



ANNUAL REPORT

2022/2023



This document is produced by
National Communication Authority (NCA).

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This year's cornerstone achievement was the successful facilitation of interconnection among telecommunications operators, a milestone that fosters a more competitive market environment and enhances connectivity across Somalia. This achievement underscores our commitment to creating a more connected and accessible Somalia.

DIRECTOR GENERAL FOREWORD

I am proud to present the Annual Report for the fiscal year 2022-2023 for Somalia's National Communications Authority (NCA). This year has been a remarkable growth, challenges, and accomplishments for our Authority and the Information and Communications Technology (ICT) sector in Somalia. Through our team's dedication and our stakeholders' support, we have made significant strides towards our vision of a digitally inclusive and competitive ICT market in Somalia.

This year marked the beginning of the implementation of our ambitious Strategic Plan for 2022-2027, a roadmap designed to enhance the telecommunications landscape in Somalia and ensure our nation remains at the forefront of technological advancement.

We were also honored with the prestigious ISO 9001:2015 certification, recognizing our unwavering commitment to quality excellence and adherence to the highest international standards in our regulatory processes. This certification is a testament to our dedication to implementing robust and effective regulatory frameworks that serve our nation's and its people's best interests.

Among our significant steps forward were launching the National Emergency Telecommunications Plan, which significantly bolstered our disaster response capabilities, and establishing the Spectrum Monitoring Operations Center, which guaranteed the optimal and fair utilization of Somalia's spectrum resources. Developing a comprehensive National 5G Strategy also positions Somalia at the forefront of the next wave of digital transformation. Our efforts have enhanced the regulatory framework and led to a remarkable increase in government revenue from regulatory fees. This marks the highest income from the telecommunications sector since the NCA's establishment. This achievement reflects the effectiveness of our regulatory policies and the growing vibrancy of Somalia's ICT sector.

Our strategic initiatives and commitment to excellence have laid a robust foundation for a digitally inclusive future, marking a new chapter in Somalia's journey towards becoming a leading player in the global digital economy. As we look to the future, the NCA remains committed to advancing our strategic goals, leveraging ICT to unlock economic growth, enhance social inclusion, and ensure a prosperous digital future for Somalia. We invite you to join us as we shape a more connected, competitive, and resilient digital Somalia.

**Director General,
National Communications Authority**

1. EXECUTIVE SUMMARY

The National Communications Authority (NCA) of Somalia proudly presents the Annual Report for the fiscal year 2022-2023, marking a period of transformative advancement and strategic achievements within the Information and Communications Technology (ICT) sector. This year, underpinned by the implementation of our inaugural Strategic Plan for 2022-2027, we have embarked on a visionary journey to redefine Somalia's telecommunications landscape, ensuring our nation remains at the forefront of technological progress.

Key achievements this year include successfully facilitating interconnectivity among telecommunications operators and significantly enhancing market competition and connectivity across the nation. This milestone improves access to vital communications services for citizens and businesses alike and signifies a significant leap toward our goal of creating a more connected and accessible Somalia.

In recognition of our commitment to quality and excellence, the NCA was honored with the prestigious ISO 9001:2015 certification, affirming our adherence to international standards in regulatory processes. This certification underscores our dedication to implementing robust and effective regulatory frameworks that serve our nation's and its people's best interests.

Launching the National Emergency Telecommunications Plan, which markedly strengthens our disaster response capabilities, was a significant step towards enhancing national emergency preparedness. Additionally, establishing the Spectrum Monitoring Operations Center guarantees the optimal and fair utilization of Somalia's spectrum resources, which is crucial in ensuring the efficient use of our telecommunications infrastructure.

Looking ahead, the NCA has developed a comprehensive National 5G Strategy, positioning Somalia at the vanguard of the next wave of digital transformation. This strategic framework lays the groundwork for adopting 5G technology, paving the way for innovation, enhanced connectivity, and economic growth. Our efforts have also focused on strengthening the regulatory framework, issuing new spectrum licenses, and improving the type approval system to ensure telecommunications equipment deployed in Somalia meets the highest quality and safety standards. These initiatives have contributed to a remarkable increase in government revenue from regulatory fees, marking the highest income from the telecommunications sector since the NCA's establishment in 2017.

This annual report details our unwavering dedication to improving market regulation, fostering competition, and aligning Somalia's ICT sector with global best practices. As we continue on this path, we are committed to shaping a more connected, competitive, and resilient digital Somalia, advancing towards a future where digital technology is a key driver of social and economic development.

Introduction

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2. Introduction

In the transformative period of 2022-2023, the National Communications Authority of Somalia (NCA) has made significant progress in improving the competition and innovation within the Information and Communications Technology (ICT) sector, setting the stage for a digitally inclusive and competitive ICT market. Since establishing the Authority, this year has been marked by significant achievements, underscored by developing and implementing our first Strategic Plan for 2022-2027. Through this visionary blueprint, we have embarked on an ambitious journey to enhance the telecommunications landscape in Somalia, ensuring that our nation remains at the cutting edge of technological advancement.

This year's cornerstone of our accomplishments was the successful facilitation of interconnection among telecommunications operators within the country. This significant milestone fosters a more competitive market environment and enhances connectivity across Somalia, ensuring citizens and businesses enjoy improved access to vital communications services. The importance of this achievement cannot be overstated, as it represents a leap forward in our mission to create a more connected and accessible Somalia.

Further elevating our credentials as a forward-thinking regulatory body, the NCA was honored with the prestigious ISO 9001:2015 certification. This is a testament to our unwavering commitment to quality, excellence, and adherence to the highest international standards in our regulatory processes. It underscores our dedication to implementing robust and effective regulatory frameworks that serve our nation's and its people's best interests.

In a significant step towards enhancing national emergency response and preparedness, the NCA launched the National Emergency Telecommunications plan Plan. This crucial initiative significantly bolsters our disaster response capabilities, ensuring that Somalia is better equipped to manage and respond to emergencies. Establishing the Spectrum Monitoring Operations Center represents another critical step forward, guaranteeing the optimal and fair utilization of Somalia's spectrum resources. This center plays a vital role in ensuring that our telecommunications infrastructure is used efficiently, minimizing interference and maximizing the benefits to our society.

Anticipating the demands for future technological advancement, the NCA developed a comprehensive National 5G Strategy. This strategic framework positions Somalia at the forefront of the next wave of digital transformation, ensuring that our nation is prepared to harness the benefits of this cutting-edge technology. By laying the groundwork for adopting 5G, we are paving the way for a future prosperous in innovation, enhanced connectivity, and economic growth.

Our efforts to strengthen the regulatory framework have been further strengthened by issuing new spectrum licenses and enhancing the type approval system. These measures ensure that telecommunications equipment deployed in Somalia meets the highest quality and safety standards, safeguarding our citizens and improving the reliability of our telecommunications infrastructure.

Notably, our initiatives have remarkably increased government revenue, with regulatory fees reaching fivefold higher than in previous years. This achievement marks the highest government income from the telecommunications sector since establishing the NCA in 2017, underscoring the effectiveness of our regulatory policies and the growing vibrancy of Somalia's ICT sector.

Each achievement outlined in this annual report reflects our unwavering dedication to improving market regulation and fostering competition and underscores our commitment to aligning Somalia's ICT sector with global best practices. We are proud to share our progress in shaping a more connected, competitive, and resilient digital Somalia. The year 2022-2023 has been a testament to the NCA's role as a catalyst for change within the ICT sector in Somalia. Our strategic initiatives and unwavering commitment to excellence have laid a robust foundation for a digitally inclusive future, marking a new chapter in Somalia's journey towards becoming a leading player in the global digital economy. Join us as we advance towards a future where digital technology is a key driver of social and economic development in Somalia.

Strategic Regulatory Framework and Implementation

3.1. NCA Strategic Plan (2022- 2027)

3.2. Interconnection between Operators

3.2.1. Interconnection Consumer
Survey

3.2.2. Telecommunications Price Survey

3.3. Spectrum Licensing and Resources
Management

3.4. Establishment of the Spectrum
Management Operations Center

3.5. Telecom Equipment Certification

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3. Strategic Regulatory Framework and Implementation

The “Strategic Regulatory Framework and Implementation” section describes the comprehensive regulatory strategies and initiatives deployed by the National Communications Authority of Somalia (NCA) to stimulate market competition and drive technological innovation within the telecom sector. This section explores developing and implementing a series of strategic measures, including formulating the National 5G Strategy, enhancing operator interconnectivity, advancing spectrum management practices, and improving regulatory standards such as the ISO 9001:2015 certification. Each subsection showcases the NCA’s commitment to fostering a robust, competitive, and innovative telecommunications landscape, detailing the authority’s efforts in spectrum licensing, equipment certification, emergency telecommunications planning, and the transition to next-generation network protocols.

3.1. NCA Strategic Plan (2022- 2027)

Last year, the National Communications Authority (NCA) developed its ambitious and forward-looking Strategic Plan for 2023 to 2027, laying the groundwork for transformative advancements within the Information and Communications Technology (ICT) sector. This document articulates a comprehensive strategy to foster a competitive ICT marketplace, ensuring wide accessibility to ICT services at affordable prices, facilitating access to public services and resources, and enhancing educational and social development. It signifies a robust commitment to connecting all Somali citizens to the rest of the world, driving towards a digitally inclusive society and accelerated socio-economic development in alignment with the Sustainable Development Goals.

The plan outlines the NCA’s strategic direction, focusing on operational excellence, regulatory reform, enhanced quality of service, and universal service obligations. Significant emphasis is placed on infrastructure development, particularly spectrum management and cyber security, to pave the way for a resilient and advanced ICT landscape. Through these strategic themes, the NCA aims to address critical challenges such as improving network coverage, fostering market competition, and ensuring sustainable development within the ICT sector.

The strategic objectives outlined in the plan are tailored to achieve universal access to ICT services, ensure efficient ICT markets, and promote the sustainable development of ICTs in Somalia. These objectives are supported by strategic initiatives to manage ICT regulatory resources, promote green ICT environments, upgrade national cybersecurity capabilities, and foster competition within the ICT sector. It represents a collaborative effort, incorporating insights from a thorough situational analysis that includes a PESTEL analysis and stakeholder mapping to identify key opportunities and threats within the external environment. It reflects a deep understanding of the dynamic and rapidly evolving ICT landscape and the NCA’s role in navigating these changes to realize its vision for a digitally empowered Somalia.

Table 1 summarizes the key Strategic Milestones.

