COVID-19 IMPACT ON SOMALIA

Socio-Economic Implications and Policy Considerations

AARAN CENTER
For Social and Economic Development

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ACRONYM

AMISOM	African Union Mission to Somalia
EU	European Union
FMS	Federal Member States
FGS	Federal Government of Somalia
GDP	Gross Domestic Product
HNO	Humanitarian Needs Overview
ICU	Intensive Care Unit
IDA	International Development Assistance
IDP	Internally Displaced People
INGO	International Non-Government Organization
KYC	Know Your Customer
MoF	Ministry of Finance
MTO	Money Transfer Organization
NPHL	National Public Health Laboratory
ODA	Overseas Development Aid
PFM	Public Financial Management
UN	The United Nations
UNICEF	The United Nations International Children's Fund
WB	World Bank
WHO	World Health Organization

EXECUTIVE SUMMARY

- **As of 30 June, Somalia recorded 2904 confirmed cases with 90 coronavirus-related deaths.**
- **The Somali Government closed schools, suspended all flights and prohibited mass gathering.**
- **Somalia GDP may decline by 11% in nominal GDP with remittances expected to fall by an estimated 50%.**
- **Overall domestic revenue is expected to be 67m lower over the course of the year.**
- **The pandemic heightened political uncertainty as the country plans for national elections.**
- **There has been no cessation in terrorist related violence and other forms of conflicts.**

WHO declared COVID-19 a global pandemic. As of 30 June, Somalia recorded 2904 confirmed cases with 90 coronavirus-related deaths[1]. While this number looks low, the reality is that in Somalia there is a lack of cohesive healthcare policy and infrastructure that hindered the availability of reliable data for the pandemic. Limited testing availability and surveillance system and the scarcity of life-saving medical supplies is also hindering the country to control the infection and monitor the impact of the disease.

The Somali Government set up National Coordination Committee on COVID-19 and have taken precautionary measures; closed schools, suspended international and domestic flights, prohibited mass gathering, imposed a night curfew in the capital city of Mogadishu and launched public health awareness campaign. The pandemic will further strain the already-fragile healthcare system, and had devastating negative impact on the economy and threatens livelihood of millions. With the addition of COVID-19, Somalia faces increased threats with looming floods and an ongoing, historic desert locust infestation in various parts of the country.

According to the FGS Somalia GDP may decline by 11 per cent in nominal GDP with inward transfers and remittances expected to fall by an estimated 50 percent. The World Bank estimates that damages and losses to crop and livestock production and associated assets could reach $670 million in Somalia alone by the end of 2020[2]. On 19 April, Saudi Arabia announced plans to temporarily lift the ban on importing livestock - a move that offers some economic respite[3].

With the suspension of all flights, 11 out of 12 airports in Somalia were closed. Mogadishu airport closure has affected over 600 commercial flights and over 25,000 passengers monthly (not including UN and AMISOM related flights)[4] . It also impacted Somalia's over 360 travel agencies who employ around 10 workers each[5]. On March 30, AU closed its AMISOM base camp in Mogadishu and remain closed for over 3 months. thousands of casual employees faced economic hardships due to airport and AMISOM base camp closures.

Imports of construction materials remained low while overall property market is subdued in most of urban cities. A sample of Mogadishu hotels surveyed by Aaran show that hotel occupancy rate to have declined to 10-15% (compared over 60% before the pandemic) as most of expatriates were evacuated and the economic slowed down.

According to the FGS 2020 Revised Budget, overall domestic is expected to be 67m lower over the course of the year however this was offset by an increase of external budgetary support of over 140m. To ease the adverse economic and social impact, like other fragile states, Somalia has limited fiscal, monetary, financial and social policy options available to them. Nevertheless, Somalia government have taken number of policies with limited impact; FGS provided tax exception to the imports of basic goods and allocated $5 million to the COVID-19 emergency and distributed $5 million to the FMS.

1. https://covid19.who.int/region/emro/country/so
2. https://blogs.worldbank.org/africacan/somalia-facing-potentially-devastating-three-pronged-threat-food-security.
3. https://www.hiiraan.com/news4/2020/Apr/177825/saudi_arabia_lifts_ban_on_somali_livestock.aspx
4. Somalia Civil Aviation Authority
5. Association of Somalia Travel Agencies

The Revised Budget intends further financing to go to the FMS. It is recommended that all emergency budgetary spending should be approved by the Parliament FGS to consider spending significant portion of Covid-19 windfall to invest in much needed healthcare infrastructures in FMS and other basic social services.

Prior the COVID-19 outbreak, 5.2 million people in Somalia needed humanitarian assistance[6] and protection. International community responded swiftly to support Somalia in various forms; traditional multilateral aid packages, bilateral financial packages and in-kind donations. The World Bank approved $137.5 million IDA grant in addition of $55 million direct budgetary support[7] where EU announced humanitarian package of €48 million[8]. Somalia also received medical supplies from China, Turkey, USA and UAE. Donor community to increase efforts to support to the immediate humanitarian need as consequences of the pandemic, particularly the most vulnerable communities.

The COVID-19 pandemic heightened political uncertainty as the country plans for national elections. The country also continues to face security challenges as there has been no cessation in terrorist related violence and other forms of conflicts. Somali political stakeholders to come together and reach consensus on the modality and timing of the election without delay and reconvene national security committee meetings in order to deal with on-going security challenges.

6. https://unsom.unmissions.org/somalia%E2%80%99s-2020-humanitarian-response-plan-needs-1-billion-help-3-million-people
7. https://reliefweb.int/report/somalia/world-bank-approves-55-million-sustain-somalia-s-reforms-and-fiscal-response-multiple
8. https://reliefweb.int/report/somalia/coronavirus-eu-provides-support-horn-africa-region

