

# **REPUBLIC OF SOMALILAND**

## **MINISTRY OF TRADE AND TOURISM**



## **BUSINESS AND TRADE LICENSING POLICY**

**Siyaasadda Bixinta Liisamada Ganacsiga**



## INTRODUCTION

The Government of the Republic of Somaliland is committed to protecting the interests of local traders and promoting the growth of the national economy. This policy establishes the following guidelines for the tariffs and issuance of business and trade licenses in Somaliland and is in line with the Business Licensing Act (Law number 98/2021);

## OBJECTIVES OF THE POLICY

1. Provide preferential treatment to Somali applicants for business licenses, while still following residency requirements of Somaliland Immigration Department.
2. Create a clear and thorough set of rules for obtaining a business license, aligned with the Business Licensing Act.
3. Design a transparent and consistent system for setting business license tariffs.
4. Group merchandise business licenses into categories for better regulation and support.
5. Encourage partnerships between local, foreign, and joint venture businesses.

## HORUDHAC

Dowladda Jamhruuriyadda Somaliland waxaa ka go'an inay ilaaloiso danaha ganacsatada baayacmushtariga maxaliga/gudaha iyo horumarinta koboca dhaqaalaha dalka. Siyaasadani waxay asaasaysaa hagaha/tilmaamaha tacriifadaha iyo bixinta Liisamada ganacsiga ee Somaliland si waafaqsan Xeerka Liisamada Ganacsiga (Xeer Lr. 98/2021).

## UJEEDOOYINKA SIYAASADDA

1. Dejinta habraac dhiirigalin u ah Somalida aan u dhalan Somaliland iyada oo loo ogalaanayo in ay ka shaqaystaan Dalka, balse ay waajib tahay inay helaan deganaanshaha rasmiga ah ee ka soo baxday Laanta-Socdaalka Jamhuriyadda Somaliland.
2. Dajinta habraaca shuruudaha muwaadinka ee bixinta liisamada ganacsiga si waafaqsan Xeerka Liisamada Ganacsiga ( Xeer Ir 98/2021) iyo xeerarka kale ee khuseeya.
3. Diyaarinta habraac cad oo loo raaco samaynta iyo dajinta tacriifooinka liisamada ganacsiga.
4. Kala saarista ganacsiyada baayac mushtarka
5. Kor u qaadida wax-wada lahaanshaha ganacsiga mudaawanka iyo ajnabigaba.

6. Reduce licensing fees for businesses in priority sectors like manufacturing, agriculture, mining, energy (especially renewables), and other productive industries.
7. Consider the growth of informal import businesses and offer them convenient licensing options such as general import business license.
8. Reduce licensing fees for the importation of basic necessities like food, medicine, and agricultural products, while raising the business license fees for non-essentials like Qat and tobacco.



## MERCHANDISE AND PROFESSIONAL BUSINESSES

- 1. Citizenship Requirements:** Only Somaliland citizens who fulfill the requirements outlined by relevant laws are authorized to engage in merchandise business within the trading business sector, covering activities like import, and export, and wholesale;
- 2. Residency Requirements for Somali Applicants:** Applicants of Somali origin but are not Somalilanders and seek to operate merchandise businesses are required to present a valid permanent residence permit obtained from the

6. In hoos loodhigo ajuurada liisamada ganacsiga ee shirkadaha ka shaqaynaya qaybaha muhiimka u ah Dhaqaalahaa dalka sida Warshadaha, Macdanta, Beeraha , Tamarta gaar ahaan tamarta la cusbooneysiin karo.
7. In la ilaaliyo Ganacsatada yaryar ee guraangurka ah oo loo sameeyo liisan ganacsi soodajin u gaar ah.
8. In hoos loo dhigo ujuurada liisamada ganacsi ee shirkadaha ka shaqeeya soodajinta daruuriyaadka balse kor loo qaado ujuurada liisamada ganacsi ee aan daruuriga ahayn sida Qat ka iyo Sigaarka.

