Jamhuuriyada Federalka Somalia
Golaha Shacabka
Xafiiska Xil.Cabdillahi Xaashi Abib

جمهورية الصومال الفدرالية
مجلس الشعب
مكتب نائب عبدالله حاش ابيب

Federal Republic of Somalia
House of the People
Office of Hon. Abdillahi Hashi Abib

Ref. GSH/XX/CXA/IMF_WB_AfDB_11 **Date: 11/11/2026**

Subject

Legal Warning to IMF, World Bank and African Development Bank - Somalia's SDR Withdrawals and Post-Relief Debt Exposure Danger

To International Monetary Fund • World Bank • African Development Bank

Cc H.E. Hassan Sheikh Mohamud, Former President • H.E. Hamza Abdi Barre, Prime Minister • Hon. Biixi Iimaan Cige, Minister of Finance • Mr. Abdirahman Mohamed Abdullahi, Governor, Central Bank of Somalia • IMF Executive Board • World Bank Board of Executive Directors • AfDB Board of Directors

Cc Legal Counsel of IMF
Cc Legal Counsel of World Bank
Cc Legal Council of AfDB

SDR 15.00m
October holdings decline

US$56.47m
2027–2030 IMF principal

US$93.72m
2027–2031 IMF payments

I place the IMF, World Bank and African Development Bank on formal notice of the unresolved questions surrounding the October SDR withdrawal, Somalia's future debt service and the authority to make new commitments. I request an independent examination, a reconciled payment schedule and a signed response from each institution before any affected discretionary financing decision.

Currency printing cannot proceed as a credible nationwide program under the present political and institutional conditions. The constitutional and implementation grounds for that assessment are set out immediately after the statutory tests.

Dollar equivalents use the IMF valuation of 10 November 2026. The 2027–2031 total covers projected IMF payments only.

Formal notice of reckless lending and alleged private enrichment. I put the IMF, World Bank and AfDB on notice of my allegation that unchecked lending and weak safeguards enabled former President Hassan Sheikh Mohamud and his inner circle to enrich themselves. I allege that Somali citizens saw no commensurate public benefit, yet Somalia and its citizens are left to carry the cost of legally binding debts. Publish the terms, disbursements, end-use records and evidence of public benefit. Without that accounting, I regard assurances that these loans served our citizens as the equivalent of **"PISS IN THE AIR."** Investigate the allegations, identify any diversion and pursue recovery where supported by evidence.

The case for immediate scrutiny

> **SDR 15,000,000 requested. SDR 15,000,000 gone from reported holdings.** The exact October match is compelling evidence for a transaction-level audit. The Government owes the public the source account, legal authority, settlement confirmation and final use.

1. A precise evidentiary match. A supplied copy bearing Finance Minister Biixi Iimaan Cige's name, reference **MOF/OM/0229/2026** and dated **3 October 2026**, requests withdrawal of **SDR 15 million** from the external SDR account into a named temporary government USD–SDR account. It is addressed to the CBS and Accountant General. The IMF reports holdings of **SDR 187,289,796** in September and **SDR 172,289,796** in October. At the November reference rate the movement equals **US$20.34 million**. Actual dollar proceeds require the settlement record. [1] [26]

2. An official repayment discrepancy. The federal Q3 debt bulletin lists zero IMF principal for 2027–2030. The IMF schedule shows **SDR 41.65 million**, equivalent to **US$56.47 million**. For 2029 the federal table shows **US$11.26 million** in total service across the creditors it lists, including **US$0.85 million** on the IMF line. The IMF projects **US$22.02 million** equivalent for that year alone. Coverage or paying-entity differences may explain part of the gap. No public reconciliation was identified. This is a disclosure failure that the institutions can address now. [2] [4]

3. A legal test the balance table cannot answer. The 2026 Appropriation Act permits specified use of **Ministry-owned SDRs**. It imposes a revenue-shortfall condition, a priority spending test and an **SDR 3 million Ministry floor**. A CBS advance would require a separate legal and accounting test. National holdings do not reveal domestic ownership. [5] [7] [9]

4. Debt relief did not extinguish Somalia's obligations. The Ministry reports **US$1.458 billion** in federal external debt at 30 September 2026, including **US$504.67 million** in arrears. Rising repayments and grant dependence magnify the cost of repeatedly drawing down SDRs for ordinary bills. [4] [12] [19] [27]

Questions the boards must answer

What did your staff know about the October movement and the conflicting repayment schedules? What documents did they obtain? What did they escalate to your boards? Who is accountable if financing continues on the basis of figures your institutions have never reconciled?

A government cannot treat its reserve assets like a child in a candy store, taking what it wants today and leaving the bill for its successor. Your institutions have the leverage to demand the ledger, the legal authority and a funded repayment plan. **Why are the IMF, World Bank and AfDB watching a preventable debt crisis take shape? What has each institution actually done to stop new obligations from outrunning Somalia's ability to pay?** Continued silence would be a failure of oversight.

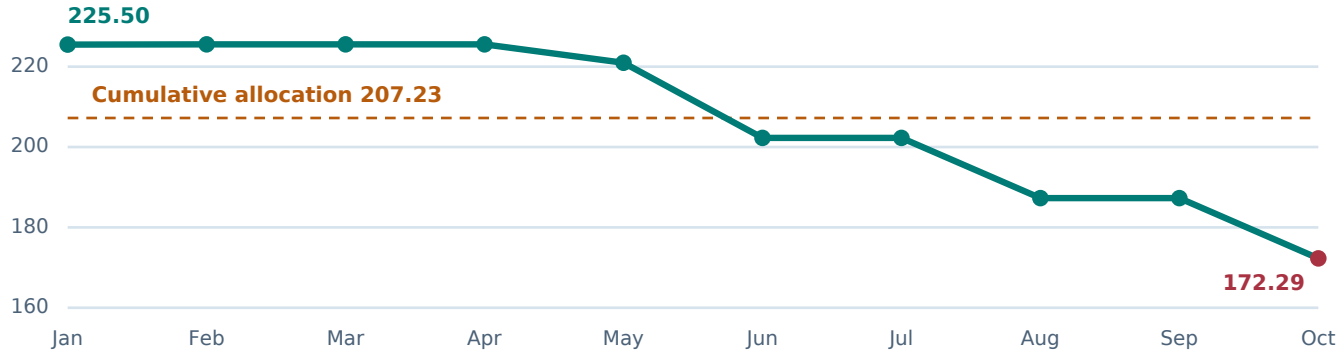
Evidence standard. This report distinguishes documented observations from unresolved questions about execution, legal authority, use of funds, corruption and institutional compliance.

