KIPD POLICY ARTICLE

Breaking the Emergency Cycle

A New Financing Compact for Somali Resilience

Why Somalia's aid architecture must invest in institutions and communities before the next crisis, not after

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On 26 January 2026, the Federal Government of Somalia, the United Nations and their humanitarian partners launched the Humanitarian Needs and Response Plan for the year, appealing for US$852 million to reach 2.4 million people. It was, in almost every respect, a familiar moment. Somalia has opened a new year with a new appeal for over a decade, each one responding to a crisis that, in its broad shape, closely resembles the one before it. What has changed this year is not the pattern but the financing behind it: donors are giving less, humanitarian presence is thinning in places where needs remain highest, and agencies are being forced to prioritize a fraction of those in need. The system built to respond to Somalia's emergencies is, by its own account, struggling to keep pace with them.

The harder question isn't how to fund this year's appeal: it's why Somalia needs one of comparable size every year. Somalia cannot keep meeting every drought, every displacement wave and every disease outbreak as an unprecedented emergency requiring a fresh appeal. A larger share of humanitarian and development financing needs to move upstream, into Somali institutions, local civil society, early-warning systems and community-level preparedness, before need reaches emergency thresholds. None of that means spending less on humanitarian aid. It means spending it in a way that leaves Somalia better able to absorb the next shock on its own.

1. A Cycle, Not a Crisis

The current drought follows four consecutive failed rainy seasons. Water sources have dried up, rangeland has degraded and the livelihoods that depend on both have collapsed, prompting Somali authorities to declare a drought crisis in November 2025. Cholera, acute watery diarrhea, diphtheria and measles are circulating alongside the drought, driven by the same shortage of clean water and sanitation that the drought itself has caused. An estimated 4.8 million people were assessed to need humanitarian assistance when the 2026 plan was launched in January, a figure that would have been higher still had the needs definition not been tightened that year, according to the plan's own account of the numbers.

The trajectory since January has borne this out. By the April–June update, the IPC found that six million people, 31 percent of the population analyzed, were facing high levels of acute food insecurity, an increase of more than half a million people over the projection made only two months earlier. In Burhakaba district, in the Bay region, acute malnutrition had reached the most severe classification on the IPC scale, with a stated risk of Famine under a plausible worst-case scenario. By mid-May, the International Rescue Committee was warning publicly that Somalia stood on the brink of catastrophe, pointing to the same convergence of underperforming Gu rains, conflict and funding collapse that had pushed the country toward famine between 2020 and 2023.

Somalia has seen this shape of crisis before; what is different this time is the pace. A comparably severe drought struck the country in 2011, again in 2016 and 2017, and again between 2021 and 2023, each time accompanied by disease outbreaks, mass displacement and a large-scale appeal. Close to four million people are currently displaced within the country, most of them women and children, many pushed from rural areas into overcrowded urban settlements more than once in their lifetimes. The pattern is well documented and well understood by every institution working in Somalia, yet the response to it resets each time to the same starting point: assess needs, launch an appeal, mobilise emergency funding, and begin again once the next shock arrives.

2. Why the Financing Model Keeps Falling Short

The 2026 plan illustrates the strain plainly. Of the people assessed to need assistance, humanitarian partners can only prioritise 1.6 million across the 21 highest-risk districts, citing limited resources. The UN's Resident and Humanitarian Coordinator for Somalia described the humanitarian community as being at a critical crossroads, warning that funding reductions have narrowed the ability to deliver life-saving assistance even as humanitarian presence has thinned in areas where needs remain acute. The European Union, one of Somalia's longstanding humanitarian donors, reduced its 2026 allocation to €63 million from €67.83 million the year before, a modest decline in isolation but indicative of a broader donor retrenchment being felt across every sector of the response.

