

SEPTEMBER 2021



CBS

BANKIGA DHEXE EE SOOMAALIYA

البنك المركزي الصومالي

CENTRAL BANK OF SOMALIA

CBS

NEWSLETTER



GOVERNOR'S NOTE

1

PROJECTS

2

DEPARTMENTAL  
PROGRESS

3

STAFF SPOTLIGHT

4

EVENTS & ACTIVITIES

6

CBS IN THE MEDIA

7



# GOVERNOR'S NOTE



Welcome to first edition of the CBS newsletter. It is my pleasure to introduce to you the great progress the Central Bank has made in recent times. This progress is underpinned by the restructuring of the institution we have been undertaking over the past 2 years. The entire workforce of CBS have been hard at work, determined to move and transform the bank into a policy-oriented regulator.

The hard work has yielded several key achievements. For the first time in Somalia's history, our mobile money sector is regulated by the Central Bank. The two largest mobile money providers, Hormuud and Somtel, now operate with a Central Bank license. See page 6 for the celebratory events that were held to mark these occasions.

The National Payment System is another major milestone delivered by the Central Bank. For the first time in our history, our banks are interoperable with the ability to transact with each other.

The National Payment System includes the deployment of an automated clearing house (ACH), real time gross settlement (RTGS) and instant funds transfer (IFT) clearing and settlement capabilities. This will open up new doors for our financial sector in terms of greater efficiency, reduced costs and risk, speed of service and transactions and financial inclusion and will promote financial system stability. Read all about this transformative infrastructure on page 2.

We have also established the CBS Communication Unit of which this newsletter is one of many activities that are currently being undertaken. See highlights of the first internal seminar series organised by the Communication Unit on page 6. But none of this progress would be achievable without our Board of Directors, senior management team and staff of whom I am very proud. The newsletter introduces you to some of our great staff members on page 4 and 5.

CBS is also very grateful to our international partners, donors, friends and supporters who have all played a significant role in helping CBS regain its role as the country's regulator and policymaker. We remain steadfast on this path to reform CBS so that it becomes the catalyst for the development of our financial sector. An effective and efficient financial sector is a necessary condition for increased financial intermediation, higher financial inclusion, economic growth and poverty reduction. We hope you will all remain with us on this exciting journey!

**Abdirahman M. Abdullahi**  
Governor, Central Bank of Somalia

## NATIONAL PAYMENT SYSTEM

For the first time in Somalia's history, the Central Bank of Somalia has launched a transformative national payment system. The system incorporates 9 out of the 13 commercial banks established in Somalia with the rest set to join very soon. It integrates automated clearing house (ACH), real time gross settlement (RTGS) and instant funds transfer (IFT) functionality into a single platform with links between CBS and the commercial banks. The national payment system will revolutionise the country's financial sector, enabling a safer and more efficient payment infrastructure. An advanced payment infrastructure like this one will bring Somalia one step closer to meeting the global standards of the international financial ecosystem. It promotes financial system stability, speed of service and transactions, development of new lifestyle products and financial inclusion.

Watch this video for the story of our national payment system: <https://youtu.be/3MhgCjkohal>

You can also follow us on Twitter @CBSsomalima and visit our Facebook page, Central Bank of Somalia, to see the launch and keep up with how the system is transforming Somalia's finance sector!

**NPS Team**



*Minister of Finance - H.E Abdirahman Duale Beileh*



*Deputy Prime Minister -H.E Mahdi Mohammed Gulaid "Khadar"*



*Minister of Planning, Investment and Economic Development - H.E Gamal Mohamed Hassan*



*Central Bank Governor - Abdirahman M. Abdullahi*



# DEPARTMENTAL PROGRESS

Mohamed Hasan Hashi  
Director of Banking Operations



## BANKING OPERATIONS DEPARTMENT

The Banking Operations Department has been busy modernising CBS payment process and integrating it with CBS core banking system. This has resulted in a more efficient payment process that minimises human errors and the risks associated with it. The department is also the main driver behind the successful implementation of the national payment system. The team has worked tirelessly to ensure the system's operability and supporting the banks in joining it. They also produced all the support documents that provide guidance to the participating banks. It has been a productive year so far for Banking Operations and they plan on continuing on that trend for the remainder of this year.