The October withdrawal

The exact match identifies what the audit should trace from the IMF settlement record to the final Treasury payment.

Somalia’s reported SDR holdings, January–October 2026

Millions of SDRs. The dashed line marks the national cumulative allocation.



Holdings fell **SDR 53.21 million** between end-December 2025 and October 2026, equivalent to **US$72.14 million**. Four decreases account for virtually all of the movement: **May 4.58m, June 18.70m, August 14.98m, October 15.00m**. Outstanding IMF program credit stood at **SDR 116.3 million** at both September and October month-end. The month-end data establish the net change. They do not disclose gross transactions, final spending or a monthly salary-financing arrangement. [1] [25] [26] [33]

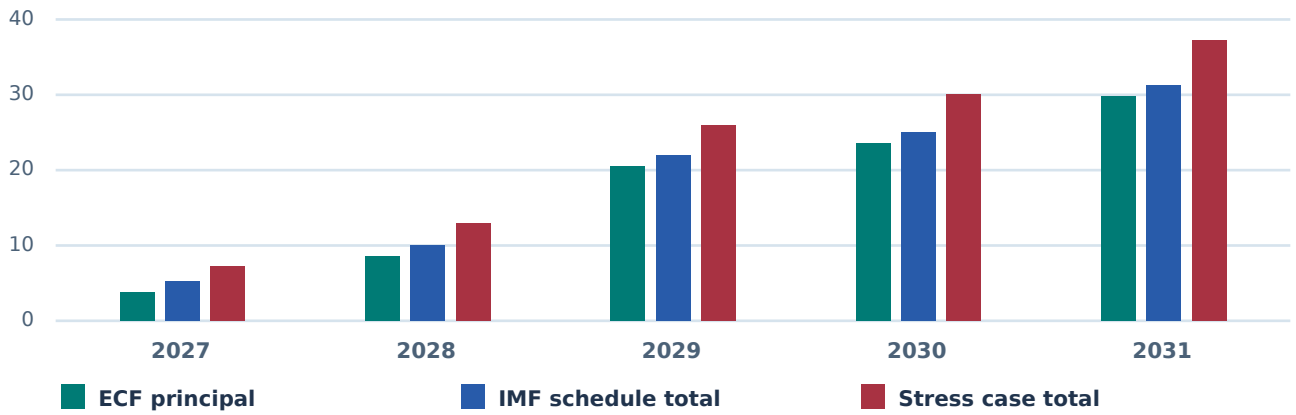
Audit stage	Evidence to obtain
Authenticate the instruction	Original signed letter, ministerial dispatch register, receipt by CBS and Accountant General, approval chain and value date.
Identify the source and settlement	Ministry and CBS SDR subledgers, pre/post ownership balances, IMF or counterparty trade confirmation, exchange rate, fees and currency credit.
Trace the temporary account	Correspondent-bank statement, credit to the named government account, authorization of the account and Treasury Single Account reconciliation.
Prove the final expenditure	Cash plan and revenue-shortfall calculation, appropriation, priority determination, vouchers and, where applicable, payroll batches and beneficiary totals.

The IMF Technical Memorandum identifies a correspondent-bank SDR transit account in Türkiye for proceeds attributable to the Ministry. Reconcile that account with the temporary account in the letter. A conversion may initially substitute a foreign-currency deposit for SDRs. Only the next entries reveal whether usable reserves were depleted and where the dollars went. [9] [11]

Exhibit A reproduces the supplied letter, including the destination account specified in the request.

The payments already scheduled

US$ millions, at the IMF valuation of 10 November 2026. Principal and charges are different obligations.



Year	ECF principal	IMF schedule total	Stress case total
2027	3.80	5.28	7.18
2028	8.54	10.03	12.95
2029	20.54	22.02	25.96
2030	23.59	25.08	30.03
2031	29.83	31.31	37.28
2027–2031	**86.30**	**93.72**	**113.40**

Baseline includes ECF principal, projected net SDR charges and assessments. Stress assumes one further SDR 15m decline at the start of each year, a constant 5% SDR rate and no new ECF borrowing or replenishment. It substitutes the stressed net charge and excludes the small assessment. Both hold US$1.355900 per SDR constant. In the stress case, national holdings fall to SDR 97.29m by 2031, and Ministry holdings could reach the separate statutory floor sooner. Totals use unrounded amounts. [1] [2] [3] [26]

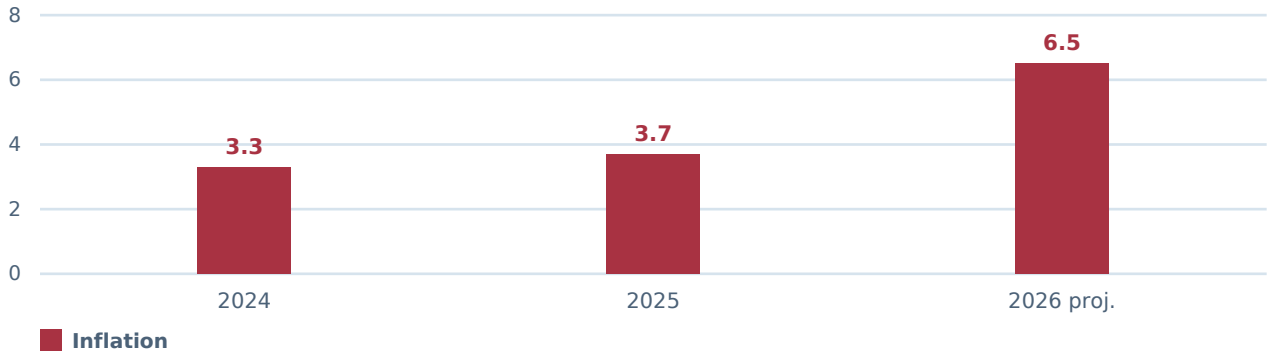
October’s marginal cost. The withdrawal widened the national SDR shortfall from **SDR 19.94m** to **SDR 34.94m**. At 3.119%, the October movement adds about **US$634,000 a year**, with a total annualized net charge of about **US$1.48m** at the resulting gap. The rate resets weekly. Charges settle quarterly. A 10% rise in the dollar value of the SDR raises the dollar equivalent of a fixed SDR payment by 10%. [1] [3] [11] [26]

2026 cash check. The schedule dated 31 October lists **SDR 158,254** in net charges due 1 November and **SDR 700,000** in ECF principal due 19 November. Those are remaining scheduled amounts as of the table date. Obtain evidence of the 1 November settlement and funding for 19 November. [2]

