



CBS

BANKIGA DHEXE EE SOOMAALIYA

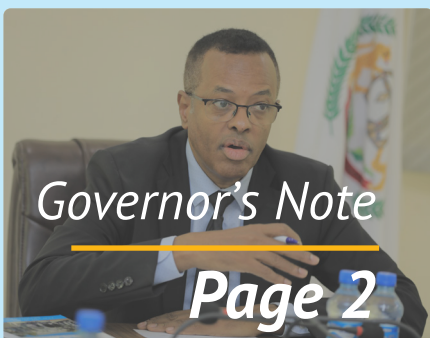
البنك المركزي الصومالي

CENTRAL BANK OF SOMALIA

NEWSLETTER

Newsletter | 2nd Edition

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Governor's Note



Welcome to the second edition of the Central Bank of Somalia's bi-annual newsletter. It has been a very busy and exciting year for CBS and we are pleased to share with you highlights of some of the great achievements we have made over the past year.

In this edition, you will find a brief introduction of CBS's core functional groups & some highlights of the key progress they have made through their respective departments in the past couple of months.

This year, we celebrated the first anniversary of the launch of the National Payment System in August, which has been a huge milestone for Somalia's financial sector.

In November we held our quarterly meeting with commercial banks and Banking Association as part of our ongoing engagement with the sector.

The banks reaffirmed their commitment to strictly adhere to the laws and regulations relating to the sector including Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT).

CBS has also taken part in Somalia's first International Investment Conference and facilitated a panel discussion on financial sector development, and the challenges and reforms Somalia's financial sector has been making.

As you have seen in our previous edition, we have again featured the profiles of some of our outstanding staff members to acknowledge and appreciate their hard work. I hope they inspire you too.

As the policy maker and regulator of the financial sector, we are committed to supporting Somalia's journey to economic growth and poverty reduction. Finally, I would like to thank our staff, Board of Directors and international partners for standing by CBS to deliver for the Somali people.

Appointing Deputy Governor



In early December, the Central Bank welcomed the newly appointed Deputy Governor, Dr Ali Yassin Sheikh.

In a ceremony presided over by the State Minister of Finance, Hon. Raho Mohamed Janaqow, the new Deputy Governor of Dr Ali Yasin Sheikh, has officially taken over the role from the former Deputy Governor, Maryam Abdullahi Yusuf.

Dr Ali Yassin Sheikh has over 15 years of hands-on experience and in-depth knowledge in the areas of inclusive economic growth, governance, and social development; national development planning, inter-government working arrangements; political-economic analysis; and participatory public expenditure management (PPEM).

Dr Ali has worked with the private and public sectors in Somalia, has a strong background in working on financial reforms, and is engaged in research and knowledge production with a special focus on the areas of fiscal federalism and human capital development.

Dr Ali Yassin Sheikh is an academician with a Doctorate in Business Management and a Master's in Economic Policy and Planning. Prior to his current role as Deputy Governor of the CBS, he served as the Macroeconomics and Research Department Director for the Central Bank of Somalia.

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Currency and Banking Operations

led by Executive Director, Ahmed Hundubey, the Currency and Banking Operations Group is mandated to be both the issuing authority as well as the custodian of Somalia's national reserve.

The Group is undertaking a series of programs to operationalise CBS's duties as the fiscal agent of the federal government of Somalia. One of the key successful projects the Group has implemented is the National Payment System, which was launched in August last year.

12 out of the 13 licensed commercial banks are now connected to the clearing and settlement system of the central bank. The remaining banks are expected to join soon, which means more people will be benefiting from the interoperability and ease of transaction.

CBS has processed over 1 billion USD and 800 thousand transactions in terms of value and volume respectively in the year 2022 without any setback.

The Currency Department is working on the preparation of CBS's currency reform, which is one of the bank's highest priorities. The issuance of a secure and legal national currency will enable the Central Bank to combat the circulation of widespread counterfeit Somali shilling notes and will be the first step towards establishing the foundation of monetary policy.



Another important project currently underway is the establishment of CBS branches in the federal member states. CBS is in the process of establishing one branch in each federal member state.

The new branches, once operational, will serve the federal member states and commercial banks as fiscal agent service providers.





Financial Administrative and Support Service Group

The Financial Administrative and Support Services Group is the 'engine' of the Central Bank which supports the smooth running of all activities; from human resources and financial services to IT, procurement, security and transportation.

Under the leadership of the General Manager, the Group plays a crucial role in achieving the Bank's mission and vision by providing support services to all core functions of the bank.

tested and confirmed to be functional. This gives the bank a backup to fall onto in case of the core-banking system fails.

The Core-banking system has been set up at both the airport and seaport. Currently, the seaport is operational, and the airport will soon be operationalised. Staff at these sites would be able to access the Core-banking system to complete the transactions from the site and reduce the workload instead of sending it to the headquarter.

The Bank is compliant with systems procured by removing all the pirated software on the Bank's computers, therefore no computers in the bank with

The Group makes sure that the Bank's financial statements meet International Accounting Standards (IAS), The CBS Board of Directors have approved CBS 2021 financial statements, audited by Deloitte and was found to be in compliance with International Financial Reporting Standard (IFRS). The auditor's statements attained Clean Opinion.

