COLLECTIVE RESOLUTION TO ENHANCE ACCOUNTABILITY AND TRANSPARENCY IN EMERGENCIES

SOUTHERN SOMALIA REPORT

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The **Humanitarian Aid Integrity Programme** is a new global initiative based in Transparency International Kenya. Applying TI's strengths and expertise, the Programme's goal is to ensure that humanitarian aid resources are used effectively and for their intended purposes. It aims to achieve this by enhancing transparency and accountability in the implementation of humanitarian operations at institutional, policy and operational levels.

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EXECUTIVE SUMMARY

This report presents findings from the southern Somalia case study for the Collective Resolution to Enhance Accountability and Transparency in Emergencies (CREATE) initiative, led by Transparency International. The goal of the study was to produce an evidence base concerning corruption risks and prevention and mitigation measures in relation to the implementation of humanitarian assistance in southern Somalia. In its mapping of corruption risks, the study both describes perceived risks, as perceived by the stakeholders consulted, as well as specific examples of corruption. It also captures many of the good-practice mitigation measures being utilised. It was not, however, an investigation of any individual agency or group of agencies; nor does it attempt to quantify or estimate the overall percentage of losses due to corruption.

The study used a qualitative research approach, with findings generated from over 122 key-informant interviews and community consultations. These included consultations with 21 aid agencies, three humanitarian donor governments, a range of Somali government actors and private sector representatives, as well as experts working within the sector in Somalia and outside experts working on corruption issues. The focus of the research was on the supply chain and service delivery within a few key sectors, including food, health and protection, as well as cash as a delivery mechanism. The geographic areas of focus included Mogadishu, Jowhar, Baidoa, Afgooye, Dollow, and Kismayo and proximate rural areas, as well as Nairobi. The research team was supported by a stakeholder group of key actors within the humanitarian community working in southern Somalia. This group met to initiate the research in December 2015 and for a round of workshops on the preliminary findings in June 2016. A second stakeholder meeting was conducted at the end of August 2016 in Nairobi to discuss the findings and recommendations.

The study is the first independent review of corruption in the humanitarian sector working in and on southern Somalia[1]. Previous research and analysis, however, has found that corruption is deeply entrenched in the economy and society in Somalia. The country ranks, for example, as one of the most corrupt in the world, at the bottom of the 2015 Transparency International Corruption Perception Index[2]. A number of factors influence the extent of corruption in Somalia. First, corruption and impunity extends back to the Siad Barre government and is considered to affect many aspects of Somali society. It is exacerbated by the limited reach and effectiveness of the state in terms of governance and security, as well as the lack of legal and legislative mechanisms to prevent or mitigate corruption. Within this legislative and policy vacuum, government or local authority representatives have created new, ad hoc rules and regulations to manipulate resources for their own gain. That power is significant in some localities and extends to high levels of control over available resources. Previous studies have found that all forms of aid are affected by this environment[3]. The extent of perceived corruption is reflected in the findings from a survey undertaken in 2015 for the Secure Access in Volatile Environments (SAVE) study, where 87 per cent of Somali respondