

## **Financial Governance Committee: Summary of Meeting Discussions**

44<sup>th</sup> Meeting – Mogadishu, 22<sup>nd</sup> April 2020

**Public Financial Management, Budget:** The Ministry of Finance (MoF) is working to assess the impact of COVID-19 on the economy and FGS budget and is preparing a revised budget for approval by the Cabinet and Parliament. Discussions are ongoing with international partners to identify financing to cover the budgetary gap.

**Public Financial Management, Policies and Legislation:** The FGS completed drafting of the Customs Act Amendments and the Audit Bill and they are now passing through the ratification process. The FGS will continue with sensitization meetings on the implementation of the 2019 PFM Act once restrictions related to COVID-19 are lifted.

**Fiscal Federalism, Fiscal Chapter of the Constitution:** Consultations with FMS on the fiscal chapter of the Constitution will be completed once COVID-19 movement restrictions are lifted, and Cabinet discussions will take place once those consultations are complete.

**Fiscal Federalism, Tuna licensing:** The Ministry of Finance has received revenue from the 2019 tuna licensing round, which will be distributed in accordance with the Addis Ababa Agreement.

**Contracts and Concessions.** MoF reported that the SNA, Police, and NISA rations contracts will be tendered as soon as the Ministry reopens. MoF also reported on the status and follow-ups of other contracts and concessions. FGC will prepare Advisory Notes on Emergency Procurement Procedures during the COVID-19 and lessons learned on procurement and concessions between 2014-2020.

**Central Bank:** The Central Bank Governor reported that COVID-19 has negatively impacted the transfer of remittances to Somalia and this could result in significant humanitarian impacts as well as disruption of import financing. In order to mitigate the impact, the CBS is working with the Remittances Advisory Council to identify a qualified transfer channel for MTBs on a temporary basis.