The Impact of European Union’s Economic and Political Policies Towards Somalia

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ABSTRACT

This study focuses on the impact of European Union’s economic and political policies towards Somalia. The main objectives of the study were to analyse the EU’s economic and political policies towards Somalia, the implementation of the EU’s economic and political policies towards Somalia, the impact of European Union’s economic and political policies towards Somalia and the challenges hindering the implementation of the EU’s economic and political policies in Somalia. The study employed qualitative analysis and conducted an extensive documentary review to gather existing knowledge on the impact of European Union’s economic and political policies towards Somalia. The findings of the study on the overview of the EU’s political and economic policies towards Somalia includes: establishment of transitional governments, supporting the constitutional reform process, promoting human rights and the rule of law, financial assistance to support development programs, trade and economic integration in Somalia, private sector development; the implementation of the EU’s economic and political policies towards Somalia includes: political dialogue and reconciliation processes in Somalia, financial and technical assistance, security and stability in Somalia, financial assistance to Somalia to support development programs, trade and economic integration in Somalia, private sector development in Somalia; the challenges hindering the implementation of EU’s economic and political policies towards Somalia include: political instability, lack of institutional capacity, corruption and governance issues, limited infrastructure, informal economy and trade barriers;
the impact of European Union’s economic and political policies towards Somalia includes: trade and development, development aid, fisheries partnership agreement, governance and state building, democracy and human rights and migration and security. The study recommends that to improve the implementation of the European Union's economic and political policies on Somalia there should be more efforts in strengthening local ownership and capacity building, addressing of corruption and improvement in governance, promotion of inclusive economic development, supporting conflict resolution and peacebuilding and enhancing monitoring and evaluation.

Keywords: Somalia, Impact, European Union, Economic, Political, Policies.

1. INTRODUCTION
The European Union’s cooperation with Somalia can be traced back to the early 1990s when the country plunged into a state of civil war and political instability (Alexandra Lewis and Neil Winn, 2018). Since then, the European Union (EU) has been one of the major donors and partners in Somalia’s reconstruction efforts. The European Union's policies towards Somalia have been guided by various frameworks, including the European Security Strategy, the EU Strategy for the Horn of Africa, and the EU Comprehensive Approach to Somalia (Arconada-Ledesma, P., 2021). The European Union (EU) has been actively involved in Somalia through its economic and political policies. These policies have aimed to support and stabilize the country, as well as promote economic development and good governance (European Union, 2020a, European Union, 2020b).

Economically, the EU has played a crucial role in supporting Somalia's recovery and development. It has provided substantial financial assistance through various channels, such as the European Development Fund and the Instrument contributing to Stability and Peace (Development Initiatives, 2022, European Commission, 2023). According to a report by the European Commission, the EU's financial commitment to Somalia reached €3.5 billion between 2015 and 2020 (European Union External Action., 2021). These funds have been allocated towards areas such as infrastructure development, education, healthcare, and agriculture, aiming to stimulate economic growth and improve the livelihoods of the Somali people. Politically, the EU has been actively engaged in promoting peace, security, and good governance in Somalia.
It has supported the African Union Mission in Somalia (AMISOM), which has been instrumental in combating Al-Shabaab, a militant group that has posed a significant threat to the country's stability. Moreover, the EU has been involved in capacity-building programs for Somali institutions, including the security sector, judiciary, and public administration (European Commission, 2023). These efforts aim to strengthen the government's ability to provide effective governance and services to its citizens (European Commission, 2023). The EU's economic and political policies towards Somalia have had a significant impact on the country's development and stability. The financial assistance provided by the EU has played a crucial role in supporting Somalia's recovery, while its political engagement has aimed to foster peace and good governance (European Commission, 2023, European Union, 2020c, European Union, 2020d, European Union, 2020e).

