



BANKIGA DHEXE EE SOOMAALIYA

البنك المركزي الصومالي

CENTRAL BANK OF SOMALIA

# THE 3<sup>rd</sup> CBS ANNUAL CONFERENCE ON ECONOMIC POLICY



Jazeera Palace Hotel  
Mogadishu, Somalia



July 31<sup>st</sup>,  
2025



CONFERENCE  
THEME

# Somalia's Transition to Post-HIPC Era: Debt Sustainability, Fiscal Resilience and Economic Growth

### “One year after debt relief, EAC and Financial inclusion”

Somalia's transition into the post-Heavily Indebted Poor Countries (post-HIPC) era marks a historic turning point in its economic recovery and long-term development trajectory. After decades of conflict, institutional collapse, and isolation from the global economy, Somalia has successfully reduced its external public debt from over 64% of GDP in 2018 to less than 6% by the end of 2023. This was not merely a result of debt forgiveness; it reflected years of determined reform, guided by the Federal Government of Somalia (FGS) and supported by development partners, underpinned by strong performance through the IMF's Extended Credit Facility (ECF) from 2020 to 2023.

The attainment of the HIPC Completion Point represents a major milestone, but it is not the destination. It opens the door to a new chapter focused on sustaining debt sustainability, rebuilding economic institutions, expanding domestic revenue, and accelerating inclusive growth. Somalia

now stands at a critical juncture where economic policy must shift from short-term stabilization to long-term transformation.

Adding to this momentum, the admission of Somalia into the East African Community (EAC) as the 8th partner state in March 2024 marks another defining step forward. This integration offers Somalia significant opportunities to expand trade, attract investment, and deepen regional economic cooperation. At the same time, it requires careful alignment of national policies with EAC frameworks, and a commitment to structural reforms that enhance competitiveness and economic governance.

In this new phase, the Central Bank of Somalia is leading efforts to restore monetary sovereignty through the reintroduction of the Somali Shilling under a Currency Board Arrangement (CBA), laying the groundwork for monetary stability and public confidence in the national currency. Meanwhile, the Ministry of Finance is intensifying domestic revenue mobilization through reforms such as the digitalization of sales tax collection, which enhances tax efficiency and transparency.

However, the path forward is not without challenges. The gradual decline in external grants and the need to maintain fiscal sustainability underscores the urgency of expanding domestic production, improving the investment climate, and leveraging key sources of financing such as remittances, foreign direct investment (FDI), and development aid. These priorities require coherent macroeconomic management, institutional strengthening, and deeper regional and global integration.

In this context, the Central Bank of Somalia will convene its 3rd Annual Conference on Economic Policy in Mogadishu on Thursday, 31st July 2025. This flagship high-level event will bring together distinguished policymakers, researchers, academicians, economic practitioners, and representatives from government, the private sector, development partners, and civil society, to promote evidence-based policymaking through robust and forward-looking dialogue on critical economic issues. The conference will feature thought-provoking presentations, high-level policy panel discussions, and keynote addresses by renowned economists and sector experts. The conference aims to foster well-coordinated economic policies and initiatives that ensure coherence, effectiveness, and sustainability anchoring Somalia's long-term development agenda, while addressing key challenges and offering actionable policy solutions.





## CONFERENCE OBJECTIVES

- To provide a platform for policymakers, researchers, and economic experts to exchange knowledge on Somalia's economic challenges and opportunities.
- To assess the macroeconomic outlook of Somalia in the context of the post-HIPC transition, with a focus on maintaining debt sustainability and fiscal discipline.
- To explore the expansion of non-banking financial institutions (NBFIs) and their role in Somalia's financial sector, particularly in reaching underserved populations, offering alternative financing options, and supporting micro and small enterprises.
- To explore and identify innovative and sustainable pathways toward modern and optimal revenue collection streams, strengthening financial stability, policy implementation, and service delivery within the fiscal sector.





## PARTICIPANTS OF THE 3RD CBS ANNUAL CONFERENCE ON ECONOMIC POLICY



Relevant Ministries & Policymakers



Development Partners



Other participants & sector experts



Private sector representatives



Representatives from the academic community



**PANEL 1**

### Post-HIPC Fiscal Policy and Debt Management: Balancing Reforms, Growth and Sustainability

#### Objective:

Explore best practices for fiscal consolidation, long-term inclusive growth, fiscal policy reforms after debt relief, and public investment management in the post-HIPC environment while maintaining a low risk of debt distress.



## PANEL 2

### The Role of NBFIs in Advancing Financial Inclusion and SME Finance in Somalia

#### Objective:

To explore the role of non-bank Financial Institutions (NBFIs) in broadening financial inclusion in Somalia, with a focus on serving low-income households, SME, and underserved communities. This panel will analyze regulatory frameworks, market innovations, and financial inclusion in underserved communities that can accelerate the development of inclusive financial systems, digital financial services, and affordable credit mechanisms.

THEME

# Somalia's Transition to Post-HIPC Era: Debt Sustainability, Fiscal Resilience and Economic Growth



## For More Information

-  +252 1 866151
-  [www.centralbank.gov.so](http://www.centralbank.gov.so)
-  [info@centralbank.gov.so](mailto:info@centralbank.gov.so)