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2026

SOMALILAND

Budget Analysis:

Is the Budget Advancing Fiscal Decentralization and Inclusive Development?

Prepared by: Ahmedi Yusuf

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EAST
Elite Advisory Services Team

+252-63-4436929 | +252-63-4279438

www.east.com.so

east.informs1@gmail.com | info@east.com.so Hargeisa Somaliland - Macalin Harun Road No 1

Sub: Burao

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About EAST

- EAST is presented in this report as the publisher/host institution requested by the client.
- The analysis follows the structure and visual logic of the 2025 Somaliland Budget Analysis, replacing ISIR branding with EAST branding.
- All 2026 budget figures were translated from Somali into English and analyzed for clarity, decentralization and fiscal policy use.

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Somaliland 2026 Budget Analysis: Is the Budget Advancing Fiscal Decentralization and Inclusive Development?

Author: Ahmed Yusuf

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Introduction

The Somaliland 2026 national budget was approved at a total of SLSH 4.585 trillion, equivalent to approximately USD 654.99 million using the budget conversion rate of SLSH 7,000 per USD. This represents a 17% increase from the comparative 2025 budget figures used in the 2026 Budget Appropriation Act. The increase is not evenly distributed across government functions: donor-financed projects rise strongly, central government revenue rises, state-owned revenue-generating agencies expand, while local government budgets decline slightly. This EAST analysis translates the 2026 budget data from Somali into English and examines whether the 2026 budget is advancing fiscal decentralization and inclusive development. It uses the style and structure of the 2025 budget analysis while updating the content, branding and evidence base for 2026. The report reviews macroeconomic conditions, revenue structure, expenditure priorities, donor funding, local government allocations, state-owned agencies, data quality issues, key findings and policy recommendations.

Exchange rate note

- USD equivalents in this report use SLSH 7,000 = USD 1 for comparability with the 2025 analysis and the donor project tables in the 2026 budget book.
- The macroeconomic section of the 2026 budget reports a market exchange-rate average of SLSH 9,995/USD for January-June 2025; therefore, USD equivalents are analytical estimates, not market valuations.

Executive Summary

- The 2026 national budget totals SLSH 4,584,959,018,356, equal to about USD 654.99 million at SLSH 7,000/USD.
- Central government remains the dominant budget holder, with 63% of the national budget; local governments receive 12%, donor projects 17%, and revenue-generating agencies 8%.
- The central government budget rises by 11%, but local government budgets decline by 1%, making decentralization weaker in relative fiscal terms.
- Central government revenue depends heavily on customs: SLSH 2.094 trillion, or 73% of central revenue, while inland revenue contributes 27%.
- Security and defence absorb 46.6% of central government expenditure; compensation of employees absorbs 69% of the central government budget.
- Local government budgets are highly concentrated: Hargeisa and Berbera together account for 57.7% of all local government budgets, while the top five municipalities account for about 78.7%.
- Donor-financed projects rise by 69%, led by electricity sector recovery and the Lawyacado-Borama Road Project.
- The budget contains clear policy commitments to revenue modernization, tax base expansion and decentralization, but the financial allocations show that fiscal decentralization remains limited.

Component	2025 (SLSH bn)	2026 (SLSH bn)	2026 (USD m)	Growth	Share
Central Government Budget	2,593.4	2,866.2	409.45	10.5%	62.5%
World Bank & AfDB Projects	474.6	800.7	114.39	68.7%	17.5%
Revenue-Generating Agencies	273.6	354.3	50.61	29.5%	7.7%
Local Government Budgets	570.3	563.8	80.54	-1.1%	12.3%

Source: EAST translation and analysis based on Somaliland 2026 Budget Appropriation Act, Table 1.

Somaliland National Budget 2026 - Composition

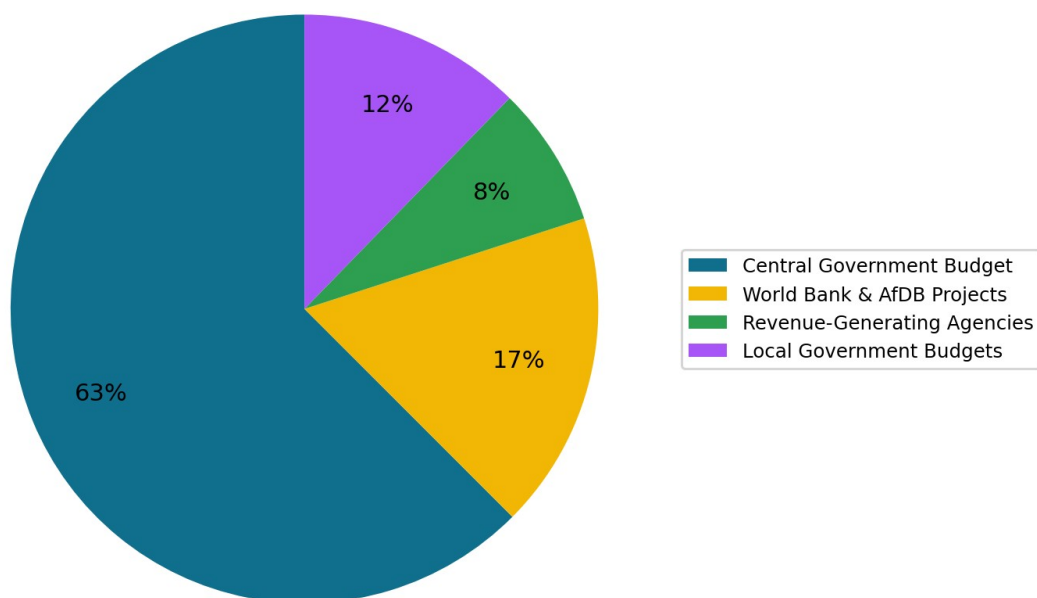


Figure 1: Somaliland National Budget 2026 composition.

1. Macroeconomic Outlook

1.1 GDP and Per Capita Income

The budget book reports a positive macroeconomic trend in 2024. Nominal GDP increased from USD 3.977 billion in 2023 to USD 4.280 billion in 2024. Real GDP also increased from USD 2.497 billion to USD 2.607 billion, producing real GDP growth of 4.4%. Nominal per capita income rose from USD 871 to USD 912, while real per capita income increased from USD 547 to USD 556.

Indicator	2023	2024	Change
Nominal GDP (USD million)	3977	4280	+7.6%
Real GDP (USD million)	2497	2607	+4.4%
Nominal GDP per capita (USD)	871	912	+4.7%
Real GDP per capita (USD)	547	556	+1.6%

Source: EAST translation of the macroeconomic section of the Somaliland 2026 Central Government Budget Book.

1.2 Inflation and Exchange Rate

Inflation moderated in the first half of 2025. Headline inflation fell from 9.75% in January-June 2024 to 8.2% in January-June 2025, and food inflation fell from 21.4% to 13.9%. However, energy, fuel and utility inflation rose from 5.6% to 9.1%. The exchange-rate situation remains a major fiscal and household-risk issue: the average exchange rate moved from SLSh 8,867/USD in January-June 2024 to SLSh 9,995/USD in January-June 2025, a depreciation of about 12.7%.