## HUMAN RESOURCES DEPARTMENT

Ahmed Muse Mohamed  
Director of Human Resources



The HR department has implemented its re-evaluated HR policy, providing guidelines to enhance employer-employee relationships throughout CBS. This was mainly accomplished through aligning all job roles with the new organizational structure and the Bank's strategic objectives. Three of these major milestones were: 1. the hiring of three senior management positions, HR Advisor and other experts to support the restructuring of the organization 2. conducting a mapping exercise for each department's mandate, analyzing workforce gap and identifying the need for additional operational workforce and 3. carrying out salary and benefits survey to benchmark CBS pay and benefits against the market. Furthermore, the re-evaluated HR policy has led to improved employer-employee relationships and general employee processes within CBS's three functional groups. Our HR team has also developed and conducted several training and workshop sessions to enhance employee performance through updating existing skills and creating new ones to increase human capital. The department dedicated a strong focus on staff retention by keeping talented employees and minimizing turnover through implementing strategies enhancing staff satisfaction. Additionally, job analysis sessions were conducted for all departments to identify core competencies and ascertain the skill gaps between the existing skills and the required new skill sets. The HR department has shown great progress and still has a full schedule in reaching their additional objectives for this year.

Jibril Aden Mohamed  
Director of Licensing and Supervision



## LICENSING AND SUPERVISION DEPARTMENT

The licensing and supervision department has made significant developments towards a safer and more efficient financial system in Somalia in the past months. The department has achieved this through the organization of several seminars and workshops, such as the Islamic Financial Reporting Guidelines workshop and training program on AML/CFT protocols and strengthening the regulation and supervision of these financial institutions. The department has also awarded its first mobile money service license to Hormuud Telecom Somalia Inc and its second license to Somtel Somalia under their newly developed Mobile Money regulation to regulate and formalize the countries digital payment system. The team has achieved great milestones and is heading to many more.



## Nimo Mohamud - Head of National Payment Division Banking Operations Department - Currency and Banking Operations Group

### What is your job?

*I am the Head of the National Payment System Division and the National Payment System (NPS) project director.*

### What value does your job bring to the CBS?

*CBS has a number of mandates, one of which is to develop the National Payment System (NPS). As the head of NPS, it is my primary responsibility to ensure that CBS achieves this mandate efficiently and effectively in a safe manner.*

*NPS is established to pay undivided attention to payment systems issues, given their significant contribution to financial stability and economic development.*

### How does the work you do benefit the Somali population?

*National payment systems are the channels through which buyers and sellers of financial products and services make transactions. This is an important component of a country's financial ecosystem.*

*Before the launch of the national payment system on 7th of August 2021, the banks used to work in silos which didn't offer interoperability amongst them. In simple terms, a customer of one bank was unable to send funds to another customer of another bank. That means that banks don't "talk" to each other. This is now in the past. The establishment of NPS links all licensed banks in the country, making your transactional process more accessible, easier and safer.*



## Mahad M. Abdullahi - Head of Banking Operations, Licensing and Supervision Department - Monetary, Financial and Regulatory Policy Group

### What is your role?

*I am the Head of the Banking Operation Division. My role is to license, regulate and supervise the safety and soundness of the countries banking financial institutions. My division establishes this through conducting on-site and off-site visits to analyse the operational processes of licensed banks in Somalia.*

### What value does your job bring to the CBS?

*One of the CBS's mandate is to license, regulate and supervise all banks and financial institutions so as to foster the liquidity, solvency and proper functioning of a stable financial system. My division adds value to CBS as we fulfill this mandate through analyzing mandatory quarterly reports from banks and conducting on-site and off-site analysis' of their operational processes.*

### How does the work you do benefit the Somali population?

*We ensure that banks are well regulated for the Somali population to access their services in a trusted manner. If we did not license banks, they would not be recognized, meaning that people would not be able to use the banks' services. Therefore, as a monitoring and regulating entity we make sure that your money in the bank is more secure, creating more trust in the sector.*





## Hassan Mansur - CBS Driver - Support Services Department- Financial, Administrative and Support Services Group

### What is your role?

*I'm one of the drivers that is part of the transportation division of CBS.*

### What value does your role bring to CBS?

*My role as a driver is indispensable to CBS operations. I look after our staff and management team and ensure they are picked up and dropped off on time in a safe and secure manner. My role ensures CBS staff and senior management get to do their work effectively and have reliable transportation they can count on. I also look after the security of our vehicles as well as their maintenance and logistical requirements.*

