance, Water and Energy, Agriculture, Security and Interior) sub office is properly functioning in the district. In its stability, Gardo District was identified to host refugees from Yemen, thus shouldering further burden to the district to deliver service to those refugees, let alone thousands of other 10 Internally Displaced People (IDP) camps from the South Somalia that resided in the district since 1995.

In 2015, UNCDF with the help of International Revenue Consultant developed Revenue Manual which supports all levels of Lgs in acquiring new skills in revenue mobilization processes and to acquaint themselves with the best practices in revenue mobilization. MOI Consultants were trained as TOTs to train Local GOVERNMENTS in using and adopting the manual and develop Local Revenue Mobilization Action Plan. The overall goal of the Revenue Mobilization Initiative is to improve revenue generation at the local level and promote better service delivery and local development through a more effective and efficient revenue administration.

In November 2015, a team of MOI and UNCDF embarked a mission to help local governments develop LRMAP. The mission covered Bossaso, Garowe, Gardo, Bayla, Eyl, Jeriban and Galkacayo districts. In a consultation process led by the district revenue and finance department, the LRMAP were developed presented to districts' executive committee. The new LRAMP will be endorsed by the district councillors for their adoption.

## **II. Acknowledgement.**

Gardo District is proud to implement Local Revenue Mobilization Plan (LRMAP) to enhance district's revenue performance in the areas of collection and administration in credible customer-satisfaction manner. In this initiative, the district plans to reactivate un-productive existing revenue sources while at the same time will initiate new revenue sources. The e target existing revenue sources to be activated in 2016-2017 will include; Business and Property tax, Land Tax enhancement, Livestock revenue tax. These sources currently generate nearly 70,000 USD according to Gardo Local government budget. After this initiative, these sources are expected to generate 170,000 USD which will increase the revenues of these sources by 41% that increases 25% in the overall district budget.

On the other, the Gardo Local Government plans to initiate new revenue sources in the Fine/Penalties (fines imposed due to business tax payer's disobedience) and Public transport and stations. As these new revenues are embarked, it will generate revenue of USD 18, 334- in 2016-2017 that will increase the overall district budget 6 %.

In this juncture, Gardo Local Government extends its appreciation to Ministry of Interior and UNCDF team those assisted in the formulation of the district Revenue Mobilization Plan and calls JPLG agencies in General and particularly for UNCDF to provide the immediate inputs required to implement district revenue mobilization plan.