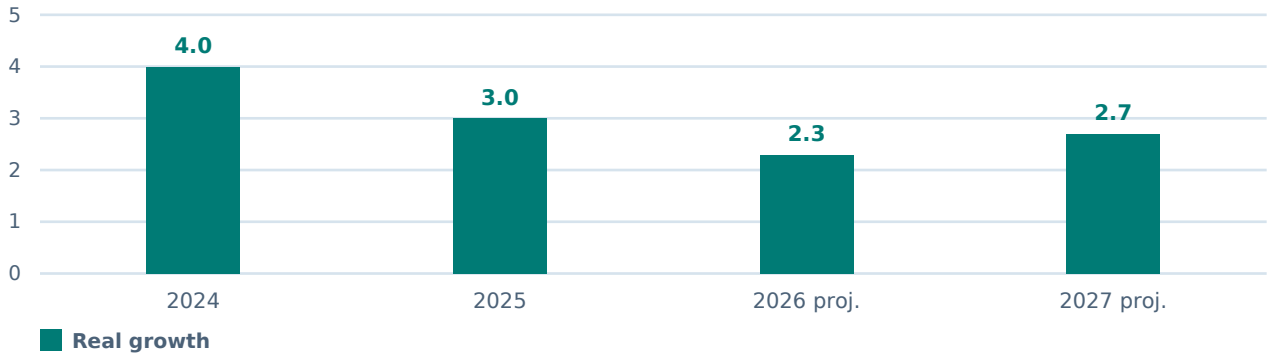
Prices rise as growth slows

World Bank estimates for 2024–2025 and the IMF staff projection for 2026.

Consumer price inflation (%)



Real GDP growth (%)



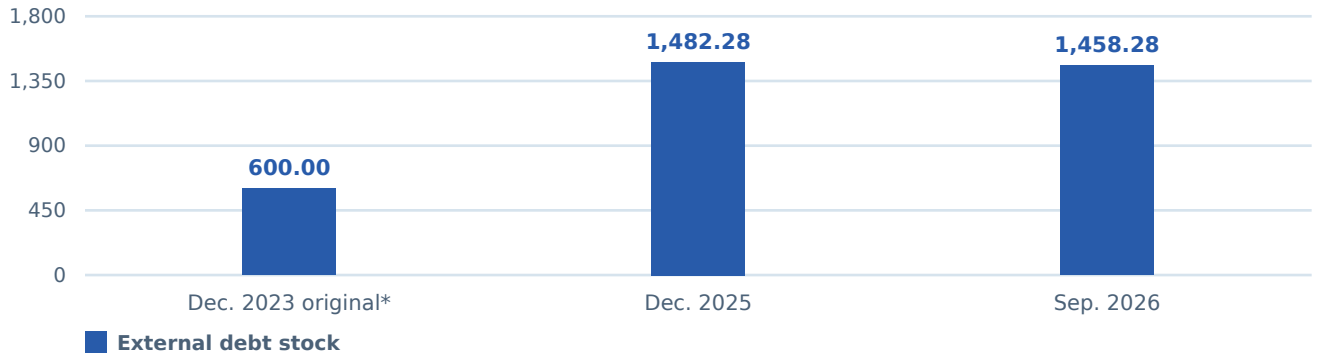
Change from 2024 to 2026	What it means
Inflation up 3.2 percentage points	Prices are projected to rise faster in 2026, adding pressure on household purchasing power and the cost of public services.
Real growth down about 1.7 percentage points	Output is still projected to grow in 2026, but at a slower rate. A smaller expansion in activity can make revenue gains harder to achieve.

The World Bank described 2024 growth as about 4%. The IMF projected a modest rebound to 2.7% in 2027. Projections are not outturns. These charts compare the latest cited estimates across the two publications. [12] [44]

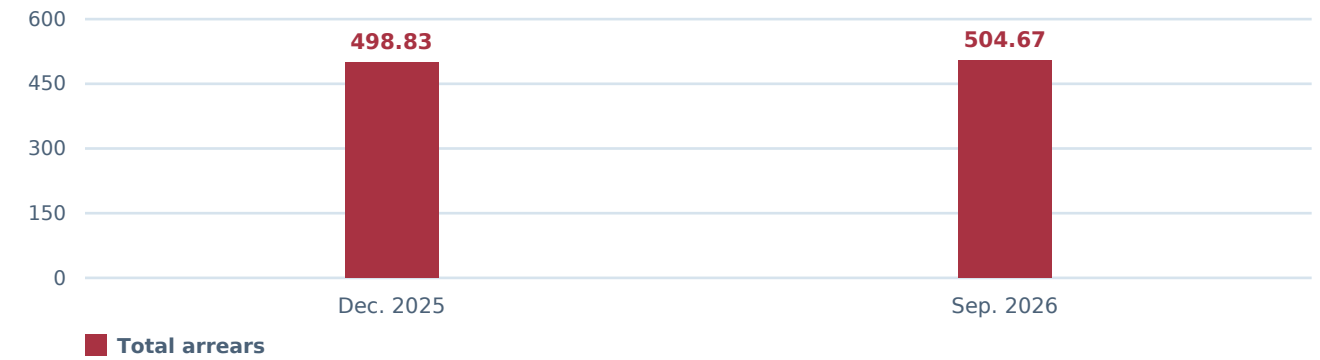
What rose and what fell

Federal Ministry of Finance quarterly bulletins. US$ millions.

External debt stock and the original post-relief benchmark



Arrears already included in that debt stock



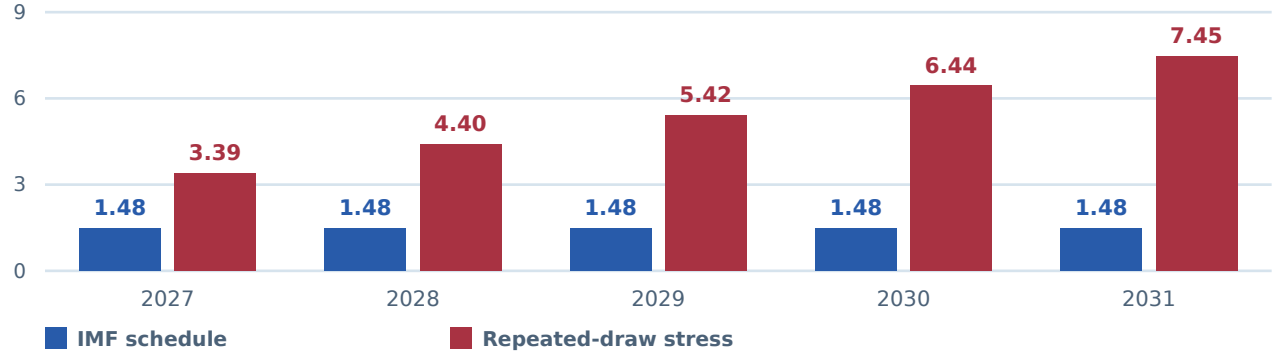
Measure	December 2025	September 2026	Change
Total external debt	1,482.28	1,458.28	**-24.00**
Total arrears	498.83	504.67	**+5.84**
Arrears as a share of debt	33.65%	34.61%	**+0.95 pp**