Key Result Area	Strategic Objectives	Explanation
Access and Market Development	1. Achieve Universal Access to ICT Services	This objective aims at the achievement of universal access to ICT services for all in Somalia especially focusing on vulnerable groups.
	2. Ensure Efficient ICT Markets	This objective targets effective management of competition, the growth of the industry, and consumer benefits and protection.
	3. Ensure Sustainable Development of ICTs	This objective targets to ensure the availability of adequate resources to support the rollout of network infrastructure and services, and their sustainability while offering the necessary protections and assurance for the development of the ICT sector.
	4. Market analysis	Ensures a detailed assessment of the target market and competitive landscape within a specific industry
Enabling Environment	5. Ensure Appropriate Regulatory Environment	This objective targets the development and facilitation of an enabling environment to ensure that appropriate and responsive legal, regulatory, and licensing interventions are in place to facilitate industry development.
	6. Enhance Stakeholder Engagement and Communication	The objective aims at strengthening NCA's engagement with key stakeholders such as public, private and other agencies at local, regional, and international levels geared towards effectiveness and efficiency, while improving communication and building the Authority's brand.
	7. Enhance Partnership and Collaboration	This objective targets building strategic partnerships and collaborations at local and international levels so as to provide additional leverage for achieving NCA's vision.
	8. Management of Competition.	This objective is designed to help operators have a level playing field
	9. Consumer protection	Prevent unfair trade practices in consumer transactions
Capacity Development	10. Attain High Institutional Capacity and Performance Excellence	This objective targets continual and all round building of capacity of the NCA to bring about excellent performance. This includes human, technical, leadership, and management capacities; improvement and automation of processes and pursuit of operational excellence. The objective also aims at supporting the industry and sector capacity building.

	<p>11. Embrace Research and Innovation Culture</p>	<p>This objective aims to ensure that the NCA understands the dynamism in ICT technology and market trends and is able to be proactive by the building of requisite Research and Development organizational capacity and programme through synergistic collaborations with relevant agencies including universities.</p>
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Table 1: Strategic Milestones

Through this strategic plan, the NCA commits to a transparent, accountable, and innovative approach to regulation, emphasizing stakeholder engagement, partnership, and collaboration to harness the full potential of ICT for national development. It sets the direction for the NCA’s activities over the next five years. It aligns with broader national and international strategic goals, positioning the NCA as a pivotal player in Somalia’s journey towards becoming a leading digital economy in the region.

3.2. Interconnection between Operators



In February 2023, the telecommunications sector in our nation achieved a significant milestone with the successful implementation of interconnection among telecom operators. This development followed a series of extensive consultations and marked a transformative shift in operational dynamics, greatly benefiting consumers. The initiative’s success is primarily attributed to the effective application of the Communications Law, which emphasized transparency, fairness, and consumer protection. Historically, the absence of interconnection led to a fragmented sector, where ineffective competition and a diminished user experience prevailed due to operators working in isolation. This situation prompted the National Regulatory Authority to initiate a comprehensive approach to integrate the networks and implement the interconnection regulation and guidelines developed earlier, drawing on global best practices and detailed stakeholder engagements. The objective was to foster an interconnected ecosystem enabling seamless collaboration across operators, thus enhancing service delivery to consumers.

The journey towards implementing interconnection between telecommunications operators in Somalia has been a pivotal aspect of the National Communications Authority’s (NCA) mission to enhance communication services and further develop the nation’s communication infrastructure. Recognizing the critical nature of interconnection as outlined in the National Communications Law, the NCA embarked on this challenging but crucial process, which had seen several unsuccessful attempts due to operators’ hesitations based on previous experiences.

The push for interconnection was not just about compliance with the law but also about advancing the telecommunications market, fostering investment in technology and innovation, and, most importantly, serving the consumer’s right to more integrated and efficient communication services. The NCA facilitated discussions

among operators through rigorous regulatory, commercial, and legal frameworks, addressing contentious issues and exploring potential solutions through consultation meetings and capacity-building workshops. Key partners, including the World Bank and the International Finance Corporation (IFC), supported this collaborative effort. The process was successful due to the effective leadership and commitment of the Ministry of Communications and Technology (MOCT).

The process of implementing interconnection, from its initial attempts in 2014 to the landmark achievement in 2023, reflects a timeline of dedicated efforts toward effective regulatory development, stakeholder engagement, and overcoming challenges that previously hindered progress. The successful interconnection of operators in 2023, marked by the signing and submitting agreements between Hormuud, Golis, Somtel, Amtel, and Somlink, represents a significant advancement for Somalia’s telecommunications landscape.



Figure 1: Interconnection Implementation Process

In preparing for this milestone, the NCA developed several key documents, including the Interconnection Public Notice, Regulation, Technical Guidelines, Procedure, and Agreement Registration process, all designed to establish a comprehensive framework for facilitating and governing interconnection among licensed telecommunications service providers.

The successful implementation of interconnection is not seen as the conclusion of NCA’s efforts but rather a continuation of its commitment to consensus-building, technical and commercial facilitation, and ensuring the public’s access to improved communication services. The NCA’s engagement, consultation, and facilitation philosophy underscores its approach to addressing technical and commercial issues critical to the efficient functioning of telecommunications in Somalia. With most operators now interconnected, the focus shifts to encompassing all licensed operators, ensuring that the agreements are upheld, and monitoring the ongoing benefits to the public from these collaborative achievements.

Implementing interconnection between operators in 2023 marked a significant advancement in Somalia’s

telecommunications sector, substantially increasing consumer connectivity and usage. The positive impact of this development is underscored by the impressive surge in the volume of minutes exchanged between operators. Analyzing the data from February to August, the total exchange for the year amounted to approximately 6,799,075 minutes, confirming the successful integration and the efficiency of the interconnection initiative in enhancing the sector's operational capacity.

Interconnection has significantly invigorated market competition, providing a level playing field where operators of various scales can compete effectively. This has enabled larger operators to broaden their customer reach and network, while smaller operators have capitalized on existing infrastructures to optimize operational costs. The journey towards interconnection in our telecommunications sector represents a milestone of collaborative effort, vision, and strict adherence to the Communications Law. With continued support from the Telecommunications Regulatory Authority, telecom operators, and contributions from the IFC, the sector is poised for continued growth. Plans are underway to conduct a consumer satisfaction survey and review termination rates, ensuring the telecom landscape remains competitive and focused on consumer needs.

3.2.1. Interconnection Consumer Survey

The NCA conducted a preliminary survey to assess consumer satisfaction with the recently implemented interconnection services. The survey, which included a diverse sample of one hundred individuals, clearly showed the public's reception to these services. The findings revealed that 71% of the surveyed individuals had used the interconnection service, suggesting a solid uptake among the population. Moreover, satisfaction levels were high, with 83% of users expressing contentment with the services provided.

Despite the positive feedback, specific challenges were identified. Around 16% of users reported dissatisfaction with the quality of the service, indicating a need for technical improvements. The survey also highlighted economic concerns, with 77% of the respondents citing high tariffs as a significant issue, suggesting a demand for more affordable pricing structures. Furthermore,

there was a noticeable gap in service awareness, with 5% of participants indicating a need for more knowledge about the service, and 12% needed to be made aware of the interconnection services.

These results suggest that while the interconnection initiative has been largely successful from a consumer adoption standpoint, there is room for improvement in service quality, tariff adjustments, and public awareness. In response to these insights, the NCA prepared strategies to enhance service delivery and work with telecom operators to review pricing policies. Additionally, there is a clear opportunity for targeted educational campaigns to increase awareness and knowledge of interconnection services, ensuring that the benefits of improved connectivity reach all consumers. Overall, the feedback obtained from the survey will serve as a valuable guide for the NCA in further refining and advancing interconnection services.

3.2.2. Telecommunications Price Survey

National Communications Authority (NCA) has undertaken a comprehensive price survey from 2020 to 2023, offering a detailed analysis of the trends and transformations within the sector. This survey encompasses a wide array of services, including SIM card rates, local and international call rates, SMS rates, and internet data prices, providing invaluable insights into the pricing dynamics and affordability of telecommunications services in Somalia.

The telecommunications price survey underscores the significance of strategic pricing in bridging the gap between supply and demand, generating revenue, and fostering competition. The survey outlines different pricing approaches, such as demand-based, cost-based, and market-based pricing, highlighting the role of free market competition and regulatory oversight in achieving competitive pricing. Drawing from articles of the National Communication Law of 2017, the NCA's objectives include facilitating modern, sales-based communication services and advising on tariffs to strengthen competition.

Affordability and Global Rankings

Somalia's telecommunications services are recognized for their affordability regionally and globally. A 2020

study by Cable.co.uk ranked Somalia as the seventh cheapest global mobile data provider, a significant improvement from its ranking in 2019. Furthermore, ITU statistics showcase Somalia’s competitive standing in mobile data and voice consumption baskets, underscoring the country’s progress in making telecommunications services accessible and affordable.

Price Survey Findings (2020-2023)

The survey reveals several key findings:

- Prepaid SIM card rates have remained stable, with all operators providing a mix of local minutes, data, and SMS with every purchase.

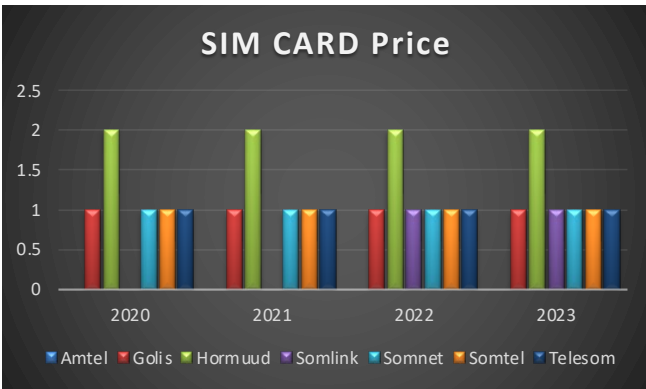


Figure 2: Prepaid SIM Card rates

- VIP SIM card rates vary, with prices ranging to accommodate consumer preferences.
- Local call rates per USD have increased, indicating improved service accessibility.

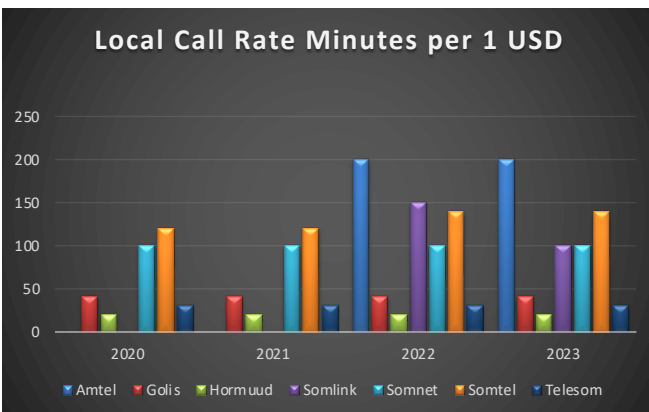


Figure 3: Local Call rate

- International call rates per USD have decreased, reflecting the NCA’s efforts to enhance global

connectivity.

- Local and international SMS rates per USD have experienced an uptick, with some operators maintaining stable prices.