Kind Regards

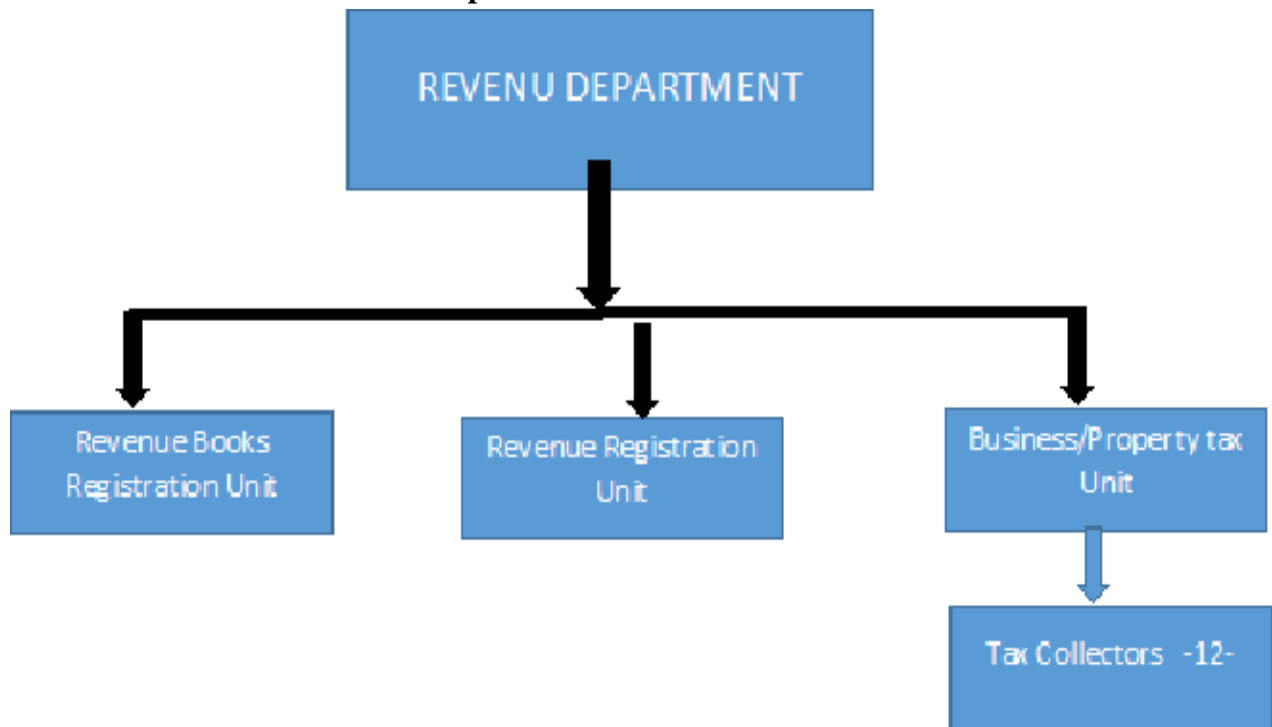
Abdi Said Osman  
Gardo District Mayor

**III. Revenue sources collection:**

Revenue Resources	2013 Actual	2014 Actual	2015 Actual	2016 Forecast	2016 Forecast
the sale of live stock	234,000,000	450,600,000	540,000,000	1,400,000,000	1,526,000,000
Business licencing	190,000,000	233,540,100	259,200,000	366,000,000	402,600,000
Service tax – electricity	24,000,000	24,000,000	24,000,000	26,400,000	29,040,000
Service tax – telecom	N/A	N/A	N/A	N/A	N/A
The sale of Khat	243,800,000	576,000,000	680,000,000	748,000,000	822,800,000
Property tax - houses	180,000,000	260,489,000	670,504,000	2,000,000,000	2,200,000,000
Land registration	120,000,000	140,030,000	159,780,000	175,758,000	193,333,800
Indirect tax	N/A	N/A	26,400,000	29,040,000	31,944,000
Fines/Penalties	N/A	N/A	N/A	180,000,000	198,000,000
Rental value of LG building	10,200,000	12,300,000	23,100,000	24,717,000	27,188,700
Building Permit fees	156,000,000	132,987,000	148,792,000	163,671,200	180,038,320

Market duties	270,500,000	368,280,000	248,400,000	273,240,000	300,564,000
Transit/development fees	N/A	N/A	N/A	N/A	N/A
Lorry fees	1,245,059,000	1,450,200,000	1,746,000,000	1,800,000,000	1,980,000,000
Unloading fees	96,780,000	78,700,000	81,000,000	89,100,000	98,010,000
Slaughter houses	234,000,000	158,100,000	164,000,000	180,400,000	198,440,000
Waste collection fees	N/A	N/A	N/A	N/A	N/A
Public transport premiums	N/A	16,000,000	N/A	180,000,000	198,000,000
Registration fees (civil)	180,000,000	196,999,000	140,000,000	154,000,000	169,400,000
<b>Total in somali shilling</b>	<b>3,184,339,000</b>	<b>4,098,225,100</b>	<b>5,042,532,792</b>	<b>7,947,926,000</b>	<b>8,381,358,820</b>

#### IV. Gardo LG Revenue Department Structure



#### V. Challenges of Revenue Collection:

Gardo LG has distinguished revenue department although there are weaknesses and challenges:

- Lack of sensitization of the tax payers on the laws, regulations and tax benefits.
- Limited revenue sources/low tax base
- Gardo local government has no municipal police
- Lack of municipal land policy
- Livestock market does not have enough facilities to attract sellers and buyers.
- Poor livestock markets facilities hinder the Local Government generate more revenue
- Insufficient funds to facilitate revenue mobilization & collection
- Weak revenue enforcement structures that encourage tax evasion
- Central Government overtake of district generated revenue

