

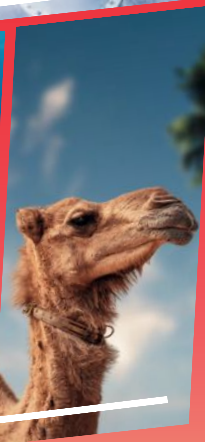


Wasaaradda Horumarinta Maalgashiga iyo Warshadaha  
**Ministry of Investment  
& Industrial Development**  
وزارة تنمية الاستثمار والصناعة



# INVEST IN SOMALILAND

**YOUR GATEWAY TO INVESTMENT IN THE HORN OF AFRICA**



**2025**



**H.E. ABDIRAHMAN MOHAMED ABDILAH**  
**THE 6<sup>TH</sup> PRESIDENT OF THE REPUBLIC OF SOMALILAND**



# TABLE OF CONTENTS

<b>1</b>	<b>Messages.....</b>	<b>04</b>
	• Minister .....	04
	• Vice Minister.....	05
	• Director General.....	06
<b>2</b>	<b>Country Profile.....</b>	<b>07</b>
<b>3</b>	<b>Somaliland Laws.....</b>	<b>17</b>
<b>4</b>	<b>Invest In Somaliland.....</b>	<b>22</b>
<b>5</b>	<b>Investment Priorities.....</b>	<b>25</b>
<b>6</b>	<b>Somaliland's Regions.....</b>	<b>28</b>
<b>7</b>	<b>Manufacturing Industry.....</b>	<b>30</b>
<b>8</b>	<b>Industrial Parks.....</b>	<b>32</b>
<b>9</b>	<b>Mineral Resources.....</b>	<b>37</b>
<b>10</b>	<b>Oil &amp; Gas Petroleum.....</b>	<b>42</b>
<b>11</b>	<b>Energy &amp; Renewables.....</b>	<b>48</b>
<b>12</b>	<b>Agricultural.....</b>	<b>53</b>
<b>13</b>	<b>Livestock.....</b>	<b>62</b>
<b>14</b>	<b>Marine Resources.....</b>	<b>66</b>
<b>15</b>	<b>Health.....</b>	<b>79</b>
<b>16</b>	<b>Banking &amp; Finance.....</b>	<b>82</b>
<b>17</b>	<b>Technology.....</b>	<b>85</b>
<b>18</b>	<b>Telecommunication.....</b>	<b>88</b>
<b>19</b>	<b>Real Estate &amp; Housing.....</b>	<b>92</b>
<b>20</b>	<b>Tourism &amp; Hospitality.....</b>	<b>95</b>
<b>21</b>	<b>Somaliland Special Economic Zone.....</b>	<b>103</b>
<b>22</b>	<b>Somaliland Public-Private-Partnership.....</b>	<b>107</b>
<b>23</b>	<b>Ministry's Introduction.....</b>	<b>109</b>
<b>24</b>	<b>Requirements for Investors Across key Sectors.....</b>	<b>112</b>
<b>28</b>	<b>Acknowledgment Message.....</b>	<b>116</b>





# MESSAGES TO THE INVESTORS



**Dear Esteemed Investors,**

It is my great honor and privilege to introduce you to the Republic of Somaliland, a nation full of promise, opportunities, and untapped potential. Our country stands at the crossroads of regional and global trade, with a vibrant, entrepreneurial spirit that is driving rapid economic growth and transformation. We are here to create a investor-friendly environment that attracts both domestic and international investors. Our policies are designed to ensure transparency, streamline procedures, and offer a wide range of incentives, including tax holidays, customs exemptions, and land facilitation for qualifying projects.

Somaliland boasts immense opportunities across multiple sectors. Our strategic location along major global trade routes provides direct access to markets in the Middle East, Africa, and beyond. In addition, our rich resources agriculture, livestock, fisheries, minerals, and renewable energy create a diverse landscape for long-term investment success. The expansion of critical infrastructure, including the Berbera Port and economic corridors, further enhances our connectivity and competitiveness in regional and global markets.

I invite you to explore the many opportunities that Somaliland offers. We are a nation of innovation and resilience, and we welcome investors who share our vision of growth, prosperity, and shared success. Together, we can unlock the full potential of Somaliland and build a brighter future for all.

Thank you for considering Somaliland as your next investment destination. We look forward to partnering with you to achieve remarkable milestones in your business endeavors.

**Sincerely,**  
**Hon. Mr. Saeed Mohamed Bourale**  
**Minister of Investment & Industrial Development**





## MESSAGES TO THE INVESTORS



**Dear Prospective Investors,**

It is with great enthusiasm that I extend this invitation to you as Vice Minister, I am honored to introduce you to the wealth of opportunities our nation has to offer and to reaffirm our commitment to fostering a thriving investment environment.

Somaliland is a nation built on stability, resilience, and a forward-looking vision for economic development. We take pride in our rich cultural heritage and strategic location at the heart of key trade routes, which offer unparalleled access to regional and global markets. With our diverse natural resources and an ambitious infrastructure agenda, we are ready to welcome investors who seek growth and long-term partnerships.

As Vice Minister, I assure you that the Ministry of Investment and Industrial Development is fully committed to supporting your investment endeavors. Our team is equipped to guide you through the investment process, from project planning and registration to aftercare services. We view investors as vital partners in advancing our nation's development, and your success is a cornerstone of our economic vision.

I encourage you to visit Somaliland, explore our investment opportunities, and witness firsthand the transformative progress taking place in our country. We look forward to collaborating with you to create a prosperous future where innovation, sustainability, and growth drive mutual success.

Thank you for your interest in Somaliland. We stand ready to welcome and support you.

**Sincerely,**  
**Hon, Mr. Mohamed Elmi Xuseen**  
**Vice Minister**  
**Ministry of Investment & Industrial Development**



## MESSAGES TO THE INVESTORS



**Dear Investors and Partners,**

As you reach the conclusion of this investment booklet, I would like to take this opportunity to express my sincere gratitude for your interest in the Republic of Somaliland. This guide has provided you with a comprehensive overview of our nation's rich investment landscape, covering key sectors such as mining, agriculture, livestock, energy, fisheries, tourism, manufacturing, and technology. Each sector is a testament to the remarkable opportunities that await visionary investors like you.

Our government places a high priority on ensuring that investments are both secure and profitable. Through our investment laws and policies, we guarantee investor rights, streamline administrative procedures, and provide a host of incentives, including tax exemptions and land facilitation. We are committed to continuously improving our regulatory framework to enhance ease of doing business and to attract high-impact investments that drive long-term economic development.

I invite you to take the next step in your investment journey by engaging with our team of experts. We stand ready to assist you with all your inquiries, from feasibility studies and project planning to business registration and aftercare services. Together, let us unlock Somaliland's full potential and create lasting opportunities for mutual prosperity.

We look forward to welcoming you to our country and embarking on this transformative journey with you.

**Best regards,**  
**Abdifatah Ismacil Ducale**  
Director General  
Ministry of Investment & Industrial Development

# COUNTRY PROFILE

## 1.0. Country Name

The Republic of Somaliland (Jamhuuriyadda Somaliland).

## 1.1. Total Population

4.8 million (2025)

## 1.2. Official Languages

Somali, Arabic, English.

## 1.3. Demonym

Somalilander(s).

## 1.4. Capital

Hargeisa (alternate spelling: Hargeysa).

## 1.5. Major Cities

Hargeisa, Burao, Berbera, Borama, Las Anod, and Erigavo.

## 1.6. Independence

Somaliland officially attained its independence from Britain on June 26, 1960.

## 1.7. GDP

Gross Domestic Product (GDP): \$4.28 billion USD. (2024)  
Annual GDP Growth: 2.8% (2024)

## 1.8. Currency

Somaliland Shilling (SLS).

## 1.9. Production Export:

Industrial Minerals, Gemstone Production.  
Livestock Exports, Hides and Skins, Frankincense.



## 1.10. Restoration of Sovereignty

The Republic of Somaliland restored its sovereignty on 18 May 1991 withdrawing from the unlawful merger with Somalia. The decision was made by the Grand Conference of Clan Elders held in Burao from 27 April to 15 May 1991. It was later supported by the Somaliland Public after the referendum was held that affirmed Somaliland's reinstating sovereignty from Somalia as a separate independent sovereign state where 97% voted in favor of the reclaimed sovereignty.

## 1.11. Public Holidays

1	Description	Number of days
2	Eid al Fitri	2 days
3	Eid al Adha	2 days
4	Maulid un Nabi	1 day
5	Muslim New Year	1 day
6	Lailatul Isra Wal Mi'raj	1 day
7	International Labour Day	1 day
8	Somaliland Re assertion of independence, 18 may	2 days
9	Somaliland 1960 Independence Day	1 day
10	Gregorian Calendar New Year, 1 January	1 day

## 1.12. Flag Description

The flag of the Republic of Somaliland consists of three horizontal, parallel stripes: green, white and red from top to bottom with the Islamic Shahada inscribed on the green and a black, five-pointed star centred on the white, middle stripe.





### 1.13. National Emblem

The emblem, set off by a circular yellow background, consists of a coffee-colored falcon sitting below two scales and at the bottom of which are two hands clasped in a handshake. Starting from an intertwined knot at the bottom two, open-ended laurels branch off upwards on either side of the scales and the falcon. The Bismillah in Arabic closes the gap at the top of the laurels and the words Allahu Akbar (Allah is Great) are inscribed on the chest of the falcon.



### 1.14. National Anthem “Samo ku Waar”

The Republic of Somaliland National anthem - ‘Samo ku waar’ (Live in Eternal Peace) 1 - was composed by the late great playwright and songwriter, Hassan Sheikh Mumin.



### 1.15. Constitution

The 130-article Constitution of the Republic of Somaliland was adopted by the House of Representatives on 30 April 2000. It replaced a National Charter that has served as the principal guiding document since it was passed in 1993 at the Borama conference. Subsequently, the political system of Somaliland has had this transition from clans elected representatives to popular elections. And it was the historic year of 2001, when the national referendum was held, in which 97% of voters, who turned out in large numbers, not only ratified the national constitution but also reaffirmed the decision for Somaliland to reinstate its sovereign nation-state.

## 1.16. Judicial System

Articles 97 up to 107 of the National Constitution define the country's judicial system. 'The state [180] shall have a judicial branch whose function is to adjudicate on proceedings between the Government and established the courts which the national Constitution recognizes as the Supreme Court, Appellate courts of the regions, Regional Courts, District Courts and the courts of the National Armed Force.

## 1.17. Political Parties

Presently, as is stipulated by Article 9 of the Republic of Somaliland Constitution, three national parties exist, currently namely: WADDANI (ruling party) and Kulmiye and KAAH- the two opposition parties.



# Democratic Elections Held Since 2002.

The table below shows elections and one-person, one-vote balloting held since 2002.

#	Elections	Time Frame
1	Constitutional referendum	2001
2	Local council and political parties elections	2002
3	Presidential elections	2003
4	House of Representatives elections	2005
5	Voter registration	2008-2009
6	Presidential elections	2010
7	Local council and political parties elections	2012
8	Voter registration	2016
9	Presidential elections	2017
10	Voter registration	2023
11	Presidential elections and political parties elections	2024

Somaliland has succeeded in establishing a multiparty competitive electoral system, where opposition and ruling parties compete freely, and where power has been peacefully and smoothly transferred from incumbent presidents to the opposition. Somaliland practices or performs most democratic fundamental and universally agreed on principles and values that included but not limited freedom of speech, free press, free market, human rights, vibrant civil society and non- state actors, freely operational opposition parties, civic participation and right to assembly and association.



# SOMALILAND IN PICTURES



**Somaliland Passports,  
Ordinary,  
Service & Diplomatic**



**Somaliland Currency  
Notes**



**Somaliland Military  
Parade**



**Somaliland Military  
Academy Graduation**



**Somaliland Police  
Service**



**Somaliland Army During  
18th May Celebrations**



# INTRODUCTION

Somaliland offers unique opportunities for investors. Its stable government, developing economy, and favorable investment climate make it an attractive destination for foreign investment.

Since 2001, Somaliland has conducted several significant elections, including constitutional referendums, local councils, political parties, and presidential elections. Voter registrations were conducted and completed in 2008-2009, 2016 and 2024. This multiparty system allows free competition between opposition and ruling parties, ensuring peaceful power transfers. Somaliland adheres to democratic principles such as freedom of speech, a free press, a free market, human rights, a vibrant civil society, active opposition parties, and the right to assembly and association.



## LOCATION & HISTORY



### Location

The Republic of Somaliland is located in the Horn of Africa, bordered by the Gulf of Aden to the north, Somalia to the east and southeast, Ethiopia to the south and west, and Djibouti to the northwest. It covers an area of 110,000 Square Miles or 176,000 Square Km. The Somaliland coast lies north of the equator, between latitudes 10.0N and 11.0N and between longitudes 43.15E and 49.0E in the Gulf of Aden. It stretches 856 km with an Exclusive Economic Zone (EEZ) area of approximately 70,000 sq km.

Somaliland is Maritime Zone: (a) territorial sea extending 12 nautical miles (nm); (b) a contiguous zone extending 24 nm beyond the seaward limit of territorial sea; (c) a continental shelf that extends 200 nm seaward from its baselines, subject to delimitation with states having overlapping maritime claims in accordance with international law; and (d) an exclusive economic zone that also extends 200 nm seaward from its baselines, subject to delimitation with states having overlapping maritime claims in accordance with international law.

Somaliland has three topographic zones: the coastal plain (Guban), the mountain range (Oogo), and the plateau (Hawd). The Guban Plain is a narrow, hot strip along the coast that lies between the sea and the Golis mountain range. The Golis Mountains, extending from Ethiopia to the Sanaag region, feature Surad - the highest peak of the country - at 2,633 meters. There are no perennial rivers, but many ephemeral wadis (dry river beds) fill with water during monsoons.

The region's annual rainfall ranges from 150 mm in the coastal Guban to 500 mm in some southwestern areas and parts of the Golis range. Temperatures vary significantly between the plains and the mountains, from an average of 18°C in the high Golis escarpment to 31°C in northern coastal towns like Berbera. Summer temperatures range between 34°C and 38°C, with the highest recorded temperature near 48°C.

In winter, temperatures range from 5°C to 34°C, with the lowest recorded temperature being -2°C near Surad Mountain.



## History



Historically known as Berber Land, Punt Land, Coast of Spices, and Land of Aroma, Somaliland's coastal towns like Zeila and Berbera date back to the 1st century AD. An ancient document referred to as \*Periplus of the Erythraean Sea\* describes trade between these ports and Egyptians, Chinese, Persians, Indians, and Arabs. According to this document, spices, myrrh, ivory, frankincense, gum, and cinnamon were among the goods exchanged.

By the 2nd century, Arab trade was well-established along Somaliland's coast. In the 16th century, Zeila was under the Ottoman Empire, while Egypt's expansion along the coast placed the region under its control by 1870. It was recognized by Britain in 1877. In 1884, Britain assumed control from Egypt, securing protection treaties with local clans to maintain influence and prevent other colonial powers from encroaching on the region.





## Culture

Somaliland's culture is rich with traditional somaliland and Islamic influences, shaped by its nomadic and Arab-Islamic heritage. The clan structure is central, with Somalis divided into six main clans and several subclans. The nomadic lifestyle significantly influences Somali culture, which is characterized by a strong oral and poetic tradition.

Although the Somali Latin script was established in 1973, English alphabet is widely used. Somalis are Sunni Muslims, and Islam plays a crucial role in their national identity. Traditional practices such as wearing headscarves and arranged marriages remain prevalent, especially in rural areas.







# SOMALILAND LAWS

## Introduction to Somaliland's Legal System

Since declaring its independence in 1991, Somaliland has developed its own distinct legal system, to establish a stable and effective governance structure. Somaliland's legal system is a unique blend of traditional, Islamic, and modern legal frameworks, reflecting the country's diverse cultural heritage and historical influences. The Constitution of Somaliland, adopted in 2001, serves as the supreme law of the land and lays the foundation for a democratic government, human rights, and the rule of law.

The legal system in Somaliland is anchored by a robust constitutional framework that upholds the ideals of separation of powers, judicial independence, and the protection of fundamental rights and freedoms. Somaliland's commitment to the rule of law is evident in its functioning judiciary, which operates independently to interpret and apply laws fairly and impartially. The legal framework is reinforced by a comprehensive set of laws and regulations that govern various aspects of civil, criminal, and commercial matters.

Somaliland has enacted numerous laws to regulate its economic, social, and political affairs, including legislation on property rights, business regulations, and investment protections, fostering an environment conducive to economic growth and development. The government has also prioritized the adoption of legal reforms that enhance transparency, accountability, and good governance, thereby strengthening the confidence of both domestic and foreign investors.



# SOMALILAND INVESTMENT ACT AND POLICY

## Investment Law

The Somaliland Investment Law operates as the legal foundation for foreign and domestic investment, granting protection, profit repatriation, and incentives to create a financially secure environment for investors. This Act outlines investment rules and procedures to ensure transparency and investor rights. The Investment Policy, on the other hand, provides strategic direction for attracting investment and fostering economic growth. Together, they aim to harness Somaliland's resources and talent to drive prosperity and sustainable development.

## 1. Investment Incentives

- **Tax Holidays:** Investors enjoy tax exemptions on profits for three to five years, depending on the sector and scale of investment.
- **Customs Duty Exemptions:** Exemptions are provided on imported raw materials, machinery, and equipment used for production.

## 2. Investor Protection

- **Repatriation of Profits:** Investors have the right to freely transfer profits and dividends abroad.
- **Protection Against Expropriation:** The Act guarantees that investments will not be nationalized or expropriated without due process and compensation.

### 3. Streamlined Investor Registration

- **One Stop Investment Center office:** This dedicated office within the Ministry of Investment and Industrial development streamlines the Investment registration process, making it easier for investors to establish operations. For infrastructural projects to facilitate business operations and enhance connectivity.
- **Protection Against Expropriation:** The Act guarantees that investments will not be nationalized or expropriated without due process and compensation.