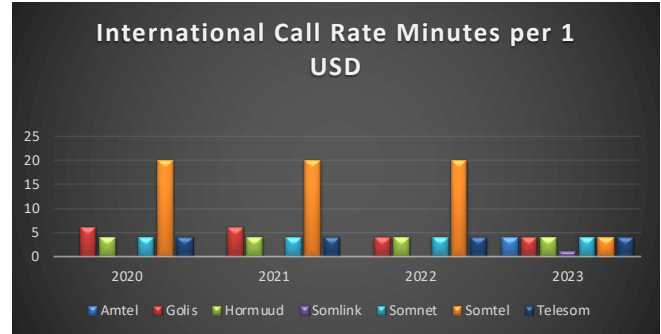


Figure 4: International Call rate

- Local call bundle rates have remained stable, offering consumers value-for-money packages.
- Internet data rates per GB per USD have significantly increased, illustrating the strides in boosting internet accessibility and affordability.

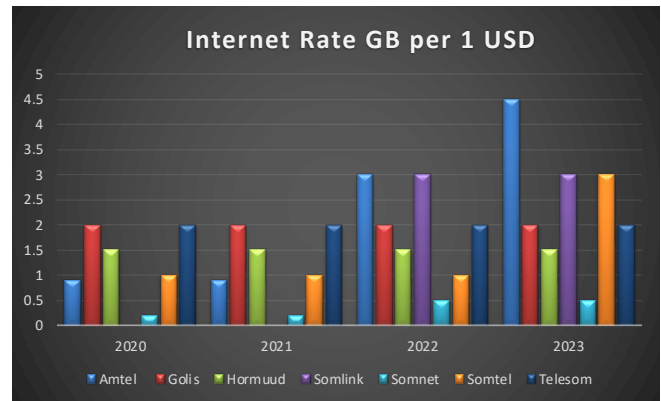


Figure 5: Internet Bandwidth Rate

The NCA’s Telecommunications Price Survey from 2020 to 2023 demonstrates Somalia’s advancements in the telecommunications sector. The survey highlights the affordability and competitiveness of Somalia’s telecommunications services and reflects the NCA’s commitment to ensuring transparency, fostering competition, and enhancing consumer protection. Through ongoing monitoring and regulation, the NCA continues to support the growth and development of the telecommunications industry in Somalia, paving the way for a digitally inclusive future.

3.3. Spectrum Licensing and Resources Management



Somalia's National Communications Authority (NCA) has taken significant strides in Spectrum Licensing and Resources Management in the last year. This action highlights our commitment to promoting a competitive and efficient telecommunications environment. By ensuring equitable access to spectrum resources and supporting the expansion and enhancement of telecom services across the nation, we aim to foster a more connected Somalia.

The NCA has actively ensured a transparent, equitable, and efficient process for issuing spectrum licenses over the past year. This regulatory activity is crucial for facilitating the equitable distribution of spectrum resources, enhancing network capacity and service quality, and improving the overall user experience. A notable achievement was that spectrum licenses were granted to several key telecommunications companies, including Amtel Somalia, Golis Telecom Somalia, Hormuud Telecom Somalia, Somtel Somalia, and Telesom Company. The granting of these licenses is a testament to our commitment to diversifying the telecommunication landscape in Somalia, supporting established operators in enhancing connectivity, and fostering innovation in their offerings. This strategic decision supports the broader goal of expanding telecommunications services and promoting digital inclusivity while also contributing to the growth and competitiveness of the telecom industry in Somalia.

Our approach to Spectrum Licensing and Resources Management is characterized by strategic oversight and forward-looking governance. By optimizing the use of spectrum resources, mitigating interference, and ensuring that spectrum allocation meets the diverse

needs of the telecommunications sector, we aim to unlock the potential of Somalia's digital economy. These efforts underscore our dedication to enhancing national security and promoting socio-economic development through improved telecommunication services. The NCA remains committed to creating a more connected, competitive, and technologically advanced Somalia through effective spectrum licensing and resource management. Issuing spectrum licenses plays a pivotal role in promoting investment in the Information and Communication Technology (ICT) sector.

Enhancing Certainty for Investors

By granting spectrum licenses, regulatory authorities provide a clear and stable legal framework for companies to operate. This certainty is crucial for investors and telecom operators, as it assures them of their legal right to use specific parts of the spectrum for a defined period. Such regulatory clarity reduces the perceived risks associated with investments in telecommunications infrastructure, network expansion, and service enhancement. Knowing that their operations are sanctioned and protected by law encourages both domestic and international investors to commit substantial resources to the ICT sector.

Stimulating Market Competition

The issuance of spectrum licenses fosters a competitive market environment by allowing multiple players to enter the industry. Competition encourages companies to innovate, improve service quality, and reduce prices, benefiting consumers and the economy. A vibrant, competitive landscape attracts investment by demonstrating the sector's dynamism and potential for growth as companies seek to capitalize on the opportunities presented by a diverse and competitive market.

Encouraging Infrastructure Development

Spectrum licenses are fundamental for the development of telecommunications infrastructure. With the legal right to use specific frequencies, companies are more inclined to invest in the infrastructure required to launch or expand their services. This includes deploying next-generation network technologies, such as 5G, which require substantial investment in

hardware and software. Possessing a spectrum license, which guarantees the exclusive right to operate within specific frequency bands, significantly bolsters the promise of a return on these investments.

Fostering Innovation and Technological Advancement

The allocation of spectrum licenses is also a key driver of innovation and technological advancement in the ICT sector. With secure access to spectrum resources, companies are more likely to invest in research and development activities to create new services, applications, and technologies. This enhances the service offering and customer experience and contributes to the country's technological advancement. Issuing spectrum licenses is a fundamental regulatory action that promotes investment in the ICT sector by providing certainty, stimulating competition, encouraging infrastructure development, fostering innovation, and attracting foreign direct investment. These activities collectively enhance the sector's contribution to economic growth and development, making it an attractive avenue for local and international investors.

3.4. Establishment of the Spectrum Management Operations Center



The National Communications Authority (NCA) of Somalia marked a monumental development in telecommunications regulation and spectrum management with the official inauguration of its Spectrum Monitoring Operations Center (SMOC) in Mogadishu. This pivotal development signifies a leap towards optimizing spectrum utilization and delivering nationwide efficient and comprehensive telecommunications services.

The Spectrum Monitoring Operations Center is set to become Somalia's cornerstone of spectrum oversight. Equipped with cutting-edge monitoring technology, SMOC will play a crucial role in observing and analyzing spectrum usage nationwide. Its capabilities are designed to detect unauthorized or illegal spectrum activities and swiftly address interference issues, ensuring that the spectrum's allocation and use are conducted according to best practices and regulatory standards.

By offering real-time data and analytical insights, the Center will empower the NCA with the necessary tools to make informed decisions regarding spectrum management. This will facilitate the efficient distribution of spectrum resources, crucial for delivering diverse and uninterrupted telecommunication services to the Somali public.

Establishing the Spectrum Monitoring Operations Center is a testament to the NCA's dedication to fostering a conducive environment for the telecommunications industry. By promoting innovation and fair competition, SMOC is expected to catalyze advancements in service quality and technological deployment within the sector. The Center's operationalization is a key milestone in the NCA's continuous efforts to upgrade

its spectrum management capabilities, aiming to ensure a seamless communication experience for all citizens.

The Spectrum Monitoring Operations Center's significance cannot be overstated. It represents a critical investment in Somalia's telecommunications sector's technological infrastructure and reflects a commitment to adhering to international best practices in spectrum management.

Through the SMOC, the NCA reinforces its role as a key promoter of Somalia's digital future, ensuring that the spectrum – a national resource – effectively supports its journey towards a fully connected and digitally empowered society.

3.5. Telecom Equipment Certification

The National Communications Authority (NCA) of Somalia has taken a decisive step forward in ensuring the integrity and safety of the telecommunications infrastructure by notifying all stakeholders within the communications and technology sector of crucial regulatory provisions. These provisions mandate that importing and investing in telecom equipment without prior approval from the NCA and the Somalia Bureau of Standards (SoBS) is prohibited, as Article 59 of the Communications Law outlines. This regulation underscores the commitment to maintaining a fair and competitive market while safeguarding the interests and safety of consumers and licensees alike.



An important Memorandum of Understanding (MoU) was signed during a significant joint event in Mogadishu, attended by the esteemed H.E. Hussein Ulusow, Deputy Minister of Communications and Technology. This MoU, agreed upon by NCA Director General Mustafa Yasin and SoBS Director General Hawo Hassan, lays the groundwork for developing procedures to address the type of approvals for communications and technology products imported into Somalia.

The MOU emphasized that all telecom equipment, irrespective of its origin, is required to undergo the necessary approval process jointly conducted by the NCA and SoBS. In addition, the 'Type Approval' process ensures that equipment adheres to the stipulated standards, mitigating any potential health risks or interference with other licensees.

The notice also emphasizes that telecom equipment currently in use without certification from the NCA must undergo the certification process without delay. Non-compliance not only constitutes a legal violation but also poses a risk to the stability and functionality of the telecom infrastructure.

The importance of securing approval before investing in communications equipment and the illegality of operating without proper authorization must be addressed. The NCA stands ready to enforce compliance through penalties, fines, or license revocation.

In light of these regulations, the NCA urges all licensed operators to diligently review their telecom equipment inventory and take the requisite steps toward compliance. This initiative ensures adherence to legal and safety standards and cultivates Somalia's reliable, competitive, and consumer-friendly telecommunications environment.

Restoration and Management of Somalia's Satellite Communications Resources

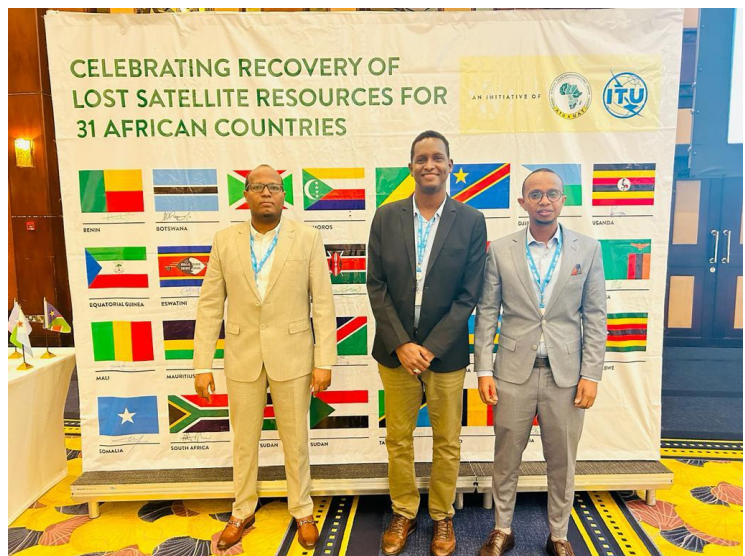
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4. Restoration and Management of Somalia's Satellite Communications Resources



In an era where digital connectivity and telecommunications play pivotal roles in economic and social development, Somalia has achieved a monumental milestone by successfully securing vital broadcasting satellite orbital resources. This landmark accomplishment, resulting from a year-long effort by the National Communications Authority (NCA) of Somalia, marks a significant leap in the country's broadcasting and telecommunications sector and aligns seamlessly with the strategic objectives outlined in ITU's Resolution 559. The fruition of these efforts was celebrated alongside 31 African nations at the World Radio Communication Conference (WRC-23) held in Dubai, underscoring a collective success for enhanced connectivity and technological infrastructure.