## KA-GANACSIGA BADEECADAHA IYO SHAQOOYINKA XIRFADAHA GANACSIGA

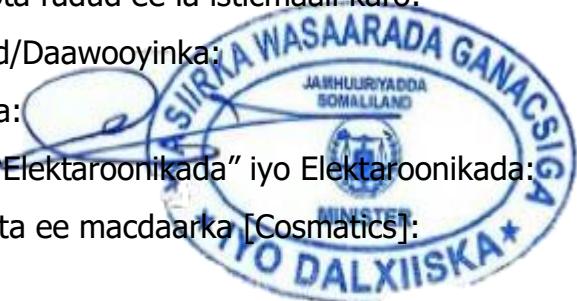
- 1. Shuruudaha Muwaadinka:** Muwaadiniinta ee buuxiya shuruudaha ku cad xeerarka khuseeya ayaa loo ogolaanayaa inay ka shaqaystaan ganacsiga badeecadaha baayacmushtariga ah oo ay ku jiraan hawlaha ganacsi ee soo-dejinta, soo-dejinta iyo dhoofinta, iyo Jumlada;
- 2. Shuruudaha Codsadayaasha Soomaalida ah ee aan u dhalan Somaliland:** Codsadayaasha isir ahaan somalida ah ee aan u dhalan Somaliland ee doonaya inay ka shaqaystaan ganacsiga baayacmushtariga ah ee soo-dejinta, soo-dejinta iyo dhoofinta, iyo

Somaliland Immigration Department, as stipulated in Law No. 72/1995 and Presidential Decree No. 17/08/2022 concerning permanent residency permits;

3. **Export Business Encouragement:** Export businesses are encouraged for all traders, including domestic and international traders.
4. To facilitate efficient trade for businesses, import and export business licenses should be categorized into distinct and readily identifiable groups. This classification system will enable traders to quickly locate the specific license they require, streamlining the licensing process and promoting smoother business operations. Here's a proposed framework for business import and export license categorization:
  - Food and Consumable Goods:
  - Medical/Pharmaceutical Products:
  - Construction Materials:
  - Electrical and Electronics:
  - Beauty Products/Cosmetics:
  - Mineral commerce/trading:
  - Frankincense:

Jumlada, waa inay helaan deganaanshaha rasmiga ah ee ka soo baxday Laanta-Socdaalka Somaliland si waafaqsan Xeer Lr. 72/1995 iyo Degreetada Madaxweynaha Degree No.17/08/2022 ee ogolaanshaha deganaanshaha rasmiga ah;

3. **Dhiirrigelinta Ganacsiga Wax-Dhoofinta:** ka-ganacsiga wax-dhoofinta waxa lagu dhiirigelinaya dhamaan ganacsatada oo dhan, kuwa dalka iyo kuwa dibadaba.
4. Si loo fududeeyo ganacsiga badeecadaha, liisamada ganacsiga soo-dejinta iyo dhoofinta waxaa loo kala saaraya qaybo kala duwan oo si fudud loogu kala aqoonsan karo. Nidaamkan kala-sooca qaybaha ah ayaa suurtagelinaya in ganacsatadu si degdeg ah u heli karaan liisanka gaarka ah ee ay u baahan yihii, iyadoo hagaajinaysa habka liisamada iyo kobcinta hawsha ganacsi. Halkan waxaa ku jira qorshe lagu soo bandhigay qaybaha loo kala saari lahaa liisamada ganacsiga soo-dejinta iyo dhoofinta:
  - Cuntada iyo Alaabta fudud ee la isticmaali karo:
  - Agabka Caafimaad/Daawooyinka:
  - Qalabka Dhismaha:
  - Qalabka laydhka "Elektaroonikada" iyo Elektaroonikada:
  - Agabka Is-quruxnta ee macdaarka [Cosmetics]:



- Livestock:
- Fuel Importation:
- Furniture:
- Textiles:
- Agricultural Chemicals:
- General Import and Export:

**5. Openness to All:** Professional service businesses are welcome and encouraged for all business people, both domestic and international. This includes a wide range of professions, including but not limited to consultants, lawyers, accountants, engineers.

**6. Exceptions for Domestic Interests:** Exceptions to the open policy outlined in Article 5 may be considered for professional services that could potentially harm the economic interests of domestic traders and businesses. Such decisions will be made on a case-by-case basis, ensuring fairness and protection for all parties involved.

- Ganacsiga Macdanta:
- Xabkaha iyo Faleenka [Franckincense];
- Xoolaha-nool:
- Soodajinta Shidaalka:
- Alaabta Guryaha:
- Dharka:
- Kiimikada Beeraha:
- Soo Dejinta iyo Dhoofinta Guud:



**5. U furan Dhamaan:** Ganacsiga adeegyada xirfadlayaasha waa la soo dhaweynaya laguna dhiirrigelinaya ganacsatada oo dhan, kuwa gudaha iyo kuwa dibaddaba. Waxaa ku jira xirfado fara-badan, oo aan ku koobneyn latalinta, qareenimo, xisaabaadka iyo injineernimada.