Component	Jan-Jun 2024	Jan-Jun 2025
Headline inflation	9.75%	8.20%
Core inflation	6.47%	7.00%
Food & related items	21.40%	13.90%
Energy, fuel & utilities	5.60%	9.10%

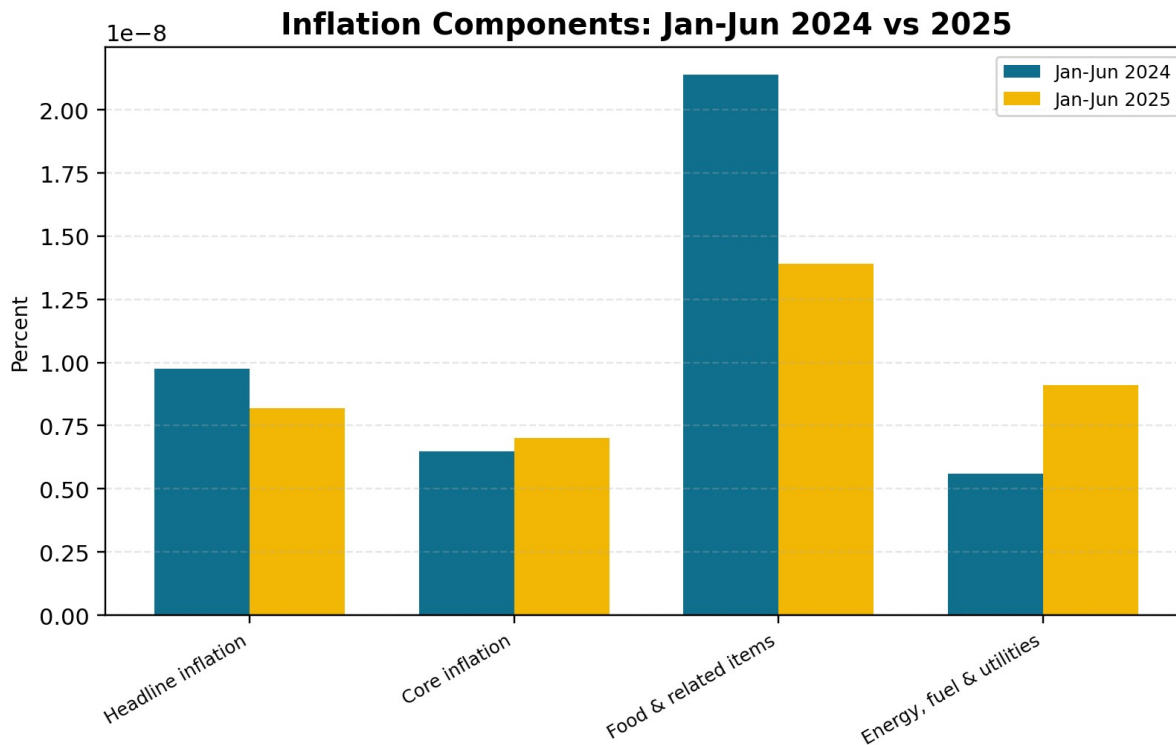


Figure 2: Inflation components, Jan-Jun 2024 versus Jan-Jun 2025.

1.3 Remittances, Trade and Travel

Remittances remain a stabilizing pillar of household consumption and small business financing, but the balance remains negative when outflows are compared with inflows. Inward remittances in January-June 2025 reached USD 622.45 million, up 5.0% from the same period in 2024. Outward transfers declined slightly to USD 1.139 billion, but still exceeded inward flows by about USD 516 million in the first six months of 2025.

Flow	Jan-Jun 2024 USD m	Jan-Jun 2025 USD m	Change %
Inward remittances	593.0	622.45	5.0%
Outward remittances	1152.0	1138.87	-1.1%

Livestock exports declined by 5% in the first half of 2025, from 2.691 million heads in January-June 2024 to 2.561 million heads in January-June 2025. Sheep and goats remain dominant, representing about 94.3% of livestock exports. Imports, by contrast, rose by 14%, from SLSH 4.397 trillion to SLSH 5.010 trillion. This import growth supports customs revenue but also increases exposure to exchange-rate pressure and imported inflation.

Indicator	Jan-Jun 2024	Jan-Jun 2025	Change
Livestock exports (heads)	2,690,899	2,560,558	-5.0%
Imports (SLSH trillion)	4.397	5.010	+14.0%

Source: EAST translation of Somaliland 2026 Budget macroeconomic, remittance and trade sections.

2. Fiscal Context for the 2026 Budget

As background for the 2026 budget, the first nine months of 2025 show stronger-than-targeted revenue collection. Actual revenue reached SLSH 2.028 trillion against a target of SLSH 1.932 trillion, producing a positive variance of SLSH 95.75 billion, or 5%. Inland revenue outperformed its target by 10%, while customs exceeded its target by 3.4%.

Department	Target (SLSH bn)	Actual (SLSH bn)	Variance (SLSH bn)	Variance %
Inland Revenue	462.6	508.2	45.6	9.9%
Customs	1,469.3	1,519.5	50.2	3.4%
Total	1,931.9	2,027.7	95.8	5.0%

Fiscal performance implication

- Revenue outperformance supports the credibility of the 2026 revenue growth target, but this depends on continued enforcement and administrative improvement.
- Customs are still the main fiscal engine, so external trade shocks can rapidly affect budget execution.
- The budget reports central government expenditure of about SLSH 1.93 trillion by September 2025, around 75% of the central government budget.

Source: EAST translation of 2026 Budget Book, fiscal performance section, Table 12.

3. Financing of the 2026 Budget

The 2026 national budget is financed through four main pillars: central government domestic revenue, local government revenue, revenue-generating agencies, and donor-financed projects. The largest increase is in donor-financed projects, which rise by 69% compared with the 2025 comparative figure. Revenue-generating agencies grow by 29%, central government by 11%, while local government budgets fall by 1%.

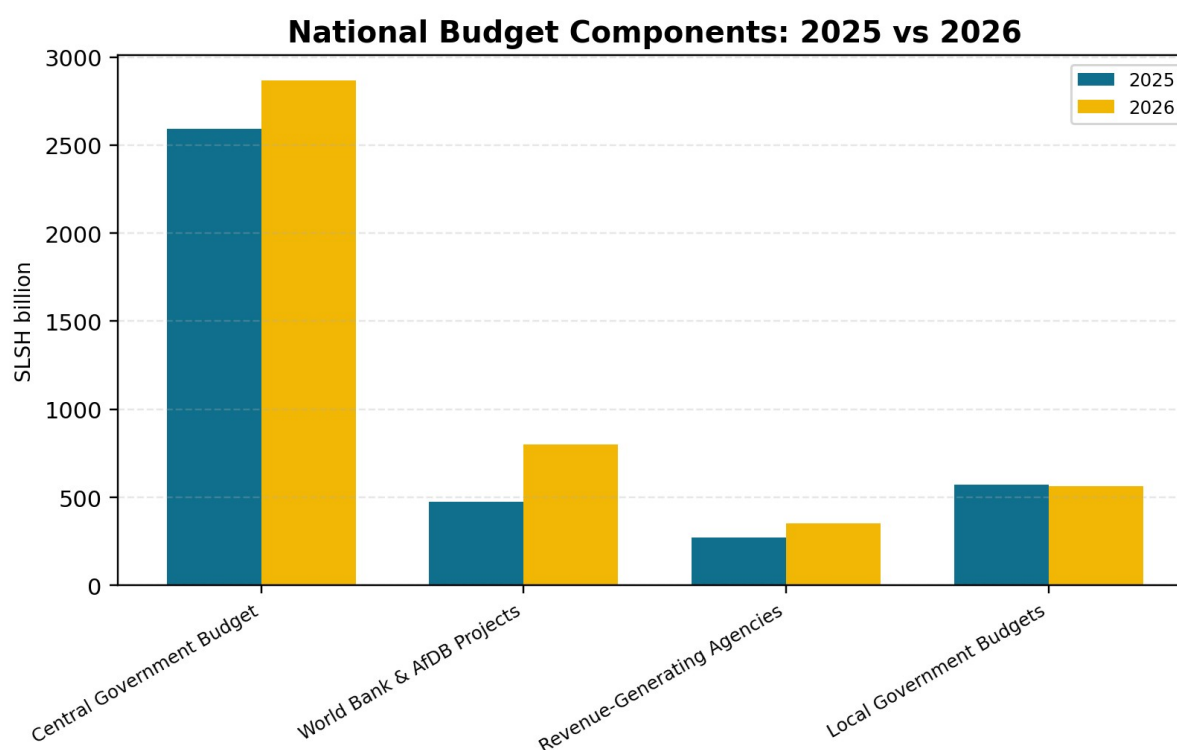


Figure 3: National budget components, 2025 versus 2026.