## **VI. Special Focus for 2016:**

This plan focuses on improvement for collection and administration of a few selected sources of local revenue, meanwhile strengthening the existing revenue sources and ensures to raise the revenue sources that have been unable to operate. For 2016/17, the district will focus on setting up policies, systems, procedures and logistics for improved revenue collection of the following sources of revenue:

1. Business and Property tax
2. Land Tax enhancement
3. Livestock/ slaughter house revenue tax
4. Fine/Penalties (fines imposed due to business tax payers disobedience)
5. Public transport and stations.

While the above existing and new revenue sources reactivated, it will increase the district revenue about 40% in 2015 and 10% in 2017. The proposed district revenue enhancement plan will increase district revenues in the following specific target sources;

- **Business** will increase district revenue in 41% by 2016 and 10% increase by 2017.
- **Property tax** will increase district revenue in 198% by 2016 and increase additional 10% by 2017
- **Land tax:** is planned to increase revenue of this sources in 10% by 2016 as well as 10% increase in 2017
- **Livestock/** is expected to increase 159% by 2016 and also increment of 9% by 2017.
- **Slaughter house tax:** is expected to increase 10% by 2016 and also increment of 10% by 2017.
- **Fine and penalties:** is a new potential revenue source that while enforced will generated So,sh 180,000,000 (USD 7,500) by the year of 2016 as well as will increment of 10% by 2017.
- **Public transport and station source:** LG added its budget a projection of 200,000,000 (USD 9,000) generated from this source by 2016. There is further projection that this figure will increase 10% in 2017.

**GARDO DISTRICT**

**VII. LOCAL REVENUE ENHANCEMENT MATRIX**

**Summary of Proposed Activities**

Results Area	Detailed Activity Description	Expected Outputs	Activity Time Frame				Responsible	Remarks
			Short-term	2016				
			Nov-Dec 2015	Quarter1	Quarter2	Quarter3	Quarter4	
<b>A. ADMIN, POLICY, LOGISTICS &amp; CAPACITY BUILDING PLAN</b>								
<b>1- Local Revenue performance Reviewed</b>	<ul style="list-style-type: none"> <li>Undertake review of local revenue performance per source</li> <li>Carryout dissemination of local revenue performance report to key district stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Detailed local revenue performance report</li> <li>Report disseminated to key stakeholders</li> <li>Follow up actions taken to implement assessment recommendations to improve revenue planning, collection and administration</li> </ul>	x	x				Joint committee made of monitoring and auditing sub-committee of district council and technical experts  The committee analyzes local revenue performance for the previous FY (2014). The analysis should indicate shortcomings within revenue generation and administration and should come up with concrete recommendations to improve revenue performance

Results Area	Detailed Activity Description	Expected Outputs	Activity Time Frame					Responsible	Remarks
			Short-term	2016					
<b>2-Local revenue enhancement strategy</b>	<ul style="list-style-type: none"> <li>Draft a Local Revenue Enhancement Strategy which focuses on business and property tax, imposition of penalties and parking and lorry fees</li> <li>Consult key stakeholders on the LRES</li> <li>Present the LRES to Standing Committee and Council for approval</li> </ul>	<ul style="list-style-type: none"> <li>Local Revenue Enhancement Strategy for the succeeding Financial Years in place</li> </ul>		X	x			Revenue Dep't	Political supervision required by DEC
<b>3. restructure revenue Department</b>	<ul style="list-style-type: none"> <li>Establishing revenue monitoring team</li> <li>Tax collectors assigned specific areas for individuals</li> </ul>	Revenue dep't restructure established and functional			x	x		District Executive Committee	Technical support provided by District consultants
<b>4-updating business register data bases, initially developed</b>	<ul style="list-style-type: none"> <li>Re correct and remapping previous business data</li> <li>Registering new business and insert to the business register</li> <li>Conduct periodic</li> </ul>	Re correct business data and register new ones as well as regularly updated				x		Director of revenue	Updating of business and property registers data