### How does the work that you do benefit the Somali population?

*The Central Bank belongs to the Somali people. Every morning I come to work I feel I am doing valuable work for my people and I'm contributing to the rebuilding of our national institutions. The Central Bank is one of the key pillars that generates economic growth for our country and we are undergoing a period of recovery. I feel a great sense of duty to be part of that recovery for my nation.*



## Abdirizak Mohamoud Khalif - Head of Foreign Accounts, Financial Markets - Banking Operations Department- Currency and Banking Operations Group

### What is your role?

*I am head of foreign account division. I am responsible for the execution and management of external funds transfer operations I am also responsible for incoming and outgoing external fund transfer.*

### What value does your role bring to CBS?

*My role adds value to CBS because the foreign accounts operations generate revenue for CBS. The delivery of external banking services to the Federal Government is another important added value. We also perform an accounting function for all Governmental departments and special project transactions.*

### How does the work that you do benefit the Somali population?

*My work benefits the Somali population because our department manages nearly all inflows of Aid funds from donor countries and international organisations that is used for the country's social and economic development projects. Therefore, our work is vital for the Somali society as whole.*



# EVENTS & ACTIVITIES



## MOBILE MONEY LICENSING

The Central Bank of Somalia has granted Mobile Money licenses to the two biggest Mobile Money corporations in Somalia, Hormuud Telecom and Somtel for the first time this year. This is a move aimed at formalising and regulating the country's digital payments system and integrating it with the global financial system.



HURMOOD TELECOM



SOMTEL SOMALIA LTD.



## INTERNAL SEMINAR SERIES



As part of the newly developed CBS Communication Strategy 2021, the communication unit organised its first internal seminar to strengthen internal communications within CBS. These seminar series aim at creating more transparency and dialogue between staff and senior management and engendering constructive conversations that establish an inclusive working environment.

INTERNAL SEMINAR SERIES AT ROYAL PALACE HOTEL



# CBS IN THE MEDIA

**CENTRAL  
BANKING**

"SOMALIA RE-LAUNCHES PAYMENTS SYSTEM AFTER THREE DECADES OF ABSENCE" [HTTPS://TINYURL.COM/YSNNCP7J](https://tinyurl.com/YSNNCP7J)

"SOMALIA'S GOVERNOR ON REBUILDING ITS CENTRAL BANK" [HTTPS://TINYURL.COM/2BWS8A7A](https://tinyurl.com/2BWS8A7A)

**Bloomberg**

"SOMALIA STARTS PAYMENTS SYSTEM AS IT REBUILDS NATION" [HTTPS://TINYURL.COM/JJPP7BF4](https://tinyurl.com/JJPP7BF4)



**ALJAZEERA**

"SOMALIA SETS UP NATIONAL PAYMENTS SYSTEM AS IT REBUILDS COUNTRY" [HTTPS://TINYURL.COM/23RBMSYR](https://tinyurl.com/23RBMSYR)



[HTTPS://TINYURL.COM/S9SVZKNU](https://tinyurl.com/S9SVZKNU)



BANGIGA DHEXE EE SOOMAALIYA  
WUXUU KU HOWLAN YAHAY DIB-U-  
HABEYNTA  
[HTTPS://FB.WATCH/6ZJAKW3\\_MK/](https://fb.watch/6ZJAKW3_MK/)



SOMALI CENTRAL BANK CONNECTS  
ALL BANKS TO BOOST GROWTH OF  
ECONOMY  
[HTTPS://TINYURL.COM/53PEHSAB](https://tinyurl.com/53PEHSAB)



INTERVIEW WITH CBS GOVERNOR  
ABDIRAHMAN M. ABDULLAHI ON  
THE NATIONAL PAYMENT SYSTEM  
[HTTPS://FB.WATCH/7I16HEATRE/](https://fb.watch/7I16HEATRE/)

**BBC  
AFRICA**



**ADN<sup>tv</sup>**





CBS

BANKIGA DHEXE EE SOOMAALIYA  
البنك المركزي الصومالي  
CENTRAL BANK OF SOMALIA

## For further inquiries visit



<https://centralbank.gov.so/>



<https://www.facebook.com/CBSsomalial>



<https://twitter.com/CBSsomalial>

P.O Box 11,  
55 Corso Somalia  
Mogadishu, Somalia

Email: [communications@centralbank.gov.so](mailto:communications@centralbank.gov.so)