However, assessing the impact of the EU's economic and political policies towards Somalia is a complex task. While there have been positive developments, such as improvements in infrastructure and governance, challenges persist. The country continues to face issues such as poverty, unemployment, corruption, and political instability (European Commission, 2023, Nisar Majid et al., 2022). Furthermore, the effectiveness of EU interventions has been hindered by factors such as limited state capacity, recurring conflicts, and the presence of non-state actors (Nisar Majid et al., 2022). Thus, challenges remain, and the effectiveness of these policies needs to be continuously evaluated and adjusted to address the evolving dynamics in Somalia. While some studies have explored specific aspects of the EU's engagement, such as its financial assistance or its role in promoting peace and security, there is a need for a more holistic analysis that examines the overall effectiveness and outcomes of these policies. There is limited understanding of the long-term effects of EU interventions on Somalia's economic development. While the EU has provided substantial financial assistance to support various sectors, such as infrastructure and agriculture, there is a lack of comprehensive studies that assess the sustained impact of these investments. Furthermore, the effectiveness of these economic policies in addressing challenges such as poverty, unemployment, and inequality remains underexplored. While the EU has supported capacity-building programs and initiatives aimed at strengthening Somali institutions, there is a need for in-depth analysis of the outcomes of these interventions.
Understanding the extent to which the EU’s political policies have contributed to the establishment of effective governance structures, the rule of law, and the fight against corruption is crucial for informing future policy decisions. Therefore, this study aims to analyse the EU’s economic and political policies towards Somalia, the implementation of the EU’s economic and political policies in Somalia, the impact of European Union’s economic and political policies towards Somalia and the challenges hindering the implementation of the EU’s economic and political policies towards Somalia.

2. THE METHODOLOGY
The study employed qualitative analysis methods to gain a deeper understanding of the impact of European Union’s economic and political policies towards Somalia. The researcher conducted an extensive documentary review to gather existing knowledge and insights on the impact of European Union’s economic and political policies towards Somalia. The researcher reviewed academic articles, reports, policy documents, and other relevant sources to understand the impact of European Union’s economic and political policies towards Somalia.

3. THE FINDINGS AND DISCUSSION OF THE STUDY
The findings of the study on the overview of the European Union’s economic and political policies towards Somalia, the implementation of the European Union’s economic and political policies in Somalia, the impact of European Union’s economic and political policies towards Somalia and the challenges hindering the implementation of the European Union’s economic and political policies towards Somalia include the following:

3.1. THE OVERVIEW OF THE EUROPEAN UNION’S POLITICAL AND ECONOMIC POLICIES TOWARDS SOMALIA
The European Union (EU) has played a significant role in shaping political and economic policies towards Somalia over the years. Its engagement with Somalia has been driven by the objective of promoting peace, stability, and development in the country. The analysis of the European Union’s economic and political policies towards Somalia includes the following:
1. Political Policies:
The European Union (EU)'s political policies towards Somalia have focused on supporting the country's political stability, governance, and state-building processes. The European Union (EU) has been actively involved in facilitating political dialogue, reconciliation, and peacebuilding efforts in Somalia which they entail the following:

a) The European Union (EU) has been a key supporter of the Somali political process, including the establishment of transitional governments. It has provided financial and technical assistance to facilitate political dialogue and the formation of inclusive political structures. The EU has also supported the African Union Mission in Somalia (AMISOM), which has played a crucial role in stabilizing the country (European External Action Service, 2021).

b) The European Union (EU) has been actively engaged in supporting the constitutional reform process in Somalia. It has provided technical expertise and financial assistance to help develop a new federal constitution and strengthen democratic institutions. The EU has also supported the electoral processes in Somalia, including the organization of parliamentary and presidential elections (European External Action Service, 2021, European Union, 2020b).

c) The European Union (EU) has been instrumental in promoting human rights and the rule of law in Somalia. It has supported initiatives aimed at strengthening the justice sector, including the establishment of legal frameworks, training programs for judicial personnel, and support for human rights defenders (European Union External Action, 2021, European Union, 2020b).

2. Economic Policies:
The European Union's economic policies towards Somalia have aimed at promoting sustainable development, job creation, and poverty reduction. It has provided financial assistance, trade preferences, and support for private sector development.
a) The European Union (EU) has been a major donor to Somalia, providing significant financial assistance to support development programs. For instance, the European Union (EU) has committed over €1.2 billion in development aid to Somalia between 2008 and 2020. This assistance has focused on sectors such as education, health, agriculture, and infrastructure development (European Commission, 2021, European Union, 2020c).

b) The European Union (EU) has supported trade and economic integration in Somalia. It has granted preferential market access to Somali exports under the Everything But Arms (EBA) initiative, which allows duty-free and quota-free access to the European Union (EU) market for the least developed countries. This has facilitated Somali exports, particularly in sectors such as fisheries and agriculture (European Union, 2020, European Union, 2020c).

c) The European Union (EU) has provided support for private sector development in Somalia. It has implemented programs aimed at improving the business environment, enhancing access to finance, and promoting entrepreneurship. The European Union (EU) has also supported vocational training and skills development to boost employment opportunities (European Commission, 2021, European Union, 2020c).

