



**FEDERAL GOVERNMENT OF SOMALIA
MINISTRY OF FINANCE**

**End-Year Budget Fiscal Performance Report
For Fiscal Year 2022**

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Executive Summary

In the fiscal year 2022 the economy was projected to register a real GDP growth of 3.2% compared to 2.9% in FY2021, whereas inflation was projected at 4.3% compared to an average of 4.1% in 2021. The increase in inflation was on account of the drought due to climate change, Russia-Ukraine war and residual effects of COVID.

Total revenue collection amounted to \$721.91 million which was equivalent to 76.4% of the target of \$944.86 million and an increase of 91.7% when compared with the amount of \$376.54 million collected in 2021.

Domestic revenue collection amounted to \$262.67 million which was equivalent to 105% of the target of \$250.10 million, and registered an increase of 14.4% when compared with the amount of \$229.56 million collected in 2021.

Grants received during 2022 were \$459.24 million, equivalent to 66.1% of the budgeted grants of \$694.76 million, and 212.5% higher than the \$146.98 million grants received in 2021. Of the total grants received, 35.6% was budget support whereas 64.4% was project support.

Total spending of the Federal Government of Somalia (FGS) in 2022 was \$731.43 million which was equivalent to 78.7% of the target of \$929.92 million, and 54.4% higher than the amount of \$473.80 million spent in 2021. Recurrent spending (funded from FGS domestic funds) were \$448.74 million representing 61.4% of total spending (planned share was 46.5%), capital spending was \$7.76 million representing 1.1% of total spending (against planned share of 1.3%), whereas project spending was \$274.94 million representing 37.6% of total spending (against planned share of 52.2%).

Although the FGS was meant to operate a balanced budget, there was an inevitable financing of a deficit whenever there were revenue shortfalls. Total financing amounted \$9.52 million, which entailed withdrawals from the fiscal buffer (reserve), short-term loans from the Central Bank of Somalia (CBS), and borrowing via the IMF Special Drawing Rights (SDR).

Key lessons learnt during the fiscal year 2022 include:

- Government needs to considerably increase domestic revenue mobilization in order to lessen its dependency on external grants, borrowing from the experience of withholding budget support in the second half of 2021 until the first half of 2022 because of delays to conclude parliamentary and presidential elections.
- The change in customs revenue administration was followed by an immediate growth in revenue in the last quarter of the fiscal year. Customs changed hands in June 2022. As Annex A shows, quarterly collections increased from an average of \$26.7 million (average for first three quarters of 2022) to \$35.9 million in the last quarter without any change in tax rates. This lesson needs to be studied further and replicated to other key revenue areas.
- Improving execution rate for donor funded projects requires a detailed study. Project expenditure performed 57% against target, allegedly due to complexities related to donor procurement and funds disbursement procedures. These factors need to be studied further to establish the underlying problem, and to examine the role of project management and other possible factors in the observed persistent low execution rates year after year.

- One of the prominent issues from taxpayers' feedback is they do not see what their taxes do. This calls for improving budget communication, and an increase in capital spending to deliver tangible projects that the FGS can use as showcase for government spending. Developing a public investment management policy and system should be prioritized to assist in this regard.
- It is necessary to remove obstacles that prevent MDAs from exchanging performance data. Rolling out program based budgeting should be prioritized to address this issue.

Macroeconomic Performance

GDP Growth

Nominal Gross Domestic Product (GDP) was estimated at \$8.41 billion in 2022 compared to \$7.63 billion estimated for 2021. Real GDP was projected to have registered a growth of 1.9% compared to 2.9% in 2021. The observed growth was largely on account of the recovery in aggregate demand which led to a strong rebound in imports primarily construction and medical equipment (IMF Article IV, 2023).

Inflation

Residue effects of COVID and the Russia-Ukraine war continued to affect inflation in several countries including Somalia. In 2022, inflation averaged 9.0% compared to 4.6% in 2021. The observed high inflation was due to rising food and fuel prices. The increase in fuel prices was due to shocks that emanated from high prices of crude oil globally which were also partly aggravated by the Russia-Ukraine conflict that caused supply disruptions.

Imports and Exports

Import of goods were estimated at \$5.24 billion in 2022 compared to an estimate of \$4.79 billion in 2021, an increase of 9.4%. The rise was largely due to imports of construction materials, vehicles and food items according to the data supplied by the Central Bank of Somalia. Exports amounted to \$0.77 billion during 2022 compared to \$0.72 billion in 2021, an increase of 6.9%. The rise in exports was largely in live animals that were exported to Saudi Arabia after the reopening of Haji in Meccah.

Revenue Performance

Aggregate Revenue

The FGS collected a total of \$721.91 million in revenue in 2022, which was 76.4% of the annual target and 91.7% more than the amount collected the previous year. Out of this, domestic revenue contributed \$262.67 million which was 105% of target and 14.4% more than the amount collected the previous year (see Table 1). All revenue sources performed above the target with the exception of 'other taxes' comprising of stamp duties and road tax. Income taxes performed at 119.2%, taxes on goods and services 106.5%, taxes on international trade 104.4%, non-tax revenue 106%, and other taxes 86%. As Figure 4 shows, the performance was boosted by higher revenue collections in Quarter 4 (October-December), which is presumed to have been a result of the changes made within the revenue administration in June 2023. Although it was only in Customs Department where changes were made, this had a repo effect in the other revenue departments which ended up incentivizing the departments to enhance revenue mobilization.

The other factors that contributed to improved performance in the last quarter of the year included the new President’s resolve to end insecurity in the country, and the involvement of other politicians (ministers and MPs) in revenue mobilization through their addresses to taxpayers in their constituents—which played a part in giving taxpayers hope and responded by enhancing compliance in the last quarter of the year. The momentum attained in the last quarter of 2022 needs not be lost in 2023 and other future years.

Grants contributed \$459.24 million against a target of \$694.76 million, which was 66.1% of target and 212.5 higher than the grants received in the previous year. The higher year-to-year increase was largely due to the reopening of budget support taps by the donors following the conclusion of the elections impasse, which nearly lasted a full year and caused the suspension of budget support.

Table 1: Aggregate Revenue and Expenditure 2020-2022

Fiscal Variable	2020				2021				2022			
	Budget	Actual	Pfce	Y-t-Y%	Budget	Actual	Pfce	Y-t-Y%	Budget	Actual	Pfce	Y-t-Y%
Revenue	578.10	496.83	85.9%	47.1%	680.51	376.54	55.3%	-24.2%	944.86	721.91	76.4%	91.7%
Domestic Revenue	167.52	211.23	126.1%	-8.0%	269.71	229.56	85.1%	8.7%	250.10	262.67	105.0%	14.4%
Grants	410.58	285.59	69.6%	164.2%	410.80	146.98	35.8%	-48.5%	694.76	459.24	66.1%	212.5%
Expenditure	685.27	485.29	70.8%	53.8%	666.48	473.80	71.1%	-2.4%	929.92	731.43	78.7%	54.4%
Fiscal Balance	-107.17	11.54			14.03	-97.26			14.94	-9.52		

Revenue by Source

Taxes on income, profits, and capital gains

In 2022, a total of \$ 18.03 million was collected from income taxes compared to the target of \$15.12 million, which was 119.2% of target and was higher than the amount raised in 2021 by 18.6%. Individual income taxes, which did well at 125.3% in contrast to corporate taxes' underperformance of 84.7%, were a major contributor to this positive performance. Low compliance on part of corporate companies is blamed for the underperformance of corporation tax.

Taxes on property

A total of \$0.63 million was collected against a target of \$0.65 million, which was 97.1% of target and exceeded the collection from the previous year (2021) by 8.9%. All this revenue comes from tax on rental premises in Mogadishu. Compliance of taxpayers and target setting for this revenue source need to be improved.

Taxes on goods and services

Revenue from sales and excise taxes on local goods and services totaled \$32.78 million in 2022, which was 106.5% of target and 39.9% more than the collection in the previous year. The revenue base for this tax category in 2022 entailed four sources—hotels, telecoms, airline tickets, and imported items. Of these, only airline tickets performed above target at 392.6%. Imported goods performed 94.4%, hotels 82% and telecoms 57.5%. The more than expected performance of airline tickets was largely due to the increased travel in the second and third quarters where several people travelled out of the country due to uncertainty caused by the elections’ impasse (which happened in the second quarter) and returned in the third quarter when the elections were concluded. During the same period, several other people traveled into the country in the second quarter to participate in the pacification of the country and traveled

back after the elections ended in June 2022. Hotels and telecoms are still struggling with compliance issues, hence the lower than targeted performance. The use of Electronic Fiscal Receipting and Invoicing System gadgets on these two sectors, if implemented in 2023, is expected to make a significant difference in revenue performance in these sectors. The implementation of sales tax on electricity consumption and use of cable TVs failed to take off even in 2022 hence the zero performance levels as shown in Annex 1.