### 4. Legal Framework

- **Clear Legislation:** The Act includes key laws such as the Foreign Investment Law, Islamic Banking Law, and Commercial Banking Act to create and maintain a favorable investment climate.
- **Dispute Resolution:** The Act provides mechanisms for resolving disputes between investors and the government, ensuring fair treatment and legal certainty.

### 5. Sector-Specific Opportunities

- **Diverse Investment Sectors:** There are provisions within this Act that encourage investment across various sectors, including agriculture, mining, energy, tourism, and telecommunications.
- **Renewable Energy Promotion:** Incentives are offered for projects dedicated to solar, wind, and other renewable energy sources.

### 6. Supportive Government Policies

- **Open Market Policies:** The Act promotes non-discriminatory practices against foreign investors, fostering an open and competitive market environment.
- **Infrastructure Development:** Extends support infrastructural projects to facilitate business operations and

### 7. Focus on Sustainable Development

- **Environmental Protection:** Provisions are also in place to encourage environmentally sustainable projects that align with national development goals.
- **Community Act Engagement:** Lastly, this emphasizes projects that create jobs, build local capacity, and contribute to social development.

# SOMALILAND PPP ACT AND POLICY

## Public Private Partnership Law

This law provides the foundation for collaboration between Somaliland's public institutions and private investors to jointly develop infrastructure, utilities, and services. It enables ministries, agencies, and municipalities to partner with domestic or foreign investors through structured, legally binding agreements that support national priorities.

Projects follow a clear cycle: identification, feasibility analysis, approval, competitive bidding (or justified direct contracting), and performance monitoring. The law promotes accountability, protects public resources, and ensures mutual benefit.

### Contract Models Allowed

- Build-Operate-Transfer (BOT)
- Lease-to-Own
- Joint Ventures
- Revenue-sharing and return-based contracts
- Other fit-for-purpose arrangements



### Strategic Value for Investors

- Strong legal protections and transparent processes
- Opportunity to partner in high-impact infrastructure and service projects
- Access to government-owned land or assets under lease or revenue-sharing terms
- Government co-ownership or guarantees for certain projects
- Legal clarity on contract enforcement and exit terms

This law showcases Somaliland's commitment to building a modern, investor-friendly environment while ensuring that national development remains inclusive, accountable, and aligned with public priorities.



# SOMALILAND INDUSTRIAL ACT AND POLICY

## Industrial Law

The Industrial Development Act of Somaliland establishes a modern legal and institutional framework to accelerate industrialization, attract investment, and create employment. Enacted to support Vision 2030 and the National Development Plan III, this law empowers the Ministry of Investment and Industrial Development (MoIID) to strategically coordinate, regulate, and expand Somaliland's industrial base.

### 1. Industrial Development Zones (IDZs)

- The Act mandates the creation of Industrial Development Zones across all regions. These zones are legally designated areas with:
- Clear land boundaries and production types set by Presidential Decree.
- Reserved land strictly for industrial use (no repurposing allowed).
- Government-facilitated infrastructure: roads, electricity, clean water, ICT access.

### 2. Strategic Objectives

- Enable domestic and foreign companies to operate in regulated, service-rich zones.
- Attract large-scale manufacturing investment and technology transfer.
- Boost industrial exports and reduce reliance on imports.
- Promote job creation and inclusive economic growth.
- Facilitate partnerships with foreign industries through Public-Private Partnerships (PPPs).

### 3. Governance and Administration

- The Ministry of Investment and Industrial Development is granted full authority to:
- Design master plans tailored to each region's resources.
- Manage licensing, coordination, inspection, and compliance within the IDZs.
- Promote SME industrial participation and foreign joint ventures.
- Establish an Industrial Zones One-Stop-Shop (IOSS) to simplify investor processes.

# INVEST IN SOMALILAND



## Why Invest In Somaliland ?

Investing in Somaliland offers significant potential for high returns, particularly in key sectors such as agriculture, livestock, fisheries, mining, and energy. The stable political environment and favorable investment incentives make it an attractive destination for investors.

## TOP Foreign & Local Investors in Somaliland





# 1

## STRATEGIC LOCATION

Somaliland is strategically located in the Horn of Africa along the Gulf of Aden, near the Bab al-Mandeb. More importantly, its presence on the major shipping route through the Red Sea and Suez Canal, where one-third of the world's shipping passes, makes it a crucial location.



# 2

## OPEN MARKET

Somaliland has a free-market economy based on supply and demand, with minimal government control. It also promotes open market policies that eliminate discrimination against foreign investors and encourage new opportunities and innovation.



# 3

## PUBLIC PRIVATE PARTNERSHIP (PPP)

Somaliland's Government is a proponent of establishing viable Public Private Partnerships (PPPs) to address large-scale infrastructural development projects, which are beyond the financing capacities of the Government.



# 4

## LAND OWNERSHIP AND PROPERTY LEASING

Both foreigners and Somalilanders are freely able to purchase and sell property as they wish. Land ownership rights are strongly upheld within Somaliland.



## 5 SECURITY AND TRANSPARENCY

Somaliland has achieved peace, stability, and democracy with five successful elections and the existence of professional security forces, providing a strong foundation for attracting foreign investment and promoting sustainable economic development.



## 6 INVESTMENT CLIMATE & INCENTIVE

Somaliland offers a stable political environment, a favorable legal framework, and government support for investors. This includes tax holidays, customs duty exemptions, and favorable land lease terms, with a 100% tax holiday on profits for three to five years and full customs exemptions on imported production materials and equipment.



## 7 NEW FOREIGN INVESTMENTS

Somaliland is expanding its economic ties globally. In addition to negotiating with Ethiopia and attracting investments from Djibouti, Turkey, Malaysia, the UAE, and China in key sectors like livestock and fisheries, it is also receiving significant diaspora investment from the UK, Norway, Germany, and the United States.



## 8 NATURAL RESOURCES

Somaliland has many advanced fiber optic cables that enhance telecommunications in the region, which helps bolster business and financial services and mitigates the need for expat labor, while investment opportunities exist in tourism, infrastructure, and social sectors.



## 9 SOUND REGULATORY REFORMS

Somaliland has many advanced fiber optic cables that enhance telecommunications in the region, which helps bolster business and financial services and mitigates the need for expat labor, while investment opportunities exist in tourism, infrastructure, and social sectors.

# INVESTMENT PRIORITIES

**Welcome to Somaliland,** where investment priorities drive mutual prosperity. We invite investors from across the world to join us in building a diversified economy focused on infrastructure, energy, agriculture, and tourism. Investing in Somaliland offers lucrative financial returns and a chance to shape our nation's future. Whether you're interested in agriculture, tourism, or manufacturing, abundant opportunities await. Our supportive business environment, streamlined regulations, and access to resources will certainly ensure shared success and growth.

## Agricultural & Livestock

Agriculture and livestock form the backbone of Somaliland's economy. This sector extends various opportunities for investors in modernizing farming practices, enhancing productivity, and expanding exports. The vast arable land and favorable climate offer substantial potential in crop production, livestock breeding, and agroprocessing industries, making it a highly profitable sector.



## Marine Resources

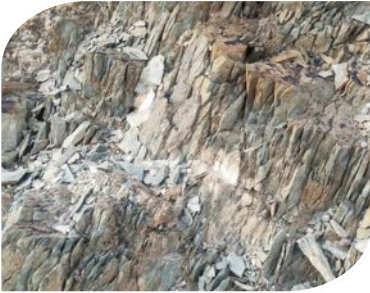
Somaliland's strategic location along the Gulf of Aden offers rich marine resources. Investment opportunities include expanding fishing operations, establishing processing facilities, and developing sustainable aquaculture to meet both domestic and international demand.





## Oil & Gas

Somaliland is quickly gaining traction among several international companies because of its abundant oil and gas resources. The sector offers opportunities for exploration, extraction, and refining, providing a significant avenue for economic growth and energy security.



## Mineral Resources

Somaliland has abundant mineral resources, including gypsum, gold, and various gemstones. Investment in mining and mineral processing can unlock the potential of these resources, creating jobs and contributing to the country's economic development.

## Energy & Renewables

With a focus on reducing dependency on imported fuels, Somaliland is prioritizing investment in renewable energy. Opportunities exist in projects concerning solar, wind, and other renewable energies, contributing to a sustainable energy future and reducing energy costs.



## Manufacturing & Industries

The manufacturing sector in Somaliland is poised for growth, with potential in food processing, textiles, and construction materials. Investors can tap into the market by establishing factories and production units that leverage local resources and meet regional needs.



## Tourism & Hospitality



Somaliland's rich cultural heritage and natural beauty make it an attractive destination for tourism. Investors can establish hotels, resorts, and tourist facilities, capitalizing on the growing interest in exploring new and untouched travel destinations.

## Education & Technical Institutions

Investing in education and technical institutions is crucial for building a skilled workforce. Opportunities exist in establishing schools, vocational training centers, and higher education institutions that cater to both local and international students.

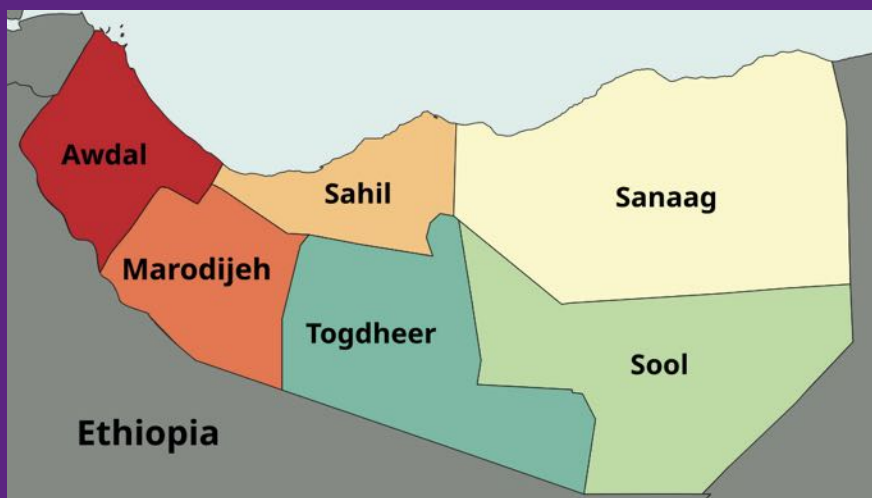


## Banking & ICT

The banking and ICT sectors are critical for supporting economic growth. Investors can explore opportunities in financial services, digital banking, and telecommunications, contributing to a more connected and financially inclusive society.



## SOMALILAND'S REGIONS



Introduction to Somaliland's Manufacturing and Industrial Sector. Since 1997, Somaliland has experienced stable growth in the registration of industries, with the highest number of new registrations recorded in 2019. Despite this growth, industries registered in the early 2000s have demonstrated better sustainability, potentially due to favorable economic conditions and effective business strategies. Among Somaliland's six regions, Maroodi-jeex leads in the number of registered industries, indicating a more conducive environment for industrial growth.

In contrast, the Sanaag region shows significant disparity, with minimal industrial activity. Currently, 56 industries are operational in Somaliland, with Maroodi-jeex serving as a key industrial hub. The prominence of this region suggests it is a center for economic activity, demonstrating potential for further industrial development. Although Sool has eight registered industries, their operational status is unclear, indicating possible challenges that need addressing to unlock the region's industrial potential.

## REGIONAL OPPORTUNITIES

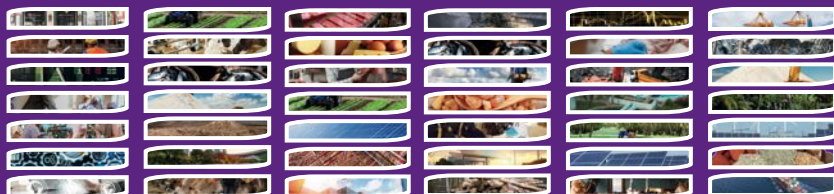
Somaliland, located in the Horn of Africa, offers diverse investment opportunities across its six regions, each with unique features. Maroodijeex, home to the capital Hargeisa, is the administrative and economic hub, ideal for investments in urban development, renewable energy, and thriving service industries like telecommunications and banking. Awdal, with fertile lands and a focus on education, presents opportunities in agriculture, agro-processing, and water resource management.

Togdheer, centered around Burao, is a livestock hub offering potential in meat processing, dairy industries, and veterinary services. The Sanaag region, rich in minerals, holds vast opportunities in mining and eco-tourism. Sool offers untapped potential in livestock trade and cross-border commerce with Ethiopia. Finally, the coastal Sahil region, anchored by the Berbera Port, is the gateway to global trade, offering lucrative investments in logistics, free trade zones, fisheries, and infrastructure development. Together, Somaliland's regions provide a robust and diversified landscape for investors seeking high returns in emerging markets.

Each region in Somaliland has unique strengths and resources that make it suitable for specific industries. By investing in these sectors, Somaliland can unlock its full economic potential while addressing local needs and fostering sustainable development.

Somaliland's six dynamic regions are brimming with untapped potential, waiting for visionary investors like you. Whether it's urban development in Hargeisa, agricultural ventures in Awdal, livestock trade in Togdheer, mining in Sanaag, cross-border commerce in Sool, or logistics and infrastructure at the thriving Berbera Port in Sahil, there's something for every investor.

Now is the time to act! Discover how Somaliland's diverse regions can unlock high returns for your investments. Be a pioneer in this emerging market and shape the future of one of Africa's fastest-growing economies.







## MANUFACTURING INDUSTRY

Introduction to Somaliland's Manufacturing and Industrial Sector. Since 1997, Somaliland has experienced stable growth in the registration of industries, with the highest number of new registrations recorded in 2025. Despite this growth, industries registered in the early 2000s have demonstrated better sustainability, potentially due to favorable economic conditions and effective business strategies. Among Somaliland's six regions, Maroodi-jeex leads in the number of registered industries, indicating a more conducive environment for industrial growth.

In contrast, the Sanaag region shows significant disparity, with minimal industrial activity. Currently, 56 industries are operational in Somaliland, with Maroodi-jeex serving as a key industrial hub. The prominence of this region suggests it is a center for economic activity, demonstrating potential for further industrial development. Although Sool has eight registered industries, their operational status is unclear, indicating possible challenges that need addressing to unlock the region's industrial potential.



An aerial photograph of a sprawling urban area in Somaliland, showing a mix of colorful buildings and dense housing. A prominent red banner with white text is overlaid on the upper portion of the image.

## MADE IN SOMALILAND

### **Multiple Somaliland Made products are exported to Africa and Asia**

Somaliland's industrial sector is undergoing a transformational shift, emerging as a key exporter of manufactured and processed goods. With over 56 operational industries, the country is seeing increased investment in industrial parks, agro-processing, textile manufacturing, and construction materials, positioning it as a regional production hub. The Berbera Economic Zone (BEZ) is a game-changer, offering world-class infrastructure, tax incentives, and strategic access to global markets via the Berbera Port, attracting both local and international manufacturers.

Agro-processing is at the forefront of industrial growth, with investments ranging from \$15 million to \$40 million, enabling the production of packaged dairy, processed grains, and value-added agricultural products for export. Additionally, the textile industry is gaining momentum, aiming to reduce reliance on imports and establish Somaliland as a competitive player in regional garment production. Meanwhile, construction material manufacturing, including cement, bricks, and prefabricated building components, is expanding to meet the increasing demand for infrastructure development across East Africa.

With government-backed policies that encourage investment and a strong push toward industrialization, Somaliland is solidifying its role as a key supplier in the Horn of Africa, the Gulf region, and beyond. As production capacity grows and trade networks strengthen, the country is set to double its industrial exports in the coming decade, unlocking significant economic opportunities for investors.

## HARGEISA INDUSTRIAL PARK

The Hargeisa Industrial Zone, is ready for investment. Strategically located just outside Somaliland's capital, this 9km<sup>2</sup> zone has been earmarked as a central pillar of the country's industrialization strategy. Backed by the Government of Somaliland through the Ministry of Investment and Industrial Development, the site offers a rare opportunity for investors to establish industrial operations in a fully planned, government-supported environment with strong growth potential.

The Industrial Zone is designed to host a wide range of sectors, including light and heavy manufacturing, agro-processing, logistics, packaging, warehousing, and industrial services. It is part of Somaliland's broader agenda to transition from a consumption-based economy to a production and export-driven one, creating jobs, fostering technology transfer, and expanding industrial value chains across the region.

### Development Readiness and Infrastructure Planning

The Hundulli site was selected through a land suitability assessment and multi-agency review. Early technical studies have confirmed the site's suitability for industrial development, and the Ministry has secured the land and completed preliminary planning. Infrastructure rollout is now underway, with phased investment in:

- Road access and internal transport corridors
- Power connectivity through national and renewable energy options
- Water supply systems for industrial use
- ICT and telecom infrastructure for factory automation and operations
- Utility corridors and waste management planning

Investors can begin planning and development on allocated plots, with government support for utility extensions and fast-tracked approvals.



9km<sup>2</sup>

## BERBERA INDUSTRIAL PARK

The Berbera Industrial Zone, covering 7.8 square kilometers, is now officially open for investment. Strategically positioned on the outskirts of Berbera the country's leading port city this zone forms a key pillar of Somaliland's industrialization strategy in the Sahil region. Developed in close coordination with DP World and as a natural extension of the Berbera Special Economic Zone (BSEZ), the industrial zone is primed to support the country's rising demand for domestic manufacturing, value-added processing, and regional trade infrastructure.

As part of the government's vision to build a diversified and export-driven economy, the Berbera Industrial Zone offers a fully planned, government-backed environment with critical infrastructure access and investment facilitation in place. The zone is administered by the Ministry of Investment and Industrial Development and offers investors strong logistical advantages, including immediate proximity to Berbera Port, international shipping lanes, and the Berbera Corridor—the vital trade route to Ethiopia.

### Strategic Advantages

The Berbera Industrial Zone is envisioned as a coastal manufacturing and logistics hub, designed to handle both import substitution and export-oriented production. Its port-side location significantly reduces logistics costs and improves access to global and regional markets, making it ideal for industries that rely on fast supply chain turnover.

