

MONTHLY BULLETIN

The Ministry of Finance's Newsletter
January 2020 Issue



REFORM EFFORTS ARE TAKING ROOTS.

Since the inception of the new Government led by President Abdullahi Said Dani, the government took urgent steps in ensuring that reforms are implemented. The key cornerstone of these reforms are the Public Financial Management (PFM) and Domestic Revenue Mobilization (DRM). This meant that Ministry of Finance had a huge mandate to spearhead these reforms and turn policies into action. Hon. Hassan Shire Abdi, minister of finance from day one emphasis putting efforts and resources behind accomplish these ambitious reform initiatives.

These efforts has already shown short term gains. The budget for 2020 approved by parliament was \$346,416,158.99. That is immense increases from 2019 budget. The Revenue mobilization through system improvements, public taxation education and coordinator effort with other government agencies has also improved the revenue. Employee reform, training, evaluation and oversight in all 9 regions has increase accountability and moral of the civil servants. A robust technocratic leadership in Ministry of Finance has shown grit, technical capacity and willingness to address challenges head-on.

WHAT'S INSIDE THIS ISSUE:

- *Employee Reform-2*
- *Puntland Government prioritized and energized DRM-3*
- *Puntland Taxpayer Education-4*
- *Meeting on Coordination of the Troika Governance Projects-5*
- *joint Government of Somalia & Development Partners Meeting-5*
- *Minister of Finance Honors and Recognizing Employees*
- *RCFC's Success On Service Delivery-6*
- *DRMPFM Technical Steering Committee Meeting-7*



EMPLOYEE REFORM: REGISTRATION & IDENTIFICATION

The Deputy Director-General of Administration, Kenadiid Ali Jamac and his team have started an employee restructuring and reform in the past few months. This includes reviewing and evaluating the work and mandates of all Finance Ministry's employees in the 9 regions of Puntland State of Somalia.

Part of the challenges were the lack of systematic record and identification of the Ministry's Civil Servants. The Administration Department with the leadership of Deputy DG Keenadiid Ali Jamac embarked on an ambitious task to review, confirm and register thousands of Employees. This led to successful registration and issuing Identification Cards to employees that who verified.

The Administration Department went to Puntland regional office and ensure that every employee was registered and received their identification card. The only Employees are able to receive their salaries and benefit is to have their Identification cards with them.

Deputy Director General, Keenadiid Ali Jamac Also uses met with employees and encourage them to fulfill their mandates and commitment to uphold employee policies. The Deputy DG also thank the ministry of Finance Employee for their motivation and work ethics. The Administration department will continue with reforms by compliment the TOR revisions and focusing on result orientation by creating benchmark for performance.

"We have sufficient employee capacity to accomplish the mission of Ministry. We must continue with restructuring to better meet the need."

**KENAADID ALI JAMAC,
DEPUTY DIRECTOR
GENERAL.**



Domestic Revenue Mobilization(DRM)



PUNTLAND GOVERNMENT PRIORITIZED AND ENERGIZED DRM

Taxation is a critical task to the Puntland state-building mechanism. In addition to the mobilization of revenue, effective uses of resources are fundamental to Puntland's move towards sustainable development. The government is well aware of the challenges in broadening the tax base in Puntland, which has been impaired by inefficient technical, technological and statistical capacities. Since the partnership with the World Bank, improvement has happened and thus the government is optimistic that the new reform will take transform revenue and resource management.

Ministry of Finance leadership with the vision of President Said Deni has invigorated the efforts on Domestic Revenue Mobilization (DRM). The Deputy Director-general of Revenue, Abshir Mohamed Abshir, and his team have led the effort with technical support by the PFM/DRM project.

PUNTLAND TAXPAYER EDUCATION

Transparency, Accountability and Public Engagement

Taxpayer education and public engagement have been essential to the success of Domestic Revenue Mobilization. The Ministry of Finance led by revenue department with the support of PFM/DRM project and finance ministry's media team completed the first phase of training in Bosaso, Garowe and Galkaio. The team also utilized media outlets, radio broadcasting and print billboards to convey the message. The Deputy DG of Revenue, Abshir Mohamed Abshir also lead his team in conducting series of public forums with universities, schools, civil society, and government agencies.



“
A
robust technocratic leadership
in Ministry of Finance has
shown
grit, technical capacity and wil-
lingness to address challenges
head-on
”

The taxpayer education also included an outreach component that allowed for two way communication with the citizens. It provided a platform for citizens to address their concerns and provide recommendations. Some of these recommendations included that the government trained the tax collectors and ensure they have professional conduct towards the taxpayers. Another common concern was the burden of domestic expenses on the citizen from water, electricity, education, to health. The citizens request the government to provide subsidies for those key necessities. Evaluation of pre and post-test was conduct in each training. The result of this evaluation indicated that many citizens did not have the basic information in regard to taxpayers' rights and responsibilities. Thus, it is clear that the Ministry must do more to continue these workshops and public outreach.