Taxes on international trade and transactions

Customs collected a total of \$116.16 million in 2022 against a target of \$111.26 million which was 104.4% of target and 6.6% more than the amount collected in the previous year. The performance would have been higher than observed if it was not for the underperformance of khat at 85.8%, due to the effect of the ban on khat from Kenya in the first half of the year. The ban was lifted in the second half of the year. Collections from non-khat imports performed at 107.5%. As already mentioned above, the performance of customs also benefited from a change in departmental leadership in June 2022, which appears to have led to the observed significant increase in collections in the last quarter of the year since there was no change in tax rates which would have probably explained the observed significant increase in customs collections.

Other taxes (road tax, stamp sales, other stamp duty)

Against the target of \$15.90 million in 2022, a total of \$14.08 million was collected from ‘other taxes’, which was 88.6% of target and -3.4% less than the amount collected in 2021. This category has four revenue sources: road tax, other stamp duty, and stamp duty on customs, and Stamp duties of invoices and contracts (notary). Of these, only stamp duties on customs exceeded the annual target at 100.6% as well as collected 18.6% higher than the collection of the previous year. The remaining sources (road tax 69.3%, notary 75.6%, and other stamp duty 91.1%) underperformed. Road tax was affected by the increased roadblocks in Mogadishu (to curb insecurity) which results in too much traffic congestion and long delays to reach planned destinations—which incentivizes vehicle owners to park their vehicles and either walk or use public means. The underperformance of stamp duties was largely due to over estimation of the target.

Non-Tax Revenue

Administrative charges

receipts from this source were \$4.54 million against a target of \$5.73 million, which was 79.4% of target and -18.1% lower than the receipts in the previous year. The low performance was caused by fees from services of other government agencies which decreased in 2022, such as fees for high school diplomas that were zero rated..

Passport fees

A total of \$8.08 million was collected against a target of \$5.53 million which was 146.1% of target and 10.5% higher than the collection of the previous year. This good performance resulted from increased demand for passports after the lifting of Covid-19 restrictions, but also triggered by the uncertainties that emanated from elections impasse where some families travelled out of the country just before the elections.

Visa charges

The target for this revenue source amounted to \$3.49 million and at the end of the year a total of \$7.52 million was received, which was 215.9% of target and 95% higher than the collection of the same period last year (2021). The reasons for this high performance are similar to those under sales tax from airlines tickets; several people from the diaspora travelled into the country to take part in the pacification of the country through elections, and several diaspora families visited their families in Somalia after lifting covid restrictions, and also after the rather tough election period. Underestimation could also have played a role in the observed high performance under this revenue source.

Licence fees - Commerce and industry

A total of \$1.34 million was realised against a target of \$1.6 million, representing 84% of target though 7.2% higher than the collection realised in the previous year. Enforcement of this revenue source was adversely affected by non-compliance coupled with the slowdown of business activities due to the long elections impasse that affected much of Mogadishu in the first half of the year.

Harbor fees - Albayrak

In 2022, this source of revenue generated \$29.33 million which was 93.4% of target and 14.6% more than what was received last year. Again, this revenue source was affected by the elections' impasse during the first half of the year, which created uncertainty and a slowdown in business activities including both inbound and outbound cargo. The observed increase in year-to-year growth was due to the relatively increased cargo handled at the harbor as a result of recovery from the effects of the COVID-19 pandemic. The change in customs administration also introduced new revenue collection and monitoring systems which plugged some revenue leakages at the port, hence the nearly double increase in collections from this source in the last quarter of the year, three months after customs administration changed hands.

Work permits and other fees

A total of \$0.43 million was realized in 2022, 71.8% of target and 36.1% less than the previous year's collection. This underperformance was largely caused by political unrest around the elections time and the security situation, which prevented many foreign workers from returning to Somalia in 2022.

Airport fees - Favori

In 2022, this form of revenue generated \$3.11 million against a target of \$2.59 million, representing 119.9% of the budget and 11.4% more than the amount collected in the previous year. Building strong diplomatic ties in the region after the elections in June 2022 is likely to be responsible for this revenue source's improved performance, which increased the number of flights into and out of Mogadishu, thereby expanding the base for this revenue source. As Annex 1 shows, it was in the second half of the year where increased collections were realised.

Telecommunication Spectrum fees

A total of \$4.10 million was collected from this source against a target of \$1.73 million, which was 236.3% of the annual target and 255.7% more than the previous year's collection from this revenue source. Although it could appear as though the target for the telecommunications spectrum fees was underestimated at the time of budget preparation, it was because of the ECF benchmark which required the FGS to issue a spectrum fee schedule for telecom operators approved by the National Communications Authority (NCA). The schedule was issued in September 2022 expected to raise \$6 million per year from spectrum fees for the next ten years

(i.e., 2022-2031). The observed collection of \$3.85 million in the last quarter of the year was in response to this ECF benchmark.

Overflight fees

Revenue from this source totaled \$15.11 in 2022 compared to the target of \$15.74 million, which was 96% of the target but 34.2% more than the collection of the previous year. The increase in planes using Somalia Airspace is responsible for the improved performance. Data is being collected from SCAA on the number of flights using Somalia space since Somalia took over the management of this revenue source.

Customs Harbor Fees

A total of \$4.89 million was collected against a target of \$4.66 million, which was 105% of target and 3.2% more than the collection of the previous year. The last quarter of the year registered the highest collection from this source in comparison to the first three quarters; this is partly attributed to the new customs administration's style of management since the new management took over in June 2022.

Election Registration Fees

A total of \$2.34 million was collected from this source and performed 100%, which means all the money that was budgeted to be collected from contestants for positions of Members of Parliament was duly collected. The money was collected in the first two quarters which was the time when the elections were held.

External Grants

A total of \$459.24 million was received against a target of \$694.76 million, which was 66.1% of target and 212.5% more than the grants obtained in the previous fiscal year (see Table 2). This covers both budget support and project funding. Budget support totaled \$163.35 million against a target of \$209.3 million, a performance of 78%. Budget support came from four sources—Turkey (\$27.5 million, or 91.7% of commitments), the UAE (\$9.6 million, or 100% of target), the World Bank (\$112.53 million, or 83.5% of target), and the European Union (\$13.72 million, or 39.19% of target). The budget support underperformance (78%) was largely caused by the delay to conclude parliamentary and presidential elections, which triggered the suspension of budget support by donors. Project Support brought in \$295.89m against a target of \$485.46 million, which was 61% of target and 104.8% higher than project funding disbursed in 2021. Project support came from 30 projects in 2022, with three quarters of the projects funded by the World Bank.

