

Financial Governance Committee (FGC) Meeting Summary

68th Meeting – 6th April 2025, Mogadishu, Somalia

Overview

The Financial Governance Committee (FGC) held its 68th meeting on the 6th of April, 2025 in Mogadishu. Discussions focused on key financial governance priorities, including the fiscal dimensions of the constitutional review process, natural resource management, revenue mobilization, public land management, and updates regarding concessions and contracts. Members reviewed progress on action points from the previous meeting and agreed on the next steps to enhance transparency, accountability and coordination.

Revenue Mobilization: FGC members received updates on ongoing domestic revenue reform efforts. Members discussed FGS's progress in making full use of the end-to-end automated customs management system (SOMCAS) at Mogadishu port and airport and taking over responsibility for system operation. They also received a briefing on the economic impact of recent aid cuts.

Constitutional Review Process: The FGC members discussed key articles of the constitution outside of the fiscal chapter (Chapter 13) which have fiscal implications and relevance to financial governance. These include articles relating to the allocation of powers and the distribution of resources, and the independence of key fiscal and economic institutions (Central Bank, Office of the Auditor General). Members identified a number of issues for consideration to inform ongoing constitutional dialogue and review by the constitutional review committee.

Natural Resources Management: The Chair of FGC and members discussed progress made by the Ministry of Petroleum in completing the legal framework for the petroleum sector, including the issuance of key regulations. The committee reviewed and discussed the status of several Production Sharing Agreements (PSAs), and the FGS's steps to strengthen contract management. The committee also received updates on 2025 tuna licensing plans by the Ministry of Fisheries and Blue Economy, with eight new vessels licensed already this year.

Concessions and Contract Oversight: FGC members reviewed FGS progress and timelines in preparing tenders for several key public procurements and concessions.

Public land management: The FGC the current legal framework governing the management of public land focusing on the need for greater policy clarity around land sales and leasing under the PFM Act and regulations.

2024 Financial Governance Report (FGR): The FGC discussed plans for the launch of the 2024 FGR, which highlights the work of the FGC over the past year and identifies progress made in public financial management, institutional reforms, and fiscal transparency. The launch timeline and related responsibilities was agreed during the meeting.

Conclusion

The FGC Chair, H.E. the Minister of Finance, underscored the committee's crucial role in advancing Somalia's financial reform agenda and building institutional resilience. Members reaffirmed their commitment to transparent good governance, improved public resource management, and cross-sector coordination. Upcoming schedules were discussed and the meeting concluded successfully.