Financing message

- The 2026 budget is larger, but growth is concentrated in central and project channels.
- Local government budgets do not expand in line with the overall national budget, which weakens the decentralization profile.
- The strong donor-project increase creates opportunities for infrastructure and energy, but also increases dependence on project execution capacity.

4. Central Government Revenue Analysis

Central government revenue for 2026 is forecast at SLSH 2.866 trillion. Customs are expected to generate SLSH 2.094 trillion, or 73% of central revenue, while inland revenue is expected to generate SLSH 772.23 billion, or 27%. Compared with the 2025 forecast, customs revenue rises by 6.9%, while inland revenue rises by 21.7%. This shows a policy intention to strengthen domestic revenue, but customs remain the foundation of the fiscal system.

Source	2025 (SLSH bn)	2026 (SLSH bn)	2026 (USD m)	Growth	Share
Customs	1,959.1	2,094.0	299.14	6.9%	73.1%
Inland Revenue	634.3	772.2	110.32	21.7%	26.9%

Central Government Revenue Sources 2026

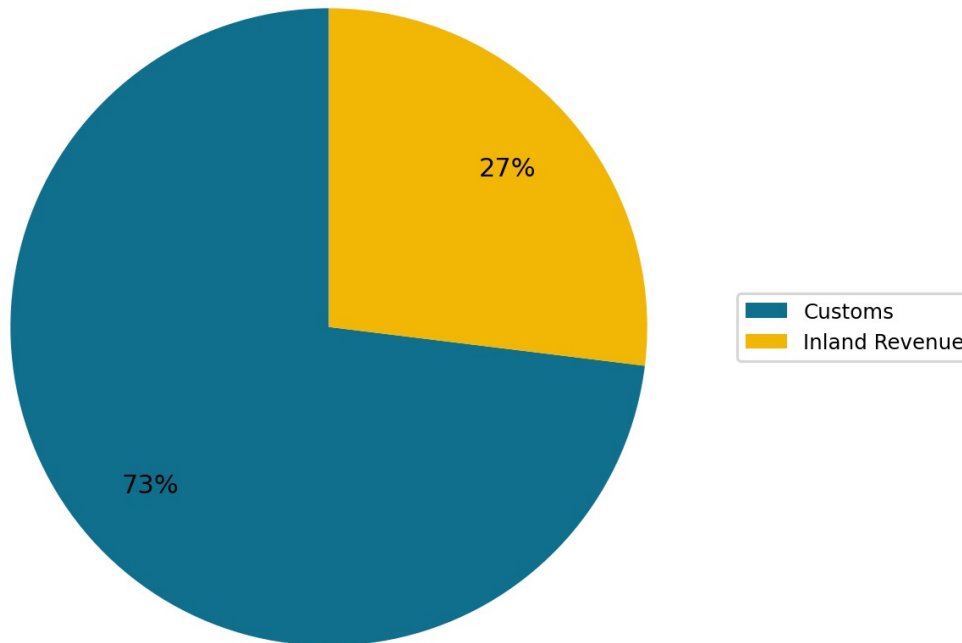


Figure 4: Customs and inland revenue shares in 2026 central government revenue.

Source: EAST translation and recalculation based on 2026 Budget Book, Table 13.

4.1 Main Revenue Lines

The top revenue lines demonstrate heavy reliance on trade and broad consumption-based taxation. Import tax alone represents about 35.6% of central government revenue. Sales tax adds 13.1%, while other customs-related and administrative revenue lines make up most of the remaining top sources.

Revenue Line	SLSH bn	USD m	Share
Import Tax	1,019.2	145.60	35.6%
Sales Tax	376.9	53.84	13.1%
Motor/Vehicle Tax	140.1	20.02	4.9%
Administrative Tax	137.9	19.70	4.8%
Livestock Export Tax	121.9	17.41	4.3%
Port Tax	112.7	16.10	3.9%
2% Tax	110.2	15.74	3.8%
Central Government Payroll Tax	80.5	11.49	2.8%
Civilian Employee Payroll Tax	65.4	9.34	2.3%
Port Royalty/Fee	57.1	8.16	2.0%

Business Profit Tax	51.7	7.39	1.8%
Airport Security Revenue	35.1	5.01	1.2%

Top 10 Central Government Revenue Lines 2026

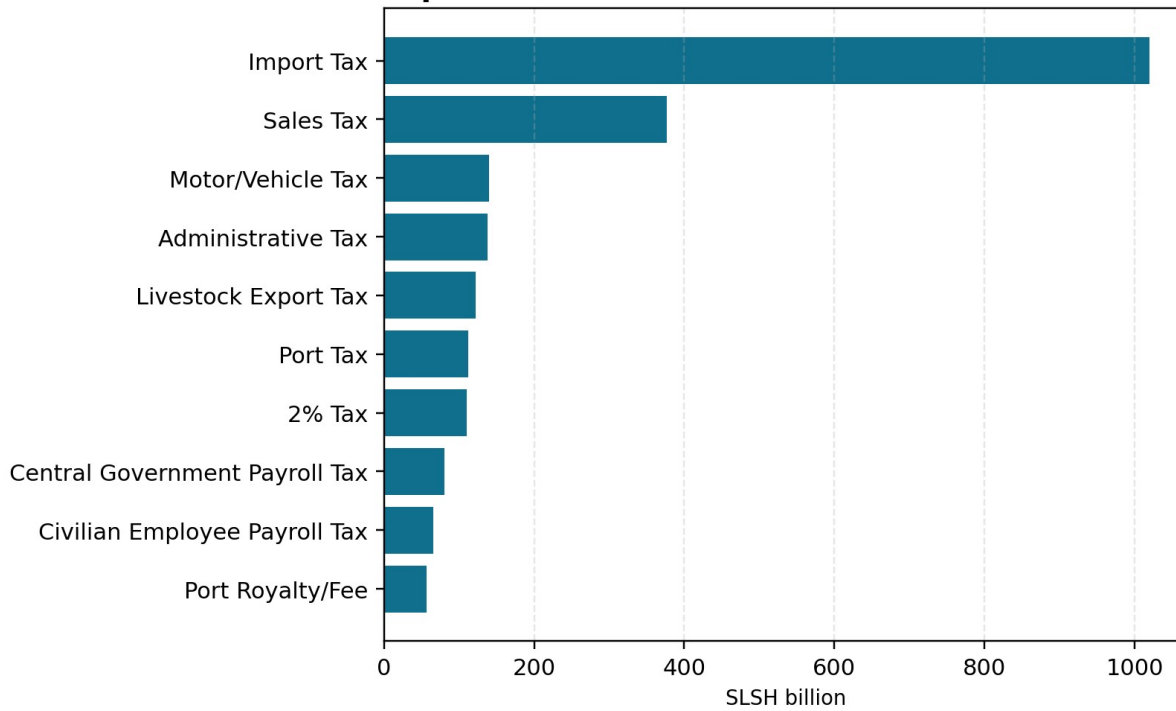


Figure 5: Top ten revenue lines in the 2026 central government budget.

