

The Somali Business Community Meeting Dubai, 12 December 2011 - Communiqué

A Meeting of the Transitional Federal Government (TFG), the Somali business community and the international community took place in Dubai from 11 to 12 December 2011 organized by the United Nations Political Office for Somalia (UNPOS) and facilitated together with the United Nations Country Team and World Bank. The meeting was attended by the Government of Turkey and the Organization of Islamic Cooperation.

The Meeting brought together members of the Somali private sector, technical representatives of Somali ministries, international business representatives, the World Bank, the World Food Programme, the United Nations Development Programme, the UN Office for Project Services, the International Labour Organization, the Food and Agriculture Organization, and the UN Support Office for Amisom.

The purpose of the Meeting was to explore opportunities for investment and employment through dialogue between relevant actors to identify key areas to help improve recovery and development in Somalia as well as to reinforce the peace process, through the implementation of the Djibouti Agreement and the Roadmap.

The Meeting heard briefings on the Good Governance benchmark of the Roadmap as it relates to public-private dialogue as well as from the UN Somalia and Eritrea Monitoring Group on anti-corruption, and possible sanctions against 'spoilers'..

The participants were asked to discuss the following questions:

1. What could be done to promote investment and employment in Somalia?
2. How this could be facilitated by the TFG and the Somali business community?
3. What would be the next steps?

In response to these questions the participants agreed:

- To express their gratitude for the support given by the Turkish Government and people and encourage other countries to do the same
- The TFG, the business community and the international community all need to demonstrate the same level of transparency and accountability they expect from others. Mechanisms should be set up to protect against corruption
- The question of mitigating and managing risks needs to be addressed through effective institutional, policy and legal frameworks
- There is an urgent need to find ways to generate employment
- It is important to invest in infrastructure in order to develop economic activity, business and employment opportunities and also look at security and "social" infrastructure

- There is a need to continue Public Private Dialogue aimed at consolidating Public Private Partnerships.
- The business community is interested in working closely with the TFG as the TFG has an important role to promote business
- There is a need for consistency within the TFG on the “rules of the game”. The TFG needs to urgently improve communication and linkages within and between ministries and between the ministries and the foreign missions.
- Business investments and opportunities exist in different regions of Somalia including Mogadishu
- Somalia requires a free trade zone along with an information clearing house to inform all those outside what the political, security and climate is like and explain the existing rules of the game
- It is expected that follow up meetings will be held in Somalia and elsewhere before the Istanbul II Conference to be held in early 2012 to solicit inputs from as broad a spectrum of traders as possible.

ANNEX – Recommendations from Roundtables

Infrastructure

The Group agreed:

1. On the need to continue the dialogue on the Private Public Partnership and put in place policy and regulatory frame including national procurement.
2. That the Somali Government should prioritize projects it wants to undertake in the next five years to increase investment and employment in Somalia. The Government, in consultation with the private sector, should develop a prioritization approach.
3. To develop and prepare an investment master plan on roads, airports and ports (including terminals) up to be presented at the Istanbul II Conference.
4. The International Community and the Somali government shall make details about past and current financial information available in the aforementioned areas.

Livestock

The Group agreed:

1. There is need for a functioning government that can develop supportive institutional, policy and legal frameworks, be engaged in bilateral trade negotiations, invest in capital intensive infrastructural developments and livestock marketing facilities, rehabilitate stock routes and holding grounds, re-initiate market intelligence and livestock market information system among other services. There is also a need for improved availability, access and quality of water for livestock and producers.
2. There should be internationally recognized animal health inspection and certification along with quality assurance for animal health and production inputs including drugs, vaccines, chemicals and equipment and working veterinary laboratories.
3. There is cause for concern about the deteriorating condition of the land and rapid environmental degradation due to escalating charcoal production mainly for export. It appealed to the TFG to work through the UN Special Representative to find a lasting solution to charcoal export from Somalia to GCC countries using the same principles used for banning “blood diamonds”.
4. UNPOS, other UN Agencies, the World Bank and the Turkish Government should identify financial resources that can be used to immediately address the identified priority Public Sector Investment areas.
5. The International Community should assist the business people whose property was destroyed in a fire last week in Bossasso, Puntland.

Fisheries

1. The fisheries group appealed UNPOS, to facilitate dialogue between fishermen, the authorities and anti-piracy navies and armies (marines) to enable the former to fish in Somali waters without being harassed.
2. The group appealed for funds to implement essential activities including:
 - Fish processing plant
 - Fishing Equipment
 - Refrigeration Trucks for Transportation
 - Refrigeration Containers and Refrigeration Ships for Export
 - Jets and docking stations
 - Upgrading marine knowledge within Somalia

Banking

1. Legislation and regulations are required for the development of the Central Bank, and the TFG and private sector should partner to build confidence in, and support the development of, the legal framework.
2. The private sector should co-operate with the TFG and explore providing financial and technical contributions to the development of the Central Bank
3. The private sector is ready to review, agree and operate within a regulatory framework for commercial banking and money transfer services.

Energy

1. Somalia has the opportunity to use alternative energy sources such as wind, solar and biomass, but there were concerns about the high costs of using these.
2. Somalia has natural resources for energy such as uranium and lignite for energy use.
3. It was noted that there was an increasing demand for clean water and electricity.
4. Regulatory frameworks exist on energy and natural resources and should be shared.
5. The Ministry of Energy will convene a technical meeting on regulatory frameworks in Mogadishu and invite the business community, with a possible roadshow, to raise awareness of existing regulations and engagement opportunities.