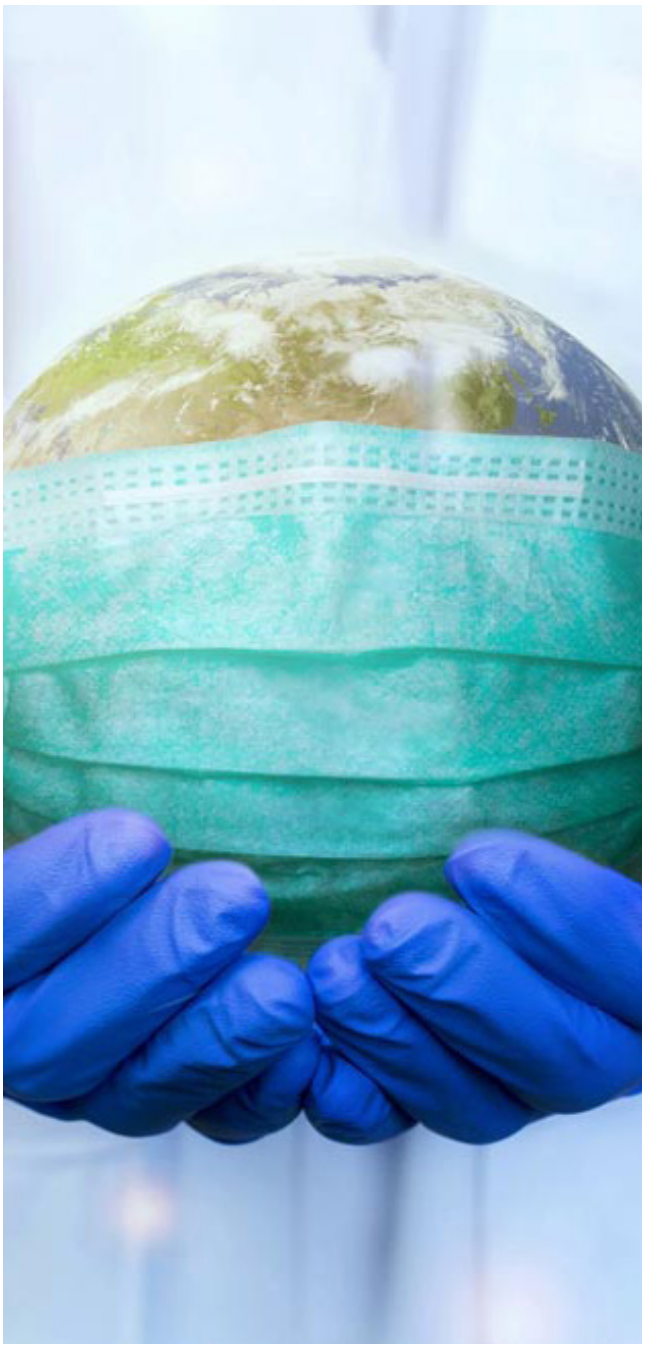
INTRODUCTION

Coronavirus is continuing its spread across the world, Somalia reported its first confirmed COVID-19 case on 16 March 2020. Given Somalia's already weak health system and high vulnerability among its population, it was feared that COVID-19 could cause more death than any terrorist attack that Somalia has ever seen. It is widely believed that the mortality rate may be far higher than what official reports indicate due to limited testing and challenges in the attribution of the cause of death. The contradictory reporting of numbers by local governments and the Ministry of Health have raised serious concerns about accuracy of government figures.[9]

Currently, the country is facing continuing challenges in the health sector during the COVID-19 pandemic include a severe shortage of skilled health workers and ineffective public health awareness towards COVID-19 prevention, and control measures. Because of crowded living conditions and lack of hygiene facilities, prevalent misinformation, rumors, and conspiracy theories further hinder the fight against COVID-19. City-wide lockdowns seen elsewhere is not an option for Somalia as most people work in the informal sector and cannot afford to stay at home.

Additionally, Somalia is already battling insecurity, poverty, political instability, weak institutions and poor infrastructure. This pandemic will aggravate existing economic and human challenges. The COVID-19 pandemic preparedness and response requires a robust collective effort through whole-of-government approach in partnership with international and local actors. The Somali Government Nominated a National Coordination Committee on COVID-19 led by the Prime Minister.

The government has taken precautionary measures closing all schools, suspending all flights and imposing night-time curfews. Somalia government has also taken number of mitigating economic and social policies with limited impact. FMS have generally put in place similar preventive policies, but not coordinated fashion with FGS as some FMS produced their own Covit19 Impact Assessments. Aaran Center looks the spread of Pandemic in Somalia, its social, economic, security and political impact. This essay will also examine the effective of government responses in handling of the COVID pandemic. However, lack of trade and economic data make it challenging to accurately assess the COVID-19 economic impact on Somalia.



9. https://www.hiiraan.com/news4/2020/Apr/167712/mogadishu_mayor_contradicts_govt_says_many_have_died_of_covid_19.aspx

ECONOMIC IMPACT

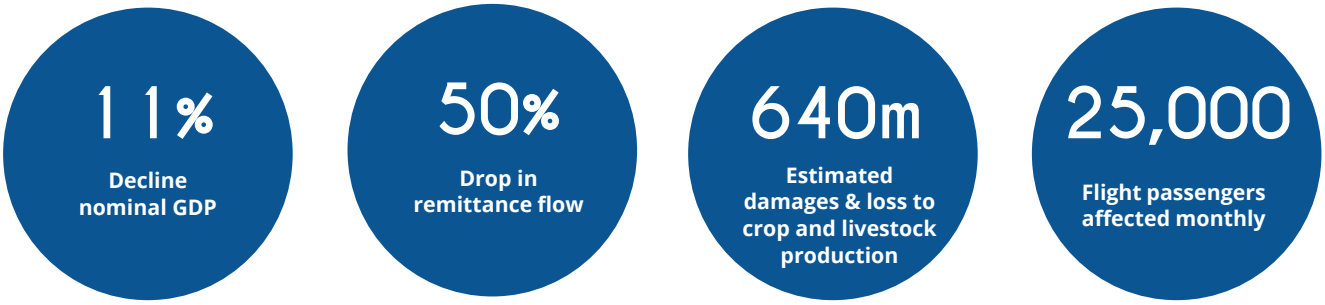
Globally, at least 4.5 billion people - half the world's population - have been living under social distancing measures. Those restrictions have had a big impact on the global economy, with the IMF warning the world faces the worst recession since the Great Depression of the 1930s. The outbreak of COVID-19 had a potentially devastating economic impact on Somalia.

Prior the pandemic Somalia economy was forecasted to grow at 3.2% in 2020, up from 2.9% in 2019.[10] According to the FGS Somalia GDP may decline by 11 per cent in nominal with inward transfers and remittances expected to fall by an estimated 50 percent. The impact of the pandemic on the trade and local economy is unprecedented, for the last 30 years. Somali international trade has shrunk drastically due to factory closures in China and unavailability of cash needed to procure and purchase from abroad as the local Banks have no capacity to facilitate trade settlement (refer to the section on remittances for details).

The World Bank estimates that damages and losses to crop and livestock production and associated assets could reach $670 million in Somalia alone by the end of 2020.[11] Somali livestock export is negatively impacted as the Hajj activities are not going to take place this year. In 2019 Somalia exported over 1.7 million livestock[12]. On 19 April, Saudi Arabia announced plans to temporarily lift the ban on importing livestock as well as import at least 600,000 sheep and 100,000 camels from Somalia in the next 30 days a move that offers some economic respite[13].