Investors benefit from integration with the Berbera Free Zone, tax incentives, efficient customs handling, and trade facilitation services. The zone is designed to attract industries that can benefit from efficient port proximity and scale operations for both domestic and regional markets.



7.8km<sup>2</sup>

## BURCO INDUSTRIAL PARK

The Burco Industrial Park, located in Yiroowe just 16 kilometers from Burco city, located at Yiroowe town and spans 25 square kilometers and is envisioned as one of Somaliland's flagship industrial developments. Strategically situated in Togdheer—the heart of the country's livestock economy—the park offers direct access to major markets with road connections to Berbera Port and Hargeisa. Its central location makes it an ideal base for industries that integrate agriculture, livestock, and manufacturing into a cohesive value chain.

The park is designed to host a range of modern industrial facilities. Priority areas include livestock and agro-processing, such as meat and dairy plants, leather tanning, and crop packaging. Beyond this, Burco Industrial Park will support textiles and garment production, construction materials manufacturing, and food and beverage processing. These industries will strengthen Somaliland's capacity to meet domestic demand while driving regional exports.

### Opportunities for Investors

- Establish meat, dairy, and leather processing plants to tap into Gulf and Horn of Africa markets.
- Develop agro-processing and food & beverage factories to reduce imports and enhance food security.
- Invest in textile and garment production, meeting rising local and regional demand.
- Build construction materials factories to serve Somaliland's growing urbanization and infrastructure projects.
- Create logistics, cold storage, and renewable energy facilities to support efficient, sustainable operations.



25km<sup>2</sup>

The Somaliland Ministry of Investment and Industrial Development offers a supportive environment through land provision, tax holidays, customs exemptions, and PPP models that enhance investment security. The Burco Industrial Park is not only about industrial growth but also about creating thousands of jobs, stimulating exports, and driving diversification of the national economy. In essence, Burco Industrial Park represents a transformative opportunity turning Togdheer into a hub of productivity and positioning Somaliland as a competitive player in regional and international markets.

# MANUFACTURING AND INDUSTRIAL SECTOR OPPORTUNITIES

## 1. Stable Growth in Industry Registration

Somaliland has seen consistent growth in the number of industrial registrations, with a notable spike in recent years. This upsurge indicates a growing interest in the sector and a favorable investment climate.

## 2. Prominent Industrial Hubs

Hargeisa and Berbera are the leading cities in Somaliland for industrial activities, providing a favorable environment for industrial growth and acting as a hub for economic activity.

## 3. Diverse Industrial Classification

Industries are classified based on investment capital, with secondary manufacturing currently dominating the landscape. This classification supports strategic investments tailored to different industry scales.

## 4. Focus on Secondary Manufacturing

Currently, 98% of Somaliland's industries focus on secondary manufacturing, which entails the assembly of imported raw materials into finished products. This presents opportunities for investments in enhancing processing capabilities and expanding local production.

## 5. Opportunities in Primary Industries

Although primary industries like leather, fish, salt, and frankincense are currently underdeveloped in Somaliland, they offer significant potential for growth and diversification, providing investors with opportunities to explore untapped resources.







## **6. Value Addition in Key Sectors**

Investments in value-added processing, such as fish processing, dairy products, and building materials, can enhance product marketability, increase export potential, and contribute to economic growth.

## **7. Quality Control and Standards**

Implementing strict quality control measures and adhering to international standards, such as ISO and HACCP, can enhance product credibility and facilitate access to global markets.

## **8. Employment Generation and skill Development**

The industrial sector contributes to job creation and provides training opportunities. This enhances the local workforce's capacity in various manufacturing processes, while also supporting social development.

## **9. Environmental Sustainability**

Emphasizing environmentally friendly practices and sustainable industrialization can improve the sector's appeal to investors seeking ethical and eco-conscious investment opportunities

# MINERAL RESOURCES

## Minerals

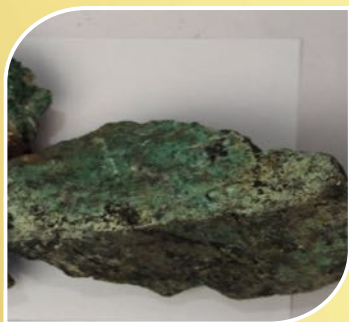
Geological surveys indicate that Somaliland is rich in various minerals, including precious metals like platinum, silver, and gold, particularly in eastern Sanaag. Base metals such as zinc, lead, copper, iron, and others are also present. Coastal areas near Berbera have deposits of titaniferous heavy minerals like ilmenite and magnetite, showing significant prospects for development.

Significant deposits of non-metallic minerals like gypsum, mica, feldspar, and kaolin exist, with a high-purity gypsum deposit near Berbera estimated at 180 million tons above ground. Decorative stones like jade and quartz crystals are also found. Somaliland offers abundant dimension stones such as granite, limestone, marble, and travertine, suitable for commercial mining and export.

Artisanal mining Somaliland, an extension of the Mozambique belt, has uncovered various gemstones like emerald, ruby, sapphire, aquamarine, garnet, opal, amethyst, and topaz. These mineralized zones hold significant potential for more extensive gemstone mining.



# Minerals in Somaliland



**Name:** Copper

**Location:** Awdal, Marodi-jeh, Sahil, Togdheer and Sanaag Regions

**Activities:** Artisanal and Exploration

**Grade:** 4 to 13%

**Application:** Electrical, Electronics, machineries and other industries.

**Production:** Limited to Artisanal Miners

**Name:** Lead

**Location:** Awdal, Sahil and Sanaag Regions

**Activities:** Artisanal Reconnaissance

**Grade:** 30 to 60%

**Application:** Car Batteries, Pigments, Ammunition, cable sheathing, Radiation Protection and other uses.

**Production:** Limited to Artisanal Miners



**Name:** Gold

**Location:** Awdal, Gabiley and Sanaag Regions

**Activities:** Artisanal Exploration Small-Scale Mining

**Grade:** mainly 24 Carrats

**Application:** Jewellery, Electronics and Finance securities.

**Production:** Alluvial gold and Limited to Artisanal Miners

# Minerals in Somaliland



**Name:** Heavy Mineral Sand

**Location:** Along the coast of the country

**Activities:** Exploration Mining

**Grade:** Multi-elements

**Application:** Industrial Metals.

**Production:** Multiple projects under

**Name:** Columbite /Tantalite

**Location:** Awdal and Sahil Regions

**Activities:** Artisanal and Exploration

**Grade:** Varies

**Application:** Mobile phones, Computers, Electric Car and Electronic Automotive

**Production:** Limited to Artisanal Miners



**Name:** Gypsum

**Location:** Sahil Region

**Activities:** Exploration and Small scale Mining

**Grade:**  $\text{CaSO}_4$  99%

**Application:** Plaster, concrete additive, and soil conditioners as well as other applications. Reserve Estimation: Over 120,000,000 MT

**Production:** Small Processing Plant





# Minerals in Somaliland



**Name:** Magnetite

**Location:** Sahil and Sanaag Regions

**Activities:** Exploration and Small scale Mining

**Grade:** varies

**Application:** Steel Manufacturing

**Production:** Artisanal and Small Scale Miners

**Name:** Nephrite- Jade

**Location:** Togdheer Region

**Activities:** Artisanal and Small scale Mining

**Grade:** Grade 2

**Application:** An ornamental stone used in carvings, beads, or cabochon cut gemstones.

**Production:** Artisanal and Small Scale Miners



**Name:** Emerald

**Location:** Awdal and Sahil Regions

**Activities:** Artisanal and Exploration

**Grade:** varies

**Application:** Jewelries and Rings

**Production:** Limited to Artisanal Miners



# Minerals in Somaliland



Iron Ore



Coal



Mica



Molybdenite



Lead Ore



Garnet



Chromium- Ruby



Beryl



Piezo-quartz



Quartz



# OIL & GAS PETROLEUM

## History of Oil exploration in Somaliland

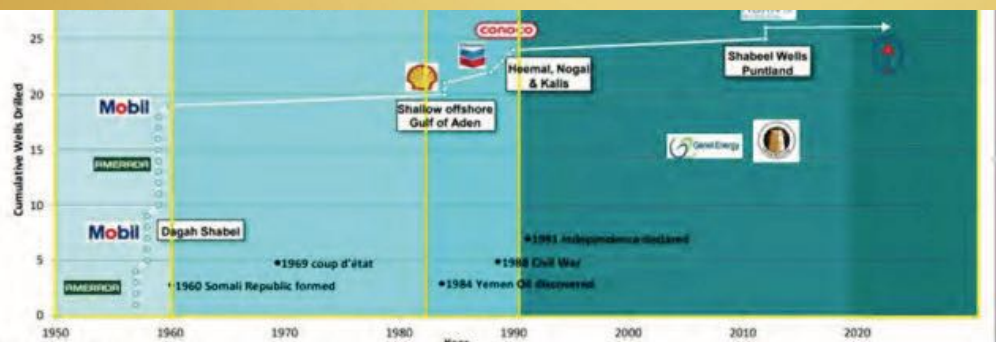
The petroleum exploration interest of the country started in 1912 when an oil seep at Dhagah-Shabel, 38 km south-east of Berbera, was reported. In 1959 Standard Vacuum (Mobil and Essa) drilled three wells (Dhagah Shabel-1, -2, and -3) near the Dhagah-Shabel oil seep, without the aid of subsurface control. Two of the wells recovered small amount of free oil (33.6 API) from the Wanderer limestone (Upper Jurassic) and Nubian sandstone (Upper Cretaceous). This is believed to be sourced by the high quality Upper Jurassic Dhaghani shale.

From 1986 to 1990 Conoco Oil Company carried over 4000km of 2D seismic survey in area within their old blocks which covered almost 98,700km<sup>2</sup>, in Nugal basin of Sool and Togdheer regions of Somaliland.

In March 2009, TGS-NOPEC Geophysical Company (TGS) completed processing and interpretation of speculative survey in Somaliland, acquired in partnership with the Somaliland Ministry of Water and Mineral Resources (currently named as The Ministry of Energy and Minerals).

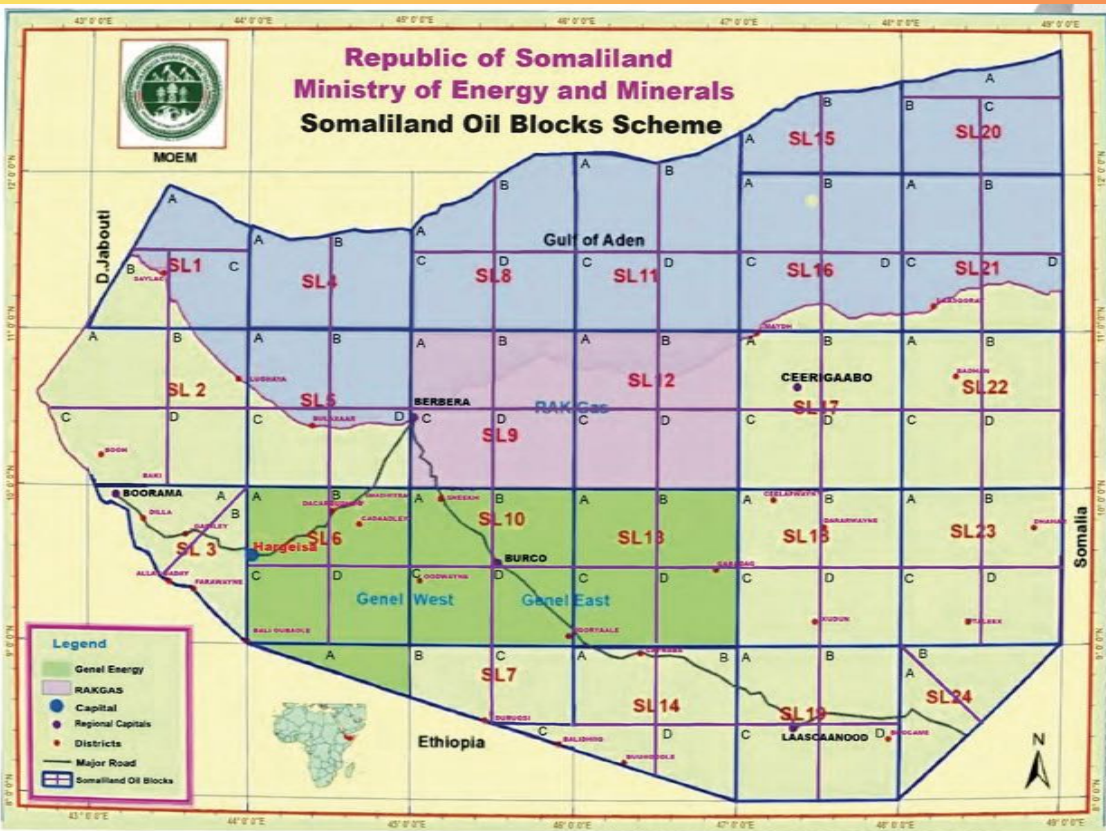


The programs included 5,300km of marine 2D seismic 34,000km of and approximately high resolution aeromagnetic data covering onshore areas (fig 6 and 7). Based on the data acquired, processed and interpreted Conoco sanctioned the drilling of two wells; Nugaal-1 & Kelis-1. Fig. 7: Typical offshore seismic section TGS data



## National Oil Blocks Scheme

Somaliland's National Oil Blocks Scheme is designed to attract investment in its untapped hydrocarbon sector. The country has 86 onshore and offshore oil blocks, each covering approximately 3,000 km<sup>2</sup>, with only a quarter currently under agreements. The government is actively promoting exploration through licensing rounds, offering attractive terms such as tax incentives, profit repatriation, and security guarantees. With geological data confirming the presence of hydrocarbons, Somaliland presents a strategic opportunity for oil and gas exploration, supported by its stable investment climate and proximity to export markets

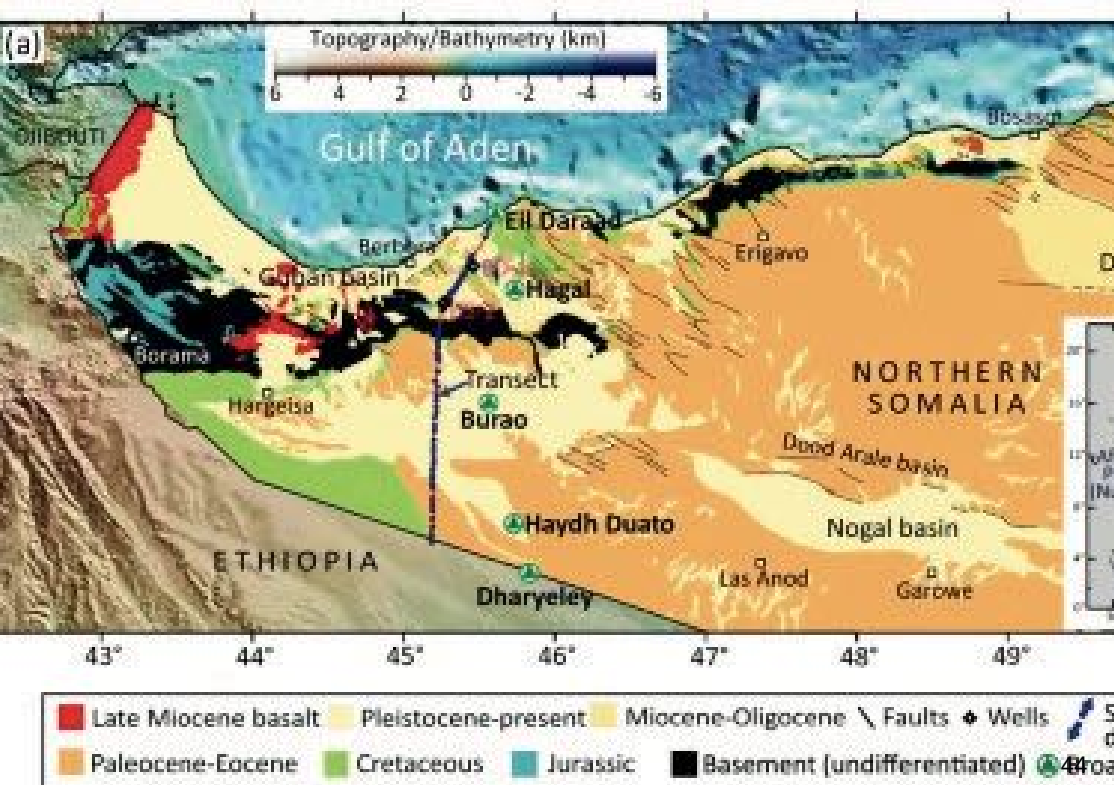


# SOMALILAND HYDROCARBON POTENTIAL

## Oil seepage in Odweyne area (Block SL10A, 6,7A)

When it comes to hydrocarbons, Somaliland is one of the few highly potential yet underexplored areas in the globe. The existence of oil and gas in Somaliland was known since 1920s, through oil seepages in several parts of the country (fig 1), confirming working petroleum system.

It is only the finding of the big structures and the discovery of commercial accumulations that has so far eluded the limited and intermitted exploration and the small number drilling over that length of time.





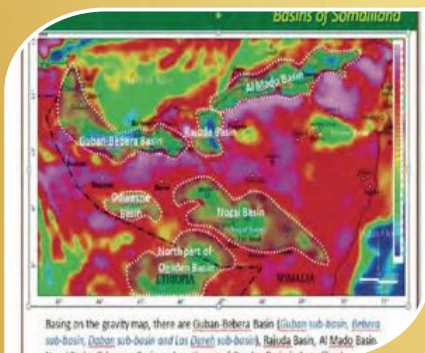
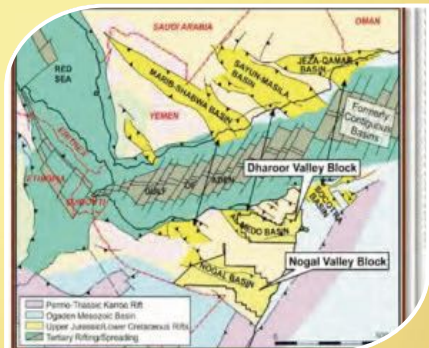


## Extension of Yemen Basins to Somaliland

The geology of Somaliland is very similar to that of Yemen as the two sides of the Gulf of Aden were only separated during Miocene (around 30 million years). Reconstruction of the Arabian Plate to the position before the opening of the Gulf of Aden shows that the southern Yemen productive basins extend to

## Rotated Fault Block at Berbera Area

The petroleum system of Somaliland consists of high quality source rocks of various ages, reservoir units of both clastic and carbonates as well as excellent sealing rocks. The trapping mechanism is dominated by extensional tectonic structures of rotated fault blocks and related ductile deformations (fig 2).