The consequence is visible in the numbers of people agencies are actually able to reach. According to Food Security Cluster data tracked by FEWS NET, the number of people reached with food assistance fell by 51 percent between March and April 2026 alone, and the number of displaced people reached with assistance fell from over 363,000 in December to just 86,000 in April, a decline attributed to worsening funding constraints rather than any change in physical access. That is what a financing shortfall looks like once it reaches the field: fewer families reached each month, not because the need eased, but because the money did.

Three structural features of the current model compound this shortfall. First, funding is largely reactive: it is mobilized after needs are confirmed rather than in anticipation of them, so the fastest-moving phase of a drought or displacement crisis is often the least well resourced. Second, funding cycles are short relative to the problems they address. WASH systems, primary health capacity and livelihood recovery all take years to build durably, yet are typically financed in twelve-month project increments that must be renewed, renegotiated and sometimes interrupted. Third, and most consequentially, the system has invested comparatively little in the Somali institutions, government and civil society alike, that remain in place once an international project cycle ends. The result is a response that performs well at the point of acute crisis and poorly at preventing the next one.

3. The Overlooked Role of Somali Civil Society

Somali civil society organizations are frequently the actors best positioned to close this gap, and frequently the last to be resourced to do so. Local organizations typically have longer-standing relationships with the communities they serve, better access to areas that international staff cannot easily reach for security or logistical reasons, and a presence that persists after a donor-funded project closes rather than departing with it. They are often the ones who remain in a district once the emergency phase of a response ends, sustaining services, monitoring conditions and maintaining the trust that any future intervention will depend on.

Despite this, Somali civil society continues to receive a small share of humanitarian and development financing relative to international agencies, and what it does receive tends to arrive as short-term subcontracts rather than direct, multi-year support. Global commitments to channel more funding directly to local and national responders, made by donors and UN agencies themselves nearly a decade ago, remain only partially realized in Somalia. Capacity is rarely the constraint here. Credible Somali institutions exist, KIPD among them, working on governance, WASH, health and social cohesion. What is missing is architecture: local organizations are routinely asked to demonstrate sustainability without ever being given financing built to make sustainability possible.

4. Toward a New Financing Compact for Somalia

A different model is available, and elements of it are already being tested elsewhere in the region. Somalia's humanitarian and development partners, the Federal Government, Somali civil society, donors and UN agencies, should consider building a financing compact around six commitments.

Multi-year financing for credible Somali organisations. Three- to five-year funding windows, instead of successive twelve-month grants, give local organisations room to plan, keep skilled staff, and build the institutional systems donors keep asking them to demonstrate.

Pre-agreed, anticipatory financing tied to drought and flood indicators. Somalia already has functioning early-warning infrastructure through IPC and FEWS NET analysis, the same system currently flagging an El Niño-driven flood risk for the October–December deyr season. Releasing pre-positioned funds automatically once specific rainfall, pasture, food-security or flood thresholds are crossed lets agencies act before displacement and disease outbreaks begin, instead of after.

Joint government–civil society resilience plans. District- and state-level resilience plans, co-developed by line ministries such as Health, Education, and Water and Mineral Resources alongside local civil society, would put investment where communities are most exposed and where local capacity to respond already exists.

Transparent public dashboards. Publicly accessible tracking of where humanitarian and resilience funding goes, and what it delivers, strengthens accountability to Somali communities and donor publics alike, and makes the case for continued investment easier to sustain politically.

Ring-fenced funding for climate-resilient basic services. Water systems, health facilities and livelihoods investments designed to withstand recurring shocks, rather than being rebuilt after each one, cost more upfront but considerably less over a decade than repeated emergency reconstruction.

Strong accountability, safeguarding and independent monitoring. None of the above is credible without rigorous financial oversight, safeguarding standards and independent verification of results, conditions that protect donors and communities alike and safeguard the credibility of the Somali institutions this compact is meant to strengthen.