**6. Reebanaanta iyada oo la tixgalinaya danaha ganacsatada muwaadiniinta:** Waxyalaha laga soo reebay siyaasadda u furan dhamaan ee qodobka 5<sup>aad</sup> ee siyaasaddan waa adeegyada xirfadlayaasha loo arko inay halis ku yihiin danaha baayacmushtariga iyo ganacsadeyaasha gudaha ee maxaliga ah. Go'aamadan waxaa lagu sameyn doonaa hab arin walba sidiisa loo qiimeeyo "case-by-

<p><b>7. Restriction on Port and Logistics Services:</b> Port and airport-related services and logistics operations are exclusively reserved for Somaliland citizens or joint ventures with Somaliland local businesses. This restriction aims to promote local ownership and participation in these critical sectors.</p> <p><b>8. Shareholding Structure for Joint Ventures:</b> In accordance with paragraph 7 above, for joint ventures in this sector, the recommended shareholding structure is 30% foreign ownership and 70% local ownership. This emphasis on local participation ensures that the benefits of these critical industries are primarily channeled into the Somaliland economy and its citizens.</p>	<p>case”, iyadoo hubinaysa caddaaladda iyo ilaalinta dhamaan dhinacyada ka qayb qaadanaya.</p> <p><b>7. Xaddidaadda Adeegyada Dekedda iyo Adeegyada Logistics:</b> Adeegyada la xiriira dekedda iyo garoonka diyaaradaha iyo hawlaha logistics waxaa loogu talo-galay oo kaliya muwaadiniinta Somaliland ama iskaashiyaal shuraako ahaan la leh ganacsatada gudaha ee Somaliland. Xaddidaaddani waxay ujeedadeedu tahay inay kobciso mulkiilayaasha madaniga ah ee ka qayb qaata qaybtan muhiimka ah.</p> <p><b>8. Habka Saami-qaybsiga Shirkadaha Wada-jirka ah:</b> Si waafaqsan qodobka 7aad ee kor ku xusan, iskaashiyada qaybtan, waxa loo qaabeeyay saami ahaan in loo kala yeesho boqolkiiba 40% lahaanshaha ajnabiga/shisheeyaha iyo boqolkiiba 60% lahaanshaha madaniga/muwaadiniinta. Taasi waxay muujinaysaa kobcinta doorka maxliga ah oo faaiido wayn ugu jirto qaybtan muhiimka ah oo dhex maraysa marinada dhaqaalaha Somaliland iyo muwaadiniinteeda.</p>
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## Promoting Local Entrepreneurship and Fair Competition

- Fees for Business License Partnerships:** To foster co-ownership of businesses, the fees for business partnerships should be aligned with the fees for individual businesses. This encourages collaboration and sharing of expertise among entrepreneurs of local.
- Lower Fees for Local Traders and Businessmen:** To safeguard the interests of local traders and businessmen, their business license fees should be lower than those charged for foreign businesses.
- Joint venture fees:** Ensure the fees of joint ventures with competitive fees, positioned between the extremes of foreign and local rates.

## Kobcinta ganacsiga gudaha iyo tartan ganacsi oo ku dhisan caddaalad

- Khidmadaha Ganacsiga Liisamada Shuraakada:** Si loo kobciyo iskaashiga iyo wada-lahaanshaha ganacsiga, khidmada liisamada ganacsiga shuraakadu waa in uu la mid noqdaa khidmada ganacsiga kali loo leeyahay. Tani waxay dhiirigalinaysaa in iskaashi ganaci uu jiro isla markaana la wadaago khibradda ganacsatada dhexdooda.
- Hoos u dhigista khidmada liisamada ganacsiga muwaadinka:** Si loo ilaaliyo danaha ganacsatada muwaadiniinta iyo Ganacsatada kale, khidmada liisamada ganaci ee muwaadiniintu waa inay ka hooseysaan kuwa laga qaado shirkadaha shisheeye
- Khidmada liisamada Ganacsiga wada lahaanshaha Muwaadinka iyo Ajnabiga ah (Joint venture):** Khidmada laga qaado Shirkadaha ay wada leeyihiin Muwaadinka iyo Ajnabigu waa in ay ka hooseysaa khidmadda laga qaado Ajnabiga oo kaliya si loo dhiirigaliyo wax-wada lahaanshaha muwaadinka iyo ajnabiga.



**4. Reduced Business Renewal Fees:** To encourage long-term business operations, fees for business renewal licenses should be significantly lower than the fees for new business licenses. A 25% reduction or less is recommended to incentivize businesses to continue contributing to the local economy.

These measures aim to create a business environment that is conducive to both local and international entrepreneurs, while ensuring that local businesses have a fair competitive advantage.