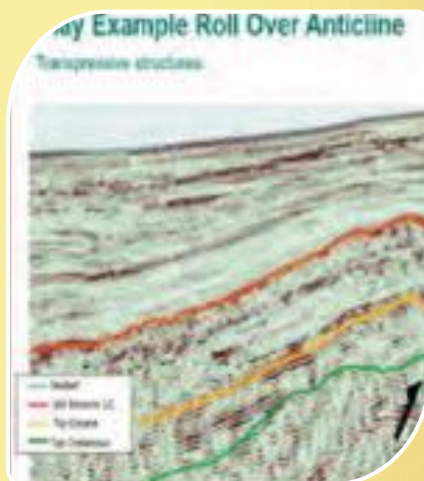
## Gravity map showing main Somaliland basins

The stratigraphy of the two countries are comparable and Somaliland has numerous basins with the potentiality of containing commercial hydrocarbons.

# RECENT MULTI-CLIENT 2D SEISMIC PROJECT

## Typical offshore seismic section TGS data

The Ministry of Energy and Minerals formulated and facilitated a multi-client 2D seismic project in which it presented to all the international oil companies which have production sharing agreements with the government. This was an effort by the ministry to enable the IOC's to fulfill their exploration obligation on a slimmer budget than having to get into separate contracts with seismic contractors.



## Typical offshore seismic section TGS data



BGP Inc. (a Chinese national seismic contractor and the leading company in onshore seismic) won the international tender held by the Ministry (fig 8). The first project of the multi-client arrangement was concluded in January 2018, acquiring of 3,500km of 2D seismic for Genel Energy on blocks SL6, SL7a, SL10 & SL13.



## BGP receiving safety award (2 million man hours with LTI award from the ministry

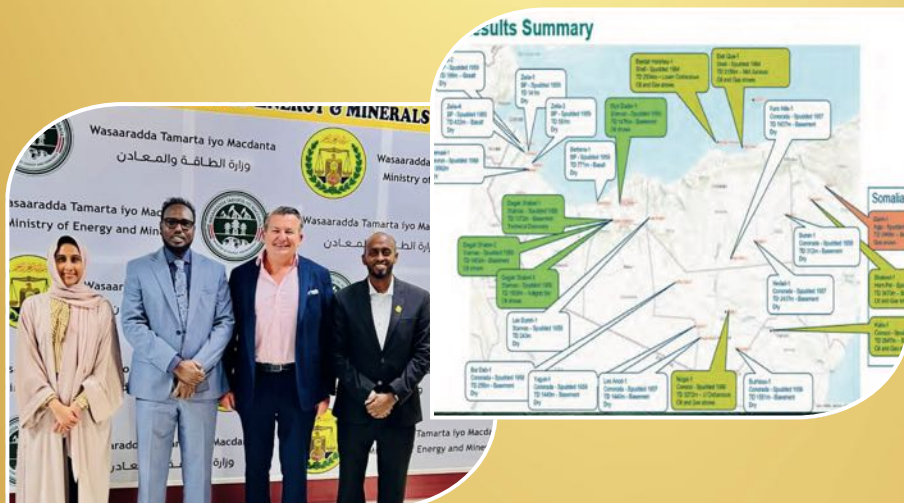
With regard to safety and security, it is a point of noteworthy that during the two major seismic projects, covering 5 regions there has not been any major security incidents and on the safety side there has been great achievement of 2 million man hours without LTI (fig. 10).

## Somaliland and gas wells result summary

The oil and gas potential of Somaliland is well known in the sector. The procedure for investing in the oil and gas sector in Somaliland is straight forward and transparent. Somaliland public is equality welcoming and open-minded towards international investment.

The current scheme of Somaliland oil and gas blocks consist of 85 blocks of both onshore and offshore. Only quarter of that is presently held by IOC's. that have exploration and production sharing agreement with the government.

Many of these blocks have great deal of potentiality and open for investors, Somaliland is elongated east-west along the Gulf of Aden and hence all the blocks are not far from the coast furthest being about 300km away





## ENERGY & RENEWABLES

### ENERGY

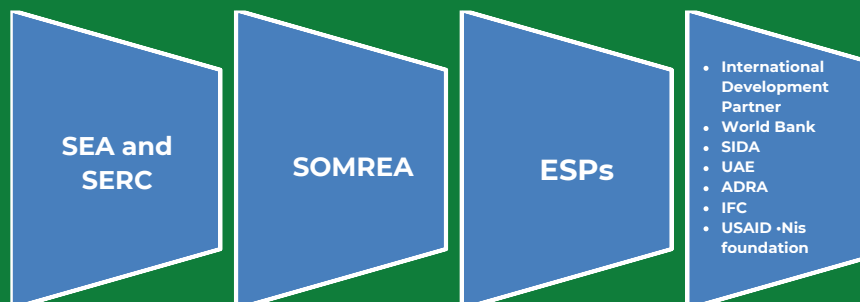
The main energy sources in Somaliland are imported petroleum and local biomass. Petroleum, including diesel, petrol, and aviation gas, is used for transportation and power generation. Kerosene and natural gas are used for cooking and illumination. Power generation relies heavily on imported diesel, with an estimated 90-100,000 liters burned daily.

This reliance results in high electricity costs of approximately \$0.59-0.77 per kWh, which is among the highest in Africa. Rising fuel costs and unstable supply are further driving up electricity prices, restricting business development.

Somaliland's electricity system, rebuilt post-1991, is operated by independent power producers (IPPs), who generate, transmit, and distribute power locally. There are currently 5 main IPPs, with recent consolidations forming larger companies to address inefficiencies. This trend is especially witnessed in Hargeisa and other cities, allowing larger entities to secure outside funding more easily.

## OVERVIEW: ENERGY

Somaliland's power sector stakeholders are outlined in the figure below with governance, legal, and regulatory roles fulfilled by the MOEM and SERC. ESPs are independent but have organized themselves under two associations: the SEA and Somaliland Renewable Energy Association (SOMREA).



### Figure Somaliland Energy Sector Stake-

Currently, the primary sources of electricity supply in Somaliland are diesel fueled high-speed diesel generation sets (HSDGs), with limited use of grid-tied solar photovoltaic (PV). The figure below is copied from Somaliland's MOEM power sector presentation which demonstrates Somaliland's power sector model in its current form. Each ESP's electrical system is a standalone system with no national transmission grid to share resources (even during emergencies) with significant duplication of generation, distribution, technical, maintenance, and human capability infrastructure.



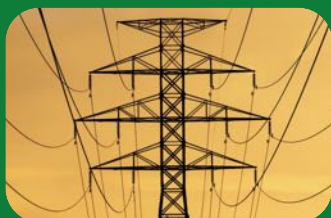
## Somaliland Energy Priority

**Improvement of Institutional capacities,** relevant sector policies, regulations, legislations, planning and research, operations and human resource in support of better service delivery.



**Infrastructure development to improve quality,** reliability and efficiencies in the power sector which in return will increment the effort of increasing energy access which is secure and affordable.

**Utilize indigenous renewables** (wind, geothermal, solar) to increase the proportion of renewable energy generation



**Establishment of City/Town based Grids** in the country which facilitate getting effective Transmission and Distribution networks that can allow multiple ESPs/IPP's to share. This will get rid off scattered smaller Distribution networks that aren't reliable and pose risks to community safety.

**To facilitate, widen and seek finance** for the construction of Solar Grids( both on and off) for public facilities and other areas where connecting to the Grid will be costly.







# **ENERGY & RENEWABLES INVESTMENT OPPORTUNITIES**

## **1. Abundance Renewables**

Somaliland has significant potential to tap into solar and wind energy, with ample sunshine and favorable wind conditions throughout the year.

## **2. Growing Energy Demand**

There is a rising demand for reliable and affordable energy to support economic development and improve living standards. This shift is creating substantial opportunities for renewable energy investments.

## **3. Infrastructure Development**

Ongoing infrastructure projects, such as the expansion of the electricity grid and the development of energy storage solutions, support the integration of renewable energy sources.

## **4. Public-Private Partnerships**

Opportunities exist for collaborative projects between the government and private investors in developing and operating renewable energy projects, such as solar farms and wind turbines.

## 5. Environmental Benefits

Investing in renewables contributes to a reduction in greenhouse gas emissions and the promotion of environmental sustainability, aligning with global efforts to combat climate change.



## 6. Access to Regional Markets

Somaliland's strategic location offers access to regional markets, providing opportunities for exporting surplus energy and participating in cross-border energy projects.



## 7. Potential for Off-Grid Solutions

There is considerable scope to develop off-grid renewable energy solutions, particularly in rural and remote areas, to enhance energy access and economic development.



## 8. Skilled Workforce and Local Expertise

A growing pool of skilled workers and local expertise in the renewable energy sector can support the development and maintenance of energy projects.







## AGRICULTURAL

Currently, only 3 percent of the land is used for crop production, with around 60% of the land used purely for grazing including transhumance pastoralism, and about 40% for crop production are rain-fed agriculture. Farming in Somaliland is mostly subsistence-based, with small-scale farmers primarily growing sorghum and maize for household consumption.

Commercial crops include tomatoes, lettuce, onions, watermelon, peppers, cabbages, oranges, lemons, and papaya. Rain-fed farming constitutes 90% of cultivation, with irrigation covering 10% and supporting about 4,000 farm families. While farms range from 2 to 30 hectares, the average size is only 4 hectares. Irrigated farms profit during the dry season when market supply is low, often supplemented by imports from Ethiopia and Somalia and exports to Djibouti.



## Agro-ecological Potential

The Climate, in the main agricultural zones, is semi-arid with a mean rainfall average of 350 – 500mm per annum. The main rainy season extends from April to September. For cropping purpose there are two season, Gu' (April and May) and Karaan (late July and September) in the western regions; and Gu' (April and May) and Deyr (September and October) in the eastern regions. The western regions of Somaliland receive the highest rainfall, which reaches over 500mm p.a. and is adequate to support production of dryland crops. In the Togdheer and Sanaag regions, agricultural production is mainly by irrigation through use of floodwater and sand dams.

The irrigable land limited by low availability of water. The irrigation potential in western Somaliland estimated at 4,000 ha while data for the central and eastern parts of the country is not available. The irrigation potential for the whole country is much higher once the central and eastern regions taken into consideration in addition to surface runoff harvesting, sand dams, ground water and rainwater harvesting.



# Current Types of Agricultural Systems in Somaliland

## a. Agro-pastoral Rain-fed Agriculture

This refers to a semi-sedentary system where maize, sorghum and minor crops grown in addition to livestock rearing involving cattle, sheep, goats and camels. The agro-pastoral system practiced in the relatively high rainfall areas with 400-500 mm annually. The farmers are smallholders and get their livelihood from selling livestock and the crop production. Currently commercial production of sorghum and maize grain is limited with most of the produce being for domestic consumption. The crop residues always used as livestock feed.

## b. Pump fed Irrigated Agriculture

This system consists of production of fruits and vegetables as cash crops by smallholders farmers. The farms ranging from 0.5 to 3 ha irrigated mostly from shallow wells using motorized pumps. There are about 3,500-4,000 pump-fed smallholder irrigation farms located along the main togs (dry riverbeds). The main vegetable crops grown include tomatoes, onions, lettuce, pepper cabbage, beetroot, and carrot while fruits include citrus, mangoes, papaya, guava, pomegranates and sugar apple. The vegetables and fruits often sold in the main urban centers, often satisfying domestic needs.

## c. Spate Irrigated Agriculture

This is rain-fed agriculture that uses supplementary irrigation from the seasonal floodwaters of rivers. Spate irrigators in central Somaliland mainly grow cereals and fodder (Beer and Oodweyne districts), while those in Alaybaday in the South-West of Hargeisa produce mainly vegetables and fruits.



# Agricultural Investment Opportunities

## 1. Development of Agricultural Financing Mechanisms

There is currently no formal agricultural financing system for investment and procurement of farm inputs. Establishing farm credit programs, such as revolving funds and credit packages, presents an opportunity for investment to improve farm productivity. Evidence shows that farmers with access to credit have performed significantly better than those without.

## 2. Investment in Affordable and Quality Farm Inputs

Farm inputs, such as seeds and agrochemicals, remain unaffordable for most farmers. Furthermore, there is a need to enhance the capacity of the Ministry of Agriculture to implement quality control and sanitary and phytosanitary (SPS) inspections. Investing in local production and distribution of high-quality, affordable farm inputs can fill this gap, boosting agricultural productivity.

## 3. Promotion of Diversified Cropping and Agronomic Practices

Rain-fed agriculture in Somaliland is heavily reliant on mono-cropping or dual-cropping with maize and sorghum, which depletes soil fertility. Investment opportunities exist in promoting crop diversification, improved agronomic practices, timely sowing, seed selection, and crop rotation to enhance soil health and yields.





#### **4. Adoption of Modern Agricultural Technologies**

Farmers lack access to modern agricultural technologies and the knowledge required to apply them effectively. Investing in technology transfer, training programs, and subsidized access to machinery and equipment could help Somaliland farmers meet international standards and improve overall performance.

#### **5. Soil Conservation and Land Rehabilitation**

Soil erosion, worsened by poor farming practices, overgrazing, and deforestation, has significantly degraded agricultural land. Investments in sustainable land management practices, such as reforestation, terracing, and erosion control infrastructure, can help restore soil fertility and reduce further degradation.

#### **6. Addressing Rural-Urban Migration to Retain Farm Labor**

The migration of agro-pastoral labor to urban areas has created a labor shortage in rural farming communities. This is due to low farm incomes, civil conflict, and urbanization offering better opportunities for unskilled labor. Investments in rural development, mechanization, and wage improvements can help retain and attract labor back to the agricultural sector.

#### **7. Capital Investment for Infrastructure Rehabilitation**

Many farm assets, including irrigation systems and equipment, were damaged during civil conflict. Rebuilding and modernizing agricultural infrastructure presents a key investment opportunity, particularly in irrigation, storage, and mechanization to support long-term agricultural productivity.





## **8. Development of Agricultural Marketing Infrastructure**

Inadequate marketing infrastructure and services have limited farmers' ability to access profitable markets. The horticulture sub-sector is particularly affected by poor roads, limited market information, and competition from neighboring countries. Investments in agro-processing, market information systems, and transportation infrastructure can enhance market access and improve farm incomes.

## **9. Cost-Effective Irrigation Solutions**

High irrigation costs, driven by expensive fuel and inefficient methods, hinder agricultural productivity. Investment opportunities exist in the development of cost-effective and sustainable irrigation solutions, including solar-powered pumps, modern irrigation techniques, and water resource management systems.

## **10. Strengthening Agricultural Extension Services**

The sector's poor performance is partly due to weak and uncoordinated extension services. Investments in capacity-building programs, technical training for extension officers, and coordination mechanisms across organizations can improve service delivery and farmer support.

## **11. Revitalization of Farm Cooperatives**

Although there are more than 500 self-organized farm cooperatives across Somaliland, only 30 have been officially registered. These cooperatives require support to improve productivity, access to inputs, and market linkage. Investment in cooperative development programs can enhance their capacity to drive agricultural growth and sustainability.





# FARMING AND AGRICULTURE OPPORTUNITIES

## 1. Vast Arable Land

Somaliland has extensive areas of arable land suitable for various types of crop cultivation and livestock farming.

## 2. Favorable Climate

The climate is semi-arid to arid, with regions that are suitable for rain-fed and irrigated farming supporting a variety of crops and livestock.

## 3. Diverse Agro-Ecological Zones

The country includes different ecological zones, such as coastal plains, mountains, and plateaus, each offering unique agricultural opportunities.

## 4. Traditional Farming Practices

Somaliland has a long history of subsistence farming and pastoralism, providing a foundation for modern agricultural development.

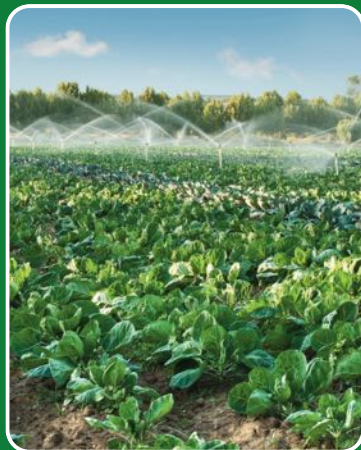
## 5. Growing Agricultural Sector

There is increasing investment in modern farming techniques and technologies, which boost productivity and efficiency.



## 6. Potential for Irrigation Development

Opportunities exist to expand irrigation systems and enhance agricultural yields, particularly in areas with reliable water sources.



## 7. Abundant Livestock Resources

Livestock is a significant part of Somaliland's economy, with vast herds of camels, goats, sheep, and cattle.

## 8. Rich Marine Resources

Coastal areas provide potential for aquaculture and marine agriculture, diversifying the agricultural base.



## 9. Emerging Crop Varieties

The introduction of new crop varieties and improved farming practices is enhancing food security and income.



# Frankincense

## A Timeless Treasure for Modern Investment

Somaliland's Frankincense sector represents one of the oldest and most iconic natural product industries in the world. Harvested from wild *Boswellia* trees that grow naturally across the mountain ranges of Sanaag and parts of Bari, Somaliland is one of the global epicenters of premium frankincense production. For centuries, this aromatic resin has been prized for its use in traditional medicine, perfumery, and spiritual rituals, and today it is experiencing renewed global demand in the wellness, cosmetics, and pharmaceutical industries.