Arrears rose even as the total stock fell. Outstanding arrears can include earlier missed payments, accrued interest, fees and disputed amounts. These two snapshots do not establish when the arrears arose or which movements came from new borrowing. * The US$600m bar is the IMF's original approximate end-2023 post-relief estimate. Later IMF estimates for 2023 onward were revised upward by US$346m. The gap between the original benchmark and later federal figures is not a measure of fresh borrowing. [4] [9] [45]

What could raise the interest bill

US$ millions. The IMF baseline and the report’s stress scenario use the same reference exchange rate.

Annual net SDR charges, excluding principal and assessments



Measure	2027	2028	2029	2030	2031
IMF net SDR charges	1.48	1.48	1.48	1.48	1.48
Stress net SDR charges	3.39	4.40	5.42	6.44	7.45
Scheduled ECF principal	3.80	8.54	20.54	23.59	29.83

The main rise in the published IMF schedule is principal. The IMF projects almost flat net SDR charges of about US$1.48m a year at the reference exchange rate. The red bars show how charges could rise if Somalia drew a further SDR 15m at the start of each year, did not replenish holdings, and faced a constant 5% SDR rate. This is an illustrative stress test, not an IMF projection. [1] [2] [3] [26]

Two figures can move independently. Principal is repayment of earlier ECF borrowing. Net SDR charges depend on the gap between holdings and allocations and on the applicable rate. The SDR 15m October 2026 decline enlarged that gap. Future charges can also rise without another withdrawal if the SDR rate increases. [1] [2] [3] [11]

> **What the public should watch.** Follow the annual principal schedule, the monthly SDR holdings and the weekly SDR rate. Each answers a different question about future cash pressure.

What the next government inherits

From arrears clearance to renewed borrowing

Milestone	What the record shows
March 2020	IMF EFF/ECF disbursement of SDR 250.4m. SDR 243.4m repaid the Italian bridge loan used to clear IMF arrears.
August 2021	General allocation of SDR 156.61m. Ministry share SDR 92.78m and CBS share SDR 63.83m. IMF records SDR sales in 2021, including SDR 36.555m in September.
December 2023	HIPC completion. IMF relief retired SDR 250.4m in earlier loans. A new ECF arrangement began with an SDR 30m budget-support disbursement.
2023–October 2026	Outstanding IMF credit rose from SDR 72m at end-2023 to SDR 87m at end-2024 and SDR 117m at end-2025, then eased to SDR 116.3m in October 2026.

National year-end holdings / allocations, in millions of SDRs: 1984 0.046/13.697; 2009 18.587/46.463; 2019 17.600/46.463; 2020 35.668/50.619; 2021 142.586/207.231; 2022 131.119/207.231; 2023 173.697/207.231; 2024 188.443/207.231; 2025 225.496/207.231; October 2026 172.290/207.231. Reported year-end holdings were zero from 1985 through 2008. [1] [10] [19] [25] [33] [35]

Relief and the debt stock. The IMF's original end-2023 post-relief benchmark was about **US$600m**, down from **US$5.3bn** at end-2018. The IMF later revised estimates from 2023 upward by **US$346m** to reflect signed creditor agreements. The Ministry's September 2026 total of **US$1.458bn** includes **US$504.67m** in arrears, including disputed penalty calculations. The arrears consist of US$127.77m in principal, US$261.63m in interest and US$115.27m in other fees. The headline increase cannot be assigned to new borrowing without a creditor-by-creditor bridge of cancellations, disbursements, repayments, arrears revisions and valuation changes. [4] [9] [19]

The federal cash gap. Actual 2025 domestic revenue was **US$404.3m**, grants **US$515.5m** and spending **US$971.3m**. In the 2026 appropriation, **US$479m** of planned domestic revenue stood against **US$682.4m** of planned recurrent spending. The **US$203.4m** gap preceded grants and financing. The budget separates **US$174.4m** in budget support from **US$704.4m** in project grants. Project grants cannot be assumed available for ordinary Treasury bills. [5] [27]

> **Low growth and high inflation can push Somalia into economic and financial distress.** IMF staff projected just **2.3% real growth and 6.5% inflation in 2026**, followed by **2.7% real growth in 2027**. Weak growth limits the expansion of the tax base. Higher prices erode household purchasing power and can raise the cost of essential government services. Add delayed grants, drought or a security shock, and the Treasury can face **cash shortages, late payments and new arrears** as scheduled IMF principal climbs. The joint DSA rated Somalia at **moderate risk of debt distress** and found a **debt-service-to-revenue threshold breach under stress**. [9] [12]

The statutory tests

Authority	Compliance question and required proof
2026 Appropriation Act Arts. 11–13	Who owned the SDRs? Article 12(2) separates Ministry and CBS assets and liabilities. Article 12(3) requires the qualifying shortfall and Article 13 priority use. Article 12(4) sets an SDR 3m Ministry floor. Article 12(6) requires an annual SDR annex. Obtain the dated balances and supporting files.
PFM Act No. 17 of 2019 Arts. 8, 27, 30, 32	Test appropriation, commitment controls, payment vouchers and Accountant General approval. Civil-service pay appears in the priority list. Payroll use could be lawful only if the applicable financing, priority and spending conditions are met.
PFM Act, Arts. 35–36 2026 Borrowing Plan	If a new obligation was contracted, produce the instrument, terms, limits, applicable authorization and Auditor General registration. The borrowing plan separately envisages use of available cash and SDR buffers.
CBS Act, Arts. 28–31	Article 28 restricts CBS credit. Article 29 imposes temporary purpose, negotiable security, market-rate interest and a 15% ceiling based on latest audited gross recurrent revenue excluding grants and borrowing. Test the 90-day financing agreement and same-year repayment rule where applicable. Articles 30–31 govern the CBS fiscal-agent role.
PFM Act, Arts. 40–46	Test complete recording of assets, debt and financing, written bank-account authority, Treasury integration, in-year reporting, annual accounts and internal controls. Obtain corresponding entries from both institutions.
Auditor General Law No. 14 of 2023, Art. 7	Request an independent specialized audit, direct confirmations and reporting to both Houses. Make the account trail and findings available for oversight.