With the suspension of all flights, 11 out of 12 airports in Somalia were closed. Hargeisa airport continued to operate at a reduced frequency of one Ethiopian Airlines flight per week[14]. Mogadishu airport closure has affected over 600 commercial flights and over 25,000 passengers monthly (not including UN and AMISOM related flights)[15]. It also impacted Somalia's over 360 travel agencies who employ around 10 workers each[16]. On March 30, AU closed its AMISOM base camp in Mogadishu and remain closed for over 3 months and suspended all construction works and business activities within the Base Camp which houses UN compound and diplomatic missions. Companies that are directly and indirectly linked to airlines industry and thousands of casual employees faced economic hardships due to airport and AMISOM base camp closures.

Imports of construction materials remained low while overall property market is subdued in most of urban cities. A sample of Mogadishu hotels surveyed by Aaran show that hotel occupancy rate to have declined to 10-15% (compared over 60% before the pandemic) economic slowdown, the ban of domestic flights and evacuation of almost all expatriates has also played a major role.



10. The World Bank
11. https://blogs.worldbank.org/africacan/somalia-facing-potentially-devastating-three-pronged-threat-food-security.
12. FGS Ministry of Livestock
13. https://www.hiiraan.com/news4/2020/Apr/177825/saudi_arabia_lifts_ban_on_somali_livestock.aspx
14. IOM
15. Somalia Civil Aviation Authority
16. Association of Somalia Travel Agencies

REMITTANCE

Somalia is heavily reliant on remittances. Remittances is a lifeline and a significant safety net for significant portion of the Somali vulnerable households where 40% of households are heavily dependent upon remittances and without the money they wouldn't be able to afford food, education and health care. This disruption in flows sent by the Somali diaspora will further exacerbate food insecurity and also affected local economy. Remittances are and have been crucial for Somali families to survive the long process of post-conflict recovery, poverty and humanitarian emergencies.

Remittances is estimated to be somewhere between USD 1.3 and 2 billion annually[17] which means nearly a third of the country's GDP and similar to the international aid the country receives. Somalia received almost US$2 billion in official development assistance (ODA) annually in 2017 and 2018[18]. Global remittances in 2020 are expected to fall by 20%[19] possibly the largest fall in recent history. The volume of remittances to Somalia is estimated to drop as much as 50%[20] due to; (1) economic downturns induced job losses, (2) lack of formal financial sector (3) inability to physically transfer cash due to suspension of flights, and (4) outdated MTO traditional business model.
The Somali diaspora of over 1.2 million people is clustered in countries with high Covid-19 fatalities including the UK, US, Sweden, Netherlands and Italy. As the economies of these countries suffer, most Somalis working abroad are employed in low-wage jobs and they were among the first casualties of the pandemic .

As the table above shows, the adverse impact of Corona on the MTOs were not the same across the major remittance corridors. Unlike the US, most of European countries and Australia have generous social welfare system and provided economic stimulus packages in response to Corona pandemic impact which cushioned impact on remittance flow.

Because of instability and a traditionally cash-driven economy, Somalia lacks a formal banking system and Western financial institutions have closed MTO accounts due to KYC compliance requirement.

Corridor	Volume/month (US$ Mil)	Decline
North America	40 - 50	70%
Europe	30 -40	60%
Australia	20 -25	45%
Africa	20 -25	50%
Asia/ Middle East	15 - 20	45%

Above figures are estimates only and they vary from time to time and they are not adjusted for seasonal fluctuation Source: Association of MTOs.

Local Banks have no capacity to facilitate trade settlement and provide cash injection to MTOs due to liquidity shortage. The Central Bank of Somalia lacks requisite capacity to effectively manage the financial sector.

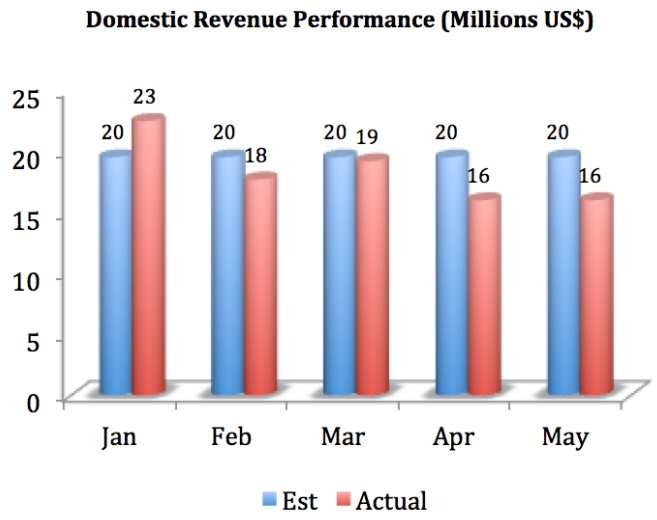
MTOs were using to carry cash from sending location to the settlement and clearing houses. i.e. Dubai or Nairobi. That means almost all of Somalia's remittances rely on flights to physically transfer money to and from Somalia. The suspension of flights have made impossible for the company representatives to deliver cash to the settlement centers leading cash accumulation at the sender's location forcing Companies to deactivate the agent's sending authority. This have denied the sending customer the means of supporting loved ones back home. In some countries in Europe, there are online applications which is a digital cashless based platform that a sender can use to send, but, requires registration of ID and disclosure of customer true data.

The current MTO traditional business model is too risky to be able to survive future shocks, for example last 2 years 4 major MTO's collapsed with multimillion dollars loss[21]. MTOs adopted different mitigating risk strategies; most effective strategy so far is business transformation strategy from traditional into digital cashless payment models. Companies with clear business continuity plan or transformed their business model into digital experienced less impact and more prepared to hold on for a while.

17. http://documents.worldbank.org/curated/en/633401530870281332/pdf/Remittances-and-Vulnerability-in-Somalia-Resubmission.pdf
18. Somalia NDP-9-2020-2024
19. https://www.worldbank.org/en/news/press-release/2020/04/22/world-bank-predicts-sharpest-decline-of-remittances-in-recent-history
20. https://blogs.lse.ac.uk/crp/2020/04/07/remittances-affect-the-somali-covid-19-response/
21. Olympic, Mustaqbal, Kaah and Hodal Globla plus 3 small MTOs collapsed in 2018 and 2019.