Revenue policy interpretation

- Revenue growth depends strongly on customs performance, import values and enforcement quality.
- Inland revenue growth is ambitious and requires improved taxpayer registration, digitalization, GST enforcement and taxpayer services.
- Underdeveloped income and profit taxation suggests room for medium-term tax reform that is fair, transparent and predictable.

5. Central Government Expenditure Analysis

The 2026 central government budget remains heavily weighted toward security and employee compensation. Security and defence account for SL\$ 1.337 trillion, or 46.6% of the central budget. Administration accounts for 18.5%, economy for 10.8%, education for 6.5%, health for 4.9%, and infrastructure for 4.3%.

Sector	2026 (SL\$ bn)	2026 (USD m)	Share	Growth
Security and Defence	1,336.9	190.98	46.6%	40.0%
Administration	529.3	75.61	18.5%	8.4%
Economy	309.0	44.14	10.8%	-33.3%
Education	185.1	26.44	6.5%	3.8%
Health	139.1	19.86	4.9%	3.3%
Infrastructure	122.3	17.47	4.3%	-4.5%
Social Affairs	112.2	16.03	3.9%	2.2%
Production	66.0	9.43	2.3%	10.3%
Environment	37.7	5.39	1.3%	19.0%
Water, Sanitation & Hygiene	14.7	2.10	0.5%	-53.4%
Energy	13.9	1.99	0.5%	6.0%

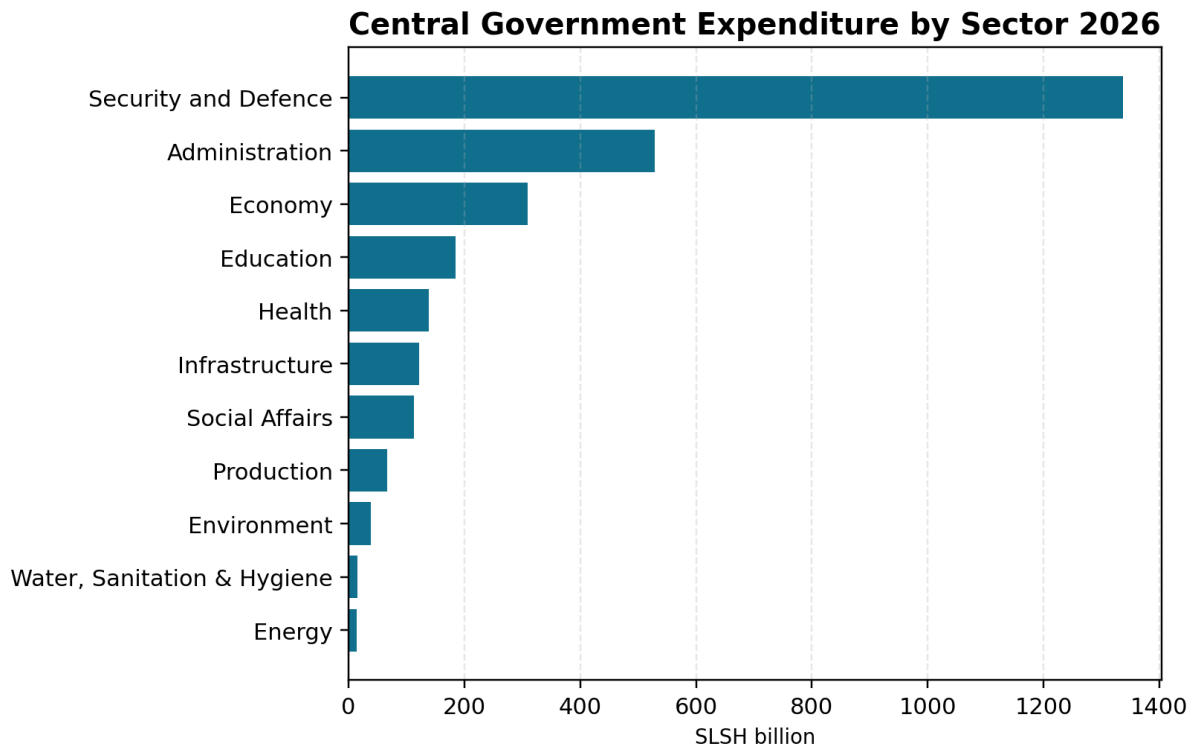


Figure 6: Central government expenditure by sector in 2026.

Source: EAST translation and analysis of 2026 Budget Book, Table 15.

5.1 Expenditure by Economic Category

Compensation of employees is the largest expenditure category in the 2026 central budget. It totals SL\$ 1.982 trillion, representing 69% of the central government budget. Goods and services represent 19%. Government projects and fixed assets together account for about SL\$ 119.91 billion, which is just over 4% of the central budget. This structure shows limited room for capital investment unless revenue expands or current spending is controlled.

Economic Category	2026 (SL\$ bn)	2026 (USD m)	Share
Compensation of Employees	1,982.2	283.17	69%
Goods and Services	549.3	78.47	19%
Maintenance	30.9	4.42	1%
Government Projects	102.6	14.65	4%

Subsidies	4.3	0.61	0%
Grants/Assistance	60.2	8.61	2%
Social Benefits	8.9	1.27	0%
Other Expenditures	88.4	12.63	3%
Fixed Assets	17.3	2.48	1%
Outstanding Bills	2.0	0.29	0%
National Reserve	20.0	2.86	1%

Central Government Expenditure by Economic Category 2026

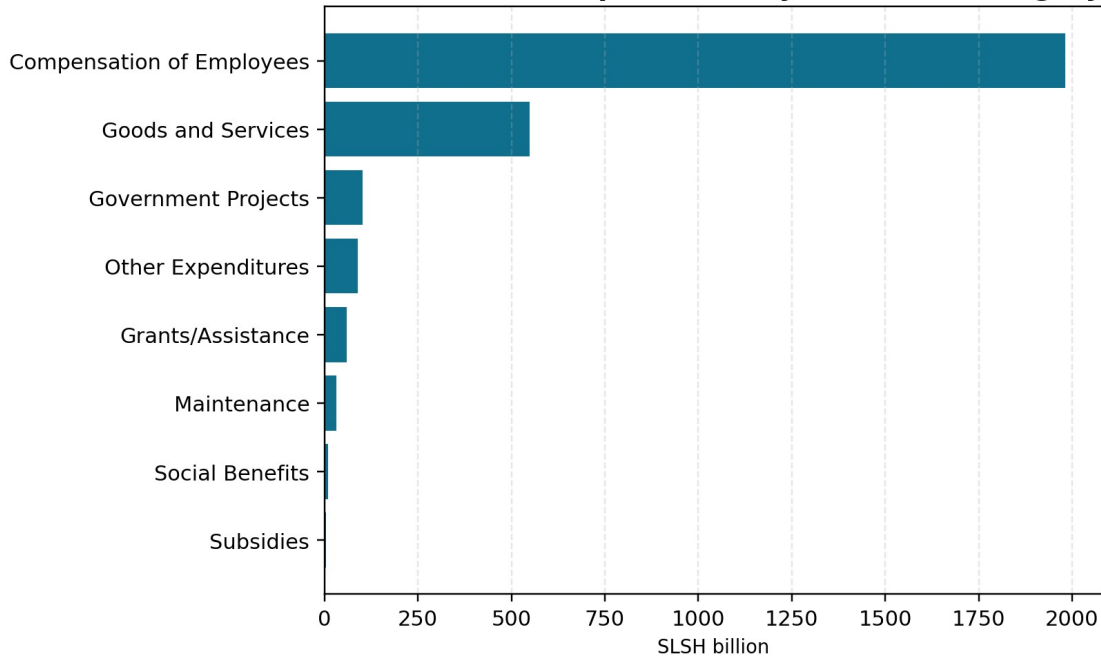


Figure 7: Central government expenditure by economic category.

