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LIQUIDATION AND TERMINATION OF THE ADMINISTERED ACCOUNT FOR SOMALIA

Approved By
Bernard Lauwers (FIN)
and **Yan Liu (LEG)**

Prepared by the Finance and Legal Departments

BACKGROUND

- 1. On December 18, 2019, the IMF Executive Board approved the establishment of the Administered Account for Somalia (the “Somalia Administered Account” or “SAA”) to facilitate fundraising for, and delivery of, debt relief to Somalia for obligations owed to the Fund.** The SAA’s purposes were: (a) receive contributions from Fund members and non-members to finance debt relief to Somalia; and (b) use these resources to make contributions under the Heavily Indebted Poor Countries (HIPC) Initiative debt relief to Somalia and to deliver “beyond-HIPC” debt relief to Somalia.¹
- 2. One hundred and two member countries and the European Commission (EC) (the “Contributors”) financed the SAA with total contributions of SDR 253.7 million (Table 1).** These contributions were facilitated by: (i) the partial distribution of SCA-1 resources amounting to SDR 122 million, and refunds of Somalia-related burden-shared deferred charges adjustments totaling SDR 120 million—as part of the financing package approved by the Executive Board in December 2019²; and (ii) cash grant contributions of about SDR 120 million from 13 donors, including the EC in the event there was a remaining financing gap.³

¹ On December 18, 2019, the IMF Executive Board also approved the establishment of the *Interim Somalia Subaccount* under the Framework Interim Account established by the IMF Executive Board in the context of Decision No. 16626-(19/103), effective 12/18/19, to serve as an interim vehicle for holding and administration of any SCA-1 balances and proceeds of deferred charges adjustments that member countries may wish to transfer to the Interim Somalia Subaccount pending finalization of their domestic procedures and instructions as to the deposition of their shares of such resources, including accrued interests..

² Fourteen members contributed their shares in the SCA-1 and deferred charges distribution to the PRG-HIPC Trust in lieu of contributions to IMF debt relief for Somalia.

³ [IMF Managing Director Kristalina Georgieva Announces Financing Milestone on Debt Relief for Somalia \(Press Release No. 20/70, 2/26/20\)](#) and [IMF Managing Director Kristalina Georgieva Welcomes Progress Toward Securing a Financing Plan for Debt Relief for Somalia \(Press Release No. 19/470, 12/18/19\)](#).

3. On December 13, 2023, Somalia reached its HIPC Completion Point and received full debt relief in the amount of SDR 250.43 million. During the interim period between the HIPC Decision and Completion Points, the IMF Executive Board also approved four tranches of HIPC interim assistance to Somalia in the total amount of SDR 4.81 million to cover 100 percent of debt service obligations falling due to the Fund during the interim period. The total debt relief delivered to Somalia since the HIPC Decision Point, including HIPC interim assistance, amounted to SDR 254.43 million and was financed using resources in the SAA.

4. Following the successful completion of debt relief to Somalia, staff assesses that the SAA has fulfilled its purpose and may now be liquidated and terminated. This is in line with Paragraph 10 of the SAA Instrument, which states that the account shall remain in effect for as long as necessary, in the judgement of the Fund, to conduct and to wind up the business of the account. The Instrument also provides that the remaining balance in the SAA shall be transferred to the PRG-HIPC Trust or returned to Contributors that request a refund of their pro-rata share or any portion of such share. The remaining balance in the SAA as of end-April 2025 amounted to SDR 12.2 million, of which SDR 4.7 million is available for disposition according to instructions received from 101 SAA contributing members (see below).⁴

5. As of April 30, 2025, 39 contributing members have requested a refund of their pro-rata shares in the SAA residual balance. Of these, 36 requested transfers of their pro-rata shares to their SDR holdings accounts, two to Euro-designated accounts, and one to a US Dollar designated account (approximately SDR 2.08 million, SDR 0.13 million, and SDR 0.79 million, respectively). As the EC was only a top up contributor in case any residual financing gap arose, it will be refunded its full share, the equivalent of which the EC directed as a special contribution to replenish Somalia's SDR holdings.

