



**Federal Government of Somalia**

**Ministry of Planning, Investment and Economic Development (MoPIED).**

**Terms of Reference (ToR): Sectoral Study of Somalia’s Real Estate and Construction Sectors Individual Consultant in Somalia**

**1. Background Information**

Somalia is currently experiencing a significant urban transformation. Despite decades of instability, the real estate and construction sectors have become primary engines of domestic economic activity, fueled by rapid urbanization, a surging population, and substantial capital inflows from the global Somali diaspora. The National Transformation Plan (NTP) 2025–2029 identifies urban development and housing as critical pillars for social stability and economic diversification.

However, the sector's growth is currently fragmented and faces significant hurdles, including opaque land tenure systems, a lack of standardized building codes, high costs of imported construction materials, and limited access to long-term financing or mortgages. To transition from informal growth to a regulated, sustainable industry, Somalia requires a cohesive national policy and a clear investment roadmap.

A comprehensive sectoral study is required to provide an evidence-based framework that aligns private sector real estate activities with national development goals, ensuring that growth translates into affordable housing, modern commercial spaces, and resilient urban infrastructure.

**2. Objectives of the consultancy**

The main objective of this consultancy is to conduct a comprehensive sectoral study of Somalia's Real Estate and Construction sectors. The study will:

- **Assess the current landscape** of the real estate market and construction industry across Somalia’s major urban centers (e.g., Mogadishu, Hargeisa, Garowe, Kismayo, Baidoa).
- **Identify key bottlenecks**, including land governance issues, regulatory gaps, and supply chain constraints.
- **Provide a strategic roadmap** for creating a transparent, regulated, and attractive environment for large-scale institutional investment and affordable housing development.

**3. Scope of work**

The selected consultant will conduct the following tasks:

**Inception Phase**

- Develop a detailed work plan, methodology, and stakeholder engagement strategy.
- Conduct a desk review of existing land laws, urban planning documents, and municipal regulations.

- Consult with the Ministry of Planning (MoPIED) and the Ministry of Public Works, Reconstruction, and Housing to validate the study's focus areas.

### **Data Collection and Analysis**

- **Market Assessment:**
  - Analyze supply and demand dynamics across residential, commercial, and industrial real estate segments.
  - Evaluate the "Housing Gap"—specifically the deficit in affordable housing for low-to-middle-income earners.
- **Construction Industry Analysis:**
  - Map the construction supply chain, including the availability of local raw materials vs. imports.
  - Evaluate the technical capacity and equipment standards of local construction firms.
  - Analyze labor market trends, including the availability of skilled engineers, architects, and tradespeople.
- **Land Governance & Regulatory Review:**
  - Review land registration processes and dispute resolution mechanisms.
  - Assess the existence and enforcement of building codes, safety standards, and environmental regulations.
- **Financial Landscape Analysis:**
  - Evaluate the availability of construction finance and the nascent mortgage market.
  - Analyze the role of Diaspora Remittances in fueling property development.
- **Stakeholder Consultations:**
  - Interview developers, architecture firms, commercial banks, municipal authorities, and community leaders.
- **Risk and Opportunity Analysis:**
  - Identify risks related to land disputes, climate change (urban flooding), and price volatility.
  - Identify opportunities in "Green Building" and sustainable urban design.

### **Roadmap Development**

- **Draft Roadmap:** Develop actionable recommendations including:
  - Proposed reforms for land titling and digital registration.
  - Standardization of national building and safety codes.
  - Strategies for Public-Private Partnerships (PPPs) in affordable housing.
  - Investment incentives for manufacturing local construction materials.
- **Final Report:** Produce a comprehensive final report for MoPIED.

#### 4. Deliverables

The consultant will be responsible for the following deliverables:

item no.	DELIVERABLES	Estimate Workdays	Tentative timeframe
1	<b>Inception Report:</b> Methodology and work plan.	5	Mar 5
2	<b>Draft Sectoral Study Report:</b> Comprehensive findings on market and construction analysis and <b>Draft Strategic Roadmap:</b> Forward-looking action plan for sector formalization and investment	20	Mar 15
3	<b>Final Study Report:</b> Finalized document incorporating all feedback.	5	Mar 20

#### 5. Required Expertise and Qualifications

The consulting firm or team should possess:

- Extensive experience in conducting sectoral studies in **Real Estate, Urban Planning, or Civil Engineering**.
- Experience in fragile or emerging markets, with specific knowledge of Somalia's land tenure challenges preferred.
- Demonstrated expertise in property law, real estate finance (including Islamic Finance), and urban economics.
- Strong understanding of environmental sustainability in construction.

**Key Experts should include:**

- **Team Leader:** Advanced degree in Urban Planning, Economics, or MBA with experience in large-scale sectoral assessments.
- **Real Estate/Land Specialist:** Expert in land governance, property law, and valuation.
- **Construction/Civil Engineer:** Specialist in building standards, materials supply chains, and infrastructure.
- **Financial Analyst:** Expert in housing finance, mortgages, and investment modeling.

#### 6. Duration and timeframe

The assignment is expected to be completed within a maximum of 30 days, spanning approximately 20-30 days from the contract signing date. Location of the consultancy will be conducted in Somalia, requiring consultations with selected Federal and Federal Member States Ministries, Departments and Agencies.

## 7. Reporting and communication

The consultant will report directly to the Director of Investment Department and; to the Director General of MOPED All reports and deliverables must be submitted in English. Regular check-in meetings will be scheduled throughout the consultancy period.

## 8. Submission of proposals

Interested consulting firms are requested to submit a technical and financial proposal outlining their approach, methodology, team composition, work plan, and estimated budgets.

Interested and qualified individuals or firms should submit a technical and financial proposal to [invest.r@mop.gov.so](mailto:invest.r@mop.gov.so)

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