Legal authorities and IMF account/advance definitions. [5] [6] [7] [8] [9]

Budget provision must be tested at payment level. The 2026 budget summary includes **US$7m** of external debt-related charges and a **US$4.4m** external repayment line. Demand the detailed appropriation, releases, execution ledger and the proposed 2027 IMF line. Publication of the 9 November 2027 proposal was verified. Its detailed IMF appropriation could not be independently verified for this report. [2] [5] [13]

Authority in dispute. I challenge the administration’s authority to make new commitments. Published reporting says the Supreme Court held on 5 November that federal mandates expired and later acts were invalid. Obtain the certified operative order, any stay, and legal advice on the October instruction and any subsequent acts. A finding of invalidity for this transaction requires that review. [24]

Why currency printing cannot proceed

The mandates expired

The parliamentary mandate expired on **14 April 2026**. The presidential mandate expired on **15 May 2026**. The Supreme Court's 5 November 2026 decision, ref. **MS/DST/1/2026**, addressed those expiries and preserved limited caretaker functions for the Federal Government. The IMF, World Bank and AfDB should obtain the operative order and determine whether a proposed printing contract, guarantee, reserve commitment or launch falls within lawful authority.

A national rollout requires federal and regional agreement

In my assessment, the constitutional and electoral course pursued by former President Hassan Sheikh Mohamud created and prolonged this stalemate. **Puntland and Jubaland challenged the federal process.** No nationwide currency rollout agreement with both states was established in the records reviewed. **South West** faced armed confrontation and a regional leadership crisis in Baidoa. **Hiiraan** has faced political and security tensions around Beledweyne. These disputes bear directly on whether authorities can coordinate and safely deliver a national exchange program.

Ordering banknotes cannot deliver a functioning national currency

A nationwide launch needs regional arrangements for secure distribution, collection and exchange of old notes, consistent treatment of merchants and customers, bank and mobile-wallet settlement, and supervision of cash agents. It also requires verified financing, reserve backing and credible governance. **Without a lawful mandate and operational cooperation, the current conditions make a credible nationwide launch impossible in my assessment.** An order placed now could leave Somalia with costs and banknotes it cannot reliably put into circulation.

What the three legal offices must establish before any commitment

Provide written opinions on the authority of the proposed signatories and the limits of caretaker powers. Produce any regional implementation agreements, the funding and reserve-backing plan, and the procurement and disbursement controls. **Withhold new currency-printing commitments and related disbursements until these conditions are independently verified.**

Sources Supreme Court decision MS/DST/1/2026, reproduced in the author's 5 November legal notice • EUAA, Somalia Security Situation (2026) • AP, Supreme Court and regional opposition • Reuters, Baidoa and South West • Hiiraan Online, Beledweyne tensions • IMF, currency reform prerequisites

Questions for the three institutions

International Monetary Fund

Why did the public discover the October movement through a letter and a month-end balance? State whether the proceeds came from Ministry SDRs, CBS-owned SDRs, an ECF-related balance or a separate advance. Supply the October program terms, applicable test dates, balance-sheet treatment, monitoring return, approvals and any adjustment or waiver. Under TMU paragraph 17, CBS debt falls within domestic debt unless the temporary advance exception applies. Paragraphs 19–20 distinguish Ministry SDR holdings from CBS program reserves. Explain the **SDR 41.65m** principal discrepancy and identify the paying entity. [2] [4] [9] [11]

World Bank and International Development Association

What did IDA verify before accepting Somalia's debt-management and fiscal controls? For Grant E508-SO, project P506857, produce the relevant grant schedules, signed financial representations, applicable FY27 performance actions and any debt-limit adjustment. The published FY26 nonconcessional debt action expired on 30 June 2026. Identify the October rule, test whether any new debt contract was actually created, and state whether identifiable grant proceeds were affected. Explain how the debt-management and audit reforms operated in practice. [14] [15] [28]

African Development Bank and African Development Fund

What did your financial-sector and debt-management support achieve if the government and IMF cannot publish a reconciled payment schedule? Reconcile the Financial Sector Development Project special account and audits under P-SO-HZ0-001, and assess the debt-register and reporting controls supported by the public finance and debt-management project. Identify any applicable grant clause and the specific evidence that would trigger corrective action. The records reviewed do not establish use of AfDB proceeds for the October transaction. [16] [30]

All boards and other budget-support partners

What did each institution do when the warning signs became visible, and why should any new financing proceed before Somalia demonstrates it can pay on time? Identify every corrective action already taken, its date, who was responsible, and what remains unresolved. Produce the repayment-capacity analysis used for any proposed new financing, including the impact of weaker revenue, delayed grants and rising debt service. Reconcile unrestricted budget support separately from restricted project grants, and test applicable agreements against the Treasury trail. Where a violation or misreporting is confirmed, state the remedial steps and timetable. Publish the fiscal implications and institutional responses with confidential bank identifiers removed.

> **I ask each board to defer new discretionary financing decisions materially affected by these unresolved issues until the records are reconciled.** Preserve essential services and humanitarian support through lawful and verifiable channels. Apply safeguards against diversion without shifting the consequences onto Somali households.

Interest and public obligations

The Sharia question must be answered in substance

Qur'an **2:275 and 2:278–279** prohibits riba and distinguishes it from lawful trade and recovery of principal. International Islamic Fiqh Academy **Resolution No. 10 (2/10)** identifies a stipulated increase on a loan or for extending a debt as prohibited riba. Articles **2(3) and 3(1)** of the 2012 Provisional Constitution make Sharia conformity a constitutional question. Obtain the operative constitutional text and a written Somali Sharia and constitutional opinion on each instrument. [17] [18] [23] [24] [34]

Examine each obligation on its own terms. An interest-bearing domestic loan raises a direct riba objection under the Academy resolution. IMF Articles XIX–XX govern the SDR mechanism, including interest on holdings and charges on allocations. Whether the October arrangement, any domestic on-lending, and the resulting net charge constitute riba in the relevant legal framework requires review of their substance. Existing ECF principal and the separate SDR assessment require their own treatment. No binding Somali ruling on the specific October arrangement was verified. [2] [7] [11] [17] [29]

Use grants where appropriate for emergencies. Examine lawful interest-free arrangements and genuinely asset-backed Islamic financing where suitable, with transparent terms, legal authority and a repayment source.

What does this mean for Somali citizens?