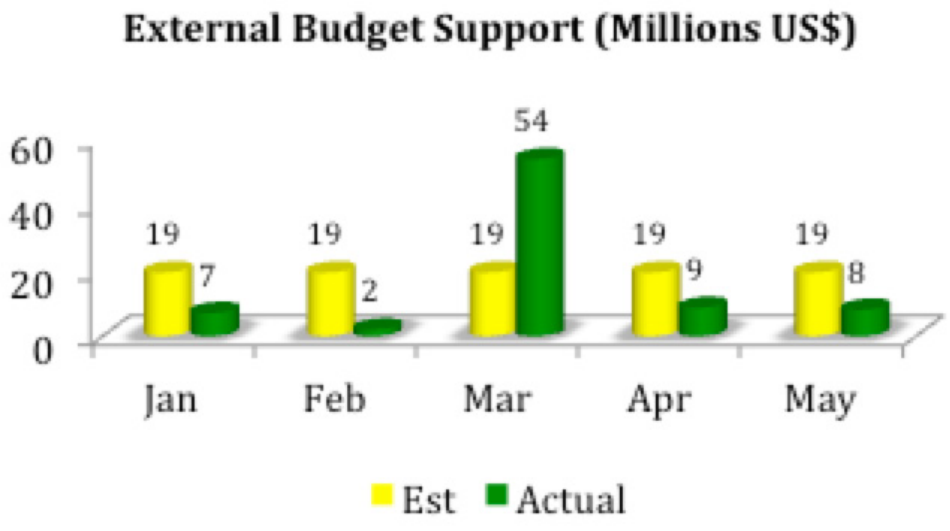
FISCAL IMPACT

Somalia government budget financing is highly dependent on trade-related fees and taxes that account around 50 percent of domestic revenues. FGS anticipated sales tax on imported goods to decline by 40% and other Port operations revenue streams such as port concession, customs duty, harbour fee and customs stamp duty to decline by 30%[22]. The suspension of international and domestic flights and AMISOM base camp lockdown deprived the Government over 20 million revenue used to receive from Khat import, airport concession, hospitality and aviation sectors, visa and working permits.



Late March, MoF requested $ 575.6 million budgetary support from the World Bank to cover fiscal gap, economy recovery and to fund health response. Somaliland, Puntland and Jubbaland also prepared their respective Corona impact assessments. Other FMS have not produced any assessments as they are highly dependent on FGS budgetary support due to their miniature inland revenue base.

According to the FGS 2020 revised Budget, overall domestic revenue is expected to be $67m lower over the course of the year however this was offset by an increase of external budgetary support of over 140m. The MoF documents analyzed by AARAN show the impact of domestic revenue loss is far less than the FGS estimate - Actual domestic revenue loss between January to May was less than $10m. The generous bilateral direct budget support boosted government fiscal position. Because Somalia cleared its IDA arrears and normalized its financial relationship with the World Bank in March 2020, Somalia was able to access to new resources from IDA. In April WB has released $ 45m of IDA turn-around regime grant to Somalia, further $55m expected to be released later 2020. Turkey and EU also provided significant budget support.



22. FGS Socio-Economic Assessment of COVID 19 – 27 Mar 2020

ECONOMIC MEASURES

To ease the adverse economic and social impact, like other fragile states, Somalia has limited fiscal, monetary, financial and social policy options available to them. Nevertheless, Somalia government have taken number of policies with limited impact;

Government have no fiscal spaces to support the poor but, with additional budgetary support, substantial transfers are anticipated in the revised budget. To stabilize and contain inflation of basic commodities, FGS provided tax exemption to the imports of basic goods such as sugar, rice and cooking oil. Despite the tax break the prices of these goods hiked by 10% in many markets.[23]

In terms of fiscal policy, FGS allocated $5 million to the Covid-19 emergency and distributed additional $5 million to the FMS. As Somalia fiscal institutional capacities are constrained and fiscal governance is weak, it is not clear the process and accountability mechanisms that were followed to release of COVID-19 emergency funds and how fiscal transfers are managed and how these funds were utilized. The reduced physical presence of staff in ministry of finance (MoF) and the finance departments of line ministries due to lockdowns and social distancing requirements could further undermine traditional controls designed to achieve segregation of duty. Budget execution should be conducted within the prevailing PFM framework and that all COVID-19 related spending are processed through the FMIS.

As the federal government tries to procure diagnostic kits, ventilators, and other medical supplies, anecdotal evidence show some of the internationally donated materials are traded privately in the markets of Mogadishu. COVID-19 related public procurement needs to strike a balance between speeding up purchases and safeguarding against corruption and waste.

During the pandemic, the Somali Federal Parliament was in recession and convening parliament for approving a supplementary budget was not an option due to the lockdown. To ensure that COVID-19 related emergency spending is in compliance with 2019 PFM Act for provisions for contingency spending, other forms of parliamentary scrutiny should have been considered, such as a dedicated hearing in the parliamentary Finance, Budget and Oversight Committee.

23. For instance the price of 50kg rice jumped by $5 to $55 per bag in Mogadishu market.

SOCIAL IMPACT

HEALTH

WHO declared COVID 19 a global pandemic. As of June 30 there were over 10 million cases with over 500,000 deaths worldwide.[24]

The first confirmed case of Covid-19 in Somalia was on March 16th 2020, when a Somali Citizen flew in from China tested positive. Since then, there have been more than 2900 confirmed cases in Somalia and 90 coronavirus-related deaths.[25]

While this number looks low, the reality is that in Somalia there is a lack of cohesive healthcare policy and infrastructure that hindered the availability of reliable data for the pandemic.

Somalia's capacities to prevent, detect and respond to any global health security threat scored 16.6 out of 100 as measured by the Global Health Security Index 2019.[26] There are two health care workers per 100,000 people, compared to the global standard of 25 per 100,000.[27]

The Covid-19 outbreak continues to uncontrollably spread between people and cities in Somalia and has had a detrimental affected on health care industry in Somalia.

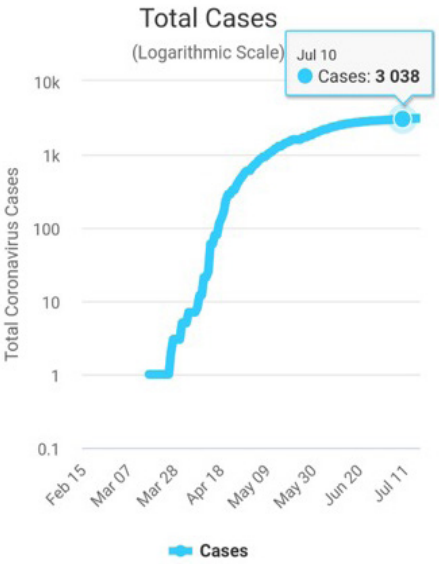
Country	Total Cases	Total Deaths	Cases/ 1M pop	Deaths/ 1M pop	Population
Afghanistan	32,672	826	839	21	38,930,206
Sudan	9,663	604	220	14	43,850,981
Somalia	2,974	90	186	6	15,892,879
South Sudan	2,021	38	181	3	11,194,743
Yemen	1248	337	42	11	29,827,531
Sierra Leone	1,533	62	192	8	7,977,515
Chad	871	74	53	5	16,425,296

Source: https://www.worldometers.info/

Somalia recorded low rate of confirmed deaths relative to its population size – 6 deaths per one million compared global average of 68.4. Somalia situation is seems to be in line with other fragile states in terms of spread of the virus and fatality rate.