Table 2: Details of revenue from grants in 2022

Fiscal Variable	Budget 2022	Actual 2022					Pfce 100%	Year to Year Growth
		Q1	Q2	Q3	Q4	Total		
Donor Revenue	694.76	20.47	101.02	160.20	177.55	459.24	66.1%	212.5%
Budget Support (Grants from foreign governments)	209.30	6.31	31.60	119.91	5.53	163.35	78.0%	6433.9%
Current – grants from foreign governments	39.60	0.00	29.60	7.50	0.00	37.10	93.7%	1384.0%
Current grants in Turkey (Budget support)	30.00	0.00	20.00	7.50	0.00	27.50	91.7%	1000.0%
Current grants in UAE (Budget support)	9.60	0.00	9.60	0.00	0.00	9.60	100.0%	0.0%
Project Support (Grants from international organizations)	485.46	14.16	69.42	40.29	172.02	295.89	61.0%	104.8%
Current – grants from international organizations	485.46	14.16	69.42	40.29	172.02	295.89	61.0%	104.8%
Capacity Injection and Institutional Strengthening Project	4.65	0.29	0.12	0.65	1.56	2.61	56.2%	0.0%
Domestic Revenue Mobilization and PFM Capacity Strengthening Project	4.15	0.57	0.89	0.49	0.02	1.97	47.5%	-50.5%
RCRF	11.05	2.00	3.08	4.54	7.86	17.49	158.2%	
Somalia Urban Resilience Project (SURP)	0.01	0.00	0.01	0.00	0.00	0.01	97.5%	4777.4%
Somali Petroleum Technical Assistance Project (SOPTAP)	0.02	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Somali Electricity Access (SEAP) Project	27.00	3.66	1.41	1.89	9.96	16.91	62.7%	183.6%
Education Sector Program Implementation Grant (ESPIG)	1.44	0.01	0.59	0.22	0.20	1.02	71.1%	-56.4%
Somali Urban Investment Planning Project - Additional Financing (SUIP)	1.50	0.00	0.00	0.53	0.48	1.01	67.7%	0.0%
Somali Capacity Advancement, Livelihoods (SCALED - UP) Project	18.48	0.00	29.87	2.71	67.69	100.27	542.6%	1301.8%
Strengthening Institutions Project (SIEPMID)	15.67	2.20	4.12	3.21	7.32	16.85	107.5%	123.4%
Shock-Responsive Social Safety Net for human Capital (Baxnaano Project)	157.21	0.78	1.34	2.68	4.75	9.54	6.1%	24.4%
Road Infrastructure Programme (RIP)	79.54	0.00	11.08	12.09	15.33	38.50	48.4%	85.4%
Somalia Urban Resilience Project PH2 (PCU)	7.94	1.23	1.20	2.61	2.87	7.90	99.5%	286.3%
Biyoole Project (Water for Argo-pastoral Productivity and Resilience)	22.68	0.00	0.00	0.40	0.77	1.17	5.1%	2019.5%
Somali Crises Recovery (SCR)	3.10	0.00	0.00	0.50	0.32	0.82	26.5%	0.0%
Somali Integrated Statistics and Economic Capacity Building Project	3.33	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Maximum County Allocation (MCA) Project	1.00	0.00	0.00	0.00	0.50	0.50	50.0%	0.0%
Somalia Emergency Locust Response Project (SELRP)	72.02	0.44	15.12	0.50	46.88	62.94	87.4%	0.0%
Somalia Recurrent Cost and Reform Financing Project - Phase III	0.67	0.00	0.00	0.00	1.00	1.00	149.5%	0.0%
Somali Electricity Sector Recovery Project (SESRP)	22.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Somalia Electricity Sector Recovery Project	1.43	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current - African Development Bank - Economic and Financial Governance	1.58	0.06	0.51	0.07	0.28	0.92	58.2%	-62.2%
Current - African Development Bank - Road Infrastructure Program	4.06	0.61	0.00	0.64	0.20	1.44	35.6%	344.5%
Current - African Development Bank - SIEMID	2.24	0.69	0.08	0.21	0.19	1.16	52.0%	-20.6%
Current- African Development Bank - Energy Sector Project	1.13	0.22	0.00	0.00	0.20	0.42	37.0%	0.0%
Current – Somali Strengthening Accountability and Debt Management Initiative	1.28	0.00	0.00	0.39	0.00	0.39	30.1%	0.0%
Current – African Development Bank – Statistics Development Support	1.65	0.00	0.00	0.53	0.00	0.53	32.1%	0.0%
Current – African Development Bank – Program To Build Resilience For	2.27	0.00	0.00	0.08	0.00	0.08	3.4%	0.0%
UN - Peace Building Fund (SFF)	2.08	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current - United Nations - District Rehabilitation Project (S2S) - Support	1.87	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current - United Nations - Maximum County Allocation (GPE-MCA) Initiative	2.20	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Global Partnership For Education	1.51	1.41	0.00	0.00	0.80	2.22	146.9%	
Current – United Nations – FAO	0.68	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current – United Nations – WFP	0.40	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current – United Nations – UNDP	0.21	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current – United Nations – UNICEF	4.78	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current – United Nations – UNFPA	1.01	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current – United Nations – UNHCR	1.02	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current – United Nations – UN-Habitat	0.11	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current – United Nations – UN WOMEN	0.15	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Current – European Union - SAGAL Project	0.35	0.00	0.00	0.16	0.00	0.16	45.1%	0.0%
Current - World Bank - RCRF - Budget support	34.70	6.31	2.00	3.97	5.53	17.80	51.3%	-50.3%
Performance Based Fund (RCRF II DLI)	0.00	0.00	0.00	5.22	2.84	8.06		0.0%
Current- World Bank - DPO - Budget support	100.00	0.00	0.00	94.73	0.00	94.73	94.7%	0.0%
Current - European Union - Budget Support	35.00	0.00	0.00	13.72	0.00	13.72	39.2%	0.0%

Source: RCRF & SFMIS

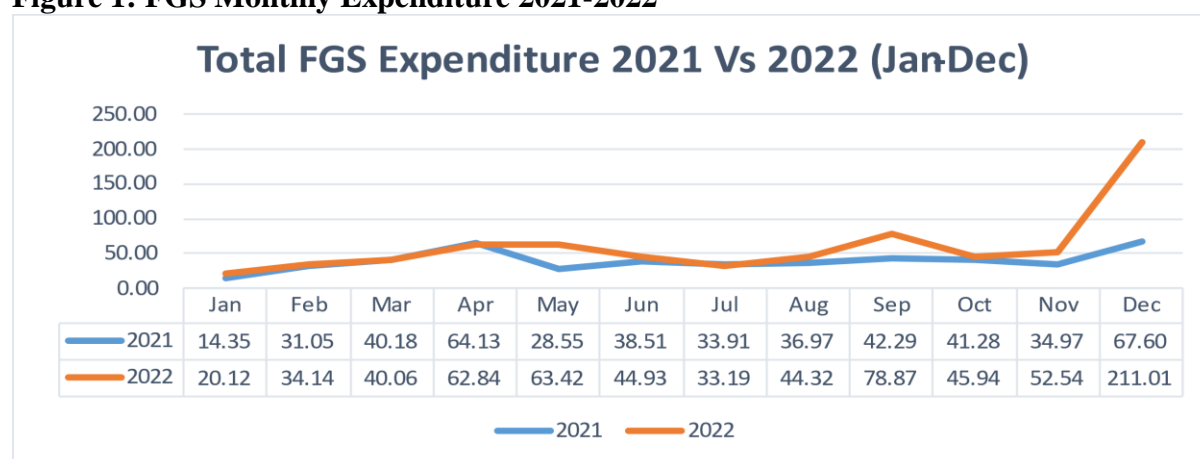
Expenditure Performance

Aggregate Expenditure

Overall, FGS spent \$731.43m in 2022 against a target of \$929.92 million which was 78.7% of target and 54.4% higher than total expenditure for the previous year. The budget is split into two spending funds—Donor Project Fund (DPF) and Government Local Fund (GLF). In terms of performance, under the GLF, expenditure amounted \$424.55 million against a budget of \$416.27 million which was 102% of target and 23.1% higher than the GLF spending worth \$344.83 million in 2021. The excess spending of \$8.28 million was largely financed by

withdrawals from the fiscal buffer. Under the DPF, expenditure in 2022 totaled 306.88 million against a target of \$513.65 million, which was 59.7% of target and 138% higher than the project expenditure of \$128.97 million in 2021 (see Table 4). Compensation of employees accounted for 35.50% of total expenditure followed by purchase of goods and services at 19.23%, transfers at 15.21%, social benefits at 25.83%, capital at 1.80%, interest on debt at 1.74% and subsidies at 0.70%. As table 1 shows, expenditure was higher than the revenue collected during the year, leading to a fiscal balance worth \$9.52 million. The deficit was financed through temporary advances from the Central Bank of Somalia, withdrawals from the fiscal buffer, and SDR drawings from the IMF. The month of December 2022 recorded the highest spending as shown in Figure 1; all the major expenditure categories recorded increased spending in the last quarter e.g.; a total of \$134.25 million was recorded in Q4 for social benefits compared to an average of \$18.33 million for the first three quarters; Goods and services recorded \$60.84 million in Q4 compared to an average of \$26.59 million for the first three quarters; whereas capital activities recorded \$6.21 million in Q4 compared to an average of \$2.33 million for the first three quarters of 2022.

Figure 1: FGS Monthly Expenditure 2021-2022



In terms of execution achievement rates, compensation of employees performed at 98.2%, purchase of goods and services 61.6%, capital expenditure 32.4%, interest on public debt 507.6%, subsidies 67.8%, transfers including transfers to FMSs and International Organizations 94.2%, and social benefit 70.3%.

