

**DECISION ON THE DEBT CANCELLATION AS A MEANS TOWARDS
ENHANCING PEACE, SECURITY, DEVELOPMENT AND
DURABLE SOLUTIONS FOR DISPLACED SOMALIS
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The Assembly,

1. **TAKES** note of the Report;
2. **MINDFUL** of the critical role and stake that the African Union has, through the African Union Mission to Somalia (AMISOM), in seeing a peaceful, stable, and financially self-sufficient Somalia;
3. **RECOGNISES** that in re-emerging from decades of conflict, the Federal Republic of Somalia must undertake the immense task of reconstruction and development to establish the foundations of lasting peace and stability, thereby establishing favourable conditions for investment and employment creation;
4. **COGNISANT** of the AU's theme of 2019, "Year of Refugees, Returnees and Internally Displaced Persons in Africa: Towards Durable Solutions to Forced Displacement", Somalia is critically in need of the financial and technical assistance from the international community for the provision of durable solutions for displaced Somalis;
5. **COMMENDS** the Federal Government of Somalia for its determined efforts at socio-economic recovery through its eighth National Development Plan (NDP) and the forthcoming ninth NDP;
6. **ACKNOWLEDGES** that the Federal Government of Somalia and subnational tiers of government have meagre resources, both domestic and external, to stimulate economic recovery and reduce poverty, that are needed to allow Somalia to transition to a country of lasting peace and development;
7. **NOTES** that years of conflict in Somalia have resulted in the accumulation of arrears owed to external creditors, including bilateral and multilateral creditors, constraining the ability of Somalia to obtain external resources for reconstruction and development;
8. **BEARING IN MIND** that Somalia is among the last remaining eligible countries which are still to benefit from the Heavily Indebted Poor Country (HIPC) Debt Relief Initiative, an internationally agreed upon framework for providing comprehensive debt relief to low-income countries that qualify for the Initiative;
9. **AWARE** of the need for Somalia to normalize its financial relations with external creditors, thus unlocking financial resources for the country's stabilization,

reconstruction, development and poverty reduction, including for the provision of durable solutions for displaced Somalis;

10. **NOTES WITH SATISFACTION** the Somali Government's commitment to resolving its external debt problem through establishing good economic and financial governance and through the implementation of much needed reforms, including Somalia's third IMF Staff Monitored Programme ending mid-2019;
11. **EXPRESSES** its full support and continued solidarity with the Somali people and their Government in their quest for normalization of financial relations with external creditors and full debt cancellation;
12. **URGES** Somalia's external creditors, especially the International Financial Institutions (IFIs) that have pledged financial support to step up their good faith efforts and accelerate: the normalization of financial relations with Somalia to fulfil their promises, the unlocking of development resources for the country and the full resolution of the external debt overhang;
13. **AWARE** that a number of AU Member States are among Somalia's external creditors;
14. **CALLS UPON** AU Member States that are Somalia's external creditors to fully cancel Somalia's debt obligations in the spirit of African solidarity; **REQUESTS** that the Commission facilitates debt cancellation discussions between Somalia and AU Member State creditors and **CALLS UPON** the latter to provide additional economic support to Somalia;
15. **FURTHER CALLS UPON** Somalia's external creditors to fully cancel Somalia's debt obligations as a means of relieving the country of a future debt servicing burden that may hinder its transition from conflict to peace and sustainable development.