24. https://covid19.who.int/
25. https://covid19.who.int/region/emro/country/so
26. https://www.ghsindex.org/country/somalia/
27. https://somalia.unfpa.org/en/news/covid-19-threatens-already-vulnerable-maternal-and-reproductive-health-systems

Total Coronavirus cases in Somalia



Given an average of 30 cases per day, Somalia is experiencing a flatter curve which means the same number of people may get infected over a longer period of time. It looks COVID-19 will continue to infect more people in Somalia over the coming weeks and months. However, as the outbreak in other parts of the world shows, the rate at which a population becomes infected may be far less in Somalia.

Furthermore, Somalia is part of the region hardest hit owing to the absence of the lock down and surveillance system, increased demand of medical care and the limited capacity to interrupt, prevent and contain the impact of the disease. Moreover, Somalia lacks sufficient healthcare capacity and resources to contain the spread of the virus: for instance, in terms of testing kits, quarantine, hand washing/sanitation, and personal protective equipment.

Also, there is no capacity to trace the contacts of infected persons. In addition to the absence of medicines, vaccines and essential health care equipment's the quality of care in Somalia was already undermined and weakened due to a decade of conflict, which led to ranges of vulnerabilities including inability to provide basic life-saving emergency services.

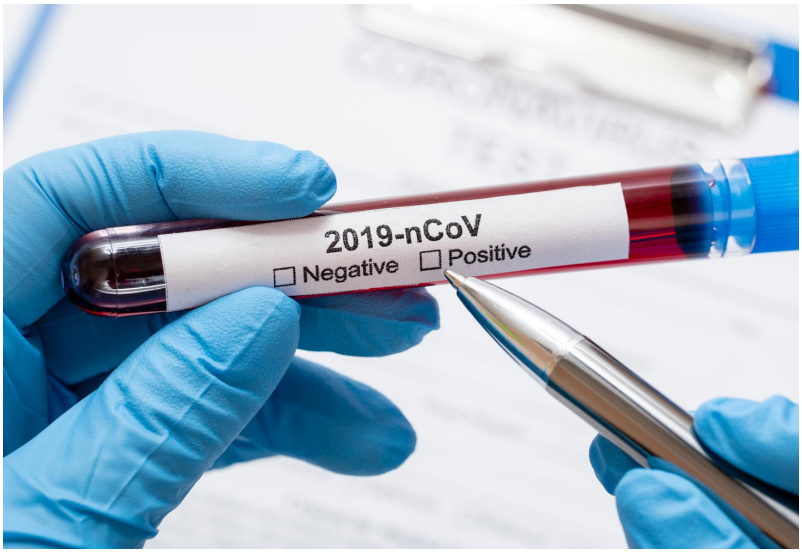
Somalia has some of the world's lowest human development indicators. The state of public health facilities is abysmal with few human resources, financial and technological means, long neglected by both the government and the development partners. Health expenditure per capita by the government in 2017 (including official development assistance) was $9.8–$12, whereas per capita health expenditure in 2016-2017 was $15.8-$19.4; and In 2017, Somali government health expenditure was less than one percent of total health expenditures, whereas per capita out-of-pocket health expenditure was US$6-$7.4[28].

This low investment in social capital has severely diminished the social trust in the political system of the country and the regime. Federal Government of Somalia has imposed a night curfew in the capital city of Mogadishu (from the hours of 8pm to 5am) instead of a full lock down to curb Covid-19 pandemic.

Having said that, it has suspended international and domestic flights, closed schools, launched public health awareness campaign to slow the spread, prohibited mass gathering, and generally provide advice to raise awareness to reduce the spread of the virus, to those showing symptoms and advice on how to protect elderly and those with underlying chronic diseases.

Limited testing availability and surveillance system and the scarcity of life-saving medical supplies is also hindering the country to control the infection and monitor the impact of the disease. E.g. initially there was availability of one testing site (with limited capacity) and that was situated at the National Public Health Laboratory (NPHL), in Mogadishu.

Having said that, the federal Somali government, in collaboration with WHO have since established two other testing sites: in Hargeisa/Somaliland and Garowe/Puntland. The FGS in collaboration with FMS with the support of INGO's quickly built its testing capacity by establishing diagnosis labs in Mogadishu, Garowe and Hargeisa as well as opening designated equipped Hospitals in Mogadishu and some other areas of the country, to treat corona patients.



28. http://www.heritageinstitute.org/wp-content/uploads/2020/05/Somalia-Healthcare-System-A-Baseline-Study-and-Human-Capital-Development-Strategy.pdf

Somalia healthcare system is seriously understaffed and ill-equipped to deal with the outbreak. The country has only 46 intensive care unit (ICUs) beds and 15 ventilators for 16 million people[29]. There is no proper oxygen generating plant; there are few laboratory machines; there is a shortage of testing equipment and medical supplies; and a severe shortage of personal protective equipment (PPE) across all hospitals.

There are ongoing efforts by the federal government to procure diagnostic kits, ventilators, and other medical supplies. Meanwhile, donations of medical equipment and supplies have arrived from the WHO, China, the UAE, Turkey, and Italy.

Federal member states in collaboration with FGS and international community with the support of International donors are working hard to prepare the essential medical supplies, prepare designated hospitals to control the infection and build their health workforce capacity to provide effective care provision to those infected. In the battle against this virus they are all on the same side.

As predicted, the coronavirus pandemic will have an impact on global economic condition, especially in donor countries, which may in turn reduce the availability of future foreign assistance. Currently though, International development aid agencies under the leadership on the Federal Government and guidance of WHO have continued to offer their support in range of areas including establishing/upgrading emergence response centers/hospitals, provision of medical supplies, scaling up workforce capacities, financing various activities such as community level coordination and surveillances, training rapid response team (RRT) at district level to report and investigate cases within their catchment areas and so on.