Reacquiring satellite orbits for Somalia is paramount and cannot be emphasized enough. Satellite communications offer unparalleled advantages in broadening access to information, enabling efficient disaster management, and fostering economic growth through enhanced connectivity. For Somalia, a country striving towards digital transformation and national development, securing these satellite orbits opens up new vistas for innovation in telecommunications and media broadcasting. It ensures the availability of a reliable digital infrastructure that supports diverse communication needs, from broadband internet access to satellite TV, thus bridging the digital divide and promoting inclusivity.



The secured satellite orbits give Somalia multiple ways to acquire how information and services are delivered across Somalia and to the world. Improved connectivity facilitates access to education, healthcare services, and government initiatives, reaching even the most remote areas. In the media and broadcasting realm, it paves the way for more comprehensive coverage and diverse content delivery, enriching the cultural and informational landscape of the country.

The journey to this achievement was fueled by the dedication and efforts of the NCA, underlining a strategic vision to harness satellite technology for national benefit. Throughout the year-long effort, the NCA engaged in negotiations, technical analyses, and collaborations with international bodies such as the African Telecommunications Union (ATU) and the International Telecommunications Union (ITU). This process involved securing the satellite orbits and ensuring they met international standards and requirements for use in broadcasting and telecommunications. It set a precedent for responsible and equitable utilization of satellite resources.

This accomplishment is a testament to Somalia's commitment to overcoming challenges and leveraging technology for the greater good. It signifies a leap towards realizing the vision of a connected and technologically empowered Somalia. The successful management and restoration of satellite communications resources are not merely a technical achievement but a strategic asset that attracts foreign investment, boosts technological innovations, and promotes trade. Moreover, it enhances border surveillance and emergency response capabilities, underscoring the multifaceted benefits of satellite technology in national development and security.

Through strategic planning, international cooperation, and a clear vision, the NCA has created a transformative impact on the country's telecommunications landscape, paving the way for a sustainable and inclusive digital society.

Launching of National Emer- gency Telecom- munication Plan (NETP)

5



5. Launching of National Emergency Telecommunication Plan (NETP)

In a significant stride towards developing Somalia's disaster response capabilities, the National Communications Authority has officially launched the National Emergency Telecom Plan (NETP) with commendable foresight and dedication. This launch occurred during a multi-stakeholder workshop on the Common Alert Protocol in Mogadishu, symbolizing a collective effort to establish a unified and efficient communication system during emergencies.



This workshop, a convergence point for critical stakeholders, including the Somali Disaster Management Agency (SODMA), telecom operators, civil defense, and various ministries, marks a unified effort towards enhancing communication efficiency in times of crisis. The collaboration across these sectors underscores the NETP's comprehensive approach, integrating inputs from diverse domains to fortify Somalia's disaster management capabilities.

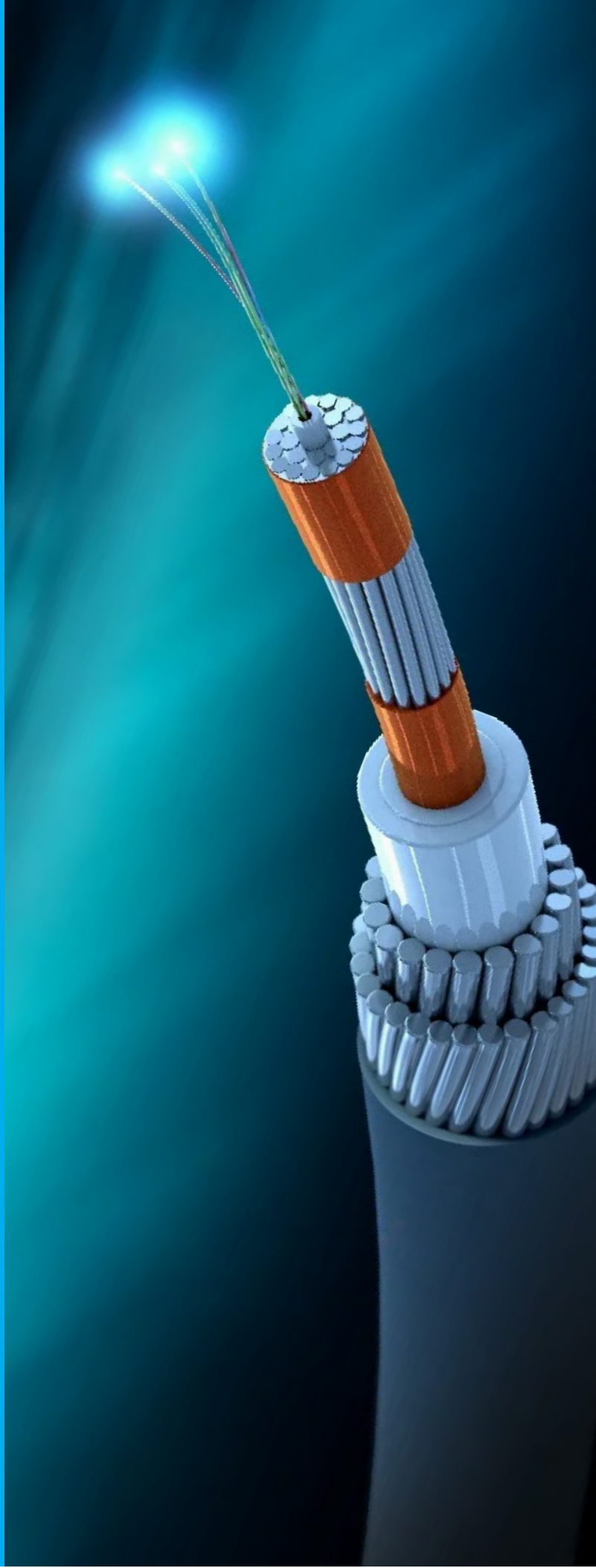
The NETP articulates a strategic framework to ensure communication availability during all phases of disaster risk management. By promoting coordination across government levels, public and private organizations, and at-risk communities, the NETP is a testament to Somalia's commitment to leveraging ICTs and Telecom in disaster management. This plan not only presents policies, organizational structures, and coordination methods across the DRM phases but also highlights the critical role of telecommunications in disaster preparedness, response, recovery, and mitigation.

Spanning a comprehensive document, the NETP outlines detailed action items and phases crucial for enhancing and updating Somalia's telecom/ICT plans for disaster risk management. From developing comprehensive legal, policy, and institutional frameworks to integrating telecom/ICT components into Somalia's disaster management strategies, the NETP proposes actionable steps to strengthen the nation's resilience against natural hazards. These efforts are complemented by initiatives to maintain updated vulnerability maps, develop a robust network inventory, and foster institutional regulatory frameworks that support the active participation of telecom/ICT networks in disaster management phases.

The launch of the NETP marks a milestone in Somalia's journey towards an integrated and effective disaster management system. With the support of international organizations such as the ITU and a multi-stakeholder approach, including public, private, and international actors, Somalia is prepared to enhance its national resilience and ensure swift and effective communication during emergencies. This strategic initiative not only aims to safeguard the well-being of its citizens but also sets a precedent for comprehensive disaster management and communication preparedness in the region.

Harmonized Strategic Framework for Submarine Cable Licensing

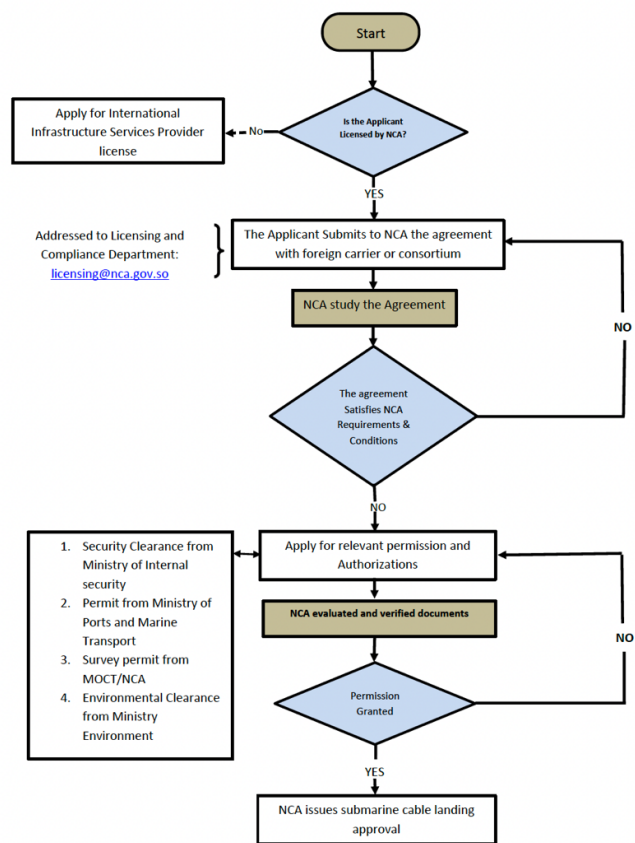
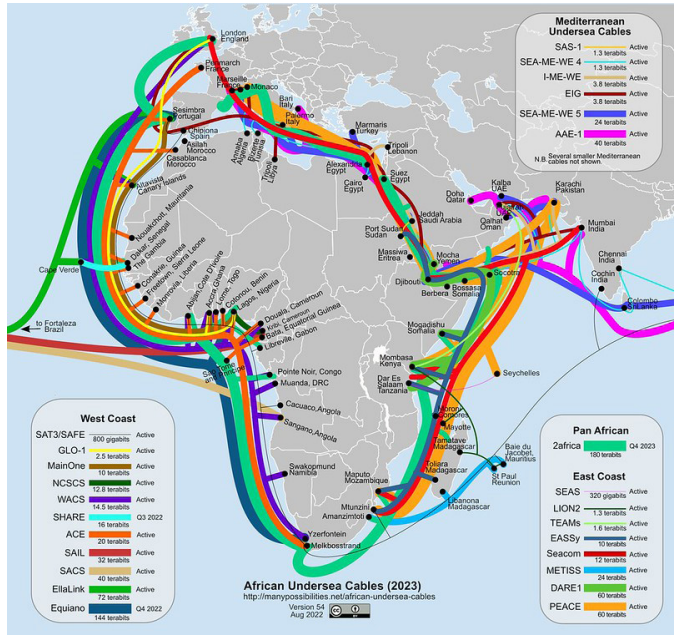
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6. Harmonized Strategic Framework for Submarine Cable Licensing

To improve Somalia’s role in global digital connectivity, the National Communications Authority (NCA) has developed a strategic initiative to unify and streamline the licensing and permit processes essential for submarine cable operations. This initiative harmonizes necessary permissions across various governmental tiers, including security clearances from the Ministry of Internal Security, permits from the Ministry of Ports and Marine Transport, environmental clearance from the Ministry of Environment and Climate Change, and survey permissions from the Ministry of Communications and Technology, alongside the NCA’s stringent licensing criteria. This unified framework simplifies the regulatory pathway for submarine cable operators and promises transparent, efficient navigation through Somalia’s compliance requirements. It aims to minimize bureaucratic barriers, accelerate deployment timelines, and nurture an inviting climate for international investment. Furthermore, it ensures rigorous adherence to national regulatory standards, bolstering the resilience and sustainability of Somalia’s telecommunication infrastructure and endorsing environmental and security best practices.