Somaliland offers immense potential for value-added investment. Opportunities range from sustainable harvesting and reforestation initiatives to modern processing facilities for essential oils, packaging, branding, and global export. With growing interest in organic and traceable supply chains, Somaliland's frankincense offers a competitive advantage due to its purity, sustainability potential, and centuries-old heritage.







## LIVESTOCK

Livestock is the leading economic sector in Somaliland, contributing 30-45% of the country's GDP. Somaliland has approximately 1.69 million camels, 0.40 million cattle, 8.4 million goats, and 8.75 million sheep. Sheep and goats make up 91% of livestock exports, with 2.352 million exported through Berbera port.

They are primarily exported to Saudi Arabia, Egypt, and Oman. The livestock sector generated over US\$160 million in export value and is presently at 20% capacity. Somaliland also has many small-scale poultry farms located in peri-urban areas, holding between 3,000 and 80,000 chickens, which are primarily egg layers. The poultry industry is still at its nascent stage but has potential as a food source and income generator if well-invested. This includes dairy and fattening farms, along with 15 milk and meat cooperatives aimed at unifying stakeholders.





# Somaliland Livestock Market

## Livestock Markets Development

Municipalities provide open spaces for livestock markets but offer minimal services such as shade, water, feed, enclosures, and overnight security. Market fees generate significant revenue for local governments.

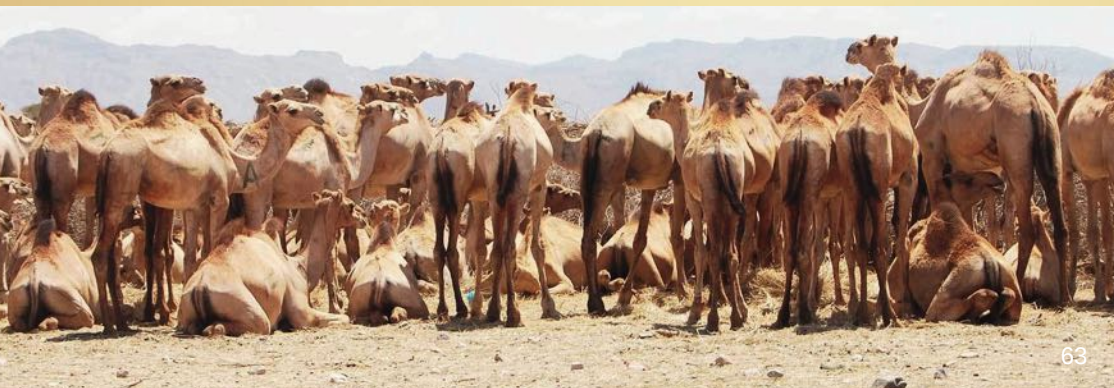
### An Overview of the Live Animal Export Value Chain

Somaliland's primary livestock exports consist of sheep and goats. A total of 2.352 million shoats were exported through Berbera Port, which included livestock sourced from Ethiopia (Berbera Port Authority). Of these exports, 1.612 million (69%) occurred between September and November, driven by demand for the Haji festivities. This reliance on a narrow, three-month export window poses challenges for pastoralists, whose main income depends heavily on seasonal sales.

To stabilize incomes, there is a need to explore alternative markets beyond the Haji season. Somaliland and other livestock-exporting countries in the Horn of Africa depend on a limited number of markets. The 2,585,339 animals exported through Berbera, 78% were shipped to Saudi Arabia, 20% to Yemen, and smaller volumes to Egypt and Oman.

For sheep and goats (which constituted 91% of exports), Saudi Arabia accounted for 82% and Yemen 17%. This dependency on a few markets has resulted in significant setbacks during past import bans. Diversifying export destinations is critical to reduce vulnerability and ensure stable market access.

133 ships were involved in transporting livestock through Berbera. The details of port traffic, shipping activity, and livestock volumes are outlined in Table 4.



## Competition in Live Animal Exports

Somaliland faces intense competition in Middle Eastern markets from other Horn of Africa countries (Sudan and Ethiopia) and major exporters like Australia. Somaliland livestock typically fetches lower prices due to poor finishing. For example, Somaliland sheep are priced at \$90-120 per head, while Sudanese sheep (Swakini breed) are priced at \$170-180. Premium local Gulf breeds command even higher prices of \$320-350 per head. To enhance competitiveness, Somaliland must invest in feedlot finishing and fodder production to improve the quality of exported livestock.

Annual price fluctuations also affect market dynamics. In 2010, prices averaged:

- Camels: \$331 per head (Somaliland), \$404 (Somali camels in the market)
- Cattle: \$275 per head
- Goats: \$34 per head
- Sheep: \$50 per head (compared to \$82 for Sudanese sheep)



## Exporters and Importers

There is no strict separation between exporters and importers, with some local exporters sending animals directly to Middle Eastern markets and others partnering with foreign buyers. In the past, Somaliland granted monopoly export rights to a single trader for the Saudi market.

Currently, there are 20 to 30 exporters, with numbers fluctuating by season—peaking during Islamic holidays. Tog Wajaale, a critical trading hub on the Ethiopia- Somaliland border, is significant due to its access to livestock-abundant regions. The number of traders ranges from zero in some areas to as many as 20 in Tog Wajaale during peak periods.





# LIVESTOCK OPPORTUNITIES

## 1.Vast Grazing Land

Somaliland has extensive rangelands and pastures that provide ample grazing areas for livestock such as camels, goats, sheep, and cattle.

## 3.Diverse Livestock Population

The region is home to diverse livestock breeds, with a large population of camels, goats, sheep, and cattle that are well-adapted to the local environment.

## 4.High Demand for Livestock Products

There is a strong domestic and international demand for livestock and livestock products, including meat, milk, hides, and skins.

## 6.Opportunities for Value Addition

Investment opportunities also exist in processing livestock products, such as meat processing, dairy production, and leather goods manufacturing.

## 2.Traditional Livestock Farming

There is a strong cultural tradition of pastoralism and livestock farming in Somaliland, which form a significant part of the country's economy and lifestyle.

## 5.Potential for Livestock Export

Somaliland has established reliable export channels, particularly for small ruminants like sheep and goats, which are highly valued in regional markets.

## 7.Disease-Resistant Breeds

Local livestock breeds are generally disease-resistant and well-suited to the harsh climatic conditions of the region.

## 8.Emerging Livestock Technologies

There is a growing adoption of modern livestock management practices and technologies to enhance productivity and sustainability.





## MARINE RESOURCES

### Fisheries

**Coastal Characteristics** The western coast features wide sandy beaches, while the eastern coast has narrow sandy beaches with rocky outcrops and cliffs. The continental shelf on the eastern coast is 5-10 km wide, expanding to 30-50 km near Zeila at the Djibouti border. Along the Gulf of Aden and the Indian Ocean, Somaliland's coastline hosts diverse fish species, including tuna, lobster, swordfish, and shark. Local fishermen catch about 1,500-2,000 metric tons annually. Somaliland produces less than 5% of the estimated metric tons of annual potential catch being harvested. Despite abundant marine resources, this particular sector remains untapped.



# Fisheries Sector of Somaliland

## Sector Overview

The fisheries sector in Somaliland has historically been underdeveloped, with the agro-pastoral and livestock sectors remaining the primary economic backbone. Before the droughts of 1974 and 1976, only a small number of coastal communities were involved in fishing. However, government initiatives following these droughts resettled affected populations along the coast, encouraging them to take up fishing. Infrastructure development followed, including the establishment of Berbera Cold Storage and fishing centers in Zeila and Berbera. This led to a modest increase in fish consumption between 1986 and 1989, though fish consumption among Somaliland's population remains among the lowest in the region.

This presents a significant investment opportunity to further develop the fisheries sector, modernize infrastructure, and boost both domestic consumption and exports of fish products.

## Main Types of Fishing Activities

Despite the rich diversity of marine resources available, Somaliland has not yet diversified its fishing activities to fully exploit these resources. The Coastal and Marine Resources Policy identifies five fishing types, with artisan and industrial fishing being the most relevant for economic development.





# The Main Types of Fishing Activities

Despite the abundance and diversity of marine resources in Somaliland, the fisheries sector has yet to develop a broad range of fishing activities that fully harness the variety of fish species and offshore resources. The **Coastal and Marine Resources Policy** in Somaliland identifies five fishing types, with **artisan** and **industrial fishing** being the most economically significant.

## Subsistence Fishing

Subsistence fishing is difficult to distinguish from artisan fishing but can be defined as fishing without the use of boats, where the catch is entirely for personal consumption. This activity does not significantly contribute to employment or economic growth. Developing programs to integrate subsistence fishers into small-scale commercial operations could increase productivity and income.

## Fisheries Production

Currently, less than 1% of Somaliland's population is engaged in the fisheries sector, with most activity limited to small-scale fishing. Several challenges hinder the sector's growth:



- **Infrastructure Deficiencies:** Poor coastal roads and insufficient onshore facilities for processing and marketing restrict production.
- **Adverse Climate:** High temperatures exacerbate post-harvest losses due to a lack of cold storage and preservation systems.
- **Limited Trawling Potential:** The narrow continental shelf and predominantly rocky, coralline seabed constrain trawling to a few areas.

Despite these obstacles, fish production has reached its highest level in recent years but remains below 13,000 metric tons annually. There is significant potential for growth through targeted investments in infrastructure, fishing equipment, and capacity-building initiatives.



## Artisan Fisheries

Fresh fish is harvested from key areas including Lodo/Zaila, Berbera/Karin, and Las Qorey. In the Lodo/Zaila region, fishermen have successfully penetrated the Djibouti market, selling their catch through informal arrangements. On a daily basis, about seven boats, each carrying 500 kilograms of fresh fish, cross the border to market their catch in Djibouti City. Additionally, 30 to 35 fishermen harvest prawns and crabs near Lodo and similarly export these products to Djibouti. Approximately 2,500 to 3,000 kilograms of fresh fish are exported daily through these channels.

## Industrial Fisheries

Industrial fishing in Somaliland is still underdeveloped. Currently, around 36 medium-sized Egyptian trawlers operate in offshore Awdal waters under licenses issued by the Ministry of Fisheries. Reports indicate that each vessel catches approximately 30 metric tons per month. There was a significant shift in fish landings in 2004 when these trawlers began operations. Prior to their arrival, artisan fisheries accounted for over 80% of the total landings; today, the ratio of industrial to artisan landings stands at almost 2:1

## Future Local Potential

Historically, cultural biases in Somaliland discouraged fishing and fish consumption. However, the introduction of modern fish processing facilities in the mid-1980s helped change perceptions. Today, fish is increasingly accepted and consumed in urban areas.

Interviews conducted in towns such as Burao, Hargeisa, Gabiley, and Borama reveal a growing demand for fish products. Currently, Berbera's three major fish trading companies supply approximately 3 to 3.5 tons of fresh fish to Hargeisa and 1.5 tons to Burao on a regular basis. This demand suggests opportunities for investment in domestic fish production and distribution infrastructure.



## International Marketing Potential

**Somaliland's fish products have significant potential for export to international markets.**

**Two key emerging markets include:**

- **Landlocked Ethiopia:** With a population of over 60 million and no domestic fish supply, Ethiopia presents a substantial opportunity for Somaliland fish exports.
- **Gulf States:** Oil-rich Gulf countries are lucrative markets for high-quality fish products.

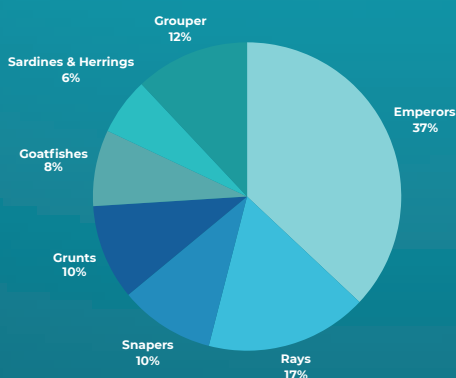
These regions offer promising opportunities for Somaliland's fisheries sector, but success will depend on building the necessary infrastructure, maintaining high-quality standards, and addressing challenges posed by the globalized fisheries trade.

## COASTAL FISHES

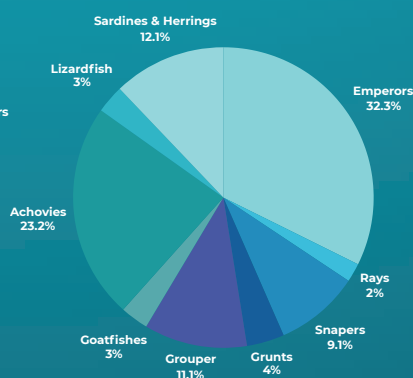
Coastal fishes are an extremely important part of Somaliland domestic catch. They support local economies and are sources of food for coastal communities. Ecologically, coastal fishes occupy the bottom and middle of the food chain. Fishes like the small, silvery anchovies, sardines, and herrings are important food fishes for other larger fishes. In the middle of the food chain, emperors, goatfishes, groupers, grunts, lizardfishes, and snappers, are both predators and prey. They eat smaller fish or invertebrates (clams and snails) and are in turn eaten by larger animals such as sharks.

Somaliland artisanal fishers and foreign fishers compete for these fishes, creating the need for sustainable management measures to protect the resource and thus Somali fishers' livelihoods. While some species are currently fished unsustainably according to the Secure Fisheries' report, [Securing Somaliland Fisheries](#), opportunities exist to expand artisanal fisheries and increase efficiency throughout the supply chain to take advantage of the export market for these fishes.

**SOMALI DOMESTIC CATCH  
OF COASTAL FISHES**



**FOREIGN CATCH OF  
COASTAL FISHES**



Catch of coastal fishes by domestic and foreign fishes in Somali waters. Coastal fishes comprised 50% of the total domestic catch and 31 % of the total foreign catch. Data from sea Around Us.



## SMALL SCHOOLING FISHES

Anchovies, sardines, and herrings are some of the most abundant and commercially important fishes around the world. They are generally small, silvery, round or narrow-bodied, and schooling fishes that are important prey for many larger fishes, marine mammals, and sea birds. They can be found in very large numbers in one location, so they are often caught by commercial purse seine vessels that use a large net to surround and catch an entire school to be processed into fishmeal for fertilizer or feed for livestock or farmed fish. Anchovies, sardines, and herrings are biologically and evolutionarily different groups, but their ecological roles, behaviors, catch methods, and commercial uses are similar.

## MID TO LARGE REEF FISHES

Mid- to large-sized reef fishes of commercial importance in Somali waters include emperors, goatfishes, groupers, grunts, lizardfishes, and snappers. These fishes generally live alone or in small groups and feed on smaller fish and bottom-dwelling invertebrates such as crabs, worms, and clams. These groups are desirable food fishes for humans, making them important on the local market and a potential export product.

Association with sensitive shallow habitats including **coral reefs, seagrass beds, and mangroves** can increase the risks these fishes face. Pollution from coastal development near large ports harms reefs and seagrasses and destructive fishing practices like trawling can destroy these fishes' preferred habitats. Additionally, these fish groups are targeted both by Somali fishers and **foreign trawlers and gillnetters** (vessels that drag large nets across the seafloor and passive nets set to entangle fish, respectively). As a result, many of their populations in Somali waters are currently fished at unsustainable levels. Without regulation of foreign fishing vessels and protections for domestic fishers and sensitive coastal habitats, the populations of these species could collapse, eliminating a major source of food and economic security for Somali coastal communities.





## RAYs

Rays are flat fishes that are related to sharks. They have cartilaginous skeletons and their flat shape, with eyes on top of their bodies, allows them to camouflage and bury into the sea floor where they wait for prey and avoid predators. Rays feed on shellfish, crustaceans (crabs, shrimp, etc.), and small fishes. They often are caught as by catch in net fisheries and are a common food item in Asia.

Because they are currently underexploited in Somali waters and are valuable on the international market, there is potential to increase profit from this species by building capacity in the value chain to get rays to the international markets. However, not enough data exist to expand the fishery sustainably at this time. Many ray species are slow to reproduce and are endangered globally. If their populations were fished to low levels, they would be slow or unable to recover.



## ANCHOVIES



Size 8-10 cm

Somali Names:	Unknown
Family:	Engraulidae
Catch Method:	Seine, Trawl, Stakenet, Castnets
Sustainability in Somali Waters:	Sustainable

## EMPERORS



Size 20-10 cm

Somali Names:	Gaxash, Dhuuwane, Miraamir, Afdheere
Family:	Lethrinidae
Catch Method:	Handline, Trap, Seine, Gillnet, Bottom Trawl
Sustainability in Somali Waters:	Unsustainable

## GRUNTS



Size 16-100 cm

Somali Names:	shoox, cadaasho
Family:	Haemulidae
Catch Method:	handline, trap, longline, bottom trawl
Sustainability in Somali Waters:	Unsustainable

## LIZARDFISHES



Size 8-10 cm

Somali Names:	Unknown
Family:	Synodontidae
Catch Method:	bottom trawl
Sustainability in Somali Waters:	Unknown

## RAYs



Size 147-330 cm

Somali Names:	safan, baalalay
Family:	Dasyatidae, Myliobatidae
Catch Method:	longline, pole and line, handline, bottom trawl
Sustainability in Somali Waters:	Sustainable

## SARDINES AND HERRINGS



Size 7-24 cm

Somali Names:	carabi, buraasow, simbillling, caydi
Family:	Clupeidae
Catch Method:	seine, gillnet, trawl, castnets
Sustainability in Somali Waters:	Sustainable

## SNAPPERS



Size 147 cm

<b>Somali Names:</b>	booraad, qardabo, tartabo, cayje
<b>Family:</b>	Lutjanidae
<b>Catch Method:</b>	handline, longline, bottom trawl, gillnet
<b>Sustainability in Somali Waters:</b>	Unsustainable

## GOATFISHES



Size 20-50 cm

<b>Somali Names:</b>	Gocoore, Fangalaato, Labogarile
<b>Family:</b>	Mullidae
<b>Catch Method:</b>	Pole And Line, Trap, Beach Seine, Gillnet, Bottom Trawl
<b>Sustainability in Somali Waters:</b>	Unsustainable

## GROUPERS



Size 14-270 cm

<b>Somali Names:</b>	Unknown
<b>Family:</b>	summaan, caalo, gadiir, yaagur
<b>Catch Method:</b>	pole and line, trap, bottom trawl
<b>Sustainability in Somali Waters:</b>	Unsustainable



## HIGHLY MIGRATORY FISHES

Highly migratory species (HMS) include billfishes (marlin and sailfish), dolphinfish (mahi-mahi), mackerels, sharks, and tunas. They are large, open-ocean, predatory fishes that swim across great distances, transiting country boundaries and, in some cases, entire oceans. Cooperation among coastal countries is therefore necessary to manage these fisheries. Regional fisheries management organizations govern highly migratory fisheries for ocean basins.