## **IMPROVING THE EASE OF DOING BUSINESS IN SOMALILAND**

1. The Ministry of Trade and Tourism shall improve the ease of doing business in Somaliland. As part of these efforts, the Ministry must establish a target of 48 hours to complete the business registration and licensing procedure.
2. To achieve the above target, the Ministry is encouraging businesses to register online platform. This will streamline

**4. Hoos u dhigista Cusboonaysiinta Ganacsiga:** Si loo dhiirrigeliyo hanoqaadka ganacsiga muddada dheer, khidmada cusboonaysiinta liisanka ganacsiga waa inay ka hooseyso khidmada liisanka ganacsiga cusub. Waxaa la qaataj talo-ahaan in la yareeyo boqolkiiwa 25% ama in ka yar si loo dhiirrigeliyo ganacsiga si uu qayb uga qaato una sii wado koboca dhaqaalaha maxaliga ee Gudaha.



Tallaabooyinkan waxaa looga dan leeyahay inay abuuraan jawi ganacsii oo ku haboon labadaba ganacsatada gudaha iyo kuwa dibaddaba, iyadoo ka duulaysa in ganacsiga guduuhu uu helo faa'iiddada tartanka suuqa xorta ah ee caddaalada ku dhisan.

## **CASRIYEYNTA IYO FUDUDAYNTA SAMAYNTA GANACSIGA SOMALILAND**

1. Wasaaradda Ganacsiga iyo Dalxiiska JSL waa inay kobciso hanaanka fudud ee samaynta ganacsiga Somaliland. Dadaalkaasna qayb ahaan, Wasaaraddu waa inay hirgalisaa in 48 saacadood lagu dhammeystiro habka diiwaangelinta iyo liisan bixinta ganacsiga.

the process and make it more efficient. The Ministry is also setting key performance indicators to measure the effectiveness of the business licensing process.

3. The Ministry believes that these reforms will make it easier for businesses to start and operate in Somaliland, which will boost economic growth and create job

## **POLICY IMPLEMENTATION FRAMEWORK**

1. This policy will be implemented by the Ministry of Trade and Tourism. The Ministry will be responsible for issuing all business licenses to businesses that comply with the policy and the
2. Business licensing Law no.98/2021.

## **Enforcement**

1. The Ministry of Trade and Tourism will enforce this policy by conducting regular inspections of businesses. Any businesses that are found to be in violation of the policy

2. Si loo gaaro ujeedka kor ku xusan, Wasaaraddu waxay ku dhiirrigelineysaa ganacsatada inay iska diiwaangeliyan habka online-ka casriga ah. Tani waxay hagaajin doontaa habka iyo inay noqoto mid ka sii fudud. Wasaaraddu waxay sidoo kale hirgalin doontaa furaha miqyaaska wax-qabad si loo qiimeeyo hawl-karnimada habka bixinta liisanka ganacsiga.

3. Wasaaraddu waxay rumeysan tahay in isbedeladan ay fududeyn doonaan in lagu dhiirado ganacsiga oo la bilaabo iyo inay sii hanoqaadaanba, taas oo kor u qaadi doonta kobcinta dhaqaalaha iyo abuurista fursado shaqo.

## **HIRGALINTA SIYAASADDA**

1. Siyaasaddan waxaa fulinaya Wasaaradda Ganacsiga iyo Dalxiiska. Wasaaraddu waxay mas'uul ka tahay Bixinta dhamaan liisamada ganaci ee ganacsatada oo waafaqsan siyaasaddan iyo Xeer Ir 98/2021.

## **DHAQAN GALKA SIYAASADDA**

1. Wasaaradda Ganacsiga iyo Dalxiiska JSL waxay fulin doontaa siyaasaddan iyadoo joogtaynaysa ilaalinta iyo kormeerka

will be subject to penalties, such as fines or closure, as per the Business Licensing Act (Law number 98/2021).

ganacsiga. Ganacsi kasta oo ku xad-gudba siyaasaddan wuxuu noqon doonaa mid ku gafay oo la ganaaxi doono, ganaaxaas iyo hakinta waxaana lagu qaadi doonaa si waafaqsan Xeerka Liisamada Ganacsiga (Xeer Lr. 98/2021).

**EFFECTIVE DATE:**

This policy will take effect on the date signed by the Minister and published officially in the minister's website

**INTERPRETATION**

Any ambiguities in this policy will be interpreted in good faith and according to the natural principles of justice.

**TAARIKHDA DHAQAN GALKA:**

Siyaasaddani waxay dhaqangeli doontaa ka dib marka uu saxeexo wasiirku ee lagu faafiyo mareegto wasaarada;

**FASIRIDDA**

Wixii iska horimaad iyo khilaaf ah ee siyaasaddan la soo darsa waxaa loo fasiri doonaa si niyad wanaag ah iyo si waafaqsan mabaadi'ida caddaaladda guud.

**The Minister of Trade and Tourism of the Republic of Somaliland**

**HE: Mohamoud Hassan Sa'ad**

**Signature: Signed on December 4th, 2023**