The NCA’s strategic framework for submarine cable licensing has become a cornerstone in fortifying Somalia’s digital infrastructure, defining a comprehensive guideline to facilitate the seamless introduction of submarine cables within Somali territorial waters. It prescribes a structured acquisition process for all requisite permits and clearances from relevant ministries, guaranteeing a secure and proficient establishment of submarine infrastructures. This approach prioritizes national security, environmental stewardship, and international cooperation by highlighting a layered licensing methodology. Through this refined strategy, the NCA is set to enhance Somalia’s internet bandwidth and connectivity, driving economic advancement and fostering global integration. This initiative aligns with international standards, positioning Somalia as a global connectivity network hub.



Achievement of Quality Management Excellence

QUALITY
ASSURANCE



7

7. Achievement of Quality Management Excellence

The National Communications Authority (NCA) has notably achieved the ISO 9001:2015 Certification, setting a precedent as the first government agency within the nation to be awarded this international quality management standard. This certification is a testament to NCA's continuous commitment to adopting and implementing global best practices in quality management and operational excellence. The certification process involved an intensive evaluation, including developing a quality management system, a thorough review of management system documentation, and a comprehensive general assessment. This certification underscores a significant leap in NCA's endeavors to enhance institutional excellence and operational methodologies, marking a transformative phase in its operational protocols.



The importance of obtaining the ISO 9001:2015 Certification extends beyond a mere award; it signifies NCA's dedication to facilitating the development of communications and technology within Somalia. By adhering to the highest international standards for quality management, NCA demonstrates its capacity for continual improvement and its role as a catalyst for positive change within the government sector. The ISO certification showcases NCA's pledge towards excellence and its determination to redefine the quality of services and management within the public sector.

Moreover, implementing the ISO 9001:2015 standards brings numerous benefits, including alignment with Sustainable Development Goals (SDGs), increased preparedness and resilience in crisis management, enhanced public sector productivity, and facilitation of the Ease of Doing Business Act. It fosters an environment where continuous quality improvement is sought after and inherently integrated into the organization's operational fabric. This strategic accomplishment by the NCA enhances its internal processes and significantly contributes to the broader national and international objectives, reinforcing Somalia's commitment to quality, excellence, and sustainable development.

Innovation and Technology

8.1. National 5G Strategy

8.2. Formulating the National IPv6 Transition Strategy

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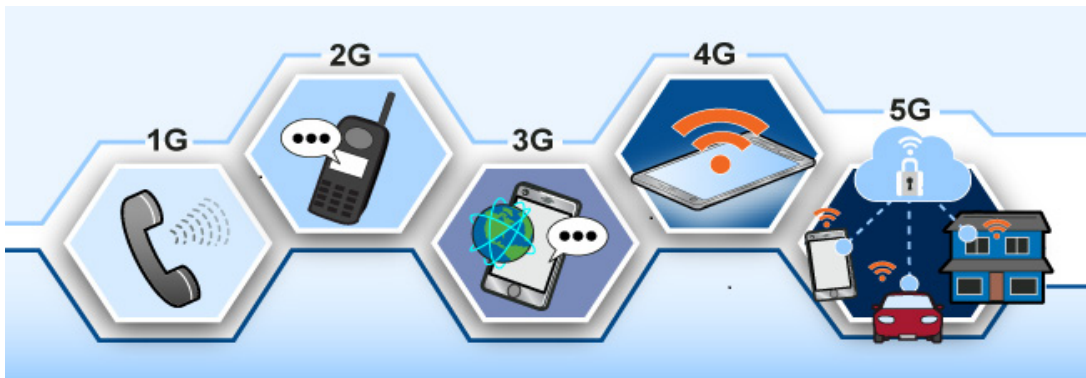


8. Innovation and Technology

The “Innovation and Technology” section of our report outlines pivotal advancements in telecommunications that are set to redefine Somalia’s digital landscape. Highlighted within this segment are two strategic initiatives: the National 5G Strategy, which aims to pilot a new era of high-speed connectivity, facilitating transformative economic and social benefits, and the formulation of the National IPv6 Transition Strategy, designed to address the evolving internet protocol needs, ensuring seamless, future-proof network expansion and interoperability across global digital ecosystems. These initiatives underscore our commitment to leveraging cutting-edge technology for national development.

8.1. National 5G Strategy

The National 5G Strategy developed by the National Communications Authority of Somalia (NCA) represents a comprehensive blueprint to revolutionize the country’s digital landscape by deploying 5G technology. This strategic initiative is founded on extensive public consultation with stakeholders in the ICT sector, the government, and other relevant parties. It seeks to establish nationwide 5G coverage, ensuring high-speed internet and advanced communication services are accessible and affordable across all regions. The strategy is committed to driving economic growth, fostering innovation, and developing a robust regulatory framework to ensure fair competition and consumer protection. Additionally, it emphasizes the importance of research and infrastructure security, aiming to position Somalia as a regional leader in 5G advancements while delivering tangible societal benefits across various sectors. Through this strategic approach, the NCA seeks to bridge the digital divide, enhance public safety, and improve healthcare and urban development, leveraging the transformative potential of 5G technology to better Somalia’s society.



Source: GAO analysis of Congressional Research Service data.



5G Strategy Objectives	Strategic Initiatives	Key Outputs
<p>1. Comprehensive Connectivity</p>	<p>a) Achieve nationwide 5G coverage, ensuring access in both urban and rural areas.</p> <p>b) Promote digital inclusion by making 5G accessible and affordable for all.</p> <p>c) Promotion of infrastructure sharing between the operators to enhance network availability and reduce deployment costs.</p>	<p>1. 25% 5G Network Coverage by 2027</p> <p>2. 30% Reduction in Digital Divide</p> <p>3. 20% Lower Deployment Costs: Through infrastructure sharing among operators.</p>
<p>2. Effective Regulation and Policy Development</p>	<p>a) Development of a Comprehensive Regulatory Framework: Establish clear guidelines and regulations for 5G deployment, including spectrum allocation, infrastructure development, and service delivery standards.</p> <p>b) Promotion of Fair Competition and Consumer Protection: Implement policies to ensure a competitive 5G market, protect consumer interests, and prevent monopolistic practices.</p>	<p>1. Finalize and publish the 5G spectrum allocation, infrastructure sharing regulations, and quality of service standards regulations</p> <p>2. Improve the market competitiveness by having at least 3 operators providing competitive 5G services.</p> <p>3. Enhance consumer protection measures leading to a 20% increase in consumer satisfaction ratings within 18 months, as indicated by surveys on service quality and pricing fairness.</p>
<p>3. Secure Infrastructure and Risk Management</p>	<p>a) Implement robust cybersecurity measures to protect 5G infrastructure.</p> <p>b) Establish risk management frameworks to address vulnerabilities and threats in the 5G network.</p> <p>c) Promote collaboration for security standards and best practices with global and industry partners.</p>	<p>1. Finalize and deploy cybersecurity measures within 6 months, aiming for zero breaches related to 5G infrastructure annually.</p> <p>2. Risk Management Framework Establishment: Create and apply a comprehensive risk management framework for the 5G network within 9 months, reducing identified risks by 50% within the first year.</p> <p>3. Security Collaboration Index: Develop and initiate at least three international or industry partnerships for security standards within the first year, aiming for a 20% increase in compliance with global best practices annually.</p>

8.2. Formulating the National IPv6 Transition Strategy

The formulation of Somalia’s National IPv6 Transition Strategy signifies a groundbreaking step towards modernizing the nation’s digital infrastructure, aligning with the Federal Government’s vision to emerge as a regional leader in the digital economy. This strategy, developed in collaboration with the International

Telecommunication Union (ITU), focuses on transitioning to IPv6 to address the burgeoning demand for internet access and support advanced technologies such as 5G and IoT. By establishing clear milestones and objectives, including a 25% internet penetration rate by 2030, the strategy aims to enhance internet connectivity, foster economic growth, and ensure the efficient allocation of IP addresses to support current and future digital needs. The strategic initiatives encompass awareness programs, readiness assessments for key stakeholders, training plans for ICT talents, and establishing regulatory sandboxes to facilitate innovation. The implementation, guided by an IPv6 Task Force, envisions phases from preparation and dual-stack operation to monitoring and adjustments, ensuring a smooth transition and achieving targeted internet growth, reflecting Somalia's commitment to its digital transformation journey.

The strategy has outlined a series of milestones and target dates as part of its IPv6 Transition Strategy. Key initiatives include establishing the Somalia IPv6 Task Force by May 2024 to boost stakeholder awareness and engagement. IPv6 Awareness Workshops are planned for August 2023, and certification courses are set for December 2024 to equip engineers with vital IPv6 skills. The strategy also envisions the creation of IPv6 Test Lab Facilities by February 2025 and acquiring additional IPv4 & IPv6 addresses to achieve a 25% internet penetration rate by 2030. The goal is to ensure full IPv6 compliance. SO ccTLD by July 2024 and the implementation of full-scale commercial IPv6 services by September 2025, moving towards a robust, future-proof internet infrastructure for Somalia.



Improving the Telecommunications Quality of Services

9



9. Improving the Telecommunications Quality of Services

The National Communications Authority has established a Telecommunications Traffic Monitoring and Quality of Service regulation to enhance Somalia’s telecommunications sector’s integrity and service quality. This regulation aims to foster transparency, ensuring that telecom operators provide accurate revenue reporting, thus building trust within the sector. It also enforces compliance with financial and taxation laws to maintain fair industry play. The system aims to prevent revenue leakages, protect consumer interests by ensuring billing accuracy, and promote fair competition. Additionally, it supports the Authority in policy formulation, streamlining revenue collection, and providing valuable data for forecasting industry trends and making informed decisions for future investments. This comprehensive approach underlines the NCA’s commitment to upholding accountability, optimizing financial operations, and enhancing the overall quality of telecommunications services in Somalia.



An effective data collection system shapes the telecommunication sector’s policies and regulations. It enables the National Communications Authority to accurately analyze the market, ensuring telecom operators’ compliance with financial and operational regulations. This system is also crucial for protecting consumers, as it facilitates monitoring billing practices to prevent overcharges and fosters competitive pricing. Ultimately, the data collected drives policy development tailored to the real needs and behaviors of the market, reinforcing consumer rights and promoting a fair and transparent telecommunications ecosystem.