For the Indian Ocean and Somali waters, the Indian Ocean Tuna Commission (IOTC) collects catch data and conducts scientific assessments of the sustainability of commercially significant HMS fisheries. Fishing countries voluntarily report their catch data to the IOTC and agree to incorporate regulatory guidelines into national fishing laws. Highly migratory fishes are extremely valuable and popular in local and international markets.

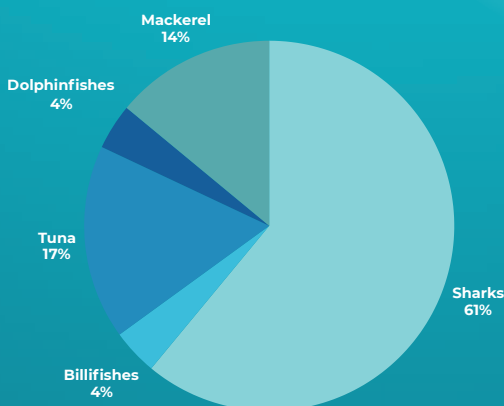
The high demand for these fishes means they are an important source of revenue for Somalis and for foreign vessels fishing off the Horn of Africa. In the domestic fishery, highly migratory fishes are more than 40% of total catch. For foreign vessels fishing in Somali waters, these fishes are currently a small portion of their total catch because most fishing for highly migratory species is occurring outside the Somali exclusive economic zone.

In the Somali region, there is untapped revenue to be gained by implementing a licensing system for large-scale, foreign, commercial vessels that are interested in fishing legally in Somali waters. There is also great potential to improve processing and export capacity for fish caught by the domestic, artisanal fishery.

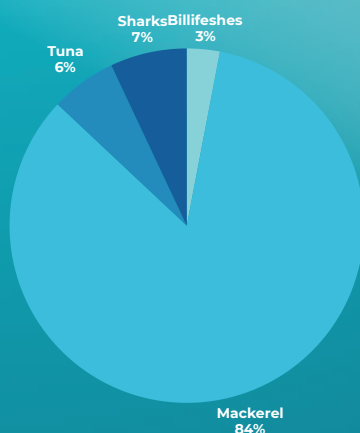


Billfishes, dolphinfish, and many types of tuna are prized by the sportfishing community. Their large size and speed supports recreational industries throughout the world. The present security situation in the Somali region prohibits international visitors, and no recreational fishing currently occurs in Somali waters. But this may be an area of future development, especially since a well-monitored catch-and-release fishery could be the basis of a sustainable business model.

### SOMALI DOMESTIC CATCH OF HIGHLY MIGRATORY FISHES




### FOREIGN CATCH OF HIGHLY MIGRATORY FISHES

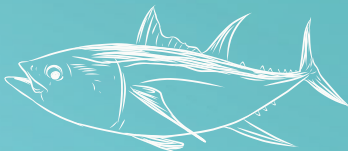



Catch in 2014 of highly migratory fishes by domestic and foreign fishes in Somali waters. Highly migratory fishes comprised 42% of the total domestic catch and 8% of the total foreign catch. Data from sea Around Us.




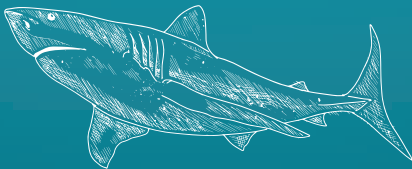


DOLPHINFISH	
 <p>Size 75-210 cm</p>	
Somali Names:	unknown
Family:	Coryphaenidae
Catch Method:	longline, purse seine, gillnet, pole and line
Sustainability in Somali Waters:	Sustainable

TUNA	
 <p>Size 50-250 cm</p>	
Somali Names:	tabadin, yajdar-baal-cagaar, dhiglow ama shirwo, tabad, jeedar, sannuuro
Family:	Scombridae
Catch Method:	ongline, gillnet, troll, handline, purse seine, pole and line
Sustainability in Somali Waters:	Species-dependent(seeiadc.org)

BILLFISHES	
 <p>Size 230-500 cm</p>	
Somali Names:	daabbiri, faras
Family:	Istiophoridae
Catch Method:	longline, gillnet, troll
Sustainability in Somali Waters:	Species-dependent (see iadc.org)

MACKERELS	
 <p>Size 38-240 cm</p>	
Somali Names:	derik, tabadin, jeedar
Family:	Scombridae
Catch Method:	gillnet, trawl, purse seine, pole and line
Sustainability in Somali Waters:	Unsustainable

SHARKS	
 <p>Size 400-760cm</p>	
Somali Names:	geesoole, libaax, miishaar, seeffe, saraciimo, nedaraan, baalcadde
Family:	Sphyrnidae, Lamnidae, Alopiidae, Carcharhinidae
Catch Method:	longline, gillnet, handline
Sustainability in Somali Waters:	Unsustainable



## HEALTH

### Somaliland's Health

The health sector in Somaliland presents significant opportunities for investment and development. Despite the challenges posed by the collapse of health systems during the civil war in 1988, the government has made remarkable progress in re-establishing the national health system. With functioning primary and secondary services in place, Somaliland is poised for further advancements in healthcare delivery, offering promising prospects for investors.

The government is committed to strengthening the health system, focusing on improving coverage, access, staffing, and service delivery. While challenges such as financial constraints, human resource capacity, and limited infrastructure persist, Somaliland has achieved notable health outcomes in reproductive, maternal, neonatal, and child health. These achievements underscore the potential for continued growth and improvement in the sector.

Investors have the opportunity to contribute to the strategic health objectives and participate in the development of a more robust healthcare system in Somaliland. With government support and a focus on sustainable growth, the health sector in Somaliland offers a unique landscape for investment, innovation, and positive impact on public health.



# INVESTING IN THE HEALTH SECTOR: OPPORTUNITIES

## 1. Government Commitment

The government of Somaliland is dedicated to strengthening the health system, focusing on expanding coverage, improving access, and enhancing service delivery. This fosters a supportive environment for investment.

## 2. Growing Healthcare Demand

With a growing population and increasing awareness of health issues, there is a rising demand for healthcare services. This creates opportunities for investors to contribute innovative solutions and facilities to cater to these needs.

## 3. Improving Health Outcomes

Somaliland has made significant progress in reproductive, maternal, neonatal, and child health, indicating potential for further advancements and investment in these critical areas, with substantial scope to expand into other underdeveloped or non-existent specialties.



#### **4.Opportunities in Infrastructure Development**

There is a need for investment in healthcare infrastructure, including hospitals, clinics, and diagnostic centers, to expand service capacity and improve access in urban and rural areas.

#### **5.Focus on Human Resource Development**

Investments in training and capacity building for healthcare professionals can address human resource challenges, enhancing service delivery and supporting the sector's growth.

#### **6.Health Technology and Innovation**

Opportunities exist for introducing and expanding health technologies, telemedicine, and digital health solutions to improve healthcare access and efficiency.

#### **7.Pharmaceuticals and Medical Supplies**

The sector offers potential for investments in the production and distribution of essential medicines and medical supplies, improving availability and affordability.

#### **8. Health Financing and Insurance**

Progress towards Universal Health Coverage presents opportunities for developing health financing models and insurance products that enhance access and affordability for the population.

#### **10. Focus on Preventive Care**

Investments in preventive care and public health initiatives can help reduce the burden of disease and promote healthier communities.

#### **9. Public-Private Partnerships**

Investors can leverage collaborative opportunities for public-private partnerships to utilize resources and expertise, facilitating investment in key areas of healthcare delivery and infrastructure.

#### **11. Emergency Preparedness and Response**

Opportunities for investment in emergency preparedness and response systems can enhance Somaliland's ability to handle health emergencies and improve overall resilience.



## BANKING & FINANCE

### Financial Sector Overview

Somaliland's financial sector has expanded rapidly but still faces unmet demand due to the country's unrecognised status and the requirement for full sharia compliance, which limits foreign participation and external financing. Six banks currently operate in the country: Dahabshiil, Darasalam, Amal, IBS, Premier, Wanag, and Wadaag. Bank assets grew from \$290 million in 2020 to \$463 million in 2022, while deposits rose from \$251 million in 2020 to \$325 million in 2024, with a temporary dip in 2023 partly linked to the Waheen Market fire in Hargeisa, which caused \$1.5–2 billion in damages and had wider economic repercussions. In 2022, GDP per capita stood at \$804, with a total GDP of \$3.57 billion. Nominal GDP growth averaged 8.1% over the past nine years, but real GDP growth averaged only 1.8%, indicating limited gains in living standards.

Total bank financing reached \$455 million in 2022, representing 12.7% of GDP, a ratio below the averages for fragile states, Sub-Saharan Africa, and the world. Non-performing loans were just 1.1%, among the lowest globally, reflecting strong repayment discipline. Lending volumes grew by 53.8% between 2020 and 2021, and by 20.9% between 2021 and 2022.

Somaliland's mobile money ecosystem is among the most developed in the region. Three mobile money operators—Telesom, Solteco, and Somtel—cover 97% of the population and offer free transactions, encouraging frequent use. Since 2016, Zaad and eDahab have supported payments in both US dollars and Somaliland shillings, strengthening the local currency, particularly in rural areas where dollar access was limited. In 2018, the Bank of Somaliland mandated that only transactions above \$100 could be made in US dollars via mobile money, boosting shilling usage for smaller purchases.





Microfinance has also expanded, with six institutions operating exclusively under credit-based Islamic finance models, mainly Murabaha contracts, as they are not licensed to accept deposits. Funding relies heavily on shareholder equity and grants from international and non-governmental organizations, limiting lending capacity. In 2023, the three largest microfinance institutions issued \$8.5 million in loans, with men receiving 62% and women 38%. Financing is highly concentrated in Marodi-Jeeh, which accounts for 59% of lending and 56% of MFI branches, followed by Togdheer with 19.5% of financing. The remaining regions receive significantly less, highlighting the need for more balanced regional access to financial services.



## **BANKING & FINTECH OPPORTUNITIES**

### **1. Growing Demand for Financial Services**

With a large unbanked population, there is significant potential for expanding access to banking and fintech services. Thus, there exist substantial opportunities to serve underserved markets.

### **2. Innovative Financial Solutions**

The financial sector is already adopting innovative solutions, with mobile banking and digital financial services like mobile money transfers gaining popularity and paving the way for future fintech advancements.

### **3. Diaspora Remittances**

Somaliland receives significant remittances from its diaspora, creating a steady flow of funds. Thus, there exists a demand for efficient money transfer services and banking solutions.

#### 4.Regulatory Developments

The Central Bank Constitutive Act allows the issuance of licenses for commercial banks, encouraging the entry of foreign banks and promoting a more regulated financial environment.

#### 5.Potential Market Entry

Several foreign banks have expressed interest in entering the Somaliland market, indicating a growing confidence in the stability and potential of the financial sector.

#### 6.Increasing SME Focus

There is a rising interest in providing financial services to small and medium enterprises (SMEs), driven by growth opportunities and potential competition.

#### 7.Infrastructure for Growth

Investments in telecommunications infrastructure, such as new fiber optic networks, support the development of digital banking and fintech solutions by enhancing connectivity.

#### 8.Cultural Adaptability

The prevalence of Islamic banking and traditional saving groups like 'hagbad' highlights opportunities to tailor fintech solutions that align with the country's cultural practices.

#### 9.Entrepreneurial Spirit

Somaliland has a vibrant entrepreneurial community eager to adopt new technologies and financial solutions, providing a receptive market for innovative banking and fintech services.





## TECHNOLOGY

Somaliland has taken significant steps to ensure a rapid development of Digital Transformation solutions, through the adoption of state-of-the-art telecommunications and ICT technology. This adoption will facilitate the growth of a knowledge economy and e-commerce. These efforts ultimately aim to achieve higher satisfaction rates and quality of living for both citizens and residents, enhancing various facets of their everyday lives.

To achieve this vision, Somaliland's Ministry of Information and Communication Technology has developed a four year National E-Government Strategic Plan. The provisions under this plan will help spread awareness about electronic processes, the necessity of digitizing government work, as well as elevating the degree of receptiveness to technology within government agencies. All of these steps are tailored to ensure a seamless transition towards sustainable development and global effectiveness and an improvement in overall quality of life.



# INVESTING IN TECHNOLOGY SECTOR: OPPORTUNITIES

## 1.Digital Transformation Initiatives

Somaliland is actively pursuing digital transformation through advanced telecommunications and ICT technologies, creating a favorable environment for technology investments that support the development of a knowledge economy and ecommerce.



## 2.Government Support and Strategic Planning

The Ministry of Information and Communication Technology has developed a four year National E-Government Strategic Plan to promote digitization, enhance government efficiency, and facilitate sustainable development, providing a clear roadmap for investors.

## 3.Growing ICT Market

The ICT market in Somaliland is expanding rapidly, particularly in areas such as ICT training, software development, mobile finance, and e-commerce, offering diverse investment opportunities.

## 4.Advanced Telecommunications and Internet Services

Somaliland offers technologically advanced and competitively priced telecommunications and internet services, attracting investments in network upgrades and offers expansion opportunities to increase market penetration.

## 5.E-Government and Digital Services

Investments in e-government services can improve public sector efficiency and service delivery, enhancing citizen satisfaction and quality of life.



## 6.Mobile Finance and E-Finance Growth

The increasing adoption of mobile finance and e-finance solutions presents significant opportunities for investors to expand digital financial services and reach underserved populations.



## 7.Global Connectivity and Online Trade

Enhanced global connectivity and the growth of online trade create opportunities for businesses to expand their reach and participate in international markets.

## 8.Focus on ICT Training and Education

Investments in ICT training and education can build a skilled workforce to support the growth of the technology sector and foster innovation.

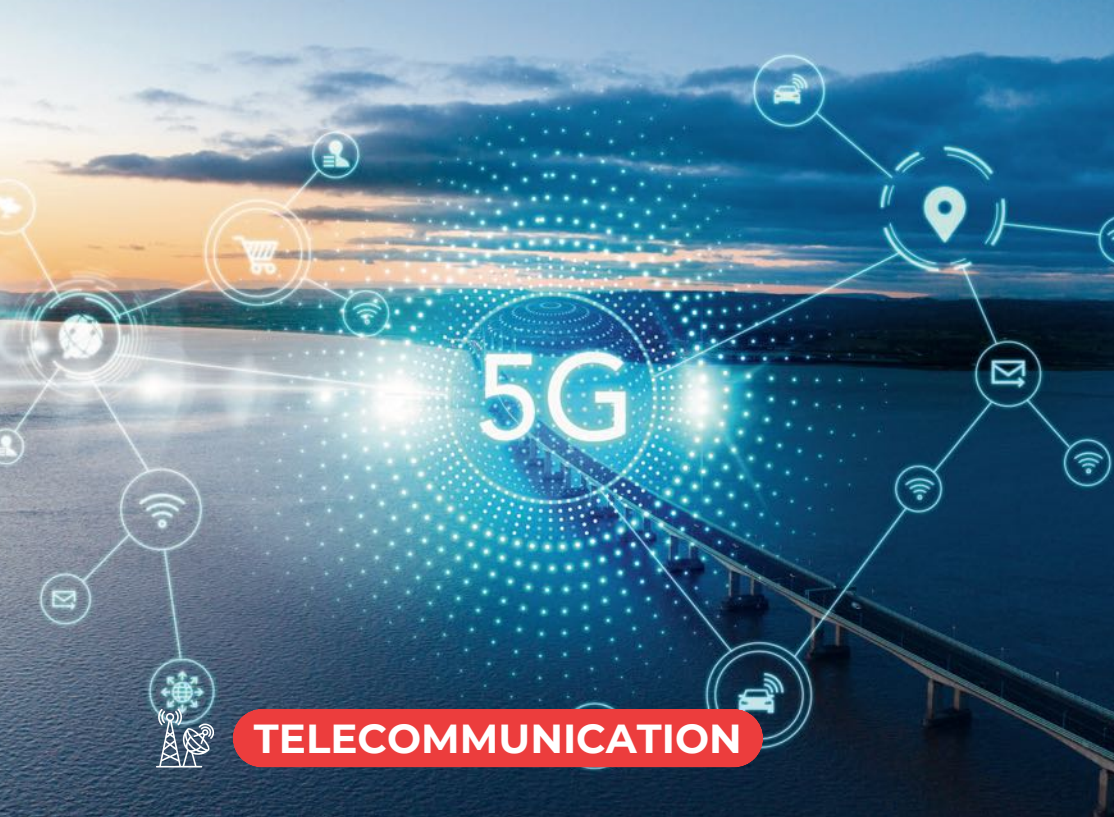
## 9.Potential for Technological Innovation

Somaliland's technology sector is ripe for innovation, with opportunities to develop and introduce cutting-edge solutions in various fields like healthcare, education, and agriculture.

## 10.Infrastructure Development

Investments in technology infrastructure, such as data centers and cloud services, can support the growing demand for digital services and enhance business operations.





## TELECOMMUNICATION

Somaliland's entirely private - sector - driven telecommunications industry is thriving and advancing to 5G. The government is working on interconnectivity between Telecom and Somtel - the two main service providers offering mobile banking, internet access, prepaid and subscription plans, international roaming, and more.

