



**WORKSHOP ON DEVELOPMENT
FINANCE STATISTICS**

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SOMALI FINANCIAL STATISTICS

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Overview

- Somalia is currently lacking of reliable statistics which is critical for any policy formulation, planning, budgeting, monitoring and service delivery.
- The absence of formal statistical systems and continuing conflict in some areas has led to fragmented and incomplete data collection.
- Some basic macroeconomic statistics, including national income and balance of payments data, do not exist. Also lacking is statistics needed to design and implement social services.

Cont:

- The outlook of the Somalia's national income growth is expected to remain steady with low inflation.
- Real GDP growth is projected at 3.7 percent in 2016–17, driven by private investment from the Diaspora and donor-financed public investment. Inflation is expected to remain at 1 percent, owing to continued low world commodity prices.
- Reflecting largely construction material and increased food imports, the external current account deficit is projected to be 15.8 percent of GDP in 2016–17, financed by foreign direct investment and external grants.

Remittance

- Somalia remittance is lifeline of the economy. Somalia's Diaspora is estimated to have sent more than \$1.3 billion home in 2014—nearly twice the level of development aid (\$642 million) and five times the level of humanitarian aid (\$253 million).
- Remittance is a crucial component of the Somali economy, representing more than 20 percent of the nation's gross national income, far outweighing government revenues.
- Remittance support livelihoods for an estimated 40 percent of the population.

Main Financial institutions

The Central Bank of Somalia granted provisional license to six banks, which demonstrates the expansion and importance of financial sector, and the need to regulate and supervise them through appropriate financial laws.

Commercial Banks

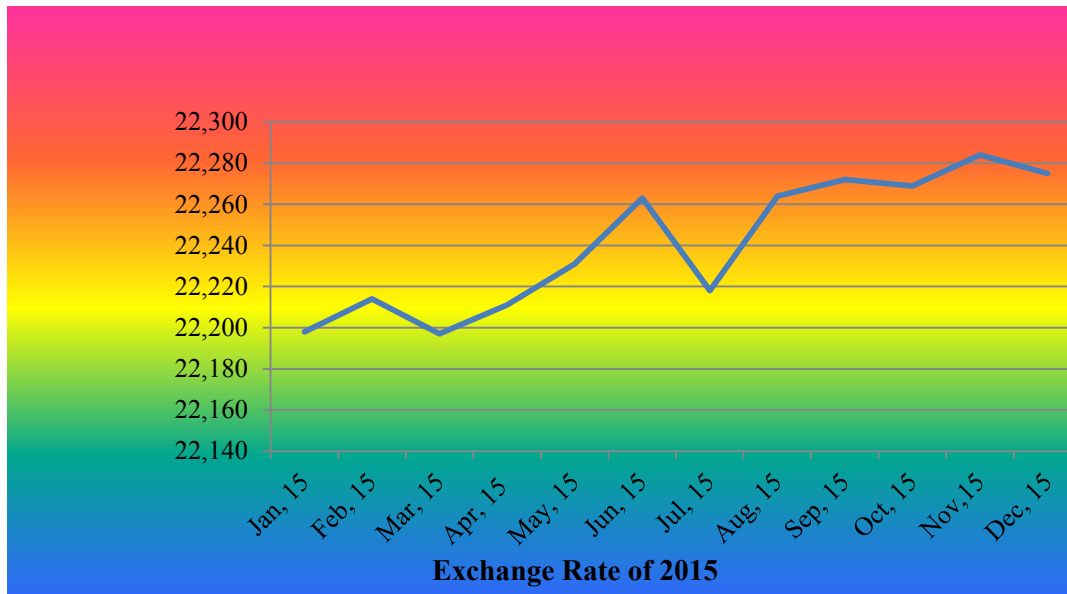
- Dahabshil Bank International
- Salam Somali Bank
- International Bank of Somalia
- Trust Africa Bank
- Premier Bank
- Amal Bank