Results Area	Detailed Activity Description	Expected Outputs	Activity Time Frame				Responsible	Remarks	
			Short-term	2016					
	monitoring of local revenue enhancement activities <ul style="list-style-type: none"> <li>Establish Enumeration and Registration committees</li> </ul>								
<b>5-Conduct Local revenue enhancement awareness campaign</b>	<ul style="list-style-type: none"> <li>Conduct consultation meetings to the revenue stakeholders</li> <li>Hold community local revenue sensitization meetings</li> <li>Carryout local revenue awareness campaigns through mass media ( Radios and SMS)</li> </ul>	<ul style="list-style-type: none"> <li>Revenue generation increased</li> </ul>		X	X	X	X	Director of revenue Department plus DEC	This activities is aimed to stimulate revenue generation and to strength information sharing between District council and tax payers
<b>6- Local Revenue improvement Plan Developed</b>	<ul style="list-style-type: none"> <li>Assess local revenue sources Prepare local revenue data</li> <li>Establish local</li> </ul>	<ul style="list-style-type: none"> <li>Developed local revenue improvement plan Reliable and</li> </ul>				X		Director of revenue Dep't	Comprehensive LREP produced through consultative process

Results Area	Detailed Activity Description	Expected Outputs	Activity Time Frame				Responsible	Remarks	
			Short-term	2016					
	revenue monitoring committee to. <ul style="list-style-type: none"> <li>• Presentation for the collected data to validate and use it.</li> </ul>	accuracy business data will be generated							
<b>7- promote small business initiatives</b>	<ul style="list-style-type: none"> <li>• Establish public business centres to lease and receive revenue from business people.</li> <li>• Initiate revolve fund scheme (targeting mainly women)</li> <li>• Provide Training on business management</li> </ul>	Increased revenue from business			X	X		Director of plus DEC	This activities encourages financing for small business to promote sustainability and to improve the income of small businesses to create a better revenue collection
<b>8-improving on Local Revenue sources</b>	<ul style="list-style-type: none"> <li>• Update local revenue register</li> <li>• Identifying sources required for improvement</li> <li>• Carryout revenue assessment.</li> <li>• Produce quarterly and annual local revenue performance reports.</li> </ul>	. Increase in local revenue collection			X	X		Director of revenue	<ul style="list-style-type: none"> <li>• This activities is to identify non-functional sources and other sources needed further support</li> </ul>

Results Area	Detailed Activity Description	Expected Outputs	Activity Time Frame				Responsible	Remarks
			Short-term	2016				
	<ul style="list-style-type: none"> <li>To determine the actual revenue from the revenue source.</li> </ul>							
<b>9-Redesign and planning markets exist in the district</b>	<ul style="list-style-type: none"> <li>Carryout market planning and divide market spaces and assigned each space for specific commodities</li> <li>Replace for Women selling at sun to the markets buildings,</li> </ul>	Identifying the number of vendors, Improves tax collection system.			X		Director of revenue	Clearly identify the number of vendors to find the exact number of taxpayers, as well as make it easier to market to distinguish themselves as they have with the goods sold
<b>10. Central government to refrain from collecting tax that LG owned.</b>	<ul style="list-style-type: none"> <li>MOI to facilitate conducting a dialogue between MoF and LGs about tax allegation.</li> <li>Parts to sign agreement.</li> <li></li> </ul>	LGs own tax collected and revenue generation enhanced				X	Dc, Mol, MoF.	This activity is important to identify expected revenue from potential sources of the Local Government

Results Area	Detailed Activity Description	Expected Outputs	Activity Time Frame				Responsible	Remarks	
			Short-term	2016					
<b>11-Improved information management of revenue data</b>	<ul style="list-style-type: none"> <li>Improve/upgrade existing local revenue management information</li> <li>Train revenue staff and tax collectors in property/business tax collection and the use of revenue information system.</li> </ul>	AMIS/BIMS periodically updated.				X	X	Director of revenue	The information generated should inform decision making.