29. https://www.rescue.org/press-release/new-irc-report-exposes-double-emergency-covid-19-humanitarian-crises-reveals-grave

HUMANITARIAN

The COVID-19 pandemic represents a global threat for the least developed or most vulnerable countries and poses an additional level of risk to an already complex situation. The WFP has warned that the pandemic could almost double the number of people suffering acute hunger.[30] The outbreak has the potential to collapse on fragile federal system of Somalia where conflict, violence, displacements of population, natural disasters, climatic or economic shocks have been the main challenge for nearly three decades, there are no resilience capacity and government preparedness at all. The COVID-19 pandemic is not just a health crisis and its impact risks devastating the Somalia, putting millions at risk and requires an urgent scale-up of inter-sector support and resources.

Even before the outbreak gathers speed, the poverty level of the country was huge caused by widespread unemployment, many people depend on daily wage labour in and around major cities and fear that measures to contain the spread of the virus will have an equal or even more detrimental impact on their survival than the pandemic itself.

In 2020, prior to considering the impact of the COVID-19 outbreak, according to the 2020 Humanitarian Needs Overview (HNO) a record of 5.2 million people in Somalia needed humanitarian assistance and protection[31]. Somalia has 2.6 million Internally Displaced Persons (IDPs) who face heightened risk of this pandemic due to crowded living conditions. limited access to basic health care and water, hygiene and sanitation facilities. An outbreak of COVID-19 poses a massive threat to these people who are already extremely vulnerable as a result of displacement.
The main factors driving humanitarian needs in Somalia include food insecurity, climate related shocks, conflict and heightened protection risks. People with disabilities face additional vulnerabilities. According to the HNO, up to 2.1 million people across Somalia are expected to face food consumption gaps and over 2.4 million Somali people require life-saving essential health care and nutrition services. The main factors driving humanitarian needs in Somalia include food insecurity, climate related shocks, conflict and heightened protection risks. People with disabilities face additional vulnerabilities.

According to the HNO, up to 2.1 million people across Somalia are expected to face food consumption gaps and over 2.4 million Somali people require life-saving essential health care and nutrition services. About 1.3 million boys, girls, pregnant and lactating women suffer from acute malnutrition, with 180,000 children under 5 suffering from life threatening severe malnutrition.

2.6 million people in Somalia have already been displaced by conflict or climatic shocks. How do we ask millions of people to 'stay at home' and 'wash your hands' when they live in congested makeshift shelters and ration meagre water supplies each day? How can we encourage social isolation when people rely on daily wage labour to meet their basic needs?.

An estimated 3.7 million people need protection-related assistance, 1.37 million children (including 691,295 girls) need assistance to either stay or enroll in school, 2.2 million people need shelter and non-food items, and 2.7 million people require assistance to access basic WASH services in 2020. According to UNICEF, approximately 814,000 school children have been affected by school closure.[32]

Where the global health crisis intersects with conflict, the effects of climate change and chronic vulnerabilities, including weak or non-existence of national health systems and limited populations' access to basic social services, it may lead to new crises and exacerbate existing needs. Humanitarian action is not an add-on, but an essential service and integral to the concurrent public health and socio-economic efforts in such low-resource settings.

Somalia's humanitarian crisis

12.3 million
population

6.3 million
at risk of hunger

2.7 million
need water and sanitation support

2.6 million
homeless because of instability

Source UN agencies

30. https://www.wfp.org/news/covid-19-will-double-number-people-facing-food-crises-unless-swift-action-taken
31. https://reliefweb.int/report/somalia/2020-somalia-humanitarian-needs-overview
32. UNICEF: Somalia COVID-19 Situation Report No. 1

The measures announced by authorities to contain the spread of COVID-19 have had a significant impact on livelihoods. In March, Somalia saw slight price increases of imported food items due to the partial disruption of the supply chain and panic buying due to the pandemic. The measures taken by individual agencies have also impacted on humanitarian activities and development programmes.

An OCHA survey of NGO partners in South West State found that 36 per cent reported they were unable to conduct field activities, 40 per cent had reduced field presence to focus on immediate lifesaving activities and 66 per cent were adapting primary activities to COVID-19 directives.[33]

With the addition of COVID-19, Somalia faces increased threats with looming floods and an ongoing, historic desert locust infestation in various parts of the country. According to African Development Bank, the pandemic will affect ongoing efforts to contain the locusts, particularly given limitations on movements of people and flights, and disruptions in supply chains.

In Somalia large scale humanitarian operations were already stretched – such as regions hosting hundreds of thousands of people displaced by Al-Shabab, other conflicts and natural disaster, the COVID-19 outbreak and co-related measures taken to prevent its further spread are challenging the capacity of the humanitarian community to respond in new ways that would keep people safe. As COVID-19 is spreading and reducing access to field operations, aid organizations in the country might have conducted assessments on the criticality of their programmes with the view to reprioritizing essential interventions in terms of life saving.

This is catastrophic at any time but particularly so in a year where the country is reeling from severe drought, massive goods, and the largest locust invasion in decades. This follows years of violence, drought and flooding which have left more than five million Somalis reliant on humanitarian aid. The UK's International Development Secretary recently said that Covid-19 is a health, humanitarian, and economic crisis which could undo 30 years of international development work.[34]

33. https://reliefweb.int/report/somalia/somalia-covid-19-impact-update-no-4-4-may-2020
34. Source: UNOCHA, ATM

RELIGION, CULTURE AND SOCIAL STIGMA

Anecdotal evidence shows that misconceptions, rumours and misinformation among Somalis are contributing to stigma which hamper the response. According to WHO, quarantine and social distancing are prime factors for halting the spread of COVID-19. However, due to the conservative nature of Somali culture, Somalis who contract the virus don't disclose for the fear of being stigmatized. On other hand, it's almost impossible for a Somali person to be avoided by his family or loved ones regardless of the disease he/she has. If one of the family is sick because of COVID-19, it is also difficult to persuade the rest of the family to self-isolate the person. For example in Sweden, Somalis are dying from the virus at "an astonishing high rate" according to the BMJ Journal despite accounting for only 0.69 percent of the population.[35]

Furthermore, many Somalis simply hide the fact that if a family member contracted the Coronavirus dies, they want these people to be buried according to standard Islamic funeral rituals. If these ceremonies are not performed, people fear being left with indelible shame as they will not have accorded the proper dignity to their deceased loved ones. This means the more people die of the virus, the more people may contract it through social contact at funerals. Hospitals in Mogadishu are not accepting people they suspect have contracted the virus, because they fear losing clients. It is also being reported that people who are wearing face masks in public are facing stigma and this kind of shunning discourages many people to take sensible self- protection steps.[36]

Somali Government has put in place measures aiming to halt the spread of this deadly virus, including drastic limitations on public religious gatherings and even outright prohibitions on daily prayers in mosques, including Friday and special nightly Ramadan prayers Taraweeh. But many religious groups refused to comply with the restrictions and shoulder-to-shoulder prayers continue across the country.