6. The pro-rata shares of the contributors who have not explicitly requested a refund, estimated at SDR 1.7 million as of April 30, 2025, will be transferred to the PRG-HIPC Trust on the liquidation date. In accordance with Paragraph 10 of the SAA Instrument, any balance remaining in the SAA on the date of its termination shall be transferred to the PRG-HIPC Trust, provided that a Contributor's pro-rata share, or any portion of such share, shall be distributed to the Contributor at the Contributor's request.

7. Conditional on the Board's approval of the proposed liquidation date, staff will send SWIFT communications to the fiscal agencies of 101 SAA contributing members informing them of the liquidation date, their updated pro-rata shares, and the disposition of these shares according to their instructions. These SWIFT communications will be used as the official instruction for disposition of each contributor's share.⁵

⁴ The remainder of the SAA balance would be available to refund the EC. In March 2024, the EC requested a full refund of its EUR 9 million contribution. Its support was intended as top-up funding in case other contributions were insufficient to cover the cost of debt relief. The top-up nature of the EC contribution was communicated to the Executive Board at the time of the notification on the financing assurances for Somalia's Decision Point.

⁵ A SWIFT message will not be sent to the Democratic Republic of São Tomé and Príncipe as its pro-rata share in the SAA residual balance is less than SDR 1.

PROPOSAL

8. Staff proposes to liquidate the remaining balance in the SAA and for the Board to decide to terminate the SAA on August 1, 2025. The termination of the SAA after liquidating its remaining balances upon the fulfillment of its purposes is consistent with the SAA Instrument. The liquidation of the SAA and the transfer of contributors' pro-rata shares, proposed to take place on August 1, 2025, will reflect the SAA balance as of July 31, 2025, and will coincide with the payment of quarterly interest accrued on the SAA balance between May 1, 2025, and July 31, 2025. A proposed decision to terminate the SAA as of August 1, 2025, is attached.

Proposed Decision

The following decision, which may be adopted by a majority of the votes cast, is proposed for adoption by the Executive Board:

The Fund considers the purpose of the Administered Account for Somalia (the "Account") has been fulfilled. Pursuant to Paragraph 10 of the Instrument for the Establishment of the Account, set forth in Decision No. 16626-(19/103), adopted December 18, 2019, the Account is hereby terminated effective August 1, 2025.

Table 1. Somalia Administered Account (SAA): Total Contributions and Remaining Balances by Contributor

(as of April 30, 2025)

Contributor	Total Contribution (in SDR)	Share in Total Balance	
		In SDR	In percent of total
1 Albania	38,946	742	0.02
2 Angola	52,743	1,005	0.02
3 Antigua and Barbuda	1,810	34	0.00
4 Australia	1,305,476	24,870	0.53
5 Azerbaijan	159,772	3,044	0.06
6 Bahamas, The	11,944	228	0.00
7 Bangladesh	703,480	13,402	0.29
8 Belgium	2,364,893	45,026	0.96
9 Belize	18,409	351	0.01
10 Benin	941	18	0.00
11 Botswana	74,156	1,413	0.03
12 Bulgaria	1,480,820	28,211	0.60
13 Burkina Faso	21,627	412	0.01
14 Burundi	11,120	212	0.00
15 Cabo Verde	141	3	0.00
16 Canada	2,695,528	51,352	1.09
17 Central African Republic	30,047	572	0.01
18 Chad	13,945	266	0.01
19 China	7,998,241	152,384	3.25
20 Congo, Republic of	30,000	572	0.01
21 Cote d'Ivoire	573,015	10,916	0.23
22 Cyprus	113,840	2,169	0.05
23 Czech Republic	739,916	14,099	0.30
24 Denmark	4,162,197	79,306	1.69
25 Dominica	6,926	132	0.00
26 Egypt	668,894	12,743	0.27
27 Equatorial Guinea	6,017	115	0.00
28 Estonia	50,000	953	0.02
29 Ethiopia	43,385	827	0.02
30 Finland	3,404,651	64,868	1.38
31 France	12,724,356	242,416	5.16
32 Gambia, The	10,000	191	0.00
33 Georgia	107,456	2,047	0.04
34 Germany	24,672,721	470,007	10.01
35 Ghana	380,926	7,257	0.15