Consumer Complaint Handling Mechanism

10.1. Consumer Complaint Handling Mechanism

10.2. Consumer Complaint Platform

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10. Consumer Protection Initiatives

The “Consumer Protection Initiatives” section of the National Communications Authority’s annual report highlights our steadfast commitment to safeguarding consumer interests in the telecommunications sector. This section explores the mechanisms for managing consumer complaints and ensuring customer grievances are addressed quickly and effectively. With the development of a dedicated Consumer Complaint Handling Mechanism and the launch of a user-friendly Consumer Complaint Platform, the NCA reinforces its dedication to transparent service provision and the empowerment of consumers in Somalia.



10.1. Consumer Complaint Handling Mechanism

The Consumer Protection and Complaint Management system established by the National Communications Authority (NCA) of Somalia encapsulates a careful approach to upholding the rights and interests of consumers within the telecommunications sector. Based on the mandates of the Communications Act of 2017, this system demonstrates a legal and regulatory commitment to ensuring transparency, compliance, billing accuracy, and consumer well-being. Establishing a dual-component platform comprising consumer and licensed service provider complaint tabs embodies the NCA’s dedication to balanced oversight.

The Consumer Complaint Handling Mechanism, accessible via the NCA’s official website, offers a structured, step-by-step procedure allowing consumers to report issues efficiently. This includes a comprehensive form that captures the nature of complaints, ranging from quality of service issues to billing inaccuracies and unethical behavior. The mechanism stipulates a timeline for the NCA’s investigative response, ensuring that consumers receive timely and appropriate resolutions to their grievances. Conversely, the platform extends to service providers, enabling them to raise concerns regarding their operational and competitive challenges. The aim is not only to address immediate issues but also to continuously improve the telecommunications ecosystem.

This system, implemented with a focus on transparency and accountability, fosters an environment where consumer rights are safeguarded and the principles of fair competition are rigorously enforced. By incorporating provisions for consumers and service providers, the NCA showcases its proactive stance in nurturing Somalia’s healthy, competitive, and consumer-friendly telecommunications landscape.

10.2. Consumer Complaint Platform



Somalia's National Communications Authority (NCA) has significantly increased consumer protection efforts by developing an online Consumer Complaint Platform. This platform provides a critical touchpoint for consumers to voice their concerns and submit complaints about telecommunications services. Upon submission, the system processes these complaints with a notification timeline that spans 3 to 10 days, based on the severity of the issue raised.

The platform ensures that complaints are promptly forwarded to the concerned operators for resolution, standing as a testament to the NCA's commitment to improving service quality and strengthening consumer rights. Its effectiveness is reflected in the increasing trust and satisfaction reported by consumers, marking a notable enhancement in consumer protection in the telecommunications sector in Somalia.

Financial Overview



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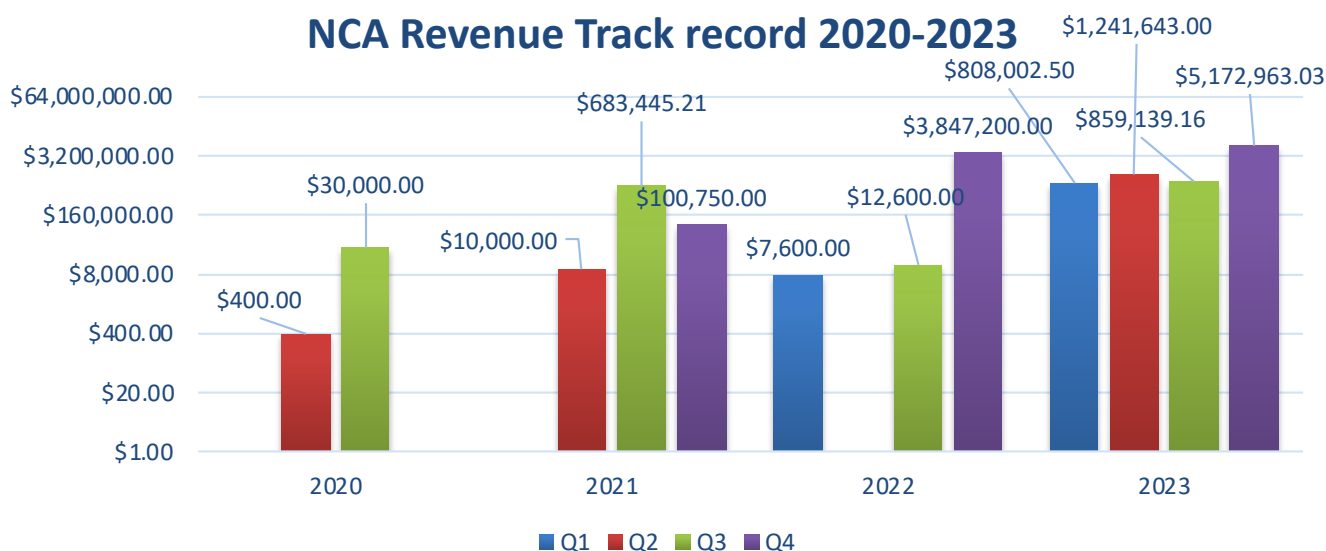
11. Financial Overview

The revenue analysis from 2020 to 2023 reveals substantial growth for the National Communications Authority, with an exceptionally remarkable performance in the last quarter of 2022 and 2023. This came after the newly appointed Director General, Mustafa Yasin Sheikh, took over the office in the previous quarter of 2022.

In addition, the growth in revenue collection by the Authority can be attributed to the establishment of the ECF benchmark that necessitated the Federal Government of Somalia (FGS) to formulate a comprehensive spectrum fee schedule for telecommunications operators, a mandate allowed by the National Communications Authority (NCA). This fee schedule, officially approved in September 2022, is projected to bolster the Authority’s revenue streams, with an anticipated increment of \$6 million annually in spectrum fees, and the authority enforced the collection of all regulatory fees applicable to the telecom sector, including Licensing fees. Implementing this aligns with strategic financial objectives and demonstrates the Authority’s commitment to fostering a regulated and financially sustainable telecommunications sector.

NCA Revenue Analysis 2020-2023

The analysis of quarterly revenues presents a noteworthy growth, particularly in the first quarter (Q1), where a notable transition from zero revenue in 2020 and 2021 to a substantial increase to \$808,002.50 in 2023 is observed. This upward trajectory is mirrored in the second quarter (Q2), evolving from a modest \$400 in 2020 to an impressive \$1,241,643 in 2023, reflecting the enhanced efficiency in revenue collection from telecommunications operators and the effective enforcement of licensing terms and conditions. The trend continues into the third and fourth quarters, showcasing significant year-over-year growth, with the fourth quarter (Q4) highlighting a robust end-of-year performance. This is attributed to the collection of annual spectrum fees from telecom operators, underscoring the sector’s strong financial health and operational efficiency.



The annual revenue progression from a modest \$30,400 in 2020 to surpassing \$8 million in 2023 underscores the National Communications Authority’s remarkable operational efficacy and enhanced revenue generation capabilities. The year 2022 marked a pivotal moment, with revenue increasing nearly fivefold from the preceding year, a momentum that continued with more than doubling revenue into 2023. This sustained upward trend in revenue collection reflects the Authority’s successful scaling of its operations and adherence to licensing terms and conditions. Furthermore, it highlights the necessity of examining the strategic initiatives undertaken during this period to maintain and further accelerate growth. In summary, the revenue trajectory of the Authority is on a significantly positive path, demonstrating strategic insight and a strong operational framework.

Annual Financial Statements

A detailed comparison between the financial years 2022 and 2023 provides a clear view of the Authority's performance. The Somali Financial Management Information System (SFMIS) records all financial information, and the analysis was made based on that information, which has been instrumental since the Authority's establishment in mid-2018. A detailed financial statement is shown in Appendix A.

The report reflects on the Authority's financial year 2023; the authority achieved significant milestones in revenue growth and sector regulations; in the meantime, the authority faced challenges that are still pending. These challenges should be addressed to overcome daily operational challenges and meet the level for similar authorities in benchmarking countries. These challenges include.

- 1. Budgetary Constraint:** The Authority has experienced inconsistent budget allocations, undermining financial planning and operational consistency. However, the operational budget needs to be increased to cover the Authority's day-to-day activities, potentially affecting the execution of its mandate and the effectiveness of its regulatory oversight.
- 2. Non-Disbursement of Collected Revenue:** Despite successfully collecting revenues, the Authority does not always benefit directly from these funds due to a lack of allocation of these revenues for its use, which can limit reinvestment into core regulatory functions.
- 3. Inadequate Funds for Capacity Building:** More funds need to be allocated for training and development, which is crucial for maintaining a skilled workforce capable of adapting to the rapidly evolving telecommunications sector.
- 4. Capital Expenditure Constraints:** The NCA needs more capital expenditure funding, which is essential for long-term investments in infrastructure and technology that support regulatory activities.

Suggested Solutions to Overcome Challenges:

To address these budget challenges, the following solutions could be considered:

- 1. Establishment of Funding Mechanisms:** The government should allow the authority to smoothly utilize the budget allocation from the National budget and prioritize the authority commitments.
- 2. Revenue Allocation for Operational Costs:** Article 8 of the National Communications Act 2017 states that the Authority should receive a certain percentage of collected revenues to fund its operations, ensuring a steady income stream.
- 3. Capital Investment Strategy:** The Authority should develop a long-term capital investment strategy with multi-year funding commitments from the government. This could be supplemented by exploring alternative financing mechanisms, such as public-private partnerships for significant infrastructure projects.

By instituting these measures, the NCA can establish a more robust financial sustainability, ensuring that it can continue to regulate effectively and adapt to the changing needs of the telecommunications sector. Finally, The National Communications Agency remains dedicated to advancing our mission while upholding the highest standards of fiscal governance. This report serves as a record of our financial journey and a blueprint for sustainable growth and innovation in the years to come.

Capacity Building and Human Resource Development

- 12.1. National Communications Authority Hosts Successful Girls in ICT Day in Somalia
- 12.2. NCA and ITU Conduct the IPV6 Strategy Development Workshop in Somalia
- 12.3. Communications Alert Protocol (CAP) Workshop

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12. Capacity Building and Human Resource Development

12.1. National Communications Authority Hosts Successful Girls in ICT Day in Somalia

To cultivate a diverse and skilled workforce within the Information and Communication Technology (ICT) sector, the National Communications Authority (NCA) of Somalia, in collaboration with the National Telecommunication and Technology Institute (NTTI), has taken significant strides through the organization of the Girls in ICT Day Somalia. This initiative aligns with the global campaign organized by the International Telecommunication Union (ITU) aimed at breaking down gender barriers and fostering female participation in the technology domain.



The Girls in ICT Day event inspires and empowers girls and young women across Somalia, encouraging them to explore and pursue studies and careers in the ICT field. The event's rich agenda included seven free blended training workshops to equip 100 participating girls with essential skills across various ICT disciplines. Topics ranged from web development and graphic design to cybersecurity, computer networks, e-commerce, and communication skills,

offering a comprehensive exposure to the breadth of opportunities within the ICT sector. Moreover, the event was highlighted by a competition that challenged female participants to engage critically with issues such as Tech Entrepreneurship, Educational Resources, and Climate Change within the Somali context, proposing innovative ICT-driven solutions.