Expenditure pressure points

- The wage and compensation bill constrains fiscal space.
- Security allocations are 2.37 times larger than the entire local government budget.
- Development spending is much smaller than recurrent spending; stronger project selection and execution monitoring are needed.

6. Donor-Financed Projects

Donor-financed projects in the 2026 budget total SLSH 800.71 billion, equivalent to USD 114.39 million at the budget conversion rate. The project budget rises by 69% compared with 2025 and accounts for 17% of the national budget. Nine projects are financed by the World Bank and two by the African Development Bank.

Project	Financier	Implementer	SLSH bn	USD m	Share
SESRP - Electricity Sector Recovery	World Bank	Ministry of Energy & Minerals	287.9	41.12	36.0%
Lawyacado-Borama Road Project	AfDB	Ministry of Transport & Roads	260.4	37.20	32.5%
EARDIP - Regional Digital Integration	World Bank	Ministry of ICT	64.6	9.23	8.1%
FSRP - Food Systems Resilience	World Bank	Ministry of Agriculture	60.3	8.61	7.5%
SERP - Public Resources Management	World Bank	Ministry of Finance & ED	36.7	5.25	4.6%
Barwaaqo Project	World Bank	Ministry of Planning	33.7	4.82	4.2%
Raja Kaab Project	World Bank	Ministry of Education	17.6	2.52	2.2%
E4HCD - Education for Human Capital	World Bank	Ministry of Education	13.8	1.98	1.7%
GW4R - Groundwater for Resilience	World Bank	Ministry of Water Resources	13.0	1.85	1.6%
Damal Caafimaad	World Bank	Ministry of Health	8.8	1.26	1.1%
ISEGP - Economic Governance	AfDB	Ministry of Finance & ED	3.9	0.55	0.5%

Donor-Financed Projects in the 2026 Budget

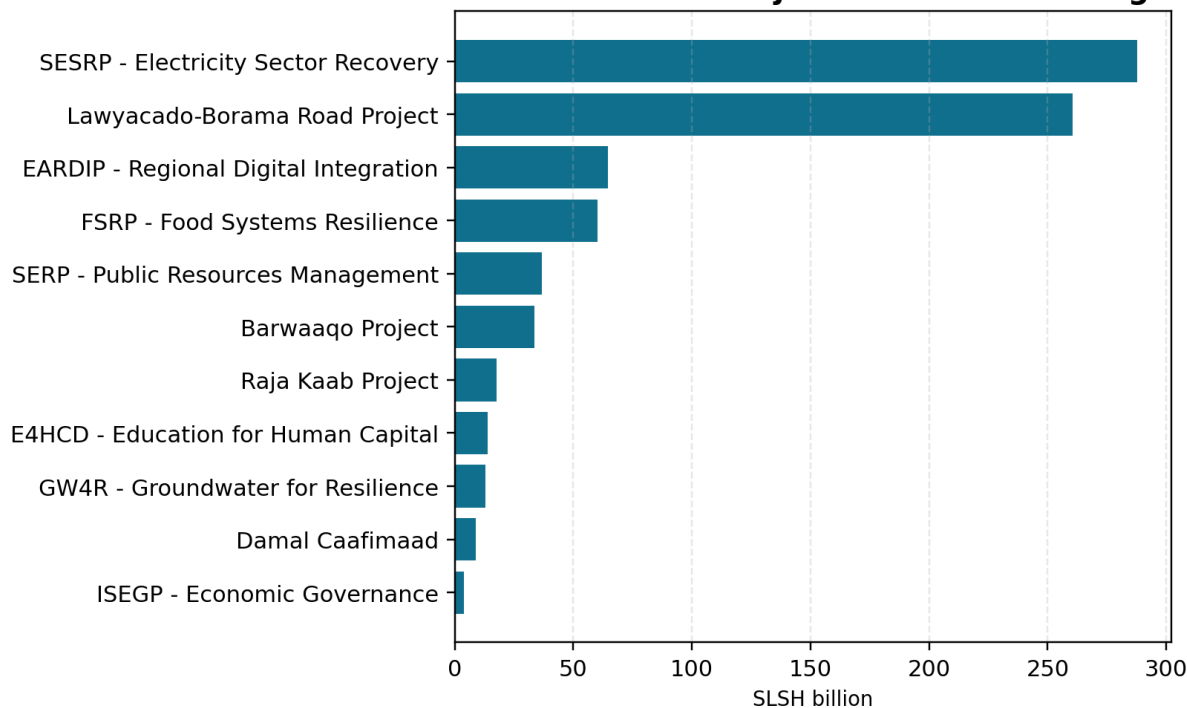


Figure 8: Donor-financed projects in the 2026 budget.

Project portfolio interpretation

- The electricity sector recovery project and Lawyacado-Borama road project together represent about 68.5% of all donor-project allocations.
- The portfolio supports infrastructure, energy, public finance reform, food systems, education, water and digital integration.
- Budget impact depends on procurement readiness, implementing agency capacity and timely disbursement.

7. Local Government Budget Analysis

The combined local government budget for 2026 is SLSH 563.77 billion, equivalent to about USD 80.54 million. This is SLSH 6.53 billion lower than the 2025 comparative figure, a decline of 1%. Local governments therefore receive only 12.3% of the total national budget, despite the budget policy narrative emphasizing decentralization and basic service delivery.

Grade	2026 (SLSH bn)	2026 (USD m)	Growth	Share
Grade A	453.9	64.85	-1.2%	80.5%
Grade B	33.3	4.75	-10.0%	5.9%
Grade C	30.1	4.31	-27.5%	5.3%
Grade D	46.4	6.63	44.2%	8.2%

Local Government Budget by Grade 2026

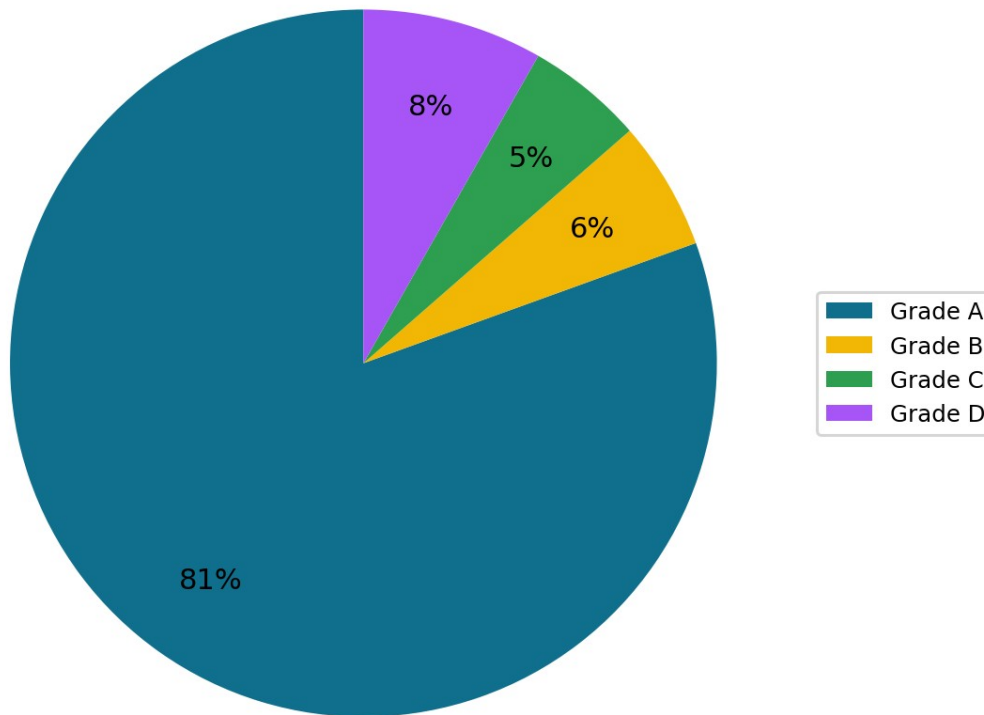


Figure 9: Local government budget by grade in 2026.

