



Somalia. Khalimey, a mother of six is visibly busy in her small shop located in Salama 2, one of the settlements for IDPs in Galkayo, Puntland State. © UNHCR Caroline Opile | 2018

## Somalia Exploring Land Value Sharing Options to Support Durable Solutions in Urban Areas

Rapidly growing urban municipalities in Somalia have been grappling with how to respond to the over 2 million IDPs<sup>1</sup> currently living in their cities, many of who arrived years or even decades ago.<sup>2</sup> With some 80 per cent of IDPs preferring local integration,<sup>3</sup> Somalia's urban municipalities share the common challenge of generating the necessary resources to finance housing construction and public services, which can run into the hundreds of millions of dollars, that would enable all IDPs to find a durable solution, not just a select few.

In 2019, the United Nations Integrated Office of the SRSG/RC/HC commissioned the report "Towards Sustainable Urban Development in

Somalia and IDP Durable Solutions at Scale."<sup>4</sup> In particular, the report presents options for how Somalia's urban municipalities could, with the support of the international community, utilize "land value sharing tools," in long-term urban development processes to maximize urban land use, provide stronger tenancy rights for IDPs, and generate revenue to finance durable solutions for IDPs. Land-value sharing tools<sup>5</sup> are based on the premise that the wider community, not just individual owners, should benefit when public investments, such as road construction and sewage systems, increase property values.<sup>6</sup>

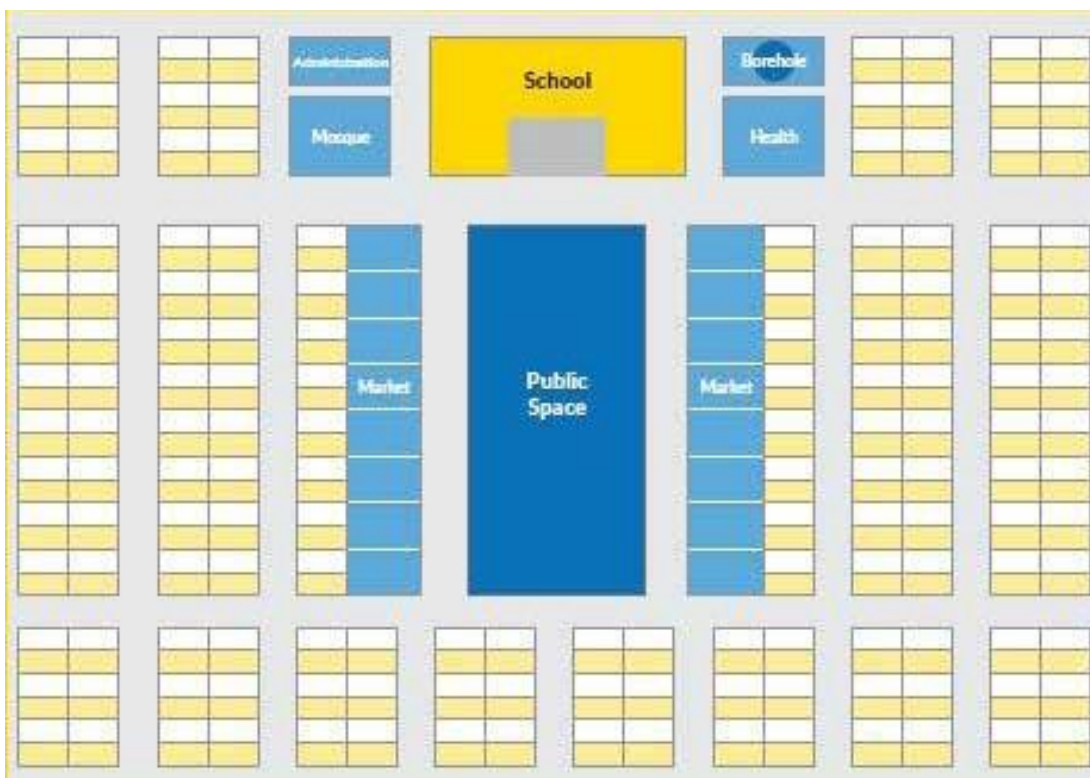
For instance, examining its unique economic, political and geographic context, the report