Telecom, founded in 2001, and Somtel, founded in 2008 and operational since 2010, are both set to introduce 5G services. Somcable, established in 2016 first company to be focuses on fiber optic internet services and solteco founded in 2022 in telecom services, Bluekom 2022 also focuses on fiber optic internet services. Investing in this sector promises significant growth and technological advancement.

# INVESTING IN TELECOMMUNICATIONS OPPORTUNITIES

## 1. Growing Mobile and Internet Penetration

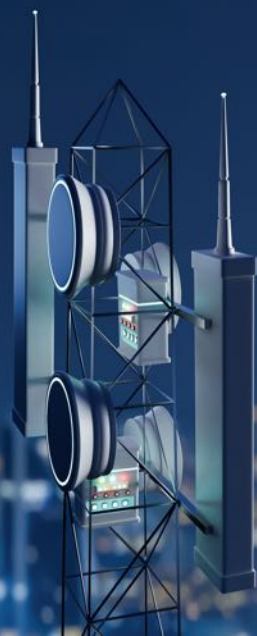
With increasing mobile and internet usage, there is significant potential for expanding telecommunication services to meet the rising demand for connectivity and digital services.

## 2. Invest in Local Telecom Providers

Existing providers like Telecom, Somtel, and Somcable have developed robust networks, offering opportunities for partnerships and co-investment to enhance infrastructure and service offerings.

## 3. Expanding Infrastructure

Ongoing investments in fiber optic cables and other telecom infrastructure are improving connectivity across Somaliland, creating opportunities for further expansion and enhancement of services.



## 4. Untapped Market Potential

Since a large portion of the population remains underserved, there are significant opportunities to expand coverage and introduce new services, particularly in rural and remote areas.

## 5. Innovative Digital Solutions

The success of mobile banking and digital financial services showcases the potential for further innovation in the areas of digital telecommunications and value-added services.

## 7.Collaborative Opportunities with Local Investors

Partnering with local investors and companies can provide access to existing networks and resources and valuable insights into the market and the local culture.



## 6.Regulatory Support

The government supports the development of the telecommunications sector by devising policies aimed at promoting investment, competition, and infrastructure development.

## 8.Favorable Investment Climate

A stable political environment and a commitment to developing the telecommunications sector make Somaliland an attractive destination for co-investment.





# SOMALILAND 5G STRATEGY

## Introduction

The strategy covers technical, regulatory, and market considerations for both Non-Standalone (NSA) 5G (which leverages existing 4G infrastructure) and Standalone (SA) 5G networks. Key components of the strategy include: radio spectrum allocation and licensing for 5G, infrastructure requirements, coverage targets, quality of service standards, security measures, and a framework for monitoring compliance. For spectrum, the strategy emphasizes a technology-neutral, fair, and efficient allocation – making spectrum available in a timely manner and using transparent licensing methods (like auctions or administrative assignments). It identifies frequency bands to be used for 5G (low bands for wide coverage, mid/high bands for capacity) and plans a spectrum assignment that optimizes usage across these bands. The document stipulates that telecom operators will need to obtain a separate 5G spectrum license (valid for 3 years at a time) in addition to their telecom service license. It sets forth conditions for license renewal – operators must demonstrate they have met rollout obligations and complied with regulations to get renewals after the 3-year term.

The strategy also lays out coverage obligations: by the end of 2027, 5G networks should cover at least 80% of the population. More specifically, it mandates that at least 98% of households in each region should have access to 50 Mbps downlink speeds (via 5G or other wireless broadband), with interim targets for new operators – e.g. 25% household coverage by 2025 and 50% by 2027 for any new entrant. It also requires a minimum number of 5G base stations to be deployed across all regions (for instance, at least 200 5G base stations nationwide as an initial target). In terms of infrastructure, the strategy encourages infrastructure sharing among operators (like tower sharing and possibly spectrum sharing) to avoid duplication and reduce environmental impact.





## REAL ESTATE & HOUSING

### Introduction

Somaliland's real estate and housing sector offers significant investment opportunities, driven by growing urbanization and economic development. With the expansion of urban centers like Hargeisa, there is increasing demand for residential, commercial, and industrial properties. This demand creates opportunities for developers to provide diverse housing solutions, from affordable homes to luxury residences. The real estate sector in Somaliland is experiencing rapid growth driven by urbanization and economic development, particularly in cities like Hargeisa, Burao, and Berbera. This expansion is reflected in the increasing demand for residential housing, with opportunities for developers to build affordable and mid-range homes for a growing urban population.

The government is actively streamlining regulations to improve the business environment for developers, enhancing property rights and legal protections. Investors can explore innovative housing solutions and sustainable practices, catering to diverse population needs and promoting environmental responsibility. These factors make Somaliland's real estate sector a promising destination for investment.

The commercial property market is also thriving, with rising demand for office spaces, shopping centers, and hospitality facilities due to business and retail sector growth. Additionally, Somaliland's strategic location offers potential for the development of industrial parks and logistics hubs to support regional trade. The tourism and hospitality sector presents further opportunities, with prospects for establishing hotels and resorts that cater to the burgeoning interest in tourism and the country's cultural attractions.





## **INVESTING IN REAL ESTATE SECTOR OPPORTUNITIES**

### **1. Rapid Urbanization**

Cities like Hargeisa, Burao, and Berbera are experiencing rapid urban growth, thereby increasing demand for housing and commercial properties.

### **2. Growing Population**

A rising population creates a continuous demand for residential housing, which presents developers with opportunities to build affordable and mid-range homes.

### **3. Economic Development**

Economic growth in Somaliland drives the need for commercial spaces, including office buildings, retail centers, and hospitality facilities.

#### 4. Tourism Potential

The country's rich cultural heritage and coastal attractions offer opportunities for developing hotels, resorts and tourism related infrastructure



#### 5. Infrastructure Development

Ongoing projects dedicated to the development of roads, utilities, and airports improve connectivity and accessibility, enhancing the attractiveness of real estate investments.

#### 6. Rising Middle Class

An expanding middle class with increasing purchasing power supports rising demand for diverse real estate products, from residential to commercial spaces.

#### 7. Diaspora Investment

Significant investment from the Somaliland diaspora contributes to the sector's growth, providing capital and expertise.

#### 8. Potential for Innovation

Opportunities exist for devising and implementing innovative housing solutions and sustainable development practices to meet diverse market needs.





## TOURISM & HOSPITALITY

### Tourism

Somaliland is renowned for its historical sites, which are significant archaeological treasures and played a crucial role in trade in the Horn of Africa. Key sites like Xiis, Zeylac, Abassa, Siyara, and Bulhar were integral to trade networks between the 14th and 16th centuries during the Sultanates of Ifat and Adal and facilitated stable commercial activities. Artifacts found in Somaliland, such as pottery, porcelain, cowries, and glass, indicate its position as a major hub in the Indian and Red Sea trade networks.

Nomadic groups collaborated with traders to ensure caravan safety across the region, as evidenced by numerous foundry mounds. Recent studies by the Ministry of Trade and Tourism and the Spanish Institute of Studies and Science highlight the historical significance of these sites. Xiis, a historic coastal town in the Sanaag region, was a vital trading center during the Medieval Era, exporting frankincense to Arabia and mentioned in Greek texts as early as the first century AD.

In addition to its rich historical sites, Somaliland offers diverse tourism sites, including eco, religious, and rock art tourism. The remains of old towns and seaports such as Zeila, Bulahar, and Madduna are also spread across its six major regions and attract tourists interested in regions that have historical relevance. Nearly 200 tourism sites are scattered across Somaliland, presenting significant economic opportunities for the country.

The government is working on strategic product development and marketing initiatives to position Somaliland as a destination for foreign tourists interested in exploring the greater Horn of Africa region. However, the tourism sector still lacks the necessary investment for further exploration, marketing, protection, and preservation of historical sites to fully realize its potential.



# **Tourism & Hospitality Opportunities**

## **1. Rich Historical and Cultural Heritage**

Somaliland is home to various archaeological sites like Xiis, Zeylac, and Abassa, offering unique opportunities for cultural tourism and heritage preservation projects that attract history enthusiasts.

## **2. Untapped Market Potential**

With many historical and natural attractions still remaining underdeveloped, there is significant potential for investment in tourism infrastructure, including hotels, resorts, and guided tour services.

## **3. Coastal Attractions**

Somaliland's coastline offers beautiful beaches and coastal towns, such as Xiis and Maydh, providing opportunities for the establishment of beach resorts, water sports, and marine tourism.





#### 4. Diverse Natural Landscapes

The country boasts diverse landscapes, including mountains, deserts, and coastlines. This makes the region ideal for eco-tourism and adventure tourism, and various outdoor recreational activities like hiking and safari tours.

#### 5. Growing Domestic and Regional Tourism

Local and regional tourists are demonstrating a rise in interest in Somaliland's landscapes. Thus, this creates opportunities for developing accommodations and services tailored to various tourist segments, including family-friendly and luxury options.

#### 6. Development of Hospitality Infrastructure

Investment opportunities also exist in enhancing hospitality services to meet international standards and cater to diverse visitor needs. Hotels, lodges, and guesthouses can be built and upgraded to accommodate tourists.

#### 7. Opportunities in Entertainment and Sports

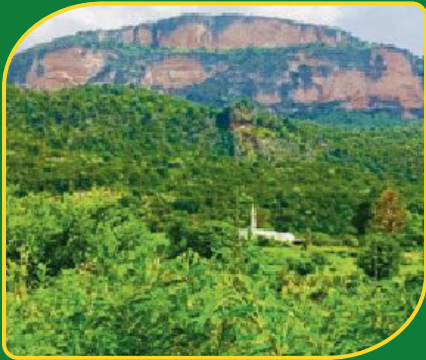
Investors can explore the possibility of developing entertainment venues, sports facilities, and recreational centers to enhance the tourist experience and attract events and activities to Somaliland.

#### 8. Infrastructure Development

Investments in transportation infrastructure, such as roads and airports, improve connectivity and accessibility to tourist destinations, facilitating travel and enhancing the visitor experience.



**Dallo Mountain,  
Where Nature Meets  
the Clouds**



**Wagar Mountain:  
Fragrant Trails, Stunning  
Views**



**Sa'adine Island:  
A Mysterious Pearl of  
the Red Sea**



**Sa'adine Island: A  
Breathtaking  
Fusion of Sky and Sea**



**Biyo-Kulule: A  
Tranquil Oasis of  
Warm, Serene  
Waters**

**El-Gerdi El: Where  
Desert Meets Sea**



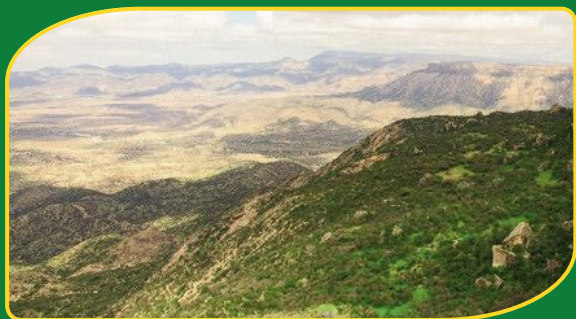
**Midhisho: Where  
Green Embraces Blue**



**Batalale Beach: Where  
sunsets sparkle on  
crystal sands!**



**Ruqi Area: A Hidden  
Paradise of Waterfalls  
and Valleys**



**Gacan-Libah:  
Ancient Ruins  
Meet Towering  
Peaks**



**Naaso-Hablood: Nature's  
Twin Guardians of  
Hargeisa**



**Bed-Weyn: Untouched  
Beauty & Tranquil  
Wilderness**



**Daray-Macaane: A Hidden  
Oasis of Natural Beauty**



**Ebad Island: A Serene  
Jewel of Sands and Azure  
Waters**



**Suluq-Tiya Island:  
Where the Tea  
Whispers Untouched  
Beauty**



**Gudmo Biyo Cas:  
Paradise of Waterfalls &  
Beauty**



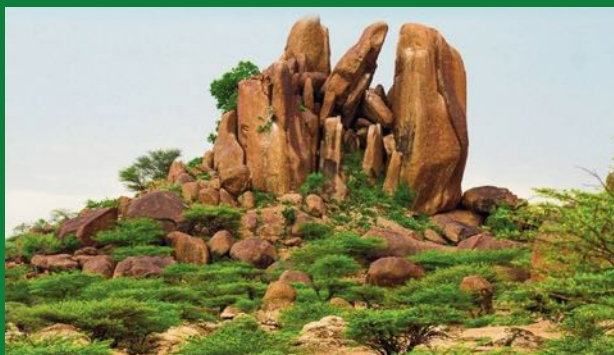
# The History of Somaliland's Rock Art

## A Glimpse into Africa's Ancient Artistic Legacy (5,000-3,000 BC)

In this chapter, we will explore the history of rock art in Somaliland. We begin by looking at the origins of these rock formations, which date back to their discovery. However, the history of rock art in Somaliland extends far beyond what is covered here. Efforts are ongoing to identify additional locations across the country that may hold untapped and significant historical value.

While we aim to document as many registered rock art sites as possible, it is important to note that not all of Somaliland's rock art has been recorded. Therefore, we cannot claim to have captured the entirety of the country's rock art heritage. Nonetheless, it is certain that rock art exists throughout Somaliland, and ongoing initiatives are focused on uncovering new sites to further enrich our understanding of this ancient history.

**Dhagax Maroodi :**  
**Where ancient**  
**stones whisper tales**  
**of a forgotten world**



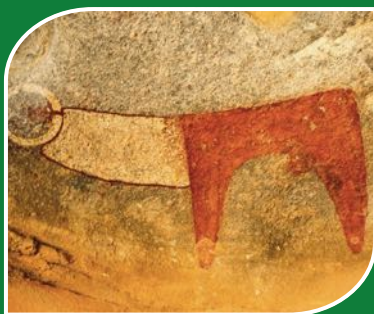
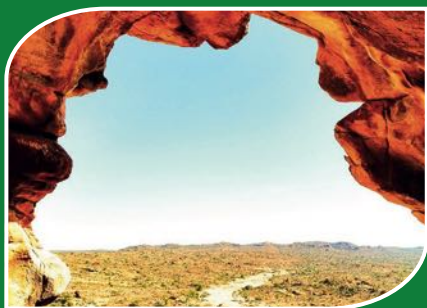


During the survey, they frequently encountered images depicting cows and other animals native to the region, such as giraffes. While local residents had long known about these paintings, their significance only gained international recognition in 2002–2003, following the survey that identified Laas Geel as a prehistoric site bridging human history across millennia.



Today, Laas Geel is a well-protected heritage site, safeguarded by the Ministry of Trade and Tourism. The area is fenced and monitored by trained personnel to ensure its preservation. Visitors can explore the ancient archaeological heritage, including intricate images etched into shelter rocks and caves, offering a glimpse into a history that dates back thousands of years.

Somaliland's rock art whispers the secrets of ancient civilizations, where every stroke tells a timeless story of beauty, culture, and mystery.





## SOMALILAND SPECIAL ECONOMIC ZONE

### Introduction to Somaliland's Economic Zone Development

Complementing the BEZ is the expanded Berbera Port, a multipurpose facility with state-of-the-art infrastructure capable of handling large vessels. This integration is expected to facilitate trade, with an estimated contribution of 27% of Somaliland's GDP and 75% of regional trade by 2035. Together, the Berbera Economic Zone and Port position Somaliland as a key regional trade gateway, driving economic growth through increased trade, foreign investment, and job creation.

Modeled after Dubai's Jebel Ali Free Zone, the BEZ offers a business-friendly environment with fiscal incentives, modern infrastructure, and streamlined processes to attract investment. By providing pre-built warehouses, serviced plots, and office spaces, it supports sectors like agriculture, textiles, and construction. Among its notable partnerships is its collaborative efforts with IFFCO's edible oil packing plant.

The Berbera Economic Zone (BEZ), developed by DP World and the Somaliland government, is transforming the region into a major trade hub in the Horn of Africa. Officially inaugurated by President Muse Bihi Abdi and DP World's Group Chairman Sultan Ahmed Bin Sulayem, the BEZ leverages its strategic location near Ethiopia and key global trade routes to drive growth and development.

## 1.1. COMPANY FORMATION

Somaliland Special Economic Zone Authority (SSEZA) offers several formation types that enable investors to establish their entities to suit individual requirements.

To form an entity within the Berbera Economic Zone (BEZ) the investor(s) must choose one of the following formation types:

- Special Economic Zone Establishment (SEZE)
- Special Economic Zone Company (SEZCO)
- Branch of a Company



### Special Economic Zone Establishment (SEZE)

SEZE registration allows for a single shareholder. A shareholder can be an individual/person or a non-individual/company. SEZE is essentially a Limited Liability Company, meaning that the liabilities of the company are limited to its capital paid. A SEZE has a legal personality distinct from that of its shareholder and has the capacity, rights, and privileges of a person.



### Special Economic Zone Company (SEZCO)

SEZCO registration allows for multiple shareholders (up to 50). A Shareholder can be an Individual/person or a non-individual/ company. A SEZCO is essentially a Limited Liability Company meaning that the liabilities of the company are limited to its capital paid. A SEZCO has a legal personality distinct from that of its shareholder and has the capacity, rights and privileges of a person. SEZCO registration allows for multiple shareholders (up to 50). A Shareholder can be an Individual/person or a non-individual/ company. A SEZCO is essentially a Limited Liability Company meaning that the liabilities of the company are limited to its capital paid. A SEZCO has a legal personality distinct from that of its shareholder and has the capacity, rights and privileges of a person.



### Branch of a Company

A branch is considered a legal entity of its parent company; it is 100% owned by the parent company, operates under the same name, and conducts the same business.

## 1.2. LICENSES & ACTIVITIES

The type of activity your business undertakes will dictate the types of licence along with the most appropriate facility you will require in BEZ.



### Trading:

**Trading Licence:** Allows the holder to import, export and distribute a fixed number of products specified on the licence.

**General Trading Licence:** Allows the holder to import, export & distribute an unlimited range of products specified on the licence.



