



CBS | BANGIGA DHEXE EE SOOMAALIYA
البنك المركزي الصومالي
CENTRAL BANK OF SOMALIA

PRESS STATEMENT

On 27th February, 2021– the Central Bank of Somalia issued today Mobile Money license to Hormuud Telecom under the provision of mobile money service within the Federal Republic of Somalia.

Speaking on the announcement in a highly organised ceremony held in Mogadishu, Mr. Abdirahman Abdullahi Mohamed, Governor of the Central Bank of Somalia, said:

“We are pleased to issue Hormuud Telecom as first ever mobile money licence granted by CBS”.

“Over the past 6 years, we have worked tirelessly to develop an internationally recognised regulatory framework for the financial ecosystem. We started with formalising and licensing the commercial banks and money transfer businesses (MTBs), now we are adding mobile money services, which make a significant part of the financial sector”.

“In formalising our existing digital payments infrastructure, we are accelerating the integration of Somalia’s financial system into the global economy and reduce the risk associated with unregulated market.”

According to World 2018 report, the service has reached a penetration rate of 73% (83% in urban areas), compared to a penetration rate of 15% for formal bank accounts. Somalia has one of the most active mobile money markets in the world, outpacing most other countries in Africa. Approximately 155 million transactions, worth \$2.7 billion, are recorded per month.

Licensing and regulating of Mobile Money service providers has been a key priority areas for the Central bank of Somalia with a view of ensuring financial inclusion, consumer protection and financial stability.

The ceremony was attended by officials from Federal Government of Somalia that includes Minister of Finance, Minister of Telecommunication, Post and Technology, Minister of Planning, Investment & Economic Development, Chairman of the National Communication Authority, the Director of Financial Reporting Center and Other officials.

The accreditation marks months of engagements and consultations between the mobile money service providers and the Central Bank of Somalia to establish internationally recognized regulatory frameworks for the mobile money services, as part of a wider reforms and formalisation of the financial sector by the Central bank of Somalia.