Table 3: Summary Expenditure Fiscal Year 2022

Fiscal Variable	Budget 2022	Actual 2022					Actual Vs Budget Pfce 100%	Year to Year Growth YTY %
		Q1	Q2	Q3	Q4	Total		
Expenditure	929.92	94.32	171.20	156.38	309.53	731.43	78.7%	54.4%
Compensation of Employees	264.44	61.45	63.43	62.25	72.45	259.58	98.2%	3.8%
Use of goods and services	228.28	17.89	27.37	34.53	60.88	140.67	61.6%	32.6%
Consumption of fixed capital	40.68	0.92	1.34	4.74	6.21	13.20	32.4%	-17.8%
Interest and other charges	2.50	1.61	4.78	1.79	4.51	12.69	507.6%	-13.1%
Subsidies	7.55	0.15	1.01	0.65	3.30	5.12	67.8%	302.2%
Grants	117.65	12.30	28.45	42.55	27.94	111.24	94.6%	142.6%
Social benefits	268.82	0.00	44.81	9.88	134.25	188.94	70.3%	373.9%

Expenditure Performance by Spending Category

Compensation of Employees

Overall, a total of \$259.58 million was spent on compensation of employees in 2022, which was 98.2% of target and 3.8% higher than the spending on compensation of employees in 2021. As Table 4 shows, compensation of employees working in the civil service (who are paid through the government payroll system) performed at 99.3% (actual versus target) and increased year on year by 4.6%. Principally all the money budgeted for salaries and allowances should have been paid but not all staff that had been budgeted to be recruited during the year were recruited, hence the lower than expected performance of 99.3%. On the other hand, compensation of employees paid by donor funded projects performed at 71.58%, and decreased -17.5% year on year. This underperformance is largely attributed to two factors—budget overestimation, and delays in implementation of planned project activities which in turn delays the recruitment of project staff.

Table 4: Summary expenditure by source of funds 2020-2022.

Code	Description	2020				2021				2022			
		Budget	Actual	Pfce%	YtY%	Budget	Actual	Pfce%	YtY%	Budget	Actual	Pfce%	YtY%
A.	Government Fund	458.83	367.40	80.1%	32.2%	404.31	344.83	85.3%	-6.1%	416.27	424.55	102.0%	23.1%
21	Compensation of employees	222.84	216.61	97.2%	42.1%	246.28	240.83	97.8%	11.2%	253.78	251.95	99.3%	4.6%
22	Use of goods and services	89.16	62.19	69.7%	-23.1%	99.11	66.92	67.5%	7.6%	92.47	88.44	95.6%	32.1%
23	Consumption of fixed capital	12.64	7.92	62.6%	-3.7%	31.99	2.82	8.8%	-64.4%	11.92	7.76	65.1%	175.1%
24	Interest and other charges	14.56	14.44	99.2%		2.50	14.61	584.2%	1.1%	2.50	12.69	507.6%	-13.1%
26	Grants	119.62	66.24	55.4%	83.5%	24.42	19.66	80.5%	-70.3%	54.34	63.72	117.3%	224.2%
27	Social benefits	0.00	0.00			0.00	0.00			1.26	0.00	0.0%	0.0%
B.	Donor Fund (Projects)	226.44	117.89	52.1%	214.6%	262.18	128.97	49.2%	9.4%	513.65	306.88	59.7%	138.0%
21	Compensation of employees	12.42	10.41	83.8%	-0.3%	12.77	9.25	72.4%	-11.1%	10.66	7.63	71.0%	-17.5%
22	Use of goods and services	65.67	18.51	28.2%	60.3%	83.56	39.14	46.8%	111.5%	135.91	52.23	38.4%	33.5%
23	Consumption of fixed capital	29.27	10.63	36.3%	61.9%	50.56	13.25	26.2%	24.6%	28.66	5.45	19.0%	-58.9%
25	Subsidies	2.21	2.16	97.8%		8.05	1.27	15.8%	-41.2%	7.55	5.12	67.8%	302.2%
26	Grants	23.43	14.04	59.9%	57.4%	46.52	26.19	56.3%	86.5%	63.31	47.52	75.1%	81.4%
27	Social benefits	93.44	62.14	66.5%		60.72	39.86	65.7%	-35.8%	267.56	188.94	70.0%	373.9%
	TOTAL	685.27	485.29	70.8%	53.8%	666.48	473.80	71.1%	-2.4%	929.92	731.43	78.7%	54.4%

Use of Goods and Services

Overall, the purchase of goods and services costed FGS a total of \$140.62 million in 2022 against a target of \$228.28 million, representing 61.6% of target and 32.6% higher than the expenditure on goods and services in 2021. The largest expenditure item under goods and services was consulting and professional expenses, which costed the FGS a total of \$43.57 million against a target of \$71.88 million, followed by 'other general expenses' on which Government spent \$40.39 million against a target of \$70.50 million during the year. The other big items included travel and conference expenses (\$10.84m, 59.5% performance), financing costs (\$8.10m, 115.7% performance), fuel and lubricants (\$7.99m, 87% performance), materials and supplies (\$6.79m, 53.5% performance), utilities (\$5.71m, 66.8%), maintenance and repairs (\$5.42m, 88.4% performance). Other details can be seen in Annex 1. In terms of GLF and donor project funds on goods and services, the government-consolidated fund's expenditure on goods and services amounted to \$88.44 million against a target of \$92.47 million which was 95.6% of target and 32.1% higher than expenditure on goods and services in 2021. Donor funded projects' expenditure on goods and services totaled \$52.23 million against a target of \$135.91 million, which was 38.42% of target and 33.5% higher than the expenditure on goods and services in 2021.

Poor budget execution within donor funded projects was attributed to the project activities' delayed execution because of the disruptions brought on by the slowdown in government

business as a result of the delays in concluding the parliamentary elections and political unpredictability in the first half of the year. This notwithstanding, the performance of expenditure on goods and services for donor-funded projects over the past three years has not exceeded 46.8%, suggesting there may be an underlying issue with project management that needs to be researched and solved.

Capital Expenditure

In 2022, overall capital expenditure totaled \$13.20 million against a budget of \$40.68 million which was 32.4% of target and -17.8% lower than capital spending in 2021. The big chunk of this money (\$9.74m) was spent on 'other fixed assets' followed by 'machinery and equipment' (\$2.53m, 36.2% performance) and 'buildings and structures' that includes roads and bridges and construction of buildings (\$0.93m, 10.9% performance). Like it has been indicated in the in-year reports, the FGS needs to prioritize capital spending in the future budgets to be able to generate economic growth for the country. Of the \$13.2m capital expenditure for 2022, 58.8% of these funds were channeled through the GLF, and the rest (41.2%) channeled through the donor project fund. GLF capital expenditure performed at 65.1% whereas the capital expenditure under the project fund performed far below expectations at 19.01%. Similar to spending on goods and services, capital expenditure on projects funded by donors has underperformed over the past three years. ,

Interest payments

The government started servicing its public debt in 2020 after reaching the HIPC decision point (in March 2020). During 2022, Government serviced its public debt to the tune of \$12.69 million against a target of \$2.5 million. This expenditure item thus performed 507.6% of target but registered a year-on-year decrease of -13.1% compared to debt servicing effected in the previous year 2021. Underestimation of debt servicing was responsible for the otherwise out of the normal performance level of 507.6%.

Transfers

This expenditure item comprises transfers to FMSs to the Chamber of Commerce and Somali Development Bank. During 2022, a total of \$111.24m was transferred against a target of \$117.65 million, which was 94.6% of the annual target and 142.6% higher than the transfers made the previous year. Transfers channeled through the government local funds were \$63.72million (117.3% of target, 224.2% year-on-year, 57.28% share to total transfers) whereas transfers channeled through the donor project fund (mainly through RCRF) amounted to \$47.52m (75.1% of target, 81.4% year-on-year, 42.72% share to total transfers). At the planning/budgeting stage, transfers from the government's local funds were expected to account for 34% and transfers from donor funds 66%. Reasons for the less-than-planned transfers include lower revenue collection during 2022 (for the transfers from the government local fund), and failure to fulfill conditionalities that needed to be fulfilled to trigger the disbursement of transfers (in the case of donor-funded transfers). Table 5 provides amounts transferred to each FMS against the target.