### VIII. REVENUE SOURCE SPECIFIC ACTION PLAN

Revenue Item	Objective	Activity	Target	Location	Projection 2015 (,000)	Projection 2016 (,000)	Projection 2017 (,000)	Remarks
1. Business/property tax	To Increase revenue from business and property sources.	<ul style="list-style-type: none"> <li>Rectifying the initial developed data on property and business.</li> <li>Recording new businesses and properties.</li> <li>Recruiting enumerators.</li> </ul>	Businesses divide into zones	Gardo town	Sh,so 929,704,000	Sh,so 2,036,600,000	Sh,so 2,240,260,000	Projection to be worked on 2015/2016/2017
2. Land tax enhancement	To increase revenue from land taxes.	<ul style="list-style-type: none"> <li>Improving land permit fees.</li> <li>Promoting Annual land tax.</li> <li>Improving Land registration fees.</li> <li>Initiate collecting Land exchange fees</li> </ul>	Landlords.	Gardo town	Sh,so 159,000,000	Sh,so 320,000,000	Sh,so 352,000,000	Projection to be worked on 2015/2016/2017
3. Livestock / slaughter house revenue tax	To enhance livestock tax collection	<ul style="list-style-type: none"> <li>Constructing shedding place and water barket in existing livestock market. (By using LG own revenue).</li> <li>Registering brokers and provide license to brokers.</li> <li>Prohibition black market for livestock.</li> </ul>	Buyers, sellers and brokers.	Gardo district	Sh,so 704,000,000	Shso 1,400,000,000	Sh,so 1,526,000,000	Projection to be worked on 2015/2016/2017

		<ul style="list-style-type: none"> <li>Awareness for livestock slaughters to pay tax.</li> </ul>						
4. Public transport and Stations(New)	To initiate the public transport collection revenue	<ul style="list-style-type: none"> <li>Public transport to issue license.</li> <li>Daily collection tax from public transport stations.</li> <li></li> </ul>	Bus owners.	Gardotown	Sh,so 35,000,000	Sh,so 180,000,000	Sh,so 198,000,000	Projection to be worked on 2015/2016/2017
5. Fine/Penalties (New)	To Initiate this revenue source based on penalties enforcement plan.	<ul style="list-style-type: none"> <li>Develop penalties regulation and fee charges.</li> <li>Awareness raising about penalties and fines.</li> </ul>	All kind of businesses, residents	Gardotown	N/A	Sh,so 180,000,000	Sh,so 198,000,000	Projection to be worked on 2015/2016/2017

### IX. Immediate Intervention Requirement in 2016

Priority Area	Activities	Target Group	Timeline	Budget Estimate
			Nov 2015	USD 4380
1. Awareness	- Public forums with stakeholders to enhance district revenue	60 Business Owners		
	- Formulation short messages of paying tax through Golis SMS system ( once per month), as well as mobilization campaign by using microphones	Whole district population		
	- Development IEC material (pamphlets, billboards, banners and stickers)	Main business facilities		
	- Awareness message speeches in the district villages for 2 weeks through Radio FM	Whole district population		
2. Review and remapping	- Revise business data generated in the Aims/BIMS system that predominantly not correct, initially supported by ILO	Business and property data	Nov – Dec 2015	USD 5200
3. Office equipment or revenue department.	- Procure office equipment	Revenue Department	Nov – Dec 2015	3460 USD
4. Revenue Enhancement Training using UNCDF Developed Manual	- Professional trainings for tax collectors and given segregation zones. Using LRM manuals	17 tax collectors	Nov – Dec 2015	1960 USD