Joint Government of Somalia & Development Partners Meeting

On 9th of December, 2019, a Joint Federal Government of Somalia, Puntland and Development Partners' meeting took place in Mogadishu. The development partners present in the meeting were the European Union, Germany, United Kingdom, Sweden, Norway, Denmark, Switzerland, Finland, the United States, and Italy.

During the meeting, the Government of Somalia provided presentations on the status of governance programs (CIP, DRM/PFM & RCRF) and key milestones in reform achievement made. This was followed by a wider discussion on governance reform context, progress, Gaps and needs for the partners' supports. The development partners and government stress the importance of deliberating the purpose of these projects. At the core of these projects are services delivery and reaching ordinary Somalis. The meeting was closed with a drafted memorandum of keynote points.

Joint FGS/Puntland State and World Bank Mission Meeting on Coordination of the Troika Governance Projects (RCRF, CIP & DRM/PFM)

This meeting is the second joint FGS/Puntland state and World Bank Troika coordination meeting. The first one took place in June 2019. The Purpose of this joint troika governance projects meeting is to strengthen the coordination among the projects particularly the inter-related project activities that are complementary to each other as well as to know the overall status of the projects' progress and achievements, their implementation challenges and their future plans. During this meeting the coordinators and project managers of RCRF, CIP & DRM/PFM in Puntland and federal level addressed project status. They shared both success and challenges moving forward.



Minister of Finance Honors and Recognizing Employees

The Minister Hon. Hassan Shire Abdi honored and recognized employee that have dedicated to the success of the Bosaso port office of the Ministry of Finance. This is part of the Minister of Finance's commitment to employee reform and morale boost. In recognizing the scarifies and work ethics of employees, the Minister has provided incentives to all ministry and government to work hard. Minister Hassan Shire Abdi also underlined to ministry employees the importance of their work and contribution to the Puntland State of Somalia's transformation. It event also increases accountability and visibility of the Ministry's effort to meet its mandate.



RCFC'S SUCCESS IN SERVICE DELIVERY

Recurrent Cost Reform Financing Project-II (RCRF) was launched in Puntland in July 2015. The key objectives of the project are (1) support to the government in making payment of recurring cost, (2) support to ongoing reform to core government functions, (3) using government system, and making improvements along the way, and finally (4) support of costs in the social sector, specifically in education and soon the health sector.

Puntland RCRF has done more on the social sector with direct service delivery. This is exemplified by the payment to teachers at the district level throughout Puntland for the past three years and recently with the commencement of the female health worker program which started in 2019 in Puntland. In December RCRF conducted a supervision mission of Ministry of Education through the support of RCRF to visit 61 schools in 4 regions of Mudug, Bari, Sanag, and Nugaal. RCFC also trained 180 female health workers.



OUR PROJECT ARE ONLY AS SUCCESSFUL AS THE SERVICES WE PROVIDE TO HELP THE CITIZENS. EVERYTHING HAS TO CONNECT TO THAT.”

PROJECT COORDINATOR, SHUKRI WARSAME

DRMPFM Technical Steering Committee Meeting 4 Dec 2019

The Technical Steering Committee (TSC) members comprising of Heads of the various PFM institutions and line ministries representing key front-line service delivery and is accountable for the success of projects to implement the reform strategy. The TSC is responsible for providing technical guidance for meeting the reform objectives and ensuring cohesion and coordination of the various components by reviewing and endorsing annual work plans and budgets.

The DRMPFM Technical Steering Committee meeting on 4 of December was chaired by Hon. Minister Hassan Shire Abdi. The Minister welcomed the delegates and appreciated the willingness they have shown by attending the meeting despite their busy schedules. The Minister and the DRMPFM coordinator made the case on the importance of attending the TSC meeting. The TSC meeting is where the issues relating to the project implementation are addressed and decisions are taken.



During the meeting, a brief introduction about the importance of Component Implementation Team (CIT) & Technical Steering committee. DRMPFM coordinator Abdulkadir Hashi presented progress, challenges and the budget for 2020. RCFC coordinator, Shukri Warsame provided updates on the project. The budget expert presented the inception report. Finally, the meeting was closed agreed action points and the next meeting was scheduled for January 29th, 2020.



DIRECTOR GENERAL'S MESSAGE

PLEASE PROVIDE A MESSAGE IN RELATIONS TO THE REFORM ACTIVITIES

THE message is short and should provide your thought on future efforts.