Table 5: Transfers 2021-2022

FMS	Actual 2021	Budget 2022	Actual 2022	Pfce% (actual/target 2022)	Year-to-year growth%
Somaliland State of Somalia	286,707	14,400,996	13,816,190	96%	4719%
Puntland State of Somalia	7,822,910	20,789,740	20,588,798	99%	163%
Jubaland State of Somalia	6,204,628	21,390,142	13,859,217	65%	123%
South West State of Somalia	7,486,199	21,288,808	18,027,674	85%	141%
Galmudug State of Somalia	5,327,350	16,173,032	13,656,929	84%	156%
Hirshabelle State of Somalia	4,790,935	15,225,708	10,383,632	68%	117%
Benadir Regional Administration and LG	17,732,363	22,172,379	18,218,593	82%	3%
Somali Development Bank	-	566,408	555,816	98%	0%
Chamber of commerce	528,434	566,408	555,816	98%	5%
Grand Total	50,179,525.47	132,573,621.59	109,662,663.02	83%	119%

Source: SFMIS (MOF)

Subsidies

A total of \$5.12 million was spent on subsidies in 2022 compared to the target of \$7.55 million which was 67.8% of target and 302.2% higher than the subsidies offered in 2021. The subsidies are mostly extended to the energy sector.

Social Benefits

A total of \$188.94 million was spent on social benefits in 2022 against a target of \$268.82 million representing 70.3% of target and a year-on-year growth of 373.9%. The social benefits program primarily offers nutrition-related cash transfers to the vulnerable communities in rural areas of Somalia that were mostly affected by the drought. The performance of less than the expected 100% mark is partly attributable to the challenges faced in enrolling/identifying Somalia's poor and vulnerable households partly because of security-related issues and the delay to complete the construction of the required registry.

Expenditure by Sector

Table 6: Expenditure by Sector FY2022, in Million USD

Sector/MDA	Budget 2022	Q1	Q2	Q3	Q4	Actual Total	Pfce 100 %	YTY %
Administration and General Services	351.67	40.18	66.38	92.31	107.38	306.26	87.1%	58.4%
Security	171.29	38.57	40.97	42.58	47.85	169.97	99.2%	6.2%
Economic Service	83.15	10.00	10.64	11.66	24.69	56.99	68.5%	42.4%
Social Service	323.81	5.57	53.20	9.84	129.61	198.22	61.2%	146.4%
Total	929.92	94.32	171.20	156.38	309.53	731.43	78.7%	54.4%

Source: MOF

Administration and General Services

The sector spent \$306.26 million in 2022, which was 87.1% of the annual budget, 58.4% higher than sector spending in 2021, and a share of 41.9% to total government spending. The big spenders within the sector include General Government Activities which accounted for 35% of total sector spending, Ministry of Finance 21%, and Parliament 7%. The remaining 34 MDAs in the sector accounted for the rest (37%) of the sector expenditure.

Security

The sector consumed \$169.97 million in 2022, which was 99.2% of target and 6.2% more than the sector expenditure in 2021. Security expenditure accounted for 23.2% of all FGS expenditures in 2022, against the planned share of 18.4%. The rise in the price of food and other commodities, which led to an increase in the cost of goods and services, as well as the pay increase for security personnel (which went from \$160 million in 2021 to \$169.97 million in 2022, a 6% increase), were the main drivers of this sector's year-on-year expenditure growth.

Economic Sector

A total of \$56.99m was spent in 2022 on the 18 MDAs that implement economic sector activities, against a target of \$83.15 million. Performance-wise, this was 68.5% of the target, 42.4% higher than the sector spending in 2021, and accounted for 19% of total FGS spending. Of the 18 cost centers within the sector, the largest spender was the Ministry of Public Work & Construction which accounted for 33% of the sector spending.

Social Services Sector

The sector's spending reached \$198.22m in 2022, representing 61.2% of the yearly budget, 146.4% more than the sector expenditure the year before, and 65% share to total FGS spending in 2022. The Ministry of Labor and Social Affairs led the nine sector MDAs with a share of 83% of all sector spending, followed by the Ministries of Health and Education each with 6%, and Somali National University 4%.

Annex 1a: Fiscal Table Fiscal Year 2022 (Revenue)

Code	Fiscal Variable	Budget 2022	Actual 2022					Actual Vs Budget	Year to Year Growth
			Q1	Q2	Q3	Q4	Total		
1	Revenue	944.86	77.35	159.40	216.84	268.31	721.91	76.4%	91.7%
2	Domestic Revenue	250.10	56.88	58.38	56.65	90.76	262.67	105.0%	14.4%
11	Taxes	173.70	41.31	39.85	39.09	61.44	181.69	104.6%	11.6%
111	Tax on income, profit and capital gain	15.12	3.96	4.03	3.94	6.11	18.03	119.2%	18.6%
1111	Payable by individuals	12.87	3.29	3.86	3.87	5.10	16.12	125.3%	12.8%
111111	Public Sector	5.79	1.59	1.76	1.55	2.35	7.25	125.3%	11.1%
111112	Private Sector	7.08	1.70	2.10	2.32	2.75	8.87	125.3%	14.3%
1112	Payable by corporation and other enterprises	2.25	0.67	0.17	0.06	1.01	1.91	84.7%	107.3%
111201	Payable by corporation	2.25	0.67	0.17	0.06	1.01	1.91	84.7%	107.3%
113	Taxes on property	0.65	0.17	0.14	0.16	0.16	0.63	97.1%	8.9%
1131	Recurrent taxes on immovable property	0.65	0.17	0.14	0.16	0.16	0.63	97.1%	8.9%
113101	Rental income	0.65	0.17	0.14	0.16	0.16	0.63	97.1%	8.9%
114	Taxes on goods and services	30.77	6.69	5.38	5.83	14.88	32.78	106.5%	39.9%
1141	General taxes on goods and services	30.77	6.69	5.38	5.83	7.88	25.78	83.8%	10.0%
114121	Hotels	1.19	0.24	0.27	0.22	0.25	0.97	82.0%	-11.7%
114122	Telecommunications	5.05	1.21	0.00	0.00	1.70	2.91	57.5%	-21.2%
114123	Electricity Companies	1.33	0.00	0.00	0.00	0.00	0.00	0.0%	-100.0%
114124	Imported goods	18.50	4.26	4.06	4.09	5.06	17.47	94.4%	-1.1%
114125	Airline tickets	1.13	0.98	1.05	1.53	0.87	4.44	392.6%	355.9%
114126	TV Cable providers	1.28	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
114127	Sales taxes - Other	2.30	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
115	Taxes on international trade and transactions	111.26	27.74	26.51	25.97	35.94	116.17	104.4%	6.6%
1151	Customs and other import duty	111.26	27.74	26.51	25.97	35.94	116.17	104.4%	6.6%
115100	Customs and other Import duties	95.26	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
115101	Custom taxes on petroleum	0.00	4.52	4.64	3.79	6.73	19.68		0.0%
115102	Custom taxes on export goods	0.00	0.25	0.20	0.26	0.32	1.02		0.0%
115103	Road vehicles (salon cars)	0.00	2.28	1.42	1.52	1.51	6.72		0.0%
115104	Import tax on sugar	0.00	1.75	2.30	0.84	2.69	7.58		-10.9%
115105	Crude vegetable materials	0.00	0.00	0.00	0.00	0.00	0.00		0.0%
115106	Import tax on tobacco and matches	0.00	0.26	0.28	0.58	0.42	1.54		0.0%
115107	Worn Cloths	0.00	0.00	0.00	0.00	0.00	0.00		0.0%
115108	Flour	0.00	0.81	0.93	0.70	1.90	4.34		0.0%
115109	Construction of electronic materials	0.00	2.11	0.98	1.86	2.39	7.35		0.0%
115110	Cereal products, spaghetti etc	0.00	0.00	0.00	0.01	0.01	0.03		0.0%
115111	Vegetable oils	0.00	0.84	1.34	1.12	1.25	4.55		-72.9%
115112	Soap and cleaning products	0.00	0.60	0.48	0.42	0.50	1.99		108.0%
115113	Apparel, clothing, textile yarn	0.00	1.26	1.14	1.02	1.43	4.85		-43.5%
115114	Shoes	0.00	0.31	0.28	0.37	0.37	1.34		2.1%
115115	Tea	0.00	0.04	0.05	0.05	0.08	0.23		7841.7%
115116	Vegetables and fruits	0.00	0.03	0.02	0.01	0.00	0.06		-96.1%
115117	Plastic materials	0.00	0.08	0.06	0.06	0.06	0.26		-92.5%
115118	Rubber tyers	0.00	0.05	0.04	0.05	0.05	0.19		-96.6%
115119	Poultry and edible offal	0.00	0.09	0.21	0.19	0.28	0.77		55277.0%
115120	Building materials	0.00	1.21	0.97	0.95	1.24	4.36		43.6%
115121	Electronic materials	0.00	1.27	1.26	0.93	1.22	4.69		-25.9%
115122	Food items /rice, spaghetti. etc	0.00	1.90	2.69	2.47	3.57	10.63		-4.6%
115123	Household materials	0.00	0.97	0.79	0.89	1.10	3.75		-55.9%
115124	Cosmetics & perfume	0.00	0.05	0.06	0.06	0.09	0.26		-93.8%
115125	Others	0.00	3.15	2.67	2.84	3.45	12.13		2897.5%
115127	Beverages	0.00	0.93	1.01	1.07	1.09	4.09		-11.9%
115199	Import tax on Khat	16.00	2.96	2.67	3.91	4.19	13.73	85.8%	18.3%
116	Other taxes	15.90	2.76	3.80	3.18	4.35	14.08	88.6%	-3.4%
1161	Other taxes payable solely by business	3.00	0.60	0.60	0.57	0.49	2.27	75.6%	-36.0%
116111	Stamp duties of invoices and contracts (notary)	3.00	0.60	0.60	0.57	0.49	2.27	75.6%	-36.0%
1162	Other taxes payable by other than business or unidentifiable	12.90	2.16	3.19	2.61	3.86	11.82	91.6%	7.1%
116211	Road tax	1.76	0.33	0.27	0.30	0.32	1.22	69.3%	-19.2%
116212	Other stamp duty	6.39	0.64	1.80	1.34	2.03	5.82	91.1%	5.9%
116214	stamp duty on cutoms	4.75	1.19	1.12	0.97	1.51	4.78	100.6%	18.6%