Debt relief reduced the previous burden, but old and new obligations remain. The IMF schedule shows annual payments rising from about **US$5.28 million in 2027** to **US$31.31 million in 2031**, using the exchange rate on 10 November 2026. If revenue or expected grants fall short, paying the debt on time could become harder. [2] [26]

Before entering a banknote-printing contract that cannot be reversed, the government and the Central Bank should disclose the cost, who will pay, the reserves backing the shilling, and the actual demand for paper currency. The plan should account for people who use mobile money and those who need cash. [12] [40] [41] [42]

How debt relief can unravel

Ghana, Zambia and Mozambique illustrate different paths from debt relief to renewed payment stress.

Country and turning point	Concrete evidence	What Somalia should test now
Ghana HIPC completion 2004. Selected external payments suspended December 2022.	IMF estimated **92.7% of GDP** in gross public debt in 2022. Debt service reached **117.5% of government revenue** that year. Domestic debt represented **81.7%** of debt service.	Publish the cash available for repayments by month and creditor. Include domestic obligations. A headline stock or headline growth rate cannot show whether Treasury has enough cash on a due date.
Zambia HIPC completion 2005. External default in 2020.	At end-2020, public and publicly guaranteed debt was **US$23.6bn, or 150% of GDP**, on the authorities' definition cited by the IMF. Zambia had **US$3bn in Eurobonds**. The 2026 DSA projected a **21.4%** external debt-service-to-revenue ratio in 2025, including specified arrears and past-due interest effects.	Stress the years when repayments bunch and publish any grace-period expiry. Somalia's scheduled IMF principal alone rises from about **US$3.80m in 2027** to **US$29.83m in 2031**.
Mozambique Enhanced HIPC completion 2001. Hidden-debt crisis surfaced in 2016.	The World Bank documented about **US$1.4bn** in previously undisclosed nonconcessional debt. IMF reported public debt at about **91% of GDP at end-2024** and total debt-service arrears of **1.3% of GDP at end-2025**.	Reconcile loans, guarantees and public-entity liabilities. Trace reserve conversions to settlement and final expenditure. Require lenders and borrowers to confirm balances independently.

Metrics differ by date, perimeter and definition. Ghana's debt-service ratio includes domestic service. Zambia's later DSA ratio concerns external service. Mozambique's arrears ratio is a stock relative to GDP. They should not be ranked on one common scale. [20] [21] [22] [31] [32] [36] [37] [38] [39]

Why the sequence matters in Somalia

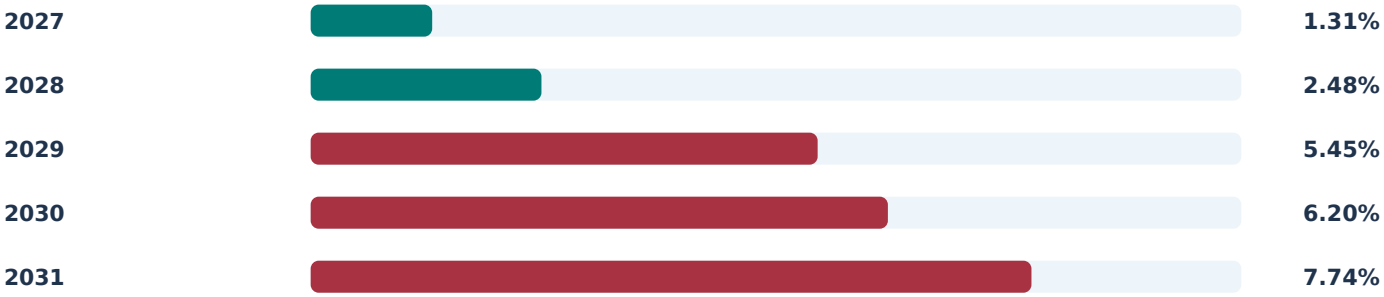
Payment pressure comes first. A grant delay or revenue shortfall makes a scheduled payment harder to fund even when headline debt ratios look low. If a government fills the gap by drawing reserves or deferring invoices, the remaining reserves shrink or arrears rise. **Weak disclosure delays corrective action.** Parliament cannot prioritize payments, challenge a new commitment, or verify financing terms when the official tables disagree and the flow of funds is untraced. [1] [2] [4] [9]

The warning is about mechanisms, not an inevitable default. Somalia's mainly concessional IMF obligations differ from Ghana's domestic rollover pressure, Zambia's bond default and Mozambique's concealed borrowing. Ghana's July 2026 IMF review also records progress under its recovery program. The point is to act before late payments, reserve pressure and incomplete disclosure reinforce one another. [9] [36] [37] [38] [43]

What the numbers mean at home

A due date is a cash test. These figures use federal domestic revenue as a transparent benchmark.

IMF payments as a share of 2025 federal domestic revenue



Denominator held fixed at actual 2025 domestic revenue of US$404.3m. Numerator is annual IMF principal, projected net SDR charges and assessments converted at US$1.355900 per SDR. This is an IMF-only sensitivity benchmark, not a forecast or a joint DSA ratio. [2] [26] [27]

2031 illustration	IMF payments	Domestic revenue benchmark	Share of revenue
IMF schedule	US$31.31m	US$404.30m	7.74%
Repeated draws and 5% SDR rate	US$37.28m	US$404.30m	9.22%
Same stress and 20% lower cash revenue	US$37.28m	US$323.44m	11.53%

The next government faces a rising bill. At the reference exchange rate, the IMF schedule rises from **US$5.28m in 2027** to **US$31.31m in 2031**. The full five-year schedule is **US$93.72m**. Federal external arrears already stand at **US$504.67m**, including disputed amounts. Arrears are a stock, and the five-year schedule is a payment flow. Adding the two would not measure cash due in a single year. [2] [4] [26]

High inflation and weak growth make the cash squeeze visible at home. IMF staff projected **6.5% inflation and 2.3% real growth in 2026**. Higher prices can strain household budgets and raise the cost of public services. Weak growth makes revenue harder to expand. If unrestricted grants arrive late, the Treasury must cover the gap with available cash, expenditure adjustments or authorized financing. [9] [12]

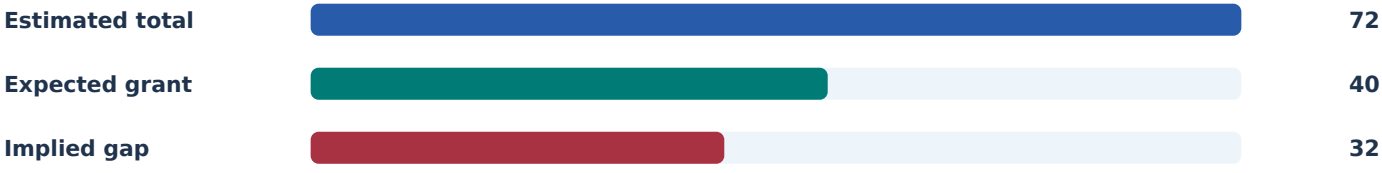
> **What should the public demand?** A monthly cash plan that shows actual tax collections, unrestricted grant receipts, wages and essential services, each creditor payment, and the funding source for every shortfall.