Feedback from participants, like Fatima Mohamed Abukar, a 3rd-year Computer Science student, underscores the transformative impact of Girls in ICT Day. Fatima's testimonial reflects the depth of learning and engagement facilitated by the event, encouraging further participation and highlighting the program's role in equipping young women with the knowledge and skills required in the ever-evolving ICT landscape.

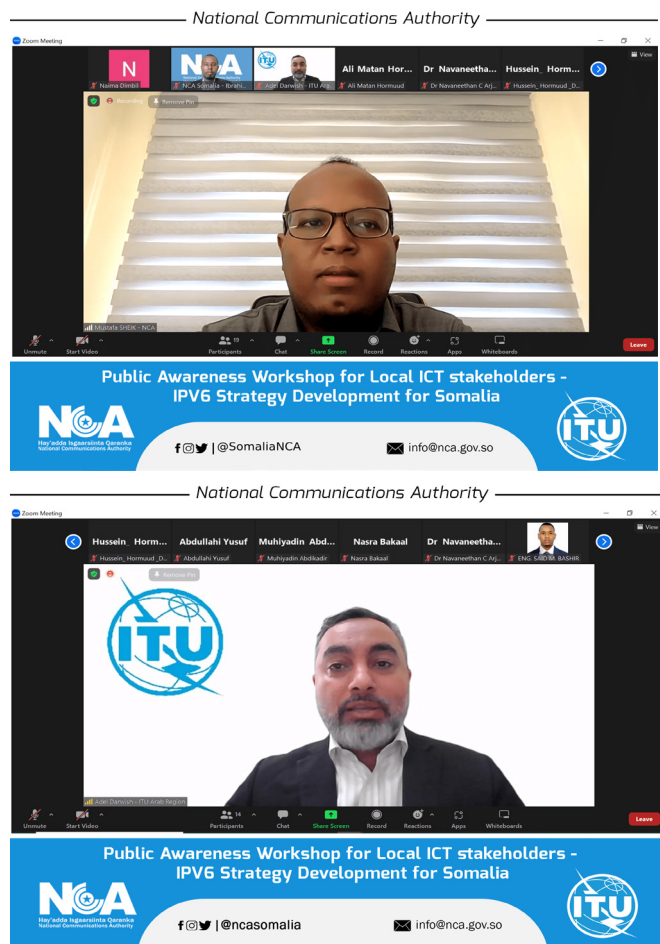
Since its inception in 2018, NCA's commitment to celebrating Girls in ICT Day has empowered over 300 girls, establishing the event as a critical platform for inspiring and mobilizing young women towards careers in ICT. This initiative contributes to the diversification of the ICT workforce and plays a vital role in bridging the gender gap within the technology industry in Somalia. Through these efforts, the NCA reaffirms its dedication to capacity building and human resource development, fostering a more inclusive, skilled, and dynamic ICT sector.

12.2. NCA and ITU Conduct the IPv6 Strategy Development Workshop in Somalia

In an ambitious move towards digital transformation, the National Communications Authority (NCA) of Somalia, in strategic partnership with the International Telecommunication Union (ITU), spearheaded a crucial initiative by organizing a comprehensive workshop on developing an IPv6 strategy for Somalia. This endeavor reflects a proactive approach to embracing the next generation of internet protocol technologies, highlighting the country's commitment to keeping pace with the rapid advancements in the global digital landscape.

The workshop, spanning two days, convened a wide array of stakeholders, encompassing government representatives, network operators from the private sector, academia, and members of civil society organizations. The gathering aimed to forge a unified pathway from the current IPv4 system to the more advanced and secure IPv6 protocol. Given the IPv6

protocol's capacity to significantly expand the pool of available IP addresses and enhance security features, its adoption is deemed essential for the sustainable growth and development of the internet ecosystem in Somalia.



Participants engaged in in-depth discussions to assess the present status of IPv6 adoption within the country, pinpointing challenges that might impede progress and opportunities that could accelerate the transition. The workshop served as a valuable platform for sharing insights and drawing from the experiences of other nations that have successfully navigated the shift to IPv6, offering a rich source of best practices and lessons learned.

Prominent figures delivered keynote speeches, such as Mr. Mustafa Yasin, the Director General of the NCA, who underscored the critical importance of adopting IPv6 for the future prosperity of Somalia's digital economy. He thanked the ITU for their support and expertise in facilitating the workshop. Adel Darwish, Head of the ITU's Arab Region, also emphasized the collaborative effort required from all stakeholders to develop and implement an effective IPv6 strategy.

12.3. Communications Alert Protocol (CAP) Workshop

In an initiative to improve disaster response mechanisms, the National Communications Authority (NCA) conducted a dedicated workshop on the Common Alert Protocol (CAP) in collaboration with the International Telecommunications Union (ITU) and the Somali Disaster Management Agency (SoDMA). This workshop represents a pivotal moment in the nation's commitment to leveraging technology for enhanced emergency preparedness and response.

The Common Alert Protocol (CAP) is a cornerstone of modern emergency communication systems, designed to facilitate fast and efficient information dissemination during crises. Its significance lies in its ability to unify multiple communication platforms, ensuring critical alerts reach a broad audience through diverse mediums, including radio, television, and mobile networks. By adopting CAP, Somalia positions itself to significantly improve the timeliness and effectiveness of its emergency communications, ultimately saving lives and minimizing disaster impacts.

The workshop united various crucial stakeholders, signifying a nationwide collaborative effort to fortify Somalia's disaster resilience. Participants included representatives from the Somali Disaster Management Agency (SODMA), key telecom operators, civil defense units, the Ministry of Health, the Ministry of Interior, and various civil society organizations. This gathering underscored the collective resolve to develop a cohesive and robust communication framework capable of responding to emergencies swiftly and efficiently.

The workshop aimed to lay the groundwork for a unified emergency communication system underpinned by the CAP through engaging discussions and strategic planning. This system is envisioned to streamline the process of alerting and informing the public and emergency responders in times of crisis, thereby enhancing the overall emergency response infrastructure in Somalia. The collective expertise and insights shared during this event are instrumental in driving forward the implementation of the NETP, ensuring that Somalia's emergency communication capabilities are equipped to meet the challenges of

both today and tomorrow.

12.4. Introduction to Ethical Hacking Workshop

As part of our commitment to enhancing cybersecurity capabilities, personnel from the National Communications Authority participated in an “Introduction to Ethical Hacking Training” in Nairobi, Kenya. The program provided a solid foundation in ethical hacking, essential for identifying and exploiting system vulnerabilities—skills crucial in mirroring and defending against hacker strategies. Participants engaged in intensive, practical exercises that simulated real-world cyber threats, enhancing their ability to navigate complex cyber vulnerabilities.

The training covered many topics, including penetration testing techniques and the ethical dimensions of vulnerability assessments. Expert instructors equipped our team with both technical and ethical insights necessary for cybersecurity professionals. These newly acquired skills are invaluable to the NCA’s mission to safeguard digital integrity and ensure the security of our nation’s communications infrastructure, thus bolstering our capacity to protect against emerging cyber threats.



Ministerial Cabinet Approves Cybersecurity Bill

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13. Ministerial Cabinet Approves Cybersecurity Bill



In a significant stride towards enhancing cybersecurity, the Federal Government of Somalia achieved a crucial milestone with the cabinet's approval of the Cybersecurity Bill on November 9, 2023. This legislation represents a proactive commitment to mitigating the escalating issues associated with cybercrime, reflecting the government's dedication to safeguarding its digital landscapes.

As Somalia and other developing nations experience a surge in internet utilization, the benefits of increased communication, education, and economic expansion are tempered by heightened vulnerabilities in the digital domain. The enactment of the Cybersecurity Bill is a commendable step forward in addressing these vulnerabilities. It is anticipated to deter cybercriminal activities, enhance overall cybersecurity measures, and facilitate the prosecution of cybercriminals, thereby fortifying the nation's digital integrity and security.



Somali National Cybersecurity Forum

Theme:

"Securing Somalia's Digital Future"



14. Somali National Cybersecurity Forum

In a key initiative to strengthen digital security, the National Communications Authority of Somalia (NCA), with its cybersecurity arm, SOMCERT, and the Ministry of Communications and Technology (MoCT), successfully convened the inaugural Somali National Cybersecurity Forum. This landmark event was held on October 29, 2023, in Mogadishu as part of the global fulfillment of Cybersecurity Awareness Month under the apt theme “Securing Somalia’s Digital Future.” The forum assembled diverse stakeholders, including government officials, leaders from the communications sector, financial institutions, and civil society organizations, to deliberate on safeguarding Somalia’s cyberspace.



During the forum, Mr. Mustafa Yasin Sheikh, the Director General of the NCA, delivered a compelling opening address underscoring the critical nature of cybersecurity. He stated, “The NCA recognizes the inherent risks in an increasingly interconnected world. We are committed to working closely with all stakeholders to develop robust cybersecurity frameworks, foster information sharing, and enhance technical capabilities to ensure the resilience of Somalia’s digital ecosystem.” Additionally, the Head of the Cybersecurity Department at the NCA provided an insightful presentation on the advancements in cybersecurity within Somalia, highlighting the nation’s proactive steps towards enhancing its digital security infrastructure.

Enhancing Global Collaboration

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15. Enhancing Global Collaboration

15.1. Global Symposium for Regulators (GSR-23), Sharm El-Sheikh, Egypt

The NCA’s engagement at GSR-23 highlighted Somalia’s commitment to adopting global best practices in telecommunications regulation. Mr. Mustafa Yasin Sheikh, the NCA director, participated in discussions on national strategies and the importance of fostering cooperation between telecommunications authorities worldwide. His insights on public-private partnerships and inter-agency coordination underscored the NCA’s approach to enhancing the telecommunications sector. The NCA successfully shared Somalia’s strategic vision and gathered insights into effective regulatory practices, fostering an environment conducive to innovation, competition, and consumer protection.



15.2. ITU Regional Development Forum for Arab States (RDF-ARB) 2023, Manama, Bahrain

Under the leadership of H.E. Jama Hassan Khalif, the NCA's participation in the RDF-ARB 2023 emphasized Somalia's dedication to digital advancement and regional cooperation. The forum served as a vital platform for discussing the challenges and opportunities in the Arab region's communication sector. A significant milestone was signing a framework cooperation agreement with the ITU, focusing on ICT development areas, which positions Somalia to enhance its digital infrastructure and connectivity significantly.