There were also misconception held by some Somalis that this virus will not affect Muslims. The religious leaders as they are the most accepted authority to counter the myth. This has created controversy among the Somali Ulamas; some aligned themselves with the government directives and encouraged their followers to follow Ministry of Health guidelines where other restrained themselves to condone. On the other hand, the al-Shabab group has warned Muslims to beware of infectious diseases such as coronavirus, which it says are spread "by the crusader forces who have invaded the country". Somalia's Muslim clerics have to counter the propaganda of militant Islamists.

It is fascinating to look through religious lens to understand Somali views about the COVID-19 pandemic. Quick survey conducted by African Voices show that most older Somalis expressed negative stigma compared younger age groups who are more likely to advocate for following expert/government advice on right practices. Displaced persons are twice more likely than host community respondents to express stigma and were also more likely from respondents from more insecure areas (due to Al-Shabaab threat) than from Banadir.[37]

35. https://www.bmj.com/content/368/bmj.m1101/rr-10
36. How stigma is holding back the fight against Coronavirus in Somalia
37. AfricanVoices survey May 2020

INTERNATIONAL COMMUNITY SUPPORT

It is widely acknowledged that the coronavirus pandemic requires coordinated global action and fragile states such as Somalia require international help to mitigate potentially devastating impacts on the health and livelihoods of the most vulnerable populations. International community responded swiftly to support Somalia in various forms; traditional multilateral aid packages, bilateral financial packages and in-kind donations.

UN agencies and cluster partners developed COVID-19 Country Preparedness and Response Plan (CPRP) for Somalia with estimated cost of $700 million to respond to the direct public health and indirect immediate humanitarian and socio-economic consequences of COVID-19. The plan focuses on accelerating or scaling up existing programmes and is aligned with the Federal Government of Somalia's Covid-19 Comprehensive Socio-Economic Impact and Response Plan launched on 27 March 2020 in which Ministry of Health estimated $200 million is needed to respond to COVID-19 outbreak and reduce morbidity and mortality in the country.

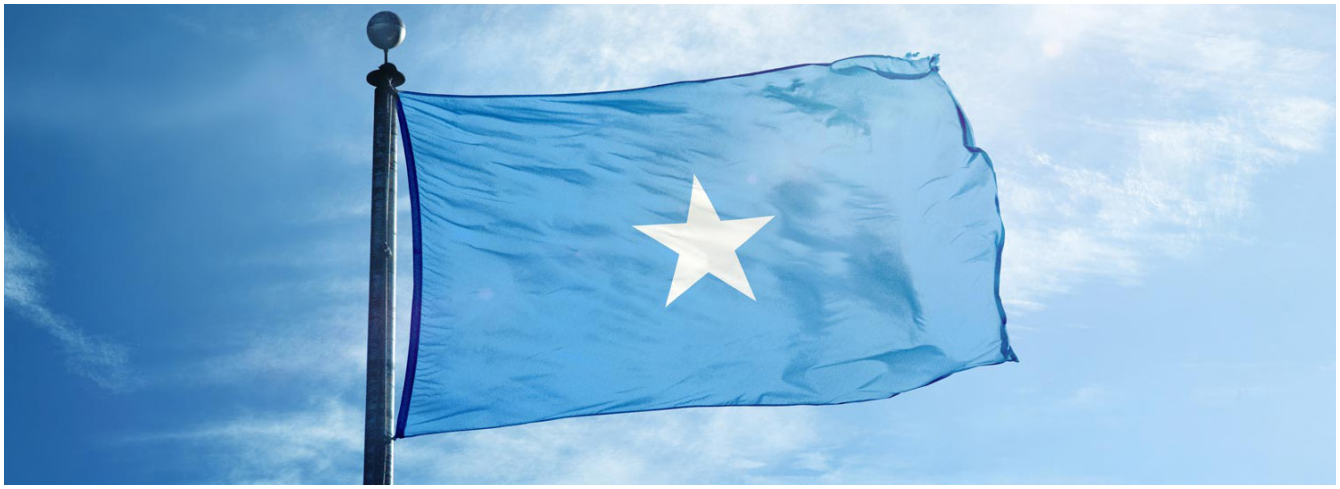
Somalia received medical supplies (testing kits, face masks and other assorted personal protective equipment (PPE)) from Chinese business magnate Jack Ma, through his Alibaba Foundation to help fight against COVID-19 pandemic. Turkey also sent three batches of medical supplies, including new Turkish-made ventilators, to help Somalia fight coronavirus. In April 2020 the U.S. announced that it will provide an initial investment of $7 million in emergency health and humanitarian assistance to Somalia to help combat COVID-19. USAID also donated 350 hospital beds and 500 bedsheets to support the Somali Government in preventing and controlling the spread of COVID-19.

The World Bank approved a $137.5 million International Development Association (IDA) grant to help Somalia respond to and recover from multiple crises. This includes a $20.5 million emergency investment in COVID response[38]. The WB also provided Somali government with $45 million direct budgetary support. EU announced humanitarian package of €48 million to Somalia. A share of the funding will also contribute to the response to the coronavirus pandemic.

The government also directed donors to divert much of their program funding to aid the poor and increase cash based programs as way of social protection. An influx of cash aid programmes and cash for the government's own responses, will provide immediate opportunities for Somalia's predatory elite to accumulate wealth. Some researchers argue Somali political entrepreneurs to have continued to benefit from the contracting aid industry and moved capital with ease to foreign bank accounts causing capital flights and undermining Somalia development.[39]

38. https://www.worldbank.org/en/news/press-release/2020/05/15/world-bank-approves-137-5-million-for-somalias-response-to-covid-19-floods-and-drought
39. https://blogs.lse.ac.uk/africaatlse/2020/04/30/humanitarian-response-covid-19-somalia-capital-flight-debt-relief-violence/

POLITICAL IMPLICATION



This being an election year in Somalia, the COVID-19 pandemic heightened political uncertainty. Somalia parliament will reach the end of its constitutional four-year term on December 2020. The opposition leaders suspect that current administration would try to rig or postpone the elections because of pandemic. Any postponement would need backing from all stakeholders.

