

Financial Governance Committee: Summary of Meeting Discussions

53rd Meeting – Virtual meeting, 21st September 2021

Fiscal Update: The meeting discussed the Government's efforts to increase domestic revenue particularly in the aviation sector. The Minister of Transport and Civil Aviation and Director General of the Somali Civil Aviation Authority attended the meeting and provided updates on progress towards issuing a tender for the collection of overflight revenue arrears and the proposed overflight permitting services. The FGC continues to provide strategic advice on conducting a competitive tender in-line with the Procurement Act and offered to assist in securing necessary technical assistance required to draft documentation for a competitive tender and draft contract. The meeting also discussed fisheries revenue sharing and licensing including payment of VMS and IOTC fees to enable commencement of 2021 licensing round.

Concessions and Contracts: The meeting discussed an FGC Advisory Note on lessons learned from the 2021 security sector rations and fuel tenders. The review identified a number of issues which continue to present challenges for the effective conduct of FGS procurement processes and provided advice on how to improve the competitiveness of the tendering process. The meeting noted the need to explore ways to train bidders and suppliers on preparing bidding documentation, in order to improve bid compliance. The Minister of Defense attended the meeting and briefed on the challenges in delivery of the current rations contracts, on account of a global increase in the cost of shipping containers. The meeting agreed to jointly analyze the issue to determine the way forward. In addition, the meeting also discussed the way forward for NISA rations contract, which has not yet been awarded.

Financial Governance Report (FGR) 2021: The FGS is working on the finalization of the 2021 Financial Governance Report by the end of September.