In conclusion, the European Union has been actively involved in shaping political and economic policies towards Somalia. Its engagement has focused on promoting political stability, governance, and state-building, as well as supporting sustainable development and economic integration. The European Union's support also has been crucial in providing financial assistance, facilitating political dialogue, and promoting trade and private sector development in Somalia.

3.2. THE IMPLEMENTATION OF THE EUROPEAN UNION'S ECONOMIC AND POLITICAL POLICIES TOWARDS SOMALIA

The implementation of the European Union's political and economic policies towards Somalia has been a complex and ongoing process. The European Union (EU) has faced numerous challenges in implementing its policies due to the fragile political situation, security concerns, and limited institutional capacity in Somalia. However, it has also achieved significant progress
in certain areas. This response will discuss the implementation of the European Union's political and economic policies towards Somalia, supported by relevant citations.

1. Political Policies:

a) The EU has actively supported political dialogue and reconciliation processes in Somalia. It has facilitated multiple rounds of talks and negotiations, such as the Mogadishu Accord in 2012 and the Garowe II conference in 2013, to foster political stability and inclusivity. The implementation of these agreements, however, has been challenging due to political rivalries and the slow pace of reforms (European Union External Action, 2021, Alexandra Lewis and Neil Winn, 2018).

b) The EU has provided financial and technical assistance to strengthen democratic institutions in Somalia. It has supported the establishment and capacity-building of key institutions, including the Federal Parliament, the National Independent Electoral Commission, and the Office of the Auditor General. Despite progress, challenges persist in terms of transparency, accountability, and the effectiveness of these institutions (European Commission, 2021, Development Initiatives, 2022).

c) The EU has played a vital role in supporting security and stability in Somalia. It has been a key contributor to the African Union Mission in Somalia (AMISOM), providing financial assistance and logistical support to the mission. AMISOM has made significant strides in combating Al-Shabaab, but security remains a major challenge, particularly in rural areas (European Union External Action Service, 2021, Arconada-Ledesma, P., 2021).

2. Economic Policies:

a) The European Union (EU) has provided substantial financial assistance to Somalia to support development programs. It has allocated significant funding through various instruments, such as the European Development Fund and the European Union (EU) Trust Fund for Africa. However, the implementation of development projects has been
b) The European Union (EU) has supported trade and economic integration in Somalia. It has granted preferential market access to Somali exports under the Everything But Arms (EBA) initiative. However, challenges such as limited production capacity, poor infrastructure, and trade barriers continue to hamper the full realization of trade benefits (European Commission, 2021, Development Initiatives, 2022).

c) The European Union (EU) has invested in private sector development in Somalia. It has supported initiatives to improve the business environment, enhance access to finance, and promote entrepreneurship. However, the lack of a robust regulatory framework, corruption, and limited access to finance remain significant obstacles to private sector growth (European Union External Action Service, 2021, Development Initiatives, 2022).

In conclusion, the implementation of the European Union's political and economic policies towards Somalia has encountered various challenges. The European Union (EU) has made significant efforts to support political stability, governance, and economic development in the country. While progress has been achieved in some areas, challenges such as political rivalries, security concerns, and limited institutional capacity continue to hinder the full realization of the European Union's policies in Somalia.

3.3. THE IMPACT OF EUROPEAN UNION'S ECONOMIC AND POLITICAL POLICIES TOWARDS SOMALIA

The European Union (EU) has had a significant impact on Somalia's economic and political landscape through its various policies and interventions. The analysis of the impact of European Union’s economic and political policies towards Somalia includes the following:

1. Economic Impact:
a) Trade and Development: The European Union (EU) has been a major trading partner for Somalia. Under the European Union (EU) Generalized System of Preferences (GSP), Somalia benefits from preferential trade arrangements, including duty-free access to the European Union (EU) market for many products. This has helped to boost Somalia's exports and promote economic growth (European Commission, 2023, European Commission, 2023).

b) Development Aid: The European Union (EU) has been a significant donor of development aid to Somalia. For instance, the European Union's European Development Fund (EDF) has allocated substantial funding to support various sectors, including governance, education, agriculture, and infrastructure. These investments have contributed to improvements in Somalia's development indicators (European Commission, 2023).

c) Fisheries Partnership Agreement: The EU-Somalia Fisheries Partnership Agreement allows European Union (EU) vessels to fish in Somali waters, in exchange for financial compensation. While this agreement has generated revenue for the Somali government, there have been concerns about illegal, unreported, and unregulated (IUU) fishing and its impact on local fishing communities (Arconada-Ledesma, P., 2021, European Commission, 2023).