In less than a year before constitutional election day, Somalia is in a totally different electoral and political landscape than it has ever been in the past: (1) For the first time, Somalia is a bicameral legislature and all legislations must get the approvals of both chambers - House of the People and the Upper House. (2) FGS lack of credible efforts to prepare elections on time. (3) There is barely any cooperation between the government and FMS. (4) The term of the National Independent Electoral Commission (NIEC) in charge of conducting elections in Somalia expires July 2021 and has no working relations with some of the FMS. (5) Somalia has close to 90 political parties - none of them has so far graduated into a full-fledged political party. Therefore it is impossible to have these many 'parties' around the electoral discussions table. (6) The position of the international partners on elections has been to hold elections on time.

The Speaker of the Parliament in interview with BBC on 22 April 2020 made it clear that there will not be election delay. The Prime Minister also during cabinet meeting on 29th May ruled out term extension and announced that his government intends to hold elections on time. NIEC being the constitutional body tasked to manage the national elections appeared before the parliament on 27th June and presented two models of election in which each calls for extension of time. FMS, opposition groups and the Upper House all rejected NIEC proposal while the international community cautiously welcomed NIEC work. Country is now is deadlocked and deeply divided on the way forward.

There are several countries facing elections this year. Despite the pandemic many countries held/holding elections; for example South Korea, Burundi and Israel held national elections while Sri Lanka and USA decided to hold their national elections. Countries like Ethiopia and Uganda have postponed national elections but they are facing legal and political challenges.

Even in normal times FGS plans to hold national elections in 2020/21 would have been fraught with uncertainty. Before the coronavirus pandemic, Somali opposition groups and donors had called for timely elections. The possible postponement is deeply worrying as there is no legal provision to permit postponement and there has been no declaration of emergency, any attempt to postpone election may spark conflicts. Although universal suffrage deeply resonates with the Somali people and it is a constitutional right but it is currently impractical. As the security situation is similar to that of 2016 and the Covid-19 pandemic is subsided in Somalia there is no excuse for the government to postpones national elections. It remains to be seen whether federal elections will be postponed, following the footsteps of neighboring Ethiopia.

SECURITY

In March UN chief calls for global ceasefire but this has not had any effect in Somalia amid the Coronavirus. On March 19, the Risk Level Index for Somalia reached its highest point in six months. The country continues to face security challenges and there has been no cessation in terrorist related violence. Other security challenges included downing of humanitarian cargo plane, increased communal conflict and social unrest due to curfew.

Al-Shabab militants control much of the countryside in southern and central Somalia. Al-Shabab portrays the pandemic as a divine punishment from Allah. al-Shabab has disregarded public health warnings from the government kept crowded mosques and Islamic schools in areas under its control open. Al-Shabab's military operations have also been largely unaffected by the global pandemic. It has not carried out any major bombings but its constant, almost daily attacks against Somali security forces, government officials and civilians have continued unabated. Throughout, the Somali government and international forces have continued military operations. U.S. military airstrikes against the group have likewise continued.

To make matters worse, a plane carrying Coronavirus medical supplies was shot down by non-AMISOM Ethiopian forces May 4 in the town of Bardale, in southwestern Somalia, killing all six people aboard. On 26 May, a chartered plane ferrying humanitarian aid was nearly downed in the southern Somalia town of Qansah-Dhere in Bay region after it was shot with DSHK machine gun and narrowly missing the plane fuel tank. The town is controlled by non-AMISOM Ethiopia forces. These incidents threatens security and stability with significant humanitarian consequence as the region is blocked by Shabab and the only means of getting humanitarian supplies to these vulnerable communities is by air.

Mogadishu witnessed mass demonstration and riots; On April 10 during Friday prayers at Mogadishu's Marwaz mosque, a scuffle broke out after armed forces tried to forcibly disperse a congregation of worshippers without notice. This followed by violent demonstrations that swept the streets of Mogadishu on April 24 in response to the fatal shooting of two innocent civilians by police as they tried to enforce the imposed curfew.

The number of communal conflicts flared up in parts of the country; In February, at least 20 people were killed in fierce inter-clan fighting in Somalia's Lower Juba region.[40] In separate incidents, as many as 30 people died during communal clashes in Dinsor, Bur Hakaba, and W/weyn of South West State.[41] In March, 8 young medical staff were abducted and then killed near Balcad District of Hirshable State. Somaliland and Puntland forces continued to clash in Sanaag province with casualties on both sides.[42] In February, fierce fighting erupted between FGS troops and regional militia (Ahlusuna Wajama) over political rivalries in Dhusamareb, capital city of Galmudug leaving as many as 50 people dead.[43]

40. http://www.xinhuanet.com/english/2020-02/04/c_138755281.htm
41. https://apnews.com/c751b394d412d8e6e61667091eeee956
42. https://somalilandstandard.com/somaliland-puntland-fight-in-sanaag-province/
43. https://www.reuters.com/article/us-somalia-security/clashes-break-out-in-somalia-slowing-fight-against-al-qaeda-linked-insurgents-idUSKCN20M1QU

RECOMMENDATION MATRIX

With right policies and adequate support, Somalia could transform this crisis into an opportunity. The following are some suggestions for consideration:

Sector/Area	Recommendation
Economic/Financial Management	1. All emergency budgetary spending should be approved by the Parliament as soon as practically possible ex post. An adequate audit trail should always be maintained to facilitate ex-post assessment and evaluation.
	2. Consider investing significant portion of Covid-19 windfall in much needed healthcare infrastructures in FMS and other basic social services.
	3. Provide National ID and CBS to strengthen its supervision capabilities and put in place effective monitory policies.
	4. embrace Digital payment to enhance compliance regime and meet regulatory standards requirements.
Health	5. Raise public awareness and influence behaviors and practices on social distancing and other preventative measure as well as the danger of the Corona virus by disseminating information through effective messaging strategies such as engaging with religious leaders and women groups
	6. Provide training sessions that improves front-line health care workers' technical capacity and on pandemic prevention and control
	7. Upscale the diagnostic testing capacity at federal level and rabidly establish testing capacity at state level across the country and find solution for addressing the shortage of personal protection equipment (PPE).
Humanitarian	8. Increase support to the immediate humanitarian needs as consequences of the pandemic, particularly the most vulnerable communities.
	9. Decentralize and localize responses with remote monitoring and digital solutions mechanism.
	10. Strengthen remote management, while finding ways to maintain accountability, community engagement and follow-ups.
	11. Assist FMS to establish disaster mitigation and management systems.
	12. Rethink the impacts of the 'financialization' of different aspects of crisis response and focus more on development projects.
Social Stigma	13. Create right environment by educating the society and sharing accurate information about the risk from Covid-19.
Security	14. Improve their working relationship and resume their national security committee meetings.

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