Code	Fiscal Variable	Budget 2022	Actual 2022					Actual Vs Budget	Year to Year Growth
			Q1	Q2	Q3	Q4	Total		
13	Grants	694.76	20.47	101.02	160.20	177.55	459.24	66.1%	212.5%
131	Budget Support (Grants from foreign governments)	209.30	6.31	31.60	119.91	5.53	163.35	78.0%	6433.9%
1311	Current – grants from foreign governments	39.60	0.00	29.60	7.50	0.00	37.10	93.7%	1384.0%
131101	Current grants in Turkey (Budget support)	30.00	0.00	20.00	7.50	0.00	27.50	91.7%	1000.0%
131104	Current grants in UAE (Budget support)	9.60	0.00	9.60	0.00	0.00	9.60	100.0%	0.0%
132	Project Support (Grants from international organizations)	485.46	14.16	69.42	40.29	172.02	295.89	61.0%	104.8%
1321	Current – grants from international organizations	485.46	14.16	69.42	40.29	172.02	295.89	61.0%	104.8%
132101	Capacity Injection and Institutional Strengthening Project	4.65	0.29	0.12	0.65	1.56	2.61	56.2%	0.0%
132103	Domestic Revenue Mobilization and PFM Capacity Strengthening Project	4.15	0.57	0.89	0.49	0.02	1.97	47.5%	-50.5%
132107	RCRF	11.05	2.00	3.08	4.54	7.86	17.49	158.2%	0.0%
132108	Somalia Urban Resilience Project (SURP)	0.01	0.00	0.01	0.00	0.00	0.01	97.5%	4777.4%
132109	Somali Petroleum Technical Assistance Project (SOPTAP)	0.02	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132111	Somali Electricity Access (SEAP) Project	27.00	3.66	1.41	1.89	9.96	16.91	62.7%	183.6%
132112	Education Sector Program Implementation Grant (ESPIG)	1.44	0.01	0.59	0.22	0.20	1.02	71.1%	-56.4%
132113	Somali Urban Investment Planning Project - Additional Financing	1.50	0.00	0.00	0.53	0.48	1.01	67.7%	0.0%
132114	Somali Capacity Advancement, Livelihoods (SCALED - UP) Project	18.48	0.00	29.87	2.71	67.69	100.27	542.6%	1301.8%
132115	Strengthening Institutions Project (SIEPMID)	15.67	2.20	4.12	3.21	7.32	16.85	107.5%	123.4%
132116	Shock-Responsive Social Safety Net for human Capital (Baxna)	157.21	0.78	1.34	2.68	4.75	9.54	6.1%	24.4%
132117	Road Infrastructure Programme (RIP)	79.54	0.00	11.08	12.09	15.33	38.50	48.4%	85.4%
132118	Somalia Urban Resilience Project PH2 (PCU)	7.94	1.23	1.20	2.61	2.87	7.90	99.5%	286.3%
132120	Biyoolle Project (Water for Argo-pastoral Productivity and Resilience)	22.68	0.00	0.00	0.40	0.77	1.17	5.1%	2019.5%
132121	Somali Crises Recovery (SCR)	3.10	0.00	0.00	0.50	0.32	0.82	26.5%	0.0%
132122	Somali Integrated Statistics and Economic Capacity Building Project	3.33	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132123	Maximum County Allocation (MCA) Project	1.00	0.00	0.00	0.00	0.50	0.50	50.0%	0.0%
132124	Somalia Emergency Locust Response Project (SELRP)	72.02	0.44	15.12	0.50	46.88	62.94	87.4%	0.0%
132125	Somalia Recurrent Cost and Reform Financing Project - Phase 1	0.67	0.00	0.00	0.00	1.00	1.00	149.5%	0.0%
132126	Somali Electricity Sector Recovery Project (SESRP)	22.00	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132127	Somalia Electricity Sector Recovery Project	1.43	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132151	Current - African Development Bank - Economic and Financial	1.58	0.06	0.51	0.07	0.28	0.92	58.2%	-62.2%
132152	Current - African Development Bank - Road Infrastructure Project	4.06	0.61	0.00	0.64	0.20	1.44	35.6%	344.5%
132153	Current - African Development Bank - SIEMID	2.24	0.69	0.08	0.21	0.19	1.16	52.0%	-20.6%
132154	Current- African Development Bank - Energy Sector Project	1.13	0.22	0.00	0.00	0.20	0.42	37.0%	0.0%
132155	Current – Somali Strengthening Accountability and Debt Management	1.28	0.00	0.00	0.39	0.00	0.39	30.1%	0.0%
132156	Current – African Development Bank – Statistics Development	1.65	0.00	0.00	0.53	0.00	0.53	32.1%	0.0%
132157	Current – African Development Bank – Program To Build Resilience	2.27	0.00	0.00	0.08	0.00	0.08	3.4%	0.0%
132171	UN - Peace Building Fund (SFF)	2.08	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132172	Current - United Nations - District Rehabilitation Project (S2S)	1.87	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132173	Current - United Nations - Maximum County Allocation (GPE)	2.20	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132174	Global Partnership For Education	1.51	1.41	0.00	0.00	0.80	2.22	146.9%	11.7%
132175	Current – United Nations – FAO	0.68	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132176	Current – United Nations – WFP	0.40	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132177	Current – United Nations – UNDP	0.21	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132178	Current – United Nations – UNICEF	4.78	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132179	Current – United Nations – UNFPA	1.01	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132180	Current – United Nations – UNHCR	1.02	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132181	Current – United Nations – UN-Habitat	0.11	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132182	Current – United Nations – UN WOMEN	0.15	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
132183	Current – European Union - SAGAL Project	0.35	0.00	0.00	0.16	0.00	0.16	45.1%	0.0%
132191	Current - World Bank - RCRF - Budget support	34.70	6.31	2.00	3.97	5.53	17.80	51.3%	-50.3%
132192	Performance Based Fund (RCRF II DLI)	0.00	0.00	0.00	5.22	2.84	8.06		0.0%
132193	Current - World Bank - DPO - Budget support	100.00	0.00	0.00	94.73	0.00	94.73	94.7%	0.0%
132195	Current - European Union - Budget Support	35.00	0.00	0.00	13.72	0.00	13.72	39.2%	0.0%
14	Non Taxes	76.40	15.57	18.53	17.56	29.32	80.98	106.0%	21.2%
141	Property Rent	0.00	0.00	0.16	0.00	0.01	0.17		0.0%
1415	Property Rent	0.00	0.00	0.16	0.00	0.01	0.17		0.0%
141504	Rent of Land and Buildings	0.00	0.00	0.16	0.00	0.01	0.17		0.0%
142	Sales of goods and services	76.40	15.57	18.37	17.56	29.31	80.81	105.8%	21.0%
1422	Administrative fees	76.40	15.57	18.37	17.56	29.31	80.81	105.8%	21.0%
142211	Administrative charges	5.73	1.21	1.10	1.08	1.15	4.54	79.4%	-18.1%
142212	Visa charges	3.49	1.78	1.45	2.11	2.19	7.52	215.9%	95.0%
142213	Passports fees	5.53	1.57	2.17	2.04	2.30	8.08	146.1%	10.5%
142214	License fees - Commerce and industry	1.60	0.20	0.30	0.30	0.55	1.34	84.0%	7.2%
142215	Work permits and other fees	0.60	0.15	0.08	0.11	0.09	0.43	71.8%	-36.1%
142216	Harbour fees - Albayrak	31.40	4.48	6.17	6.09	12.59	29.33	93.4%	14.6%
142217	Airport fees - FAVORI	2.59	0.67	0.66	0.91	0.87	3.11	119.9%	11.4%
142218	Fisheries license fees	1.00	0.00	0.00	0.00	0.00	0.01	0.8%	-99.7%
142219	Telecommunication Spectrum fees	1.73	0.01	0.23	0.01	3.85	4.10	236.3%	255.7%
142220	Overflight fees (IATA)	15.74	3.53	3.49	3.85	4.24	15.11	96.0%	34.2%
142222	Customs harbour fees	4.66	1.20	1.15	1.07	1.48	4.89	105.0%	3.2%
142223	Election Registration Fee	2.34	0.77	1.57	0.00	0.00	2.34	100.0%	0.0%

