Early Warning System

AFDB-P-SO-K00-003

Somalia - Economic and Financial Reforms Support Program (EFRSP)

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Quick Facts

Countries	Somalia
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	U
Voting Date	2020-02-26
Borrower	Federal Republic of Somalia
Sectors	Finance, Law and Government
Investment Type(s)	Grant
Investment Amount (USD)	$ 122.55 million

Project Description

According to bank documents, the proposed operation is a grant to the Federal Republic of Somalia of UA 89 million from pillar I of the Transition Support Facility (TSF) from ADF-14 resources, to finance the Economic and Financial Reforms Support Program (EFRSP). The Program complements Somalia's efforts to advance its development agenda (consolidate peace, accelerate reductions in poverty and income inequality, catalyze needed financing for transformative growth generating infrastructure). It consists of two broad components namely: (i) strengthening domestic revenue mobilization and public financial management; and (ii) advancing financial sector development. The operation has been designed in anticipation of Somalia's arrears clearance, a process being undertaken by the United Kingdom (UK). It takes into account the need for the Bank to step up its re-engagement with Somalia, post-arrears clearance, and to support the country's on-going economic and financial reforms. The implementation of the reforms being supported by the program is expected to lead to high, sustainable and inclusive growth for Somalia. This operation is strongly coordinated with those of the WB and IMF.

The goal of the proposed program is to restore fiscal and economic stability through improved Public Financial Management (PFM). Consistent with the Federal Government of Somalia (FGS) reform program, the overall operational objectives of the proposed operation are to (i) support the building of a strong foundation for inclusive and selfreliant economic growth; and (ii) build state capacity for transparent and accountable management of public resources, enhance financial sector stability, and strengthen compliance with the framework for anti-money laundering/combatting the financing of terrorism. The proposed operation will lay the foundation for longer-term engagement in policy dialogue with the FGS.

Investment Description

- African Development Bank (AFDB)

Contact Information

Contact information not provided at the time of disclosure

ACCOUNTABILITY MECHANISM OF AfDB

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