**X. Detailed Budget: needs to be detailed per item, cost and amount and total**

Sn.	Activity	Description	QTY	Cost \$ USD	Total \$ USD
1.	Awareness	Public forum with stakeholders to enhance district revenue	60 business people	3	180
		Formulation short messages of paying TAX by using Golis SMS	Once per two months	300	600
		Social mobilization campaign by using circulating microphones to district villages and business centers	6 days	100	600
		Develop of IEC material ( pamphlets, billboards, banners, and stickers	1	2200	2,200
		Awareness message speeches through radio FM	2 months	300	600
		Procure amplifier	Two sets	100	200
<b>Sub total</b>					<b>4380.00</b>
2.	Review and remapping, Revise business data generated in the AIMS/ BIMS	Enumerators	10 enumerator * 40 days	10	4000
		supervisor	1 supervisor * 40 days	10	400
		data entry	1 data entry * 40 days	10	400
		Stationery	Lumbsum	400	400
<b>Sub total</b>					<b>5200.00</b>
3.	Office equipment	Outfit	15 person	50	750
		Printer	1	120	120
		Scan	1	160	160
		Desktop computer	2	300	600
		L shape work station	1	230	230
		Visit chairs	10	50	500
		Photo copy machine	1	900	900
		Metal cupboard	1	200	200
<b>Sub total</b>					<b>3460.00</b>
4.	Professional training for tax collectors	Refreshment plus lunch for 17 person	17 person * 5 days,	16	1360
		Facilitator fee	2	50	500
		Stationery	Lumbsum	100	100
<b>Sub total</b>					<b>1960.00</b>
<b>Grand total</b>					<b>USD 15000.00</b>

Annexure I: revenue performance monitoring tool

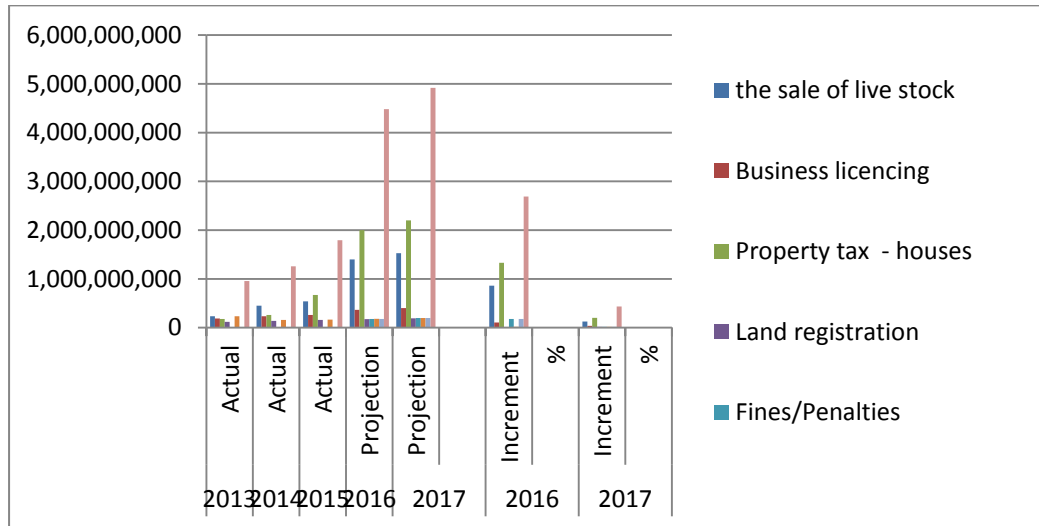
**GARDO LOCAL GOVERNEMENT**

**LOCAL REVENUE PEFORMANCE MONITORING TOOL in 2016 and 2017**

No. of registered tax payers	2016	Expected Quarter inflows				2017	Cumulative received as at .....	Variance shs	Causes for under/over performance
	Expected Annual Inflows \$	Q1	Q 2	Q3	Q4	Expected Annual Inflows \$			
Business and Property revue	84,857	21,214.25	21,214.25	21,214.25	21,214.25	93,344.17			
Lad revenue	13,333	3,334.3	3,334.3	3,334.3	3,334.3	14,666.67			
Livestock / slaughter house revenue	58,000	14,583	14,583	14,583	14,583	63,583.33			
Public transport and stations	7,500	1,875	1,875	1,875	1,875	8,250.00			
Penalties and fine charges revenue	7,500	1,875	1,875	1,875	1,875	8,250.00			
<b>TOTAL</b>	<b>171,190</b>	<b>42,881.55</b>	<b>42,881.55</b>	<b>42,881.55</b>	<b>42,881.55</b>	<b>188,094.17</b>			