5. A Practical Role for the Diaspora and the Private Sector

Somalia's diaspora and private sector are already financing resilience, largely without being asked to. Various estimates put remittances at close to a fifth of Somalia's GDP, a flow reported to exceed foreign aid and foreign direct investment combined, and they function as the most reliable, most immediate form of household-level resilience financing the country has. Formalising a role for this flow, through diaspora bonds, matched-savings schemes for water or livelihoods investment, or partnerships with money-transfer operators to channel a small share of remittance volume into community resilience funds, would build on capital that already exists rather than compete with it.

Islamic finance instruments, including zakat and waqf-based mechanisms, offer a further channel that is culturally embedded and largely untapped by the formal humanitarian system, particularly for water, health and education infrastructure. Blended finance structures, combining donor guarantees with private capital, could similarly extend financing for climate-resilient infrastructure such as boreholes, solar-powered water systems and small-scale irrigation, in ways that pure grant financing cannot sustain at scale. None of these replace humanitarian assistance in an acute crisis. They expand the base of resources working, year-round, to reduce how often that acute crisis has to be declared.

6. Two Programs Already Show What This Looks Like

Somalia does not need to design this model from scratch. Two long-running consortia already put large parts of it into practice, at real scale, and offer a working template for what a wider compact could look like.

The Somali Resilience Program (SomReP). A consortium of eight international and Somali NGOs, including CARE, Oxfam, World Vision and the Somali organisation Shaqodoon, SomReP has worked with pastoralist, agro-pastoralist and peri-urban communities in Somaliland and Puntland since 2013 and is now in its third phase. It works directly with government, local civil society and the private sector on early warning and early action, natural resource management, and livelihoods and safety-net recovery, and it includes a crisis modifier that releases funding ahead of a forecast shock rather than after one. Its learning platform, the Resilience Nexus Learning Action Network, partners with Somali universities, including Simad University and the Somali National University, to build local research and training capacity that outlasts any single grant. In practice, SomReP is already doing what the compact's first two commitments describe: multi-year financing and anticipatory action triggered by early-warning indicators.

Building Resilient Communities in Somalia (BRCiS). Created in 2013 after a famine that killed an estimated 260,000 people, BRCiS is led by the Norwegian Refugee Council with seven other members and funded by a mix of donors including the UK's FCDO, the World Bank, USAID, Sweden and Denmark, with its current phase running through March 2028. Its defining feature is the Community Resilience Committees embedded in every project: local structures that co-manage BRCiS activities alongside the consortium, co-lead local action plans from design through monitoring, and contribute their own cash and in-kind resources rather than simply receiving assistance. That is close to the joint government–civil society planning the compact proposes, already operating today at the scale of specific districts.

What both programs show is that the individual pieces of a new financing compact are not hypothetical. Anticipatory, indicator-triggered funding exists. Community-led planning that gives local structures real authority over design and monitoring exists. What does not yet exist is a financing system that treats this as the default way Somalia is supported, rather than as a smaller track that runs alongside the emergency appeal system and is consistently outspent by it.

7. Financing Resilience Before Financing Catastrophe

The 2026 Humanitarian Needs and Response Plan will very likely be underfunded, as recent plans have been, and Somalia will very likely be issuing a similar appeal in January 2027. That trajectory isn't fixed. It reflects a financing system that funds emergencies well and resilience poorly, a pattern the same institutions now managing the crisis have the power to change, and one that SomReP and BRCiS already show can be changed in practice, not just on paper.

A new compact, multi-year, anticipatory, locally led, transparent and accountable, would not eliminate the need for humanitarian response. Somalia's exposure to drought, conflict and disease is real and will persist. But it would narrow the space between one emergency and the next, strengthen the Somali institutions best placed to respond early, and make each dollar of international support work for longer than a single funding cycle. Somalia's partners will keep financing this country through crisis either way. What is still an open question is whether they keep financing the crisis itself, or scale up the kind of resilience financing that is already working in specific districts today, so that the next emergency is smaller than this one.

ABOUT KIPD

The Kenadid Institute for Policy & Development (KIPD) is an independent, Garowe-based policy research institution working on governance, WASH and climate resilience, and civil society strengthening in Somalia.

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