Table 1. Somalia Administered Account (SAA): Total Contributions and Remaining Balances by Contributor (continued)

(as of April 30, 2025)

Contributor	Total Contribution (in SDR)	Share in Total Balance	
		In SDR	In percent of total
36 Greece	1,619,772	30,858	0.66
37 Grenada	4,653	89	0.00
38 Guinea	30,451	580	0.01
39 Guinea-Bissau	3,480	66	0.00
40 Haiti	64,240	1,224	0.03
41 Hungary	2,204,346	41,994	0.89
42 Iceland	93,981	1,790	0.04
43 India	3,460,751	65,930	1.40
44 Indonesia	2,366,995	45,112	0.96
45 Iran, Islamic Republic of	40,428	770	0.02
46 Ireland	1,239,756	23,618	0.50
47 Italy	13,020,273	247,968	5.28
48 Jamaica	200,000	3,810	0.08
49 Japan	15,529,520	295,813	6.30
50 Kazakhstan	303,438	5,781	0.12
51 Korea	4,433,365	84,465	1.80
52 Kosovo, Republic of	11,184	213	0.00
53 Latvia	146,599	2,793	0.06
54 Liberia	742,233	14,140	0.30
55 Lithuania	210,961	4,019	0.09
56 Luxembourg	125,618	2,393	0.05
57 Malaysia	1,164,758	22,189	0.47
58 Maldives	7,871	150	0.00
59 Mali	57,395	1,093	0.02
60 Malta	167,990	3,201	0.07
61 Mauritius	49,611	945	0.02
62 Morocco	693,305	13,208	0.28
63 Mozambique	1,502	29	0.00
64 Netherlands, The	3,436,476	65,447	1.39
65 Nicaragua	19,520	372	0.01
66 Niger	67,898	1,294	0.03
67 Nigeria	9,136	174	0.00
68 North Macedonia	95,509	1,820	0.04
69 Norway	2,105,762	40,119	0.85
70 Oman	160,301	3,054	0.07

Table 1. Somalia Administered Account (SAA): Total Contributions and Remaining Balances by Contributor (concluded)

(as of April 30, 2025)

Contributor	Total Contribution (in SDR)	Share in Total Balance	
		In SDR	In percent of total
71 Pakistan	2,357,752	44,917	0.96
72 Panama	191,869	3,655	0.08
73 Philippines	2,944,105	56,066	1.19
74 Poland	1,207,527	22,992	0.49
75 Portugal	1,633,674	31,114	0.66
76 Qatar	18,487,651	352,354	7.51
77 Rwanda	21,979	419	0.01
78 Sao Tome and Principe	1	-	-
79 Saudi Arabia	3,614,092	68,851	1.47
80 Senegal	124,431	2,371	0.05
81 Serbia, Republic of	675,326	12,865	0.27
82 Slovenia	168,765	3,188	0.07
83 Somalia	360,602	6,870	0.15
84 South Africa	508,490	9,687	0.21
85 South Sudan	1,050	20	0.00
86 Spain	3,460,891	65,937	1.40
87 Sri Lanka	653,380	12,447	0.27
88 St. Kitts and Nevis	1,972	38	0.00
89 St. Vincent and the Grenadines	582	11	0.00
90 Suriname	4,120	78	0.00
91 Sweden	3,200,986	61,007	1.30
92 Switzerland	7,959,939	150,005	3.20
93 Tanzania	70,373	1,341	0.03
94 Togo	35,605	678	0.01
95 Tunisia	705,312	13,437	0.29
96 Türkiye, Republic of	2,365,993	45,077	0.96
97 Uganda	84,168	1,603	0.03
98 Ukraine	3,181,530	60,610	1.29
99 United Kingdom	41,332,238	787,521	16.78
100 United States	32,159,941	612,668	13.05
101 Uzbekistan	126,298	2,406	0.05
102 Zimbabwe	279,914	5,333	0.11
Total	246,487,973	4,694,250	100.00
Memorandum items:			
European Commission	7,175,061		
SAA balance (as of April 30, 2025)		12,231,025	