



POLICY BRIEF

Revitalizing Burco: Addressing developmental Stagnation of Burao, existing challenges, and potential solutions.

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Laasgeel Institute for Policy Studies and Research Analysis (LIPS) is an independent think tank that promotes good governance, democratic institutions, and advocates for Somaliland's recognition through research, policy analysis, and strategic advocacy aimed at informing Somaliland's decision-makers.



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1. Executive Summary

Burco, Somaliland is the second capital city and a commercial hub for the eastern regions, faces persistent developmental stagnation despite its strategic position and economic potential. On July 17, 2025, the Laasgeel Institute convened a civic forum in Burco that brought together academics, civil society, business leaders, and youth groups to assess challenges and propose potential solutions.

The forum identified five structural constraints undermining Burco's developmental growth: restrictive "red zone" designations, lack of decentralization, inequitable taxation and revenue distribution, lack of political representation, and neglect of economic infrastructure.

Participants advanced nine practical recommendations, including review redzone, the reopening of Burco Airport, decentralization of public institution services, reform of the Unified Taxation Law, and stronger accountability mechanisms for elected representatives.

Addressing these challenges is essential not only for Burco's revival but also for Somaliland's broader national development and the entire country integration.

2. Key Challenges Identified

2.1: Red Zone Restrictions – The "red zone" label on Togdheer and eastern regions of Somaliland has harmed Burco's economy, deterred investment, and blocked international engagement and forcing youth to seek a job opportunity in the capital, despite Burco being one of the safest cities in the country.

2.2: Lack of Decentralization: Services remain concentrated in the capital, leaving Burco underserved in key public service institutions such as major ministries. The lack of decentralization causes major setbacks **in health, water, and education.**

2.3: Taxation and Revenue Distribution: Burco's livestock market generates over \$30M annually, but little is reinvested locally. Law No. 12 was seen as unfair, with calls for revenue redistribution.

2.4: Lack of Political Representation: Elected MPs have failed to serve constituencies, leaving Burco excluded from major development projects.

2.5: Neglect of Economic Infrastructure: Burco suffers from a closed airport, weak customs, a non-functional meat factory, tourism place, and limited local benefits from the livestock market, discouraging diaspora investment.

3. Policy Recommendations

1. Decentralization – Establish fully functional ministerial branches in Burco to deliver services locally.
2. Red Zone Review – Launch a fact-finding mission to lift Burco’s unjustified “red zone” classification and the whole eastern regions of Somaliland.
3. Infrastructure Revival – Reconstruct and reopen Burco Airport, accelerate key road projects (particularly, Odweyne–Hargeisa highway and Burao to Oog).
4. Fair Revenue Sharing – Amend the Unified Taxation Law to guarantee Togdheer a just share of national revenue.
5. Community Mobilization – Re-establish the Burco Development Committee to drive local initiatives.
6. Youth & Knowledge – Build a Burco Public Library and audit reasons behind past project failures.
7. Accountability – Strengthen mechanisms for citizens to hold MPs and local officials accountable.
8. Social Services Investment – Increase national budget allocation for health, water, and education in Togdheer.
9. Civic Engagement – Encourage citizens to elect competent representatives committed to advocate and represent Togdheer’s interests and Somaliland’s progress.
10. Accountability- the government of Somaliland must ensure transparent and accountability for all projects will be implemented in the region.

4. Conclusion

Burco's stagnation is a pressing governance and development challenge for Somaliland. Revitalizing the city requires structural reforms in decentralization, revenue distribution, infrastructure, and accountability. Implementing these measures would not only unlock Burco's economic potential but also advance national cohesion, equitable development, and Somaliland's resilience. The Laasgeel Institute remains committed to facilitating evidence-based policy dialogue and supporting inclusive, sustainable development across Somaliland