### Industrial:

**General Trading Licence:** Allows the holder to import, export, and distribute an unlimited range of products specified on the licence. It also allows the holder to import raw materials, carry out the manufacture of specified products, and export the finished product to other countries, as well as sell to the local market and to other BEZ Entities.



### Service:

**Service License:** Allows the holder to carry out the services specified on the licence, primarily targeted at offering services to BEZ entities. The license holder does not hold inventory of any physical products. Such services can include Banking, Insurance, Inspection, Audit, and Retail.



### Logistics:

**Logistics License:** Allows specified logistics services (e.g., storage, transportation, distribution, sorting, forwarding, and clearing activities, order management, inventory management, etc.).



### E-Commerce:

**E-commerce License:** To carry out buying and selling of goods and services over electronic networks via any electronic means.

## 1.3. FACILITIES

BEZ offers a range of facilities specifically designed to meet a variety of business needs. BEZ entities can simply select the type that suits their business best interest.



### Serviced Land Plots

**The Serviced Land** Plot is infrastructure-ready for purpose-built facilities. Choose the perfect size plot for your business, available for short and long-term leases, ideal for companies wishing to construct their own facility.



### Warehouses

**BEZ offers pre-built warehouses** to meet customers' needs for high-quality storage and light manufacturing. The pre-built warehouses are of high quality, and units are available on a rental basis.



### Customised Development Solutions

This solution enables the investor to request BEZ to build facilities in the zone to meet exact requirements on a turnkey basis, which can then be leased on a long-term basis or sold to the investor.



### Offices

Office space in BEZ has been designed to be as forward-thinking as the companies it houses. Choose from state-of-the-art spaces that can be tailored to suit your needs, with each office available unfurnished, ensuring your style and taste are easy to implement.



### Business Centre

The BEZ Business Centre provides ready-to-use, fully furnished offices, making it perfect for short-term or long-term use. Business center users can be upgraded to a fully-fledged office when needed and are counted as part of the BEZ community.



### Retail Outlets

BEZ offers a choice of retail outlet space in its office building.



# SOMALILAND PUBLIC-PRIVATE PARTNERSHIP



## Introduction

Public-Private Partnerships (PPPs) in Somaliland represent a transformative approach to fostering economic development, improving public services, and building critical infrastructure for the nation's progress. The framework, governed by the Public-Private Partnership Act, creates a collaborative platform where the government and private investors work together to address infrastructure gaps and service delivery challenges. This synergy leverages the efficiency, innovation, and resources of the private sector while aligning with public interests and developmental goals.

One notable example is the modernization of the Berbera Port, a project undertaken through a PPP model with international stakeholders. This project has significantly enhanced Somaliland's trade infrastructure, cementing its position as a logistics hub in the Horn of Africa. PPPs like these illustrate how public needs can be met efficiently while fostering economic growth and development.

## GOVERNANCE AND INSTITUTIONAL FRAMEWORK

**1. The Ministry** Oversees PPP projects by ensuring alignment with Somaliland's National Development Plan and conducting feasibility studies.



**2. PPP Directorate:** Facilitates project identification, preparation, and oversight to ensure compliance with guidelines.



**3. Contracting Authorities:** Sector-specific entities tasked with executing PPP projects.



**4. Dispute Resolution Office:** Resolves conflicts and grievances efficiently to maintain trust and transparency.



## Legal and Financial Provisions

- **Alignment with National Priorities:** All PPP projects must align with the National Development Plan to ensure strategic focus.
- **Risk Sharing:** Contracts balance risks between public and private partners.
- **Transparency and Auditing:** Regular audits ensure accountability and trust.
- **Incentives for Investors:** Tax breaks, subsidies, and streamlined processes encourage private participation.



# MINISTRY'S INTRODUCTION

The Ministry of Investment and Industrial Development is a newly Government Institution created for the first time on 14 December 2017 for coordinating the fragmented investment projects into a single window. And is responsible for formulating strategies, policies, goals and programs aimed at developing local and foreign investments, improving the investment image of the country, quickly creating opportunities for entrepreneurs and cooperating in socio- economic development programs with United Nations and international organizations.

## Our Mandate:

The Ministry of Investment and Industrial Development is mandated to formulate investment and development policies, strategies and programs and monitoring their implementation, development of specialized economic zones and coordination of regional integration. And promote private sector development and to boost domestic and foreign investment by creating a conducive investment climate, as part of its effort to establish a market oriented economic system in Somaliland and responsible for drafting, negotiating and approving bilateral Investment Promotion and Protection Agreements and serves as a focal department for all Somaliland investment related affairs.

## Our Vision

Welcome to the Investment Development Department! Our department serves as a pivotal hub for driving economic growth, fostering industrial development, and attracting both domestic and foreign investment to Somaliland.



## Our Mission

"At the heart of our mission lies a commitment to catalyzing sustainable economic development and prosperity for the people of Somaliland. Through strategic initiatives and partnerships, we aim to create an environment conducive to investment, innovation, and entrepreneurship."



# Investor & Industrial Services

## Information & Statistics Service

- Providing information on Somaliland Investment priorities
- Providing information on laws, policies and regulation
- Providing information on investment climate
- Providing information on Investor and Sectorial Permit requirements



## Guide service

- Investor guide to Somaliland
- Investor guide for Project Establishment
- Investor guide for obtaining Certificate & Permits
- Investor guide for Policies and Laws



## Facilitation Services

- FDI / PPP Investment Project Facilitation
- Government initiation permits Facilitation
- Investor Immigration services & Visa Facilitation
- Investor Travel & Security Facilitation
- Investor Site visit Facilitation



## Registration service

- Registration services are offered at our registration department.
- Investment certificate & Industrial Permit registrations.
- Per Project appraisal.
- Registration Guide for Certificates & Permits .

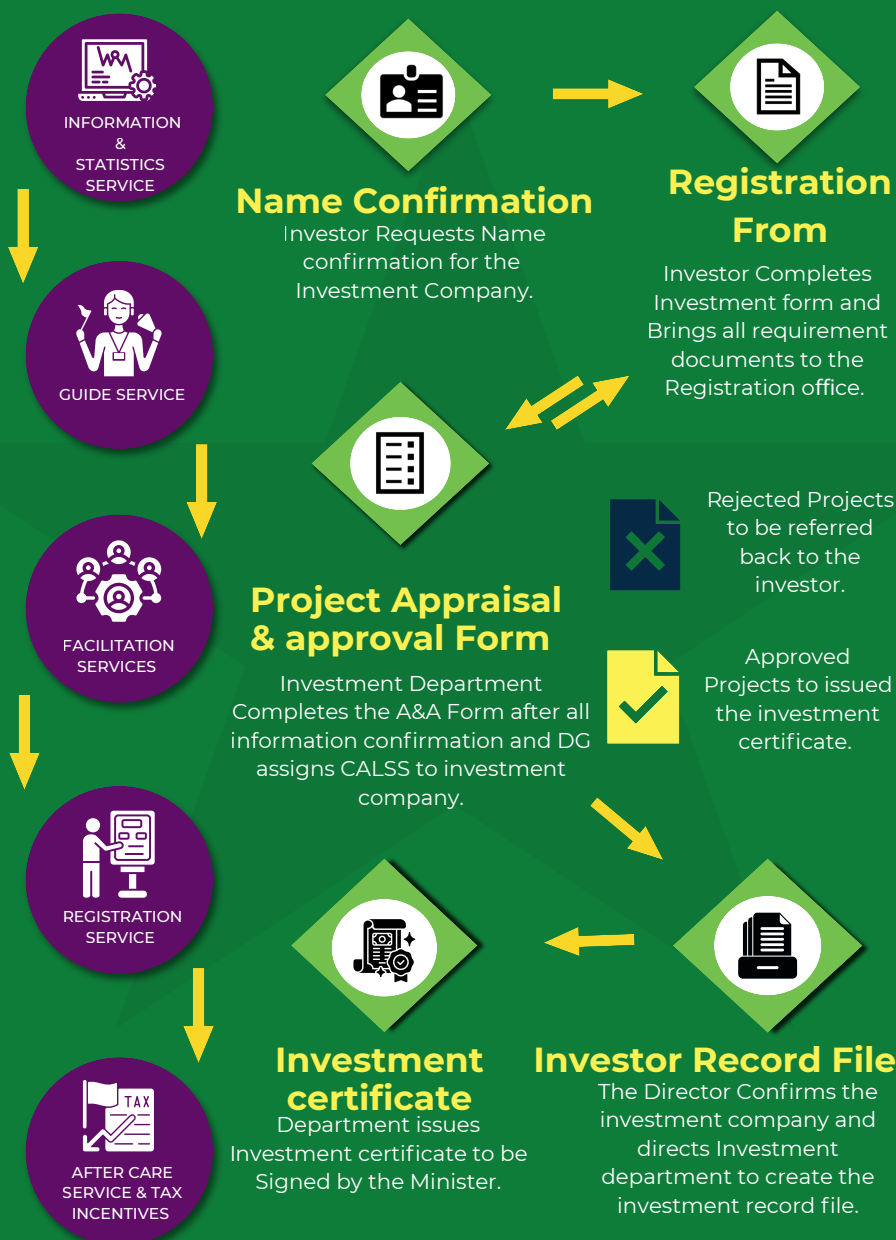


## After care service & Tax Incentives

- Aftercare services for Tax exemptions
- Aftercare services for incentives
- Aftercare services for government support
- Aftercare services for monitoring



# MINISTRY REGISTRATION MAP FOR INVESTMENT & INDUSTRIES





## Investor Required Documentation



**Company Name Approval Form (A):** Initial form required to secure the company's name approval.



**Investment Application Form (B):** Official application outlining the investment details.



**Request Letter:** Formal letter expressing intent to invest in Somaliland.



**Passport Size Photo (4.5cm x 3.5cm):** Standard-sized photograph for official records.



**Proof of Investment Capital Over \$100,000:**

Documentation demonstrating the financial capacity to invest.



**Company Profile(s):** Overview of the investing entity, including history and operations.



**Company By laws (Articles of Association):** Legal document outlining the company's structure and governance.



**Detailed Investment Project Proposal:** Comprehensive outline of the proposed project.



**Detailed Investment Project Proposal:** Comprehensive outline of the proposed project.



**Notarized Shareholder Agreement:** Agreement signed and notarized by company shareholders.



**Foreign Company Branches:** If applicable, documentation of existing branches and operations abroad.



**Legal Representative Letter:** Designation of an official representative for the investment process.



**Joint Venture Documentation:** Existing licenses and agreements for both parties in a joint venture.



**Copy of Current Visa/Resident Status:** Proof of residency or valid visa for foreign investors

## Tax Incentive Requirements and Guidelines

To support and encourage investment, Somaliland offers a range of tax incentives tailored to different business sectors and project phases. Investors seeking to benefit from these incentives must adhere to specific documentation and procedural requirements outlined below.

### Documents Required for Tax Incentive Applications



#### 1. \*Request Letter

- Clearly specify the type of tax incentive being requested (e.g., Import Tax, Profit Tax).
- Provide a strong justification for the exemption.
- Indicate the port of entry for goods, if applicable.



#### 2. \*Line Ministry Tax Clearance Letter

- A formal letter of support issued by the Director General or Minister of the relevant ministry. (if requested)



#### 3. \*Tax Clearance Certificate

- A valid certificate proving the company's compliance with tax obligations in Somaliland.



#### 4. \*Valid Licenses and Permits

- Copies of all operational permits and licenses held by the company within Somaliland.



#### 5. \*Valid Investment Certificate

- Proof of the investment's approval under Somaliland's investment laws.



#### 6. \*Product Invoice

- Detailed invoices for all products associated with the investment project.
- Supporting documentation, including:

1. **Bill of Lading (BL):** Details on the shipment of goods.
2. **Package List:** Inventory of the goods being imported.

# Import and Profit Income Tax Exemption Guidelines

## Profit Income Tax Exemptions

- **First 5 Years:** 100% exemption on profit income tax from the start of operations.
- **Next 5 Years:** 50% reduction in profit income tax.



## Import Customs Duties Exemptions

### 1. Initial Start-Up Phase:

- 100% exemption for importing machinery and equipment directly related to the establishment and development of approved investment projects.

### 2. Reinvestment or Subsequent Phases:

- Tax exemptions can be extended for reinvested projects or new project phases under specific conditions.

### 3. Sector-Specific Incentives

- **Agriculture, Renewable Energy, Fishery & Aquaculture, Livestock:** 100% exemption on import duties for related equipment and goods.
- **Raw Materials Imports:** Eligible investors are entitled to import duty exemptions on raw materials necessary for their operations, provided they hold a valid investment certificate.



## For more information Please Contact

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**Shacabka, Hargeisa, Somaliland**





Wasaaradda Horumarinta Maalgashiga iyo Warshadaha  
**Ministry of Investment  
& Industrial Development**  
وزارة تنمية الاستثمار والصناعة

## Acknowledgment

The Ministry of Investment and Industrial Development extends its heartfelt gratitude to everyone who played a role in the successful creation and completion of this Investment Book. This publication stands as a testament to our collective commitment to positioning Somaliland as a premier destination for investment and sustainable business growth.

We are especially grateful to our partners for their invaluable support and collaboration. Your expertise, resources, and dedication to fostering enduring investment opportunities have significantly enriched the quality and impact of this work. Your ongoing commitment to advancing Somaliland's economic growth is sincerely appreciated.

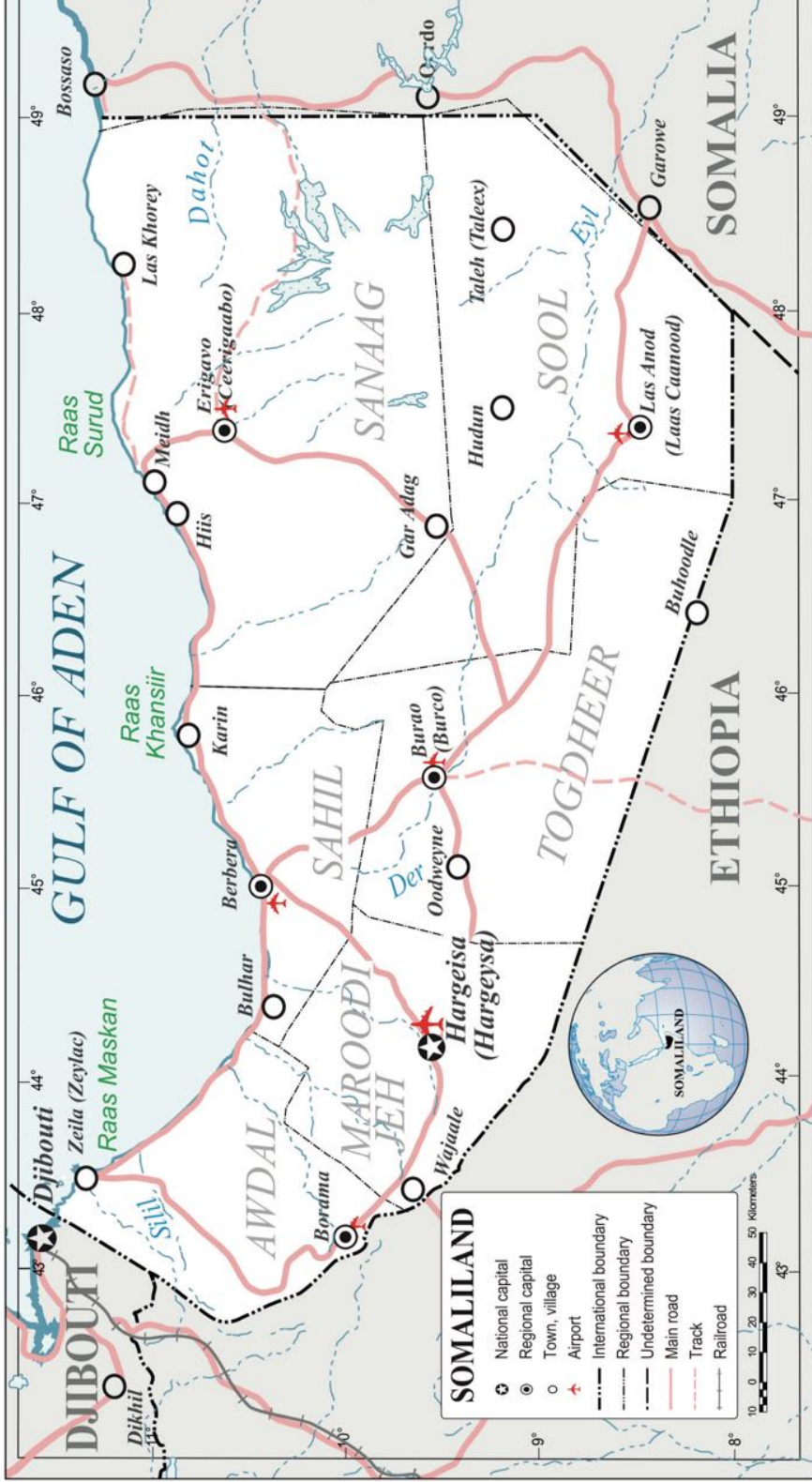
Our thanks also go to the many individuals and teams whose tireless efforts made this guide possible—from research and data gathering to writing, editing, and design. Your professionalism and hard work have transformed this vision into reality. We extend special recognition to Shuraako Capital for their support and collaboration in initiating this Investment Book.

Lastly, we invite all our stakeholders and partners, both within Somaliland and across the globe, to continue championing our nation's investment ambitions. Together, we are building a brighter, more prosperous future for Somaliland.

Thank you for your unwavering dedication and support.

***Prepared by: Ibrahim Abdikarim Mohamed (Dhamac)***  
*Director of Research & Development*  
*Ministry of Investment & Industrial Development*





Welcome to Somaliland



# INVEST IN SOMALILAND

**Your Gateway to Investment in the Horn of Africa**

[Somalilandinvest.com](http://Somalilandinvest.com)

[Moiid.govsomaliland.org](http://Moiid.govsomaliland.org)