Source: EAST translation of 2026 Local Government and Revenue-Generating Agencies Budget Book; also summarized in the central budget book.

7.1 Municipal Concentration

The local budget is highly concentrated. Hargeisa has SLSH 194.69 billion and Berbera has SLSH 130.82 billion. Together they account for 57.7% of all local government budgets. The top five municipalities - Hargeisa, Berbera, Borama, Gabiley and Burao - account for approximately 78.7%. This concentration reflects economic activity and revenue capacity, but it also raises equity questions for smaller districts.

Municipality	2026 (SLSH bn)	2026 (USD m)	Share	Growth
Hargeisa	194.7	27.81	34.5%	0.4%
Berbera	130.8	18.69	23.2%	1.4%
Borama	45.0	6.43	8.0%	-4.2%
Gabiley	37.0	5.29	6.6%	0.0%
Burao	36.2	5.17	6.4%	0.8%
Seylac	18.5	2.64	3.3%	0.0%

Ceerigaabo	16.2	2.31	2.9%	-3.0%
Oodweyne	12.1	1.73	2.2%	-20.6%
Wajaale	9.7	1.39	1.7%	0.8%
Bali-Gubadle	7.1	1.02	1.3%	-4.3%
Salaxley	6.9	0.99	1.2%	25.5%
Baki	4.7	0.67	0.8%	0.1%
Sheikh	4.7	0.67	0.8%	-43.4%
Caynabo	3.9	0.56	0.7%	-29.8%
Gar-Adag	3.6	0.51	0.6%	-6.6%

Top Local Government Budgets 2026

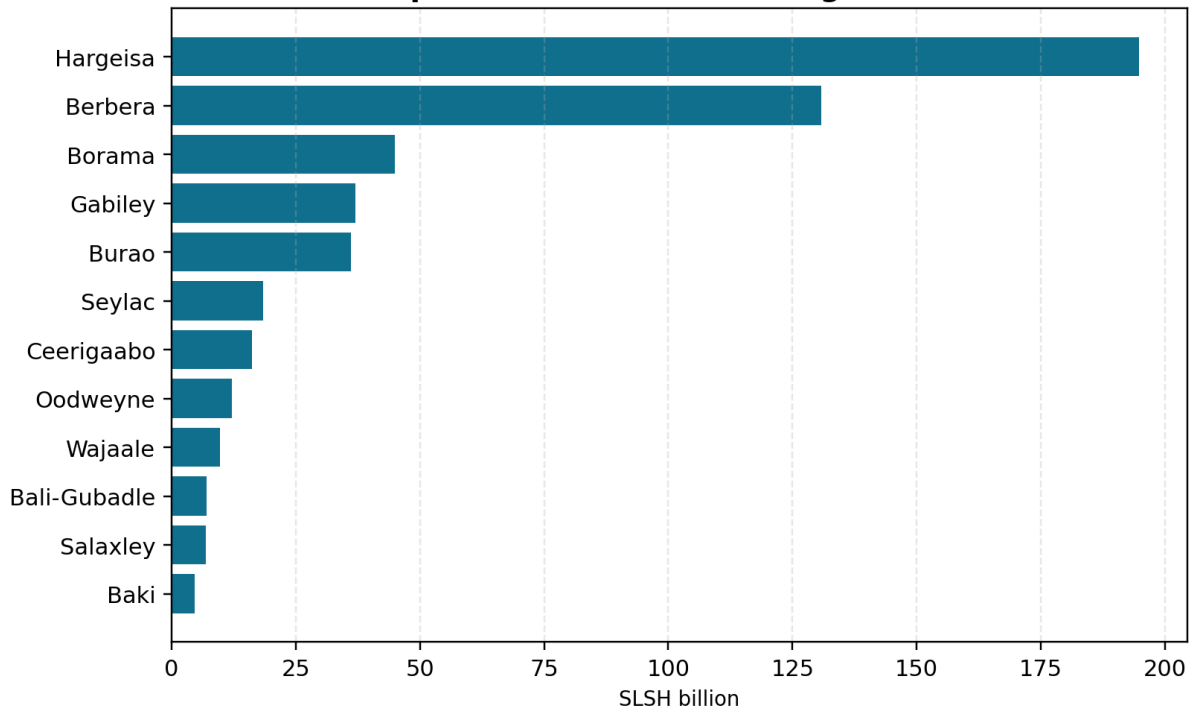


Figure 10: Top local government budgets in 2026.

7.2 Local Government Expenditure Categories

Local government spending is more balanced than the central government budget. Compensation represents 32% of local budgets, goods and services 21%, fixed assets 21%, and municipal projects 10%. This suggests that local governments allocate a larger share to assets and projects than the central government, although the overall local budget envelope is small.

Category	2026 (SLSH bn)	2026 (USD m)	Share
Compensation of Employees	179.2	25.60	32%
Goods and Services	116.2	16.59	21%
Maintenance	23.2	3.32	4%
Government Projects	58.9	8.41	10%
Subsidies	17.9	2.55	3%
Grants and Transfers	6.7	0.95	1%
Social Benefits	17.1	2.44	3%
Other Expenditure	6.4	0.92	1%
Fixed Assets	118.4	16.92	21%
Loans/Debt Repayment	19.8	2.83	4%