2. Political Impact:

a) Governance and State-Building: The European Union (EU) has been actively engaged in supporting Somalia's state-building efforts. Through its Common Security and Defense Policy (CSDP) missions, such as the European Union (EU) Training Mission in Somalia (EUTM Somalia) and the European Union (EU) Naval Force Operation Atalanta, the European Union has provided training and assistance to the Somali security forces, contributing to the stabilization of the country (European Commission, 2023).

b) Democracy and Human Rights: The European Union (EU) has supported efforts to strengthen democratic institutions and promote respect for human rights in Somalia. It
has provided funding for electoral processes, constitutional reforms, and programs aimed at improving the rule of law and human rights protection (European Commission, 2021).

c) Migration and Security: Somalia's instability has contributed to irregular migration and security challenges in the region. The European Union (EU) has implemented initiatives, such as the European Union (EU) Trust Fund for Africa, to address the root causes of migration and support the management of migration flows. This includes funding for projects focused on job creation, education, and security sector reform in Somalia (Alfonso Medinilla, Lidet Tadesse Shiferaw and Pauline Veron, 2019, European Commission, 2021).

It is worth mentioning that while the European Union's policies and interventions have had positive impacts, challenges remain. Somalia continues to face significant political and security challenges, including ongoing conflict, terrorism, and piracy. Additionally, the effectiveness of aid and development programs can be hindered by corruption, weak institutions, and limited capacity within the Somali government.

3.4. THE CHALLENGES HINDERING THE IMPLEMENTATION OF EU’S ECONOMIC AND POLITICAL POLICIES TOWARDS SOMALIA

The implementation of the European Union's political and economic policies towards Somalia has faced numerous challenges. These challenges stem from the complex and fragile context in Somalia, including political instability, security concerns, and limited institutional capacity. This analysis of the challenges hindering the implementation of the European Union’s political and economic policies towards Somalia includes the following:

1. Political Challenges:

   a) Political Instability: Somalia has experienced political instability and ongoing conflicts, which have hindered the implementation of political policies. The presence of multiple political factions, clan rivalries, and a weak central government has made it difficult to achieve consensus and implement reforms (European Union External Action, 2021, Arconada-Ledesma, P., 2021).
b) Lack of Institutional Capacity: Somalia’s institutions have limited capacity and face challenges in governance and administration. The weak institutional framework poses obstacles to the implementation of political policies, including the establishment of effective democratic institutions and the rule of law (European Commission, 2021, European Commission, 2023).

c) Corruption and weak governance: Corruption remains a significant challenge in Somalia. Weak governance structures, lack of transparency, and accountability issues have hindered the effective implementation of political policies and reforms (European Union External Action Service, 2021, European Commission, 2023).

2. Economic Challenges:

a) Security Concerns: The security situation in Somalia, particularly the presence of extremist groups like Al-Shabaab, has posed significant challenges to economic development. Security concerns have limited access to key areas, hindered infrastructure development, and hampered the implementation of economic policies (European Union External Action, 2021, European Union, 2020).

b) Limited Infrastructure: Somalia's infrastructure, including roads, ports, and energy systems, is underdeveloped and inadequate. The lack of infrastructure has impeded economic growth, trade, and investment, making it challenging to implement economic policies effectively (European Commission, 2021, Nisar Majid et al., 2022).

c) Informal Economy and Trade Barriers: Somalia has a significant informal economy, which poses challenges for formal economic development and the implementation of trade policies. Trade barriers, including limited access to finance, high tariffs, and non-tariff barriers, have further hindered economic growth and integration (European Union External Action Service, 2021, Nisar Majid et al., 2022).
In conclusion, the implementation of the EU’s political and economic policies towards Somalia has faced significant challenges. Political instability, security concerns, limited institutional capacity, corruption, weak governance, inadequate infrastructure, and trade barriers have hindered the effective implementation of these policies. Addressing these challenges requires sustained efforts and comprehensive approaches to support political stability, security, governance, and economic development in Somalia.

