



## Inter-Governmental Finance Ministers Forum (IFMF) Communique

Mogadishu, Somalia  
July 22<sup>nd</sup>, 2018

Inter-Governmental Finance Ministers Forum (IFMF) organized by the FGS Ministry of Finance held in Mogadishu from 21st to 22nd July 2018 to discuss mainly strengthening the Intergovernmental fiscal relationship between the Federal Government, the Federal Member States and the Banadir Regional Authority with the mutual respect and close cooperation. The forum is also to discuss and find a possible way of unifying the country's Financial Institutions/system which eventually the forum endorsed the recommendations of the technical committee on the harmonization of the country's tax system.

The meeting was chaired by the FGS Finance Minister Dr. Abdirahman Duale Beyle, attended by Finance Minister of South West state, Finance Minister of Galmudug, Finance Minister of Hirshabeele, Deputy Finance Minister of Jubbaland, Deputy Finance Minister of Puntland, State Minister of Finance south West state, and Deputy commissioner of Finance & Administration of Banadir Regional Authority.

As the forum appreciated the ongoing work of fiscal harmonization has agreed the following items:

- 1) The forum should give all the necessary support to the Technical Committee so that the process of fiscal harmonization can be accelerated to achieved the desired objectives of the mission.;
- 2) To harmonize Inland Revenue policies and procedures under common National taxation law for the country by engaging and consulting with the Federal Member States;
- 3) The finance Ministers forum together with BRA will conduct an emergency meeting in August 2018 to further discuss the provisions contained in National tax law;
- 4) The implementation of the SOMA agreement was considered to have caused financial harm to the country, Therefore, It will need to review so as to comply with the available Jurisdiction, laws of the country and the Geneva Convention treaty in 1960.'
- 5) Automation of Inland Revenue management and system
- 6) Harmonization of Customs process and chain of operation which are;
  - a. Classification of Goods (HS Code)
  - b. Common customs procedures

- c. Implementing Common IT system across all ports in Somalia
- 7) Establishment of training nominated team of two person from each FGS and Federal Member States to train on key issues of customs.
  - 8) 8.The Technical committee to be introduced to additional members from the respective Budget Directorate and the Office of the Accountant General to take part the ongoing fiscal harmonization.

END!