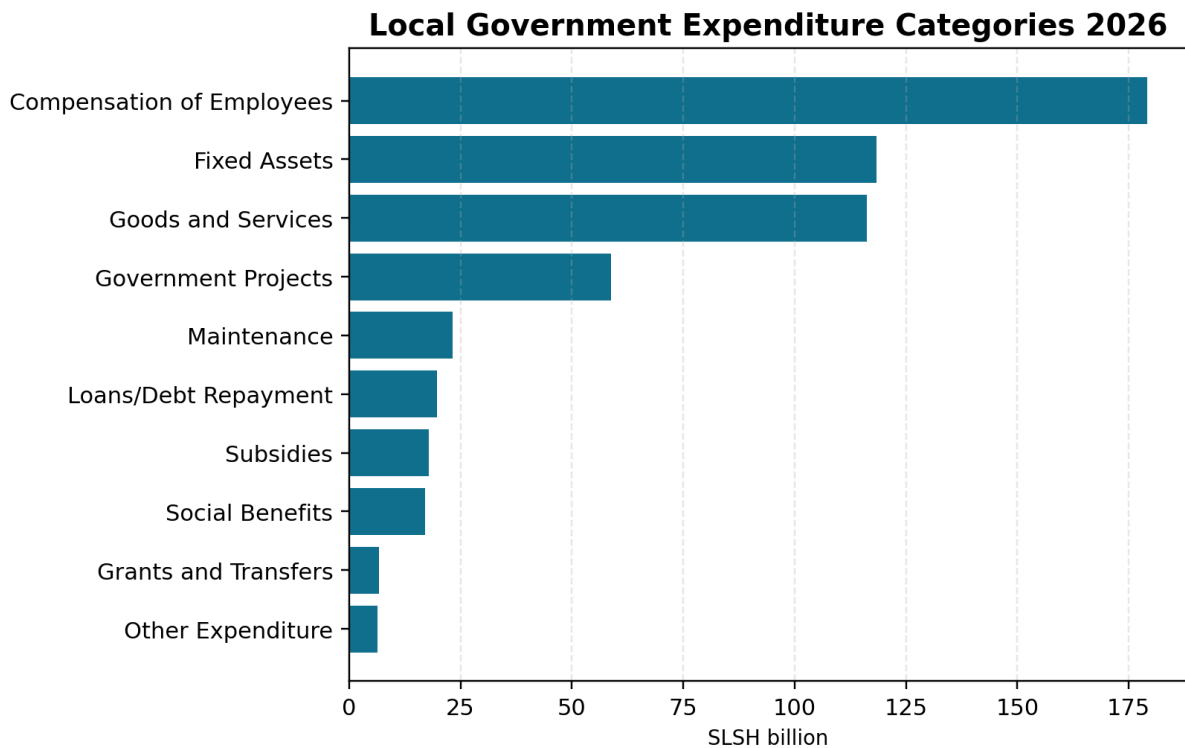


Figure 11: Local government expenditure categories in 2026.

7.3 Fiscal Transfers

The local government budget book shows a central government grant labelled as 12.5%, amounting to SLSH 75.56 billion in 2026. This is lower than the SLSH 76.85 billion comparative figure for 2025. The Local Development Fund line also declines from SLSH 4.05 billion to SLSH 1.50 billion. Together, these transfers represent about 13.7% of the total local government budget.

Transfer	2026 (SLSH bn)	2026 (USD m)	Change (SLSH bn)	Share
Central government grant (12.5%)	75.6	10.79	-1.3	13.4%
Local Development Fund (LDF/LG/LDC)	1.5	0.21	-2.5	0.3%

Local government interpretation

- Local governments are asked to deliver visible public services, but their overall share of national resources remains

limited.

- The fall in local government budgets contrasts with the growth of central government and donor-project budgets.
- A transparent and formula-based fiscal transfer system is needed to support equalization, service standards and predictable local planning.

8. Revenue-Generating Agencies

The 2026 budget for revenue-generating agencies is SLSH 354.29 billion, equivalent to about USD 50.61 million. This is a 29% increase compared with 2025. The largest increase is the National Printing Press, which rises by 180%. Six of the ten entities are water agencies, which together account for about SLSH 123.89 billion, or 35% of the agency budget.

Agency	2026 (SLSH bn)	2026 (USD m)	Growth	Share
National Printing Press	86.1	12.30	179.8%	24.3%
Hargeisa Water Agency	71.5	10.21	2.8%	20.2%
Central Bank	63.3	9.05	18.3%	17.9%
Berbera Fuel Depot	40.8	5.83	17.6%	11.5%
Berbera Port	40.2	5.74	4.4%	11.3%
Burao Water Agency	30.3	4.33	11.9%	8.6%
Berbera Water Agency	12.2	1.75	8.8%	3.5%
Gabiley Water Agency	5.6	0.80	12.7%	1.6%
Wajaale Water Agency	2.7	0.39	34.4%	0.8%
Arabsiyo Water Agency	1.6	0.22	14.8%	0.4%

Revenue-Generating Agencies Budget 2026

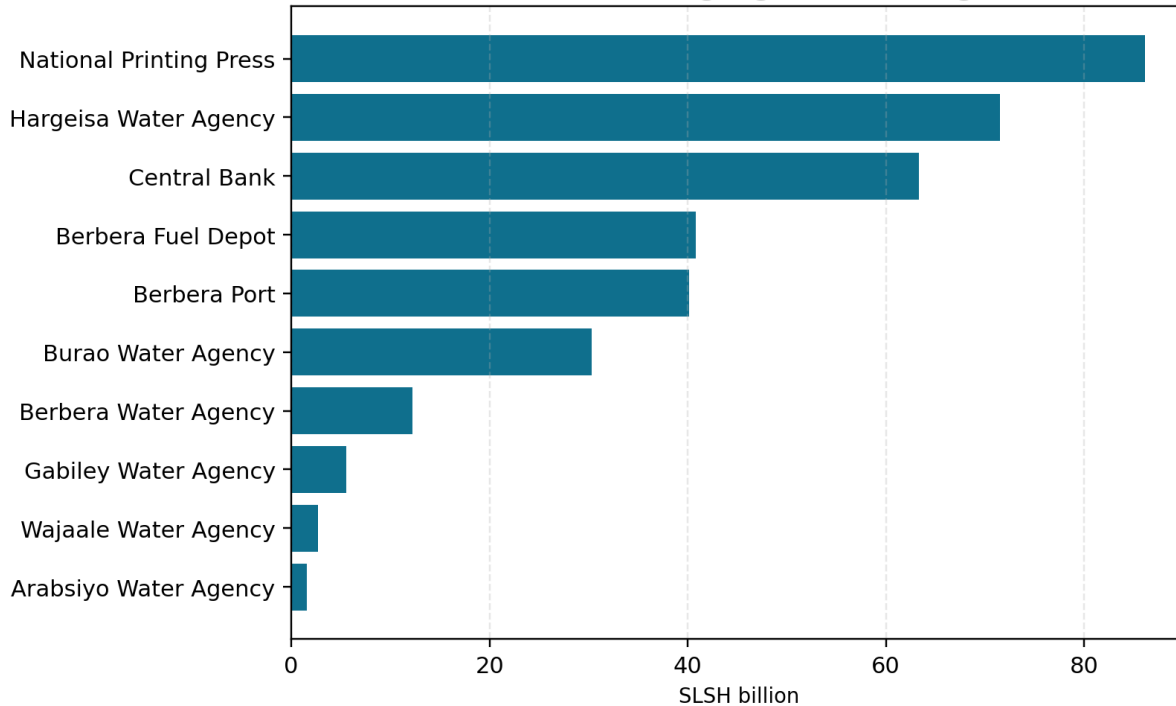


Figure 12: Revenue-generating agencies budget in 2026.

Agency governance message

- State-owned revenue-generating agencies require strong financial reporting, performance targets and service-quality indicators.
- Water agencies should be linked to urban resilience, revenue collection, metering, maintenance and pro-poor tariff policies.
- Large increases should be accompanied by clear business plans and audit-ready budget notes.

9. Is the Budget Advancing Fiscal Decentralization and Inclusive Development?

The 2026 budget is only partially decentralized. The budget policy section refers to decentralization and basic service delivery, including the transfer of selected services and salary/operational responsibilities in education to Hargeisa, Gabiley and Berbera. However, the resource envelope remains centralized. Local governments receive 12.3% of the total national budget, while the central government receives 62.5%. If donor-financed projects are added to central channels, central and project spending represent about 80% of the national budget.