What the institutions actually said

There was documented IMF and World Bank involvement in currency reform. That history does not establish that a current printing contract, funding plan or launch date has been approved. Publish the current correspondence, authorization and terms. [9] [12] [40] [41]

Record	Verified position	What it does not establish
IMF, 2024 and 2025	Staff discussed a currency board and a dual-currency regime. Somalia's 2025 program letter recorded IMF technical assistance.	Completion of safeguards, adequate current reserve backing, or authorization of a particular tender.
World Bank, Kalkaal P176434	An appraisal-stage document identified **US$71.8m** for the project, covering design and printing, exchange, CBS capacity building and project management.	A signed printing contract, a firm supplier price, an approved disbursement or the current funding position.
IMF, October 2026	Staff advised proceeding carefully once key prerequisites are in place.	Whether those prerequisites have since been satisfied. Obtain dated written confirmation.

The historical financing estimate, in US$ millions



IMF Country Report 24/158, an estimate from 2024. Expected grant funding and the implied US$32m gap were historical planning figures. The World Bank appraisal's US$71.8m estimate is similar but is not a second project to add to the IMF estimate. [40] [41]

Scale matters even if donors cover part of the bill. The historical **US$32m** gap equals **6.7%** of Somalia's US$479m planned 2026 federal domestic revenue. This compares scale only. Current costs, appropriations, binding donor commitments and actual cash releases are still needed to establish affordability. [5] [40]

A printing bill and reserve backing are different. A currency board needs usable foreign assets to cover its monetary liabilities at the promised parity. Estimate backing from the authorized issuance and applicable coverage rule. Keep that backing distinct from project cash and resources needed for near-term external payments. The IMF's 2024 reserve discussion is dated and cannot establish current backing. [9] [40]

Will households use the new notes?

Somalia is already largely dollarized and uses digital payments widely. A World Bank report says **over 90% of households relied on mobile money**, while reporting bank-account ownership of **8.8% of adults in 2022**. These are different measures with different denominators. They establish the importance of mobile money, but do not establish the percentage of businesses paid digitally or demand for any particular note denomination. [42]

Test before committing	Evidence to publish	Why it matters
Demand and access	Independent household and merchant surveys by region, denomination and payment currency. Include cash users, weak-connectivity areas and people without reliable phone access.	Test whether new small notes solve a real problem in change-making or access. Avoid assuming existing dollar wallets will convert to shillings.
Funding and opportunity cost	Signed funding commitments, appropriations and all-in costs for design, manufacture, freight, insurance, distribution, exchange, security, destruction and ongoing replacement.	Separate confirmed grants from funding gaps. Show what the Treasury would otherwise spend the money on and how IMF payments remain funded.
Reserve backing and launch	Independently verified usable reserves, the parity and backing rule, legal authority, convertibility and a stress test for redemption and shocks.	A note is useful only if people trust it and can exchange it on the terms promised. An announcement cannot substitute for backing.
Digital interoperability	Test shilling wallets, settlement, convertibility, clear fees, consumer protection and outage contingency. Compare a limited cash launch with digital integration.	Digital adoption changes the case for scale. Cash and digital shillings can coexist if both are usable and trusted.
Procurement and audit	Tender or lawful exemption, evaluation, contract, beneficial-ownership disclosures, financing terms, auditor access and disclosure of material changes.	Identify who authorized the commitment and what the public will pay. Separate verified decisions from reported supplier claims.

The four officials should answer in writing

Former President Hassan Sheikh Mohamud and Prime Minister Hamza Abdi Barre should disclose the policy decision and financing commitments. **Finance Minister Biixi Iimaan Cige** should publish the appropriation, cash impact and reconciled creditor schedule. **CBS Governor Abdirahman Mohamed Abdullahi** should publish the procurement status, reserve-backing assessment, cash-demand study and dated communications with the IMF and World Bank.

> **No irreversible commitment should proceed before funding, reserve backing and demand are independently verified.** Publish the evidence while Parliament and the public can still act on it.

Records, deadlines and accountability

Requested time from receipt	Required response
Within 5 business days	Acknowledge receipt. Name the accountable official in each institution and identify the domestic custodians of the transaction and debt records. Preserve all original instructions, account statements and approval records.
Within 15 business days	Provide a joint reconciled debt-service schedule through at least 2035. Explain the SDR 41.65m in 2027–2030 IMF principal absent from the Ministry's published table. Identify the payer, funding source, budget appropriation and settlement evidence for the 1 November charge.
Within 30 calendar days	Publish preliminary audit findings on ownership, authority, statutory floor, settlement, final use and reporting. Publish a cash and reserve plan for 2027–2031, with the principal funding gap, grant-delay stress and SDR interest and exchange-rate shocks.
Before any further affected decision	Report on the operative constitutional authority, ECF conditions, IDA FY27 actions, AfDB grant terms and Sharia opinion. State whether funds must be recovered, financial reports corrected, or an independent referral made if violations are confirmed.

I ask the Auditor General to exercise the specialized audit authority in Article 7 and to obtain direct confirmations from the CBS, IMF and correspondent bank. Extend testing beyond October to May, June and August 2026. Require the Ministry to publish a creditor-level debt bridge from HIPC completion through September 2026 and a separate reconciliation of SDR assets and liabilities. [1] [4] [6] [8] [9]

If records establish that unauthorized credit was extended, public funds were diverted, or information supplied to Parliament or donors was false, identify who approved and executed each act. Refer the evidence to the competent authorities. Accountability requires a record that can withstand audit and legal scrutiny.

Public statement for Somali citizens

The Minister of Finance's letter requests the withdrawal of SDR 15 million. IMF records show that Somalia's SDR holdings fell by the same amount in October. That amount was equivalent to about US$20.34 million at the exchange rate on 10 November 2026. The government should disclose who owned the holdings, where the money went, what it paid for, and who will bear the resulting costs.