Money Transfer Business

- Dahabshil Money Transfers
- Kaah Money Express
- Amal Express
- Amana Express
- Tawakal Express
- Hodan Global
- Jubba Express
- Taaj Express
- Mustaqabal Express

Exchange Rate

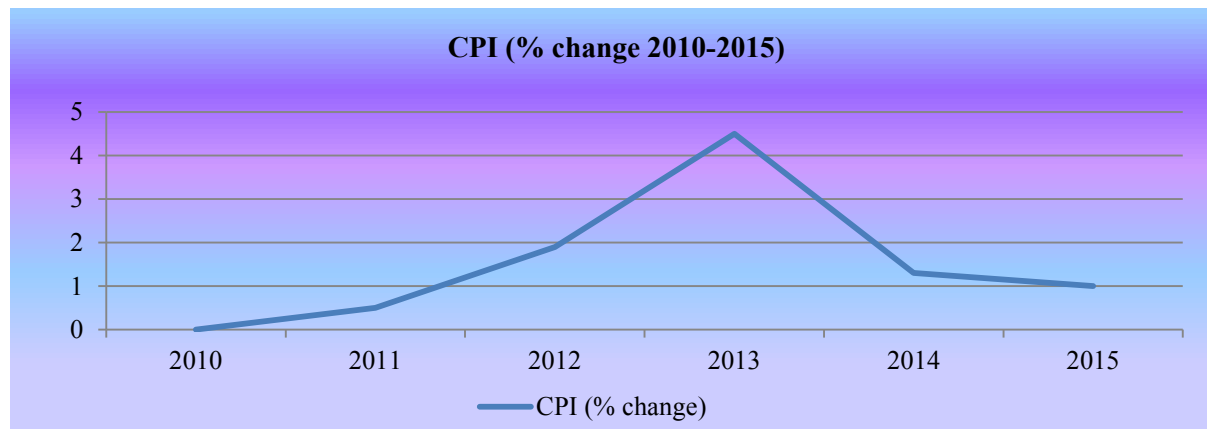
- Somalia's exchange rate is classified, de facto, as free-floating. U.S. dollar banknotes are estimated to represent more than 90 percent of currency in circulation.



Source: CBS, 2015

Inflation Outlook

- Overall annual average inflation rate declined to 1 percent in 2015 against 1.3 percent in 2014.
- The decline in the inflation rate was primarily due to lower commodity prices and decrease in international oil prices.
- Dollarization has favored Somali economy by controlling inflation and hence restoring public confidence.



Source: MoPIED 2015

Public Debt

- With the help from the African Development Bank, the Government has established a Debt Management Unit (DMU) at the ministry of Finance.
- DMU has successfully implemented debt mapping and validated Somali's debt with major creditors, validated debt information was successfully received from most creditors.

Cont:

- Based on up-to-date information from more than two-thirds of creditors Somalia owes an estimated \$5 billion (85.1 percent of GDP) to multilateral and bilateral creditors. it owes(\$1.5 billion or 24.7 percent of GDP) to multilateral creditors, mainly the World Bank, the IMF, and the Arab Monetary Fund.
- Somalia owes (\$2.3 billion or 38.5 percent of GDP) to Paris club creditors, mainly the United States, the United Kingdom, the Russian federation, France, Italy, and Japan, and \$1.3 billion 21.9 percent of GDP to non-Paris club countries including the United Arab Emirates, Saudi Arabia, and China.

External Public Debt (2013-2015)
In Millions of US Dollars

Creditors	Prel. 2013	Prel. 2014	Prel. 2015	Percent of GDP
Total Stock outstanding	4,989	4,946	5,043	85.1
Multilateral	1,557	1,505	1,464	24.7
Bilateral in which	3,433	3,441	3,578	60.4
Paris Club	2,232	2,239	2,279	38.5
Non-Paris Club	1,201	1,202	1,299	21.9

Source: MoF (DMU), World Bank, and AfDB