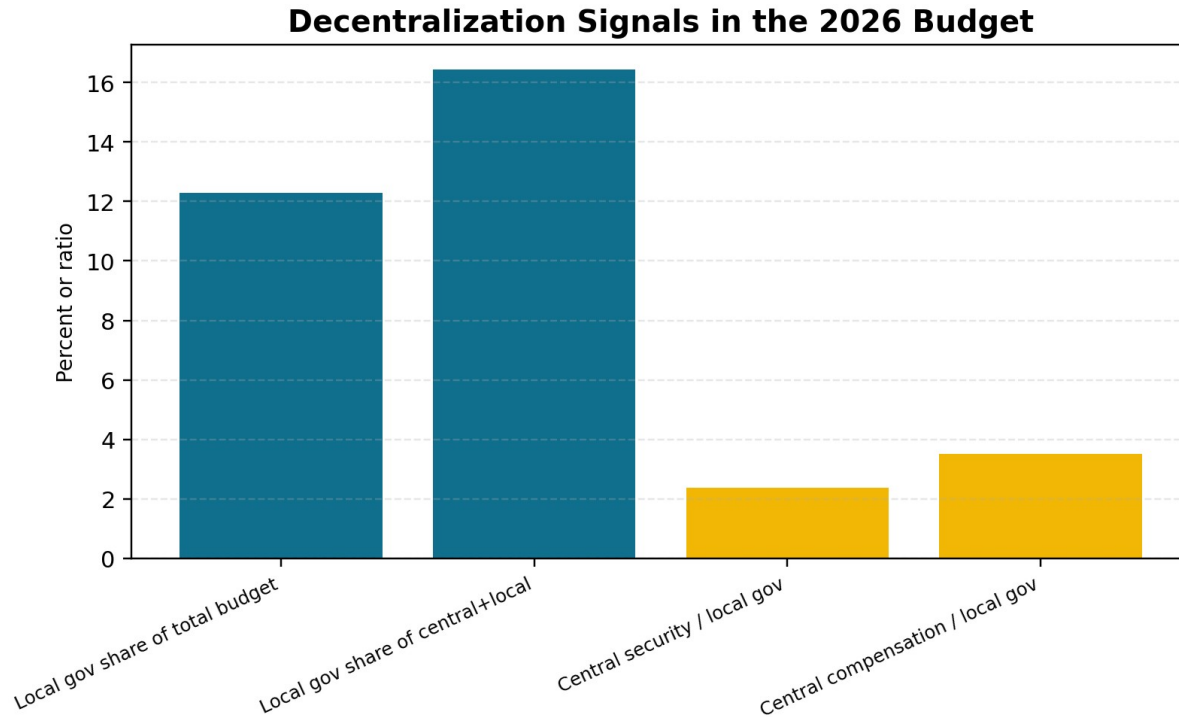


Figure 13: Selected decentralization indicators.

Decentralization conclusion

- Financial decentralization is not keeping pace with policy decentralization.
- The central security budget alone is 2.37 times the total local government budget.
- Central compensation spending is 3.52 times the total local government budget.
- The budget should move from decentralization language to a measurable transfer formula and clear service mandates.

Indicator	2026 Value
Local government share of national budget	12.3%
Local government share of central + local budgets	16.4%
Central security budget / local government budget	2.37x
Central compensation budget / local government budget	3.52x
Fiscal transfers / local government budget	13.7%

10. Data Quality Notes

The 2026 budget documents are sufficiently rich for analysis, but some issues should be noted for transparency and for future improvement of public budget reporting:

- The 2026 central budget book and the local government/agencies budget book present the same high-level totals, but some percentages in scanned tables do not always match recalculated growth rates.
- The local government book is image-scanned; this reduces machine readability and makes citizen review more difficult. Future budget books should be published as searchable PDF, Excel and open-data tables.
- Some tables use mixed terminology and spelling variants. A standard budget dictionary in Somali and English would improve transparency.
- The budget uses SL\$ 7,000/USD in donor project conversions, while the macroeconomic section reports a market exchange rate near SL\$ 9,995/USD in the first half of 2025. Reports should clearly distinguish budget conversion rates from market rates.
- The livestock export table contains internal inconsistencies between category changes and totals; the overall export total is still usable, but subcategory changes need verification before policy use.

11. Key Findings

- **Budget expansion is real but uneven.** The national budget grows by 17%, but local government budgets decline by 1%. The growth is concentrated in central government, donor projects and revenue-generating agencies.
- **Customs dependence remains high.** Customs generate 73% of central government revenue. This supports short-term revenue but exposes the budget to import values, border controls, exchange-rate pressure and regional trade shocks.
- **Inland revenue growth is the main reform opportunity.** Inland revenue is forecast to grow by about 21.7%. Achieving this requires taxpayer registration, compliance management, digitization, GST enforcement and service-oriented taxpayer education.
- **Security and compensation dominate expenditure.** Security accounts for 46.6% of the central government budget; compensation of employees accounts for 69%. This leaves limited fiscal space for capital investment and service expansion.
- **Local government resources are concentrated.** Hargeisa and Berbera together account for 57.7% of all local government budgets. Equalization and formula-based transfers are needed to support smaller districts.
- **Donor projects are strategically important.** The donor project portfolio is large and focused on energy, roads, digital integration, agriculture, education, water and public finance reform. Execution capacity will determine impact.
- **State-owned agencies need performance monitoring.** Agency budgets rise 29%, including a large increase for the National Printing Press. Strong audit, service and performance reporting are needed.

12. Policy Recommendations

1. **Adopt a transparent fiscal transfer formula.** Use population, poverty, service gaps, own-source revenue effort and land area to allocate predictable transfers to districts.
2. **Publish budget data in open formats.** Release searchable PDFs, Excel tables and machine-readable datasets for central, local and agency budgets.
3. **Strengthen inland revenue administration.** Prioritize taxpayer registration, digital filing/payment, risk-based audits, GST compliance, business licensing integration and taxpayer education.
4. **Link local government budgets to service-delivery standards.** Allocate funds based on measurable outputs such as roads maintained, waste collected, properties registered, water connections, markets serviced and streetlights maintained.
5. **Protect development spending.** Set a medium-term target to increase the share of capital projects and fixed assets while controlling recurrent growth.
6. **Create district-level budget transparency dashboards.** Show approved budget, actual revenue, expenditure, fiscal transfers and project progress for each local government.
7. **Improve SOE and agency governance.** Require audited financial statements, performance contracts, tariff transparency and quarterly budget execution reporting for revenue-generating agencies.
8. **Track donor project execution monthly.** Monitor disbursement, procurement stage, physical progress and beneficiary outputs to prevent under-execution.
9. **Use the budget as a decentralization tool.** Transfer functions only with finance, staff, systems and accountability; unfunded mandates should be avoided.

Appendix: Main Translations of Budget Terms

Somali Term	English Translation
Miisaaniyadda Dawladda Dhexe	Central Government Budget
Miisaaniyadda Dawladaha Hoose	Local Government Budgets
Hay'adaha Macaashka Sameeya	Revenue-Generating Agencies / State-Owned Enterprises
Mashaariicda Baanka Adduunka iyo Baanka Horumarinta Afrika	World Bank and African Development Bank Projects
Kastamada	Customs
Cashuuraha Bariga	Inland Revenue
Magdhawga Shaqaalaha	Compensation of Employees
Isticmaalka Alaabta iyo Adeegga	Use of Goods and Services
Mashaariicda Dawladda	Government Projects
Hantida Raagta	Fixed Assets
Kabka	Subsidies
Kaalmooyinka	Grants / Assistance
Daryeelka Bulshada	Social Benefits / Social Care
Kharashyadda Kale	Other Expenditures
Biilasha Taagan	Outstanding Bills / Arrears
Kaydka Qaranka	National Reserve
Saamiga Kabka Dawladda Hoose	Local Government Grant Share

Sources

- Somaliland Ministry of Finance and Economic Development. Odoroska Miisaaniyadda Dawladda Dhexe ee 2026 (Central Government Budget Estimate 2026).
- Somaliland Ministry of Finance and Economic Development. Odoroska Miisaaniyadda Dawladaha Hoose & Hay'adaha Madaxa-bannaan ee 2026 (Local Governments and Independent/Revenue-Generating Agencies Budget Estimate 2026).
- Former Somaliland budget analysis format used only as a layout and structure reference. All financial figures and conclusions in this report are based on the 2026 budget books and EAST translation/analysis.