## Annex II. Revenue Targeted heads for 2016/17

Potential Revenue heads	2013	2014	2015	2016	2017	2016		2017	
	Actual	Actual	Actual	Projection	Projection	Increment	%	Increment	%
the sale of live stock	234,000,000	450,600,000	540,000,000	1,400,000,000	1,526,000,000	860,000,000.00	159.26	126,000,000.00	9
Business licencing	190,000,000	233,540,100	259,200,000	366,000,000	402,600,000	106,800,000.00	41.20	36,600,000.00	10
Property tax - houses	180,000,000	260,489,000	670,504,000	2,000,000,000	2,200,000,000	1,329,496,000.00	198.28	200,000,000.00	10
Land registration	120,000,000	140,030,000	159,780,000	175,758,000	193,333,800	15,978,000.00	10.00	17,575,800.00	10
Fines/Penalties	0	0	0	180,000,000	198,000,000	180,000,000.00	0.00	18,000,000.00	10
Slaughter houses	234,000,000	158,100,000	164,000,000	180,400,000	198,440,000	16,400,000.00	10.00	18,040,000.00	10
Public transport premiums	0	16,000,000	0	180,000,000	198,000,000	180,000,000.00	0.00	18,000,000.00	10
<b>Total Revenue for Target revenue heads</b>	<b>958,000,000</b>	<b>1,258,759,100</b>	<b>1,793,484,000</b>	<b>4,482,158,000</b>	<b>4,916,373,800</b>	<b>2,688,674,000.00</b>	<b>149.91</b>	<b>434,215,800.00</b>	<b>10</b>



## Annex III Minutes of Gardo district's revenue mobilization preliminary meeting

### Agendas

- ✚ Discussion on the preparation of the Gardo district's revenue mobilization plan for 2016- 2017
- ✚ Update on status of 2014 and 2015 projects
- ✚ 2014 Capacity delayed fund

### Participant list

#	Name	Title	Organization
1	Abdi Said	Mayor	Gardo district
2	Abdulahi Halag	Executive secretary	<b>Gardo district</b>
3	Muna Dahir	DG	MOI
4	Mohamed Ali	Director of Planning	MOI
5	Mohamed Yusuf	Consultant	MOI
6	Hawo	Intern	MOI
7	Ahmed Noah	Head of Puntland sub office	UNCDF
8	Awil Mohamud	Consultant	Gardo district planning Dept'.
9	Mohamed Abdi	Consultant	District admin & Finance Dept.
10	Wa'ays Aidarus	Procurement officer	Gardo district
11	Mohamud Mohamed	Former executive secretary	Gardo district

## **Opening remarks**

The mayor of Gardo at his remarks gave the mission team comprising MOI DG, other MOI officials and UNCDF Puntland head of sub-office a briefing about the current situation of the district, he mentioned that Gardo enjoys full security and delivering mandated services to its population and he pointed out that they are waiting from as a delegation officials from Garowe to tell us what your mission is all about thereafter gave the speech to the MOI DG to say about meeting and mission purposes and to open the meeting.

MOI DG Muna Dahir appreciated the district officials to the warm welcome and told the meeting participants that this meeting concerns /relates about how the Gardo district develop revenue mobilization plan for 2016 and 2017 as well as develop revenue enhancement strategy and declared that the meeting is opened.

## **Discussions on Gardo district's revenue mobilization preparation Plan**

Juba saluted the participants of the meeting and pointed out the importance of the mission is that Gardo district to prepare revenue enhancement plan which covers to the coming two years (2016- 2017), mentioning that district's officials have more information about the district's sources of revenue (those which are inactive and need activation or improvement, those need initialization/ creation) more than we know as a mission team therefore , suggested that the officials come up with a plan to boost revenue collection.

Ahmed Noah saluted the participants of the meeting and requested from the mayor to nominate technical committee from the district and MOI to add members of our delegation and this committee to draft revenue mobilization for 2016 and 2017 by using guideline that MOI to provide to the team/or technical committee and this technical committee to review / diagnose the existing revenue sources, reveal the those sources that are not functioning well, those standing and need initialization and then coming up with an effective plan that eases the district to boost its revenue , since the Puntland government approved the decentralization policy and decided to implement it , thus the districts to enhance their revenue to receive devolved services from the central government.