15.3. World Radiocommunication Conference (WRC-23), Dubai

The NCA's presence at WRC-23, represented by Somalia's Minister of Communication and Technology and the NCA's Director General, reaffirmed the country's engagement in global spectrum management discussions. This participation underscored Somalia's role in contributing to and benefiting from international best practices in spectrum utilization. Somalia's active involvement facilitated the exchange of knowledge and experiences, enabling the NCA to align its spectrum management strategies with global standards and practices, ensuring efficient use of radio-frequency spectrum for national development. Also, through the conference, the NCA secured vital broadcasting satellite orbital resources through groundbreaking development. This achievement, marking the end of a rigorous year-long process, aligns with the objectives of ITU's Resolution 559 and represents a significant leap in Somalia's broadcasting and telecommunications sector.



Through these strategic engagements, the NCA underscores its commitment to global collaboration and knowledge exchange and secures tangible achievements towards enhancing Somalia's telecommunications framework. These contributions highlight the NCA's role in steering the nation toward a more interconnected and digitally advanced future.

Future Outlook

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16. Future Outlook



As we move forward, Somalia's National Communications Authority (NCA) is poised to embark on a strategic journey toward enhancing the telecommunications landscape for 2023 – 2024. Our comprehensive goals and objectives are designed to propel Somalia into a new era of digital inclusivity and economic prosperity based on the strategic plan 2022-2027.

Access and Market Development

1. **Achieve Universal Access to ICT Services:** Our goal is to develop regulations and guidelines to ensure that everyone in Somalia, particularly the most vulnerable, can access ICT services. Universal access is pivotal in bridging the digital divide and fostering inclusivity in digital services.
2. **Ensure Efficient ICT Markets:** We aim to stimulate industry growth by effectively managing competition while safeguarding consumer benefits and protection. This will ensure a dynamic and competitive ICT market that benefits all stakeholders.
3. **Ensure Sustainable Development of ICTs:** We are committed to developing sustainable ICT infrastructure and services. This encompasses securing the necessary resources for network rollouts and guaranteeing their sustainability, providing a solid foundation for the sector's growth.

Enabling Environment

4. **Ensure Appropriate Regulatory Environment:** The NCA is dedicated to creating and maintaining an enabling environment through appropriate legal, regulatory, and licensing frameworks. These interventions will facilitate the continued development of the telecommunications industry.
5. **Enhance Stakeholder Engagement and Communication:** Strengthening our engagement with local, regional, and international stakeholders is crucial. Enhanced communication and strategic engagement practices will bolster the NCA's effectiveness, efficiency, and brand reputation.
6. **Enhance Partnership and Collaboration:** Building strategic partnerships and collaborations, both locally and internationally, will provide us with additional leverage to realize our vision. These alliances are instrumental in sharing knowledge, best practices, and resources.
7. **Management of Competition:** Ensuring a level playing field for all operators is essential for fostering a healthy and competitive market environment. The NCA will implement measures to promote fair competition, benefiting consumers and the industry.

As we look to the future, the NCA is renewing its commitment to these strategic goals and objectives. Our focus remains on leveraging the power of ICT to unlock economic growth, enhance social inclusion, and ensure a prosperous digital future for Somalia. Through diligent planning, robust stakeholder engagement, and strategic collaborations, we are confident in our ability to navigate the challenges ahead and seize the opportunities in the ever-evolving telecommunications landscape.

Appendix A: Financial Statements 2022/2023

Introduction

This report presents the Annual Financial Report for the National Communications Authority for the fiscal year ending December 31, 2023. This report provides a comprehensive overview of the Authority's financial activities, accomplishments, and strategic financial management that has guided us through the year-end of December 2023. It is prepared in compliance with the Financial and Accounting Procedures Act of 1961 (amended in 1972) and adheres to the cash basis of International Public Sector Accounting Standards (IPSAS) reviewed in 2017. The authority demonstrated its commitment to transparency, accountability, and excellence in public service. This report showcases the financial milestones achieved during the year and reflects our unwavering dedication to fiscal responsibility and the effective management of resources.

Financial Statements Overview

The authority's financial statement encompasses all financial activities within its budget allocations and reflects the final budgetary outcomes. The total amounts detailed in these statements represent the culmination of our fiscal year's efforts and are a testament to our strategic planning and financial stewardship.

Revenue Collection and Expenditure Activities of the Federal Government of Somalia

The Ministry of Finance is solely responsible for the revenue collection and expenditure of the Federal Government of Somalia. It transfers all collected revenue to the Treasury Single Account (TSA) that the government holds at the Central Bank of Somalia. Funds paid out or directed to any government Agency are disbursed from this TSA; therefore, any transfer from the government, which is the allocated budget for the fiscal year, becomes income for the government agencies. The total expenditures of the National Communications Authority amounting to US \$600,828.00 were directly transferred from the Central Treasury Account (TSA), indicating that the Authority received an equivalent income without any surplus or

deficit at the end of the Fiscal Year 2023.

Financial Performance Analysis

A detailed comparison between the financial years 2022 and 2023 provides a clear view of the Authority's performance. The Somali Financial Management Information System (SFMIS) records all financial information, and the analysis was made based on that information, which has been instrumental since the Authority's establishment in mid-2018

Government Accounting and Budgeting Practices

In accordance with the PFM Act 2019, The Authority follows robust and consistent accounting and budgeting practices based on the IPSAS cash-basis accounting system. This approach ensures that the Authority's financial reporting is transparent and aligns with the government's broader financial management frameworks.

Statement of Cash Flows for Fiscal Year 2023

The Statement of Cash Flows for the Fiscal Year 2023 delineates the financial dynamics and cash management strategies the Authority employs within the Federal Government of Somalia's broader fiscal framework. This statement provides an analytical and detailed breakdown of the cash inflows and outflows, summarizing the Authority's fiscal operations and project financing over the period.

For 2023, the Authority reported a total cash flow of \$1,092,390, comprising two primary components: Direct Payments from the Treasury amounting to \$600,828 and contributions from a Scaled-Up Project totaling \$491,562. In comparison, the preceding fiscal year, 2022, witnessed a higher total cash flow of \$1,404,365, with Direct Payments from the Treasury at \$913,050 and a nearly identical Scaled-Up Project contribution of \$491,315.

The variance between the two fiscal years amounts to a decrease of \$311,975 in total cash flow from 2022 to 2023. This reduction is primarily attributed to the decline in Direct Payments from the Treasury by \$312,222, slightly offset by a marginal increase in the Scaled-Up Project contribution of \$247. Such

fluctuations highlight the Authority's challenges in getting the budget allocation from the government within the fiscal year.

Financial Assets and Liabilities Overview

For the Fiscal Years 2022 and 2023, the Financial Position of the National Communications Authority closed without any surplus.

Fixed Assets

Given the Federal Government of Somalia's adoption of the Cash Basis Accounting System, expenses incurred in acquiring tangible assets or major equipment are not recorded in the Government's Assets and Liabilities Overview. Therefore, these expenses are recognized as ordinary expenditures. However, government agencies must maintain a registry of fixed assets, which is then annexed/submitted with the annual financial statements.

During the fiscal year 2023, the National Communications Authority acquired fixed assets, including a Spectrum Monitoring System. This equipment, procured through the National Procurement System in 2019, had its outstanding balance paid off in 2023. Additionally, the Authority acquired a limited amount of office equipment, bringing the total value of assets to \$519,697.35 (Five Hundred Nineteen Thousand Six Hundred Ninety-Seven Dollars and Thirty-Five Cents).

However, the non-current assets of the National Communications Authority for FY 2022/2023 stood at **817,737.35** USD.

The Federal Government of Somalia has initiated a comprehensive plan to ensure the systematic registration of all its tangible assets within the Government's Financial Management Information System (SFMIS). This directive mandates that all Ministries and Authorities accurately maintain and report data about their tangible assets as part of their annual financial disclosures. This initiative aims to enhance transparency and accountability in

managing state assets, facilitating their inclusion in the government's annual financial statements.

Aligned with the Public Financial Management (PFM) Act of 2019, the government is also developing and implementing a unified regulatory framework and policy concerning the management of fixed assets. This framework is intended to standardize procedures across all government entities for identifying, valuing, and classifying fixed assets. It is envisioned that this policy will provide a structured approach to asset management, ensuring that fixed assets are accurately represented in the Government's Statement of Financial Position at the end of each fiscal year upon the availability of verified asset information.

Statement Of Budget Comparison with Actuals at the End of the Year

The funds disbursed from the Central Treasury for direct payments to service providers by the Authority during the Fiscal Year 2022 amounted to US \$600,828.00. This represents a decrease of -34.91% or (-\$312,222.00) compared to the previous period. The details of these expenditures are illustrated in Figure 2.

The methodology and principles underlying the preparation of the country's Budget and the closing accounts are identical. This comparison considers the financial year (January 1 to December 31) and the categorization of budget headings. The Authority's original budget was \$847,884.00, approved by the parliament in December 2022 with the reference number 00014/2023, and no revisions or changes were made.

- The budget allocation for Employee Salaries in 2023 was US \$517,855. Compared to the actual budget utilized by the Agency, it accounted for 92% of the allocated budget.
- The expenditure for materials & services in 2023 was \$82,973. Compared to the actual budget the Agency utilized, this represents 30% of the allocated budget.

Summary Table of Documents, Regulations, and Strategies Developed

Document/Regulation/Guideline/Strategy/Activity	Description
NCA Strategic Plan (2022-2027)	Comprehensive strategy to enhance the telecommunications landscape in Somalia.
Interconnection Regulation and Guidelines	Regulation and technical guidelines to facilitate interconnection among telecom operators.
National Emergency Telecommunications Plan (NETP)	Plan to enhance national disaster response capabilities through improved telecommunications.
National 5G Strategy	Strategy to deploy 5G technology across Somalia, ensuring high-speed connectivity.
National IPv6 Transition Strategy	Strategy to transition from IPv4 to IPv6, addressing evolving internet protocol needs.
Spectrum Licensing Procedures	Procedures to ensure equitable and efficient spectrum resource allocation.
Telecom Equipment Certification Regulations	Regulations requiring prior approval for telecom equipment to ensure compliance with standards.
Harmonized Strategic Framework for Submarine Cable Licensing	Framework to streamline licensing processes for submarine cable operations.
Communications Alert Protocol (CAP)	Protocol to improve emergency communication systems, ensuring swift information dissemination.
Establishment of the Spectrum Monitoring Operations Center (SMOC)	Center established to optimize spectrum utilization and ensure efficient telecommunications services.
Girls in ICT Day	Event organized to inspire and empower girls to pursue studies and careers in the ICT field.
IPv6 Strategy Development Workshop	Workshop conducted to facilitate the transition from IPv4 to IPv6 in collaboration with ITU.
Common Alert Protocol (CAP) Workshop	Workshop conducted to improve disaster response mechanisms and emergency communication.
Introduction to Ethical Hacking Workshop	Training provided to enhance cybersecurity capabilities among NCA personnel.
Restoration of Satellite Communications Resources	Efforts to secure vital satellite orbital resources, enhancing Somalia's digital connectivity.
Interconnection Implementation Among Telecom Operators	Successful facilitation of interconnection among telecom operators to improve market competition and connectivity.



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