Annex 1b: Fiscal Table Fiscal Year 2022 (Expenditure)

Fiscal Variable	Budget 2022	Actual 2022					Actual Vs Budget Pfce 100%	Year to Year Growth YTY %
		Q1	Q2	Q3	Q4	Total		
Total Expenditure	929.92	94.32	171.20	156.38	309.53	731.43	78.7%	54.4%
Compensation of Employees	264.44	61.45	63.43	62.25	72.45	259.58	98.2%	3.8%
General expenses	264.44	61.45	63.43	62.25	72.45	259.58	98.2%	3.8%
Wages and salaries in Cash	157.24	37.79	38.05	38.20	40.40	154.45	98.2%	2.8%
Allowances in cash	91.41	20.38	21.78	20.43	27.09	89.67	98.1%	6.8%
Other employees costs	15.79	3.28	3.61	3.62	4.96	15.47	98.0%	-2.6%
Use of goods and services	228.28	17.89	27.37	34.53	60.88	140.67	61.6%	32.6%
General expenses	18.23	0.76	1.42	1.95	6.76	10.89	59.7%	28.4%
Travel and Conference Expenses	18.23	0.76	1.42	1.95	6.76	10.89	59.7%	28.4%
Operating Expenses	38.07	2.56	5.34	6.07	12.25	26.22	68.9%	69.6%
Utilities	8.55	0.54	1.19	1.58	2.40	5.71	66.8%	146.8%
Communications	1.52	0.00	0.00	0.07	0.25	0.32	20.7%	-62.8%
Fuel and lubricants	9.18	0.94	1.94	2.04	3.07	7.99	87.0%	36.7%
Materials and supplies	12.69	0.71	1.45	1.48	3.16	6.79	53.5%	76.0%
Maintenance and repairs	6.13	0.37	0.76	0.91	3.38	5.42	88.4%	108.3%
Rent	3.94	0.26	0.39	0.94	1.11	2.70	68.7%	-86.2%
Rent	3.94	0.26	0.39	0.94	1.11	2.70	68.7%	-86.2%
Finance costs	93.67	7.19	9.92	15.43	23.66	56.21	60.0%	245.9%
Education and training expense	14.14	0.25	1.03	0.68	2.38	4.34	30.7%	-39.4%
Consulting and professional expense	71.88	5.30	7.26	11.70	19.31	43.57	60.6%	379.2%
Financing costs	7.00	1.65	1.63	3.04	1.78	8.10	115.6%	333375.1%
Advertisement and subscriptions	0.51	0.00	0.00	0.00	0.17	0.17	33.5%	0.0%
Insurances charges and premium	0.13	0.00	0.00	0.02	0.02	0.03	26.3%	0.0%
Specialized materials and services	3.88	0.14	0.21	1.36	2.54	4.25	109.7%	-71.4%
Police - Materials, supplies and services	0.12	0.00	0.00	0.04	0.08	0.12	100.0%	-97.6%
National Security - Materials, supplies and services	3.22	0.05	0.08	1.19	2.28	3.59	111.8%	0.0%
Military - Materials, supplies and services	0.54	0.09	0.14	0.14	0.18	0.54	100.0%	96.7%
Other expenses	70.50	6.97	10.08	8.78	14.55	40.39	57.3%	28.6%
Other General Expenses in goods and services	70.50	6.97	10.08	8.78	14.55	40.39	57.3%	28.6%

Fiscal Variable	Budget 2022	Actual 2022					Actual Vs Budget Pfce 100%	Year to Year Growth YTY %
		Q1	Q2	Q3	Q4	Total		
Consumption of fixed capital	40.68	0.92	1.34	4.74	6.21	13.20	32.4%	-17.8%
Fixed assets acquisition	40.68	0.92	1.34	4.74	6.21	13.20	32.4%	-17.8%
Buildings and structures	8.50	0.17	0.01	0.03	0.73	0.93	10.9%	-56.1%
Machinery and equipment	7.00	0.16	0.76	0.15	1.46	2.53	36.2%	-41.2%
Other fixed assets	24.98	0.59	0.57	4.56	4.02	9.74	39.0%	256.3%
Weapons systems	0.20	0.00	0.00	0.00	0.00	0.00	0.0%	-100.0%
Interest and other charges	2.50	1.61	4.78	1.79	4.51	12.69	507.6%	-13.1%
To non-residents	2.50	1.61	4.78	1.79	4.51	12.69	507.6%	-13.1%
Interest payable to nonresidents	2.50	1.61	4.78	1.79	4.51	12.69	507.6%	-13.1%
Subsidies	7.55	0.15	1.01	0.65	3.30	5.12	67.8%	302.2%
To private enterprises	7.55	0.15	1.01	0.65	3.30	5.12	67.8%	302.2%
Private non financial enterprises	7.55	0.15	1.01	0.65	3.30	5.12	67.8%	302.2%
Grants	117.65	12.30	28.45	42.55	27.94	111.24	94.6%	142.6%
To International Organizations	0.93	0.03	0.48	0.20	0.64	1.34	144.7%	12.1%
Current grants to international organizations	0.93	0.03	0.48	0.20	0.64	1.34	144.7%	12.1%
To other General Government Units	116.73	12.28	27.97	42.35	27.30	109.90	94.2%	146.1%
Current grants to other general government unit	97.92	9.91	25.93	40.62	24.05	100.51	102.6%	125.1%
Capital grants to other general government unit	18.81	2.37	2.04	1.73	3.24	9.39	49.9%	0.0%
Social benefits	268.82	0.00	44.81	9.88	134.25	188.94	70.3%	373.9%
Social Security benefits	191.56	0.00	29.94	9.88	81.36	121.18	63.3%	1870.7%
Social security benefits in cash	163.10	0.00	29.87	0.00	67.07	96.94	59.4%	1476.5%
Social security benefits in kind	28.46	0.00	0.06	9.88	14.29	24.24	85.2%	0.0%
Social Assistance Benefits	77.26	0.00	14.87	0.00	52.88	67.75	87.7%	101.0%
Social assistance benefit in cash	70.00	0.00	14.87	0.00	46.88	61.75	88.2%	83.2%
Social assistance benefit in kind	7.26	0.00	0.00	0.00	6.00	6.00	82.6%	0.0%