The IT department works hard to ensure the Bank's data is secure and protected. The department has set up a disaster recovery for the bank's core-banking system on the Cloud and has been pirated software installed on the staff computers and all the computers installed are legitimate.

The HR department plays a key role in the restructuring of the Bank from a fiscal agent to a policy-oriented agency. They have initiated and implemented a new HR policy. Every staff member has a contract, job description and annual performance objectives. They have also adopted key performance management systems which are aligned with CBS strategic objectives. An annual training plan is developed and a staff capacity building for further specialised professional certification is also being adopted.

The Monetary, Financial and Regulatory Policy Group



Led by Executive Director Dr. Abdillahi Ali, the Monetary, Financial and Regulatory Policy Group is responsible for licensing and supervision as well as monitoring the safety and soundness of domestic banks and non-bank financial institutions.

The Group also produces comprehensive and timely, statistical reports, policy analysis and research papers. Check the publications section of our website to read CBS's latest reports, quarterly and annual reports as well as specially commissioned research publications. <https://centralbank.gov.so/reports-publications/>.

Through the department of Licensing and Supervision, CBS continues to reform and implement sector-wide formalisation of financial institutions in Somalia.

The latest achievements of the department include the licensing of two foreign banks (Bank Misr and Zirat Katilim Bank) which are expected to be operational in 2023.

The department has also finalised the drafting of the Insurance Bill and National Payment System Bill. Another mobile money service provider called Somlink Mobile Money Service has been licensed in 2022.

“**Through the department of Licensing and Supervision, CBS continues to reform and implement sector-wide**

As part of an ongoing capacity-building training programme, this year CBS has conducted a number of training sessions for Commercial banks, MTBs and MMTs on Anti-Money Laundering and Countering of Terrorism Financing (AML/CFT)

The department of Licensing and Supervision also carries out regular guidance, monitoring and evaluation as well as both onsite and offsite supervision of all financial service providers to ensure compliance with the Bank's regulatory frameworks.

Events and Activities

Board Retreat



CBS Board of Directors conducted the first retreat in September 2022 in Mogadishu where they reviewed the strategic plan of the bank. This was a productive gathering which was aimed at strengthening CBS governance and deepening collegiality and collaboration among the Board members.



SominvestConference

The Central Bank of Somalia participated in the inaugural Somalia International Investment Conference held in Mogadishu between 28-29 November.

The Conference was organised by the Ministry of Planning Investment and Economic Development.

CBS has facilitated an engaging panel discussion on 'Investing in Financial Sectors & Banking.'

The New Deputy Governor



In a ceremony presided over by the State Minister of Finance, Hon. Raho Mohamed Janaqow, the new Deputy Governor of the Central Bank of Somalia, Dr. Ali Yasin Sheikh has officially taken over the role from the former Deputy Governor, Maryam Abdullahi Yusuf on 4th December.



In this section, we feature some of CBS staff who have shown extraordinary hard work and creativity to encourage them and celebrate their contributions. We are proud of them and we hope they inspire you too.

Asma Musa,
HR Officer



Hello, my name is Asma Musa, I am a HR officer at the Human Resources Department and my main task is to manage the ERP system by keeping an up-to-date record of the employees and maintaining their attendance, leave as well as the smooth flow of the payroll system so that every employee is paid on time without fail. I am also the bank's focal point for our health insurance company, which is crucial for the well-being of our staff.

As a HR officer, I strive to ensure CBS attracts and retains highly talented and diverse people to join the Bank and be part of the country's ongoing financial and economic transformation. Here at CBS, we provide a conducive environment for everyone to thrive and grow their career. We make sure that we look after the well-being of our staff to boost their productivity and performance.

Every employee contributes to the overall mission of the Bank which in turn delivers for the Somali population as we recover from decades-long anarchy and financial dependency.

Abass Abdullahi,
Information Analyst



Hi, my name is Abass Abdullahi, I am an information security analyst at CBS. My primary responsibility is to align security architecture, plans, controls, processes, policies and procedures with security standards and operational goals to ensure data security and privacy.

I perform security audits and assessments to ensure the operational and security wellness of the systems and stop cyber-related attacks.

One of the main strategic goals of CBS is to sustain good governance and promote capacity development. Thus, IT division maintains the information governance of CBS systems, including but not limited to national payment systems, by implementing the right tools, techniques, and mechanisms.

If the information governance is not maintained, the Somali public and the international financial service providers will lose trust in our systems. Part of my job is to stop that from happening.

Sahal Osman,
Head of Accounts



Hi, my name is Sahal Abdullahi Osman, I am the Head of Accounts of the Operations Department of the Bank. I make sure accounts, operations and relationships are managed in accordance with CBS policies, internal guidelines and procedures and are in compliance with the relevant national and international laws.

I maintain stronger ties between CBS and its shareholders including ministry of finance, commercial banks, local authorities and other financial institutions. My role is particularly important when it comes to resolving issues with clients and stakeholders in an amicable manner in accordance with the established channels of communication.

The accounts division of the operations department is one of the core units of CBS and my work benefits directly or indirectly every Somali citizen as we support the interoperability of the banks, which in turn supports economic growth.