explores how Bossaso could leverage land value sharing options to work toward finding durable solutions for the city's some 130,000 IDPs.<sup>7</sup> One possibility includes negotiating a land sharing agreement with a major private landowner, whereby the municipality would receive a portion of land in exchange for providing basic services and building roads to the landowner's property. Using this method and swapping municipal land with other private landowners to consolidate larger redevelopment zones, Bassaso could then explore how to generate additional revenue for durable solutions and more secure land tenure for IDPs. Land title models provide other opportunities.<sup>8</sup> For example, IDPs who have been living, working and renting housing in Bassaso for many years could buy a plot of land from the municipality. Once they have the land title, the IDPs could then sell-off half of the property to finance the construction of their own house. The land transfer would be part of broader development plan for the zone that includes

schools, health centres and roads, supported by international development investments, that contribute to increasing the overall value of the land.

The various proposals presented in the report will take years to materialize, demanding strengthened land management and urban governance, as well as analysis to assess conflict dynamics, land and housing markets, and diverse stakeholders.<sup>9</sup> Such approaches also need to be complemented by more comprehensive urban and land management efforts, which presently vary among the regions in Somalia.<sup>10</sup> Some local governments are in the process of registering properties, issuing land titles, and allocating settlement sites for IDPs and communities at risk of evictions as part of broader site upgrading plans. Such comprehensive, long-term planning efforts will be essential for urban planning and development efforts that simultaneously address current and urgent humanitarian needs, while also maintaining a long-term vision for achieving durable solutions.<sup>11</sup>

*Example of land title model, in which IDPs subdivide plots and sell a portion of the plot to fund construction of their house. Image: Aubrey & Cardoso, p. 30.*



# Endnotes

- 1 Although exact figures are not available, roughly 80 per cent of Somalia's some 2.6 million IDPs live in urban and peri-urban areas. OCHA Somalia, '2020 Somalia Humanitarian Needs Overview' (UN OCHA 2019) Humanitarian Programme Cycle 2020 <<https://reliefweb.int/sites/reliefweb.int/files/resources/2020%20Somalia%20Humanitarian%20Needs%20Overview.pdf>> accessed 30 January 2020.
- 2 An estimated 45 percent of IDPs have been displaced for more than three years. Dyfed Aubrey and Luciana Cardoso, *Towards Sustainable Urban Development in Somalia and IDP Durable Solutions at Scale* (United Nations Somalia 2019) 11.
- 3 OCHA Somalia (n 1) 59.
- 4 Aubrey and Cardoso (n 2).
- 5 Land value sharing tools include "betterment levies," such as a one-time payment by property owners to help finance a new road. More complicated tools like "land sharing" (exchanging a portion of private land in exchange for infrastructure improvement), "land readjustment" (landowners pool together property to achieve a redevelopment project led by local authorities) or "land swaps" (trading public and private land plots to redevelop zones) are also possible. All require a strong "fit for purpose land administration" that applies the "spatial, legal, and institutional methodologies" necessary to ensure secure land tenure for all through a local, cost-efficient, and community-based approaches, informed by evidence. *ibid* 27–29.
- 6 *ibid* 7.
- 7 *ibid* 34.
- 8 *ibid* 29–30.
- 9 *ibid* 23.
- 10 In 2001, Somaliland passed Urban Land Management Law No. 17. Puntland and South West State federal state governments have draft legislation that is under review. At the federal level, a draft City Planning Bill was in its second reading in December 2019.
- 11 Notably, the Federal Government of Somalia has integrated durable solutions for IDPs its 9th National Development Plan (2020-2024) and its Vision 2040. Municipal authorities, such as in Baidoa and Mogadishu, have developed comprehensive, multi-sectoral durable solutions strategies linked to sustainable urban development strategies, including their own respective Urban Vision 2040.