The 2023 debt relief substantially eased Somalia's burden. Financial obligations remain. The IMF schedule shows that projected payments for 2027 through 2031 amount to about US$93.7 million at that exchange rate. The public and Parliament have a right to see the accounts and the plan for meeting upcoming obligations. [1] [2] [19] [26]



Dr. Abdillahi Hashi Abib, BA, MA, MASc, Ph.D
Member of the Foreign Affairs Committee and Leader of the Accountability and Transparency Caucus
House of the People of the Federal Republic of Somalia
Representing Awdal Region and Gebileh District | HOP #201

Ministerial withdrawal request

Unredacted copy supplied for review. Reference MOF/OM/0229/2026, dated 3 October 2026. The request and the IMF month-end movement are corroborating evidence. This exhibit is not a settlement confirmation.

Jamhuuriyadda Federaalka Soomaaliya
Wasaaradda Maaliyadda
Xafiiska Wasiirka

Federal Republic of Somalia
Ministry of Finance
Office of the Minister

جمهورية الصومال الفيدرالية
وزارة المالية
مكتب الوزير

Ref: MOF/OM/0229/2026 October 03, 2026

Ku: Bankiga Dhexe ee Soomaaliyeed
Ku: Xisaabiyaha Guud ee Dowladda
Og: Agaasimaha Guud ee Wasaaradda Maaliyadda
Og: Wasiir Ku xigeenka Wasaaradda Maaliyadda
Og: Wasiiru-Dawlaha Wasaaradda Maaliyadda

Ujeeddo: Soo Sarifid SDR.

Waxa aan si xushmad leh idiinka codsanaynaa in aad ka soo sariftaan koontada SDR-ka dibadda lacag dhan **SDR 15,000,000.00 (Toban iyo Shan Milyan SDR)** kuna shuba koontada **GOV. INTERNAL USD-SDR TEMPORARY USD1092200010001.**

Sidaas darteed, waxaa la idinka rajaynayaa in aad u soo wareejisaan lacagtaas sida ugu dhakhsaha badan.

Wada Shaqayn Wacan,

Xil. Biixi Iimaan Cige
Wasiirka Wasaaradda Maaliyadda

Ministry of Finance
Corso Somalia Street, Shangaani District Mogadishu, Somalia
P.O. Box 106
Email: minister@mof.gov.so
www.mof.gov.so

The account shown is the destination named in the request. Confirm receipt and subsequent transfers against bank and Treasury records.

EXHIBIT A / ENGLISH TRANSLATION

Ministerial withdrawal request

Federal Republic of Somalia
Ministry of Finance • Office of the Minister
Reference MOF/OM/0229/2026 **Date** 3 October 2026

To Central Bank of Somalia
To Accountant General of the Federal Government
Cc Director General, Ministry of Finance
Cc Deputy Minister of Finance
Cc State Minister of Finance

Subject Conversion of SDRs

We respectfully request that you convert **SDR 15,000,000.00 (fifteen million SDRs)** from the external SDR account and deposit the proceeds in the account designated **GOV. INTERNAL USD-SDR TEMPORARY USD1092200010001**.

We ask that you transfer the funds as soon as possible.

In the spirit of cooperation,
Hon. Biixi Iimaan Cige
Minister of Finance

Documentary record

Numbered citations throughout the report are clickable. The exhibit is the supplied copy and is listed separately from published sources.

01 IMF | Somalia SDR holdings and allocations, 31 October 2026
02 IMF | Projected payments, 31 October 2026
03 IMF | Daily SDR valuation and weekly SDR interest rate
04 Somalia Ministry of Finance | Q3 2026 Public Debt Bulletin, Tables 1, 2 and 6
05 Somalia Ministry of Finance | 2026 Appropriation Act, Articles 11–13 and borrowing plan
06 Somalia | Public Financial Management Act No. 17 of 2019
07 Somalia | Central Bank Act No. 130, Articles 28–31
08 Somalia | Auditor General Law No. 14 of 2023, Article 7
09 IMF Country Report 25/335 | ECF fourth review, TMU and joint DSA
10 IMF Country Report 24/346 | Annex V, domestic SDR distribution and transactions
11 IMF | Guidance on the treatment and use of SDR allocations, Policy Paper 2021/059
12 IMF | October 2026 Article IV mission and macroeconomic outlook
13 Somalia Ministry of Finance | FY2025 budget performance and FY2027 proposal
14 World Bank | Grant E508-SO, project P506857, financing agreement
15 IDA | Sustainable Development Finance Policy and published country actions
16 AfDB | Financial Sector Development Project, P-SO-HZ0-001, appraisal
17 International Islamic Fiqh Academy | Resolution No. 10 (2/10)
18 Somalia | 2012 Provisional Constitution, Articles 2(3) and 3(1)
19 IMF | Key questions on Somalia and HIPC completion
20 IMF | Zambia joint debt sustainability analysis, Country Report 26/21
21 Ghana Ministry of Finance | 2022 Annual Public Debt Report
22 World Bank | Mozambique Country Partnership Framework, Box 1 on hidden debt
23 Villa Somalia | Executive account of the March 2026 constitution
24 Garowe Online | Reporting on the 5 November Supreme Court ruling
25 IMF | Somalia outstanding purchases and loans, 31 October 2026
26 IMF | SDR valuation, date selector
27 Somalia Ministry of Finance | FY2025 end-year budget performance report
28 World Bank | Second Somalia Economic Resilience DPF program document
29 IMF | Articles of Agreement, Articles XIX–XX
30 AfDB | Strengthening public finance and debt management project
31 IMF | Ghana ECF second review and public debt figures
32 S&P; | Zambia default and US$3 billion Eurobond exchange
33 IMF | Historical SDR series and December 2025 balance
34 Qur’an | Al-Baqarah 2:275–279
35 IMF | Historical SDR holdings and allocations from May 1984
36 IMF Ghana Country Report 24/30 | 2022 debt service and fiscal stress
37 IMF Zambia Country Report 22/292 | 2020 debt stock and coverage
38 IMF Zambia Country Report 26/021 | Debt-service-to-revenue ratio
39 IMF Mozambique Country Report 26/045 | Debt and 2025 arrears
40 IMF Somalia Country Report 24/158 | Currency board and financing estimates
41 World Bank Kalkaal P176434 | Appraisal-stage currency exchange project
42 World Bank Somalia Economic Update | Mobile money and financial inclusion
43 IMF | Ghana Sixth ECF Review and 2026 Article IV consultation
44 World Bank | 2026 Somalia Economic Update, 2024–2025 inflation and growth
45 Somalia Ministry of Finance | Q4 2025 Public Debt Bulletin, Tables 1–2

Reporting dates differ by source. The withdrawal analysis uses October 2026 month-end holdings. The federal debt stock is for 30 September 2026. The exchange rate is from 10 November and the rate observation is for 9–15 November. Projected payments are not confirmations of settlement.