4. CONCLUSION
In conclusion, this research study has shed light on the EU’s economic and political policies towards Somalia, the implementation of the EU’s economic and political policies in Somalia, the impact of European Union’s economic and political policies towards Somalia and the challenges hindering the implementation of the EU’s economic and political policies towards Somalia. Through a comprehensive analysis of the EU’s economic and political policies towards Somalia, the implementation of the EU’s economic and political policies in Somalia, the impact of European Union’s economic and political policies towards Somalia and the challenges hindering the implementation of the EU’s economic and political policies towards Somalia, it becomes evident that the overview of the EU’s political and economic policies towards Somalia includes: establishment of transitional governments, supporting the constitutional reform process, promoting human rights and the rule of law, financial assistance to support development programs, trade and economic integration in Somalia, private sector development; the implementation of the EU’s economic and political policies towards Somalia includes: political dialogue and reconciliation processes in Somalia, financial and technical assistance, security and stability in Somalia, financial assistance to Somalia to support development programs, trade and economic integration in Somalia, private sector development in Somalia. However there are numerous challenges hindering the implementation of the EU’s economic and political policies towards Somalia such as political instability, lack of institutional capacity, corruption and governance issues, limited infrastructure, informal economy and trade barriers; the impact of European Union’s economic and political policies towards Somalia includes: trade and
development, development aid, fisheries partnership agreement, governance and state building, democracy and human rights and migration and security. Thus to maximize the positive impact of the EU's policies towards Somalia, it is recommended that a more comprehensive and nuanced approach be adopted. This should involve stronger collaboration with local stakeholders, increased focus on capacity building, and a greater emphasis on sustainable development. By addressing the identified challenges and adopting a holistic approach, the EU can play a more effective role in the implementation of the EU’s economic and political policies in Somalia to support Somalia's journey towards stability, prosperity, and self-reliance.

5. RECOMMENDATIONS

To improve the implementation of the European Union’s economic and political policies on Somalia, the study provided the following imperative recommendations to be considered:

1. Strengthen Local Ownership and Capacity Building:
   - Enhance coordination with the Somali government and prioritize local ownership in policy design and implementation. This can be achieved through inclusive consultations and partnerships with Somali institutions and civil society organizations.
   - Invest in capacity-building programs to enhance the technical and administrative capabilities of Somali institutions, particularly in areas such as governance, management, and monitoring of development projects.

2. Address Corruption and Improve Governance:
   - Implement measures to tackle corruption and promote transparency and accountability in the management of funds and resources. This includes strengthening anti-corruption institutions and promoting the rule of law.
   - Support initiatives that promote good governance practices, including public financial management reforms and the establishment of effective oversight mechanisms.

3. Promote Inclusive Economic Development:
• Focus on sectors with high potential for job creation, such as agriculture, fisheries, and small-scale industries. Support programs that provide training, access to finance, and market linkages for local entrepreneurs and farmers.

• Encourage investment in infrastructure development, including roads, ports, and energy, to improve connectivity and create an enabling environment for economic growth.

4. Support Conflict Resolution and Peacebuilding:

• Strengthen efforts to support peacebuilding and conflict resolution initiatives in Somalia. This includes supporting dialogue and reconciliation processes at the community and national levels.

• Promote the inclusion of marginalized groups, such as women and youth, in decision-making processes and peacebuilding efforts.

5. Enhance Monitoring and Evaluation:

• Establish robust monitoring and evaluation mechanisms to assess the impact and effectiveness of EU-funded programs and projects in Somalia. Regularly review and adapt policies and interventions based on evidence-based findings.

• Foster knowledge sharing and learning among stakeholders to enhance the effectiveness of interventions and avoid duplication of efforts.

6. Foster Regional Cooperation:

• Strengthen regional cooperation and coordination among neighboring countries to address cross-border challenges, such as terrorism, piracy, and irregular migration.

• Encourage dialogue and collaboration with regional organizations, such as the African Union and Intergovernmental Authority on Development (IGAD), to align efforts and enhance the impact of interventions in Somalia.

It is important to recognize that these recommendations should be tailored to the specific context and needs of Somalia. Continuous engagement with Somali stakeholders, regular assessment of
progress, and flexibility in adapting policies and interventions will be crucial for achieving sustainable development and stability in the country.

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