Mohamud former district executive secretary pointed out that 80% of revenue is un collected therefore, the district needs to boost its revenue collection sources, the former executive secretary mentioned that utilities taxes are collected by central government ( MOF) thus MOI to advocate on how districts re-gain the collection of utility taxes.

## **Update on 2014 and 2015 projects' status**

Awil district planning consultant mentioned that the district's 2014 projects are completed and they are submitting to MOI the third installments of these projects, likewise Awil pointed out that 2015 projects were three projects and Abdiladif Bilal primary school extension projects is 100% complete and need engineer's certification and district intend to request second and third installment trench together after cortication done by the engineers. Awil mentioned as well that other 2015 projects are tarmac roads and not yet started by the contractor

### **2014Capacity building delayed fund.**

Awil of Gardo planning consultant said that there 2014 capacity building delayed and till now the district does not receive it, so the district needs clarification from UNCDF why this amount not yet released to the districts.

## **Challenges of District Revenue Collection:**

Gardo LG has distinguished revenue department although there are weaknesses and challenges:

- Lack of sensitization of the tax payers on the laws, regulations and tax benefits.
- Limited revenue sources/low tax base
- Gardo local government has no municipal police
- Lack of municipal land policy
- Livestock market does not have enough facilities to attract sellers and buyers.
- Poor livestock markets facilities hinder the Local Government generate more revenue
- Insufficient funds to facilitate revenue mobilization & collection
- Weak revenue enforcement structures that encourage tax evasion
- Central Government overtake of district generated revenue

## **Action points**

During the meeting the participants agreed below action points

- ✓ District Mayor to nominate technical committee for the preparation of revenue mobilization plan which covers 2016- 2017 and MOI to add some members to strengthen them
- ✓ MOI to provide guideline on how the district technical committee develop the revenue mobilization plan
- ✓ Gardo district nominated technical committee for revenue mobilization development plan to come up with draft plan and present to the mission team and district officials within tomorrow for review and finalization.
- ✓ MOI to advocate on how districts have the ability or re-gaining the mandate of collecting utility tax
- ✓ District to submit to MOI the documents of the 2014 projects' remaining installment tranches
- ✓ MOI to check and push MOPW's engineers to certify 2015 Abdiladif Bilal primary school extension project completion so as, district submit to MOI the second and third installment tranches request documents.
- ✓ District to pursue that the contractor to start and speed up the completion of the remaining work 2015 projects before the end of this year.
- ✓ UNCDF to release this delayed fund as quickly as possible



Qardho District Administration  
Xafiiska Maamulka Deg-Qardho



Puntland State Of Somalia  
Dawladda Puntland Ee Soomaaliya

Date \_\_\_\_\_

Meeting Attendance Sheet

Subject: Gardo district Revenue mobilization preliminary meeting  
Venue: Meeting Mayor's office

S/N	Name	Title	Contact	Signature
1.	Waays Aidonis G. P. D		7736125	
2.	Yasin Abi Jacee	Ag. MAJ.	7737488	
3.	Mohamed Abali Yusuf	Consultant	7793554	
4.	Mune dahir & Saad	Dg MOI	5794052	
5.	Mohamed Ali Nor	Director	7725640	
6.	Abdi Saad Em	Mayor	7793552	
7.	Almas Noor	LG PDR	7794169	
8.	Awil Mohamed	DC Consultant	7736691	
9.	Mohamed Yusuf M. Is. Kalye		7794563	
10.	Xaawo case Abdir	Interns	7747770	
11.	Alnasef Omar Fuwax	G. Consultant	7580028	
12.	Abdulrahman Maxud Maxud		7793548	
13.	Maxud Farad Shire	ex. ex. Secretary	7734008	
14.	Abdullahi Subhan	AG. Dabhi	7736881	
15.	Maryam Abdi Mohamed A. Ku. Jasho		7750454	
16.				
17.				