Annex 2: Expenditure by MDA FY2022

Sector/MDA	Budget 2022	Q1	Q2	Q3	Q4	Actual Total	Pfce %100	YTY %
Administration and General Services	351.67	40.18	66.38	92.31	107.38	306.26	87.1%	58.4%
Office of the Presidency	13.85	1.58	2.77	2.11	5.93	12.39	89.4%	42.7%
Office of the Parliament - Peoples' House	22.79	4.48	5.19	5.70	7.07	22.43	98.4%	20.8%
Members of Parliament Senate	4.62	0.89	0.96	1.04	1.51	4.39	95.1%	15.0%
Office of the Prime Minister	12.36	2.59	3.40	3.02	7.85	16.86	136.3%	3.6%
Ministry of Foreign Affairs	4.16	0.65	0.70	1.15	1.66	4.15	99.8%	19.3%
Embassies	6.22	0.83	1.55	0.90	2.21	5.49	88.3%	13.3%
Ministry of Finance	119.19	5.48	10.21	20.59	29.56	65.84	55.2%	86.7%
Accountant General	2.28	0.49	0.59	0.66	0.77	2.51	109.9%	26.2%
General Activities for the Government	80.00	11.40	27.17	41.74	25.74	106.05	132.6%	94.0%
Directorate of Financial Reporting Center	1.11	0.19	0.22	0.15	0.48	1.04	93.9%	29.1%
Public Procurement Authority	0.50	0.00	0.00	0.00	0.00	0.00	0.0%	0.0%
Ministry of Planning	17.98	1.87	4.49	4.54	6.74	17.64	98.1%	130.7%
National Statistics Agency	11.37	1.74	1.31	2.95	3.13	9.12	80.3%	240.1%
Ministry of Interior and Federal Affairs	14.11	1.31	0.59	0.68	1.37	3.95	28.0%	-28.8%
Somali Refugee and IDPs Commission	1.56	0.17	0.17	0.15	0.22	0.70	45.2%	3.8%
National ID Authority DADSOM	0.69	0.05	0.05	0.04	0.15	0.29	42.3%	81.3%
Ministry of Religious Affairs and Endowment	2.21	0.31	0.29	0.33	1.21	2.13	96.5%	62.0%
Ministry of Justice	2.10	0.18	0.17	0.21	0.52	1.07	51.0%	41.7%
Custodian Corps	10.08	2.26	2.48	2.48	2.69	9.92	98.4%	1.3%
Supreme Court	2.31	0.47	0.50	0.36	0.93	2.26	98.0%	13.2%
Banadir Regional Court	1.77	0.40	0.43	0.41	0.50	1.74	98.0%	4.1%
Appeal Court	0.91	0.15	0.21	0.21	0.28	0.86	94.5%	10.9%
Judiciary Service Committee	0.26	0.05	0.05	0.05	0.07	0.22	86.8%	41.8%
Attorney General	1.42	0.28	0.33	0.37	0.52	1.50	106.0%	5.4%
Solicitor General	0.67	0.10	0.14	0.17	0.21	0.63	94.0%	25.4%
Auditor General	3.33	0.56	0.73	0.73	1.14	3.16	94.8%	26.5%
Ministry of Humanitarian Affairs and Disaster Managemen	4.05	0.21	0.24	0.30	2.43	3.19	78.7%	168.8%
Ministry of Constitution	2.21	0.22	0.17	0.22	0.35	0.96	43.5%	9.3%
Boundaries and Federation Commission	0.68	0.14	0.14	0.11	0.21	0.60	87.9%	0.0%
National Reconciliation Commission	0.50	0.11	0.11	0.09	0.15	0.46	92.2%	-18.3%
National Independent Electoral Commission	3.26	0.50	0.46	0.35	0.94	2.25	69.1%	402.4%
Human Rights Commission	0.10	0.00	0.00	0.00	0.00	0.00	0.0%	-100.0%
Independence Constitution Review and Imp. Commission	0.70	0.13	0.14	0.11	0.18	0.56	80.4%	0.0%
National Civil Service Commission	1.49	0.32	0.30	0.33	0.50	1.46	97.5%	136.5%
The Independent Commission for Combating Corruption	0.85	0.09	0.10	0.09	0.13	0.42	49.3%	-66.8%
The Independent Commission for Combating Corruption	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	-100.0%
Security	171.29	38.57	40.97	42.58	47.85	169.97	99.2%	6.2%
Ministry of Defense	2.16	0.23	0.22	0.33	1.38	2.16	100.1%	106.9%
Armed Forces	96.40	22.39	23.56	24.34	25.80	96.10	99.7%	7.2%
Military Court	1.46	0.32	0.36	0.36	0.42	1.46	100.0%	0.0%
Disabled and Orphans Organization	0.12	0.02	0.02	0.01	0.02	0.06	52.2%	-13.2%
Ministry of Internal Security	1.56	0.30	0.28	0.30	0.37	1.25	80.1%	17.9%
Police Force	45.99	10.24	11.00	11.14	12.58	44.97	97.8%	3.9%
National Security Force	18.51	4.03	4.38	4.72	5.75	18.88	102.0%	0.3%
Immigration Department	5.10	1.03	1.15	1.37	1.53	5.10	100.0%	10.6%

Sector/MDA	Budget 2022	Q1	Q2	Q3	Q4	Actual Total	Pfce %100	YTY %
Economic Service	83.15	10.00	10.64	11.66	24.69	56.99	68.5%	42.4%
Ministry of Water and Energy	6.70	0.39	0.87	0.81	1.50	3.57	53.2%	10.7%
Ministry of Mineral	1.51	0.30	0.29	0.28	0.65	1.53	101.1%	13.8%
Somalia Patrol Authority	0.84	0.00	0.00	0.06	0.42	0.48	57.2%	0.0%
Ministry of Agriculture	2.10	0.35	0.32	0.38	0.68	1.73	82.3%	23.6%
Ministry of Livestock and Forestry	3.49	0.20	0.22	0.28	0.38	1.08	31.0%	26.8%
Ministry of Fishery and Marine Resource	2.08	0.41	0.30	0.36	0.46	1.53	73.5%	17.7%
Somali Marine Research	0.61	0.13	0.12	0.11	0.19	0.56	92.9%	2.2%
Offshore and Fisheries Development Project	0.11	0.01	0.02	0.02	0.06	0.10	92.0%	55.3%
Ministry of Information	6.22	1.18	1.42	1.39	1.97	5.97	96.0%	11.4%
Ministry of Communications and Technology	1.84	0.35	0.35	0.46	0.68	1.84	100.0%	24.7%
National Communication Agency	1.17	0.14	0.15	0.12	0.51	0.91	78.3%	61.2%
Ministry of Public Work & Reconstruction	31.38	2.80	2.59	3.05	10.15	18.60	59.3%	128.3%
Ministry of Transportation and Aviation	2.45	0.44	0.59	0.57	0.75	2.35	95.8%	12.4%
Civil Aviation and Metro-Authority	15.34	2.09	2.30	2.57	4.26	11.22	73.1%	28.5%
Ministry of Transport and Ports	1.66	0.29	0.29	0.31	0.33	1.22	73.6%	4.2%
Hamar Port Authority	1.02	0.23	0.23	0.17	0.33	0.96	94.0%	4.7%
Ministry of Industry & Commerce	2.78	0.60	0.51	0.60	0.78	2.48	89.4%	2.3%
Somali Quality Assurance Agency	1.86	0.10	0.06	0.11	0.59	0.86	46.4%	108.8%
Social Service	323.81	5.57	53.20	9.84	129.61	198.22	61.2%	146.4%
Ministry of Health	58.58	0.98	2.98	1.44	5.98	11.38	19.4%	-46.3%
Ministry of Education and Higher Education	20.53	1.94	2.39	2.64	4.07	11.04	53.8%	13.8%
Somali National University	7.21	1.22	1.82	1.84	2.74	7.62	105.7%	18.8%
Somali Academy of Sciences and Arts	1.06	0.24	0.22	0.25	0.42	1.13	105.9%	30.3%
Intergovernmental Academy of Somali Language	1.36	0.06	0.06	0.06	0.21	0.39	28.4%	20.9%
Ministry of Labor and Social Affairs	231.76	0.82	45.39	3.24	115.42	164.87	71.1%	305.6%
Ministry of Youth and Sport	0.97	0.14	0.15	0.14	0.22	0.65	67.0%	13.6%
Ministry of Women and Human Rights Development	2.01	0.17	0.18	0.19	0.29	0.83	41.2%	18.0%
Somali Disable Agency	0.32	0.01	0.01	0.04	0.25	0.32	98.9%	527.2%
Total	929.92	94.32	171.20	156.38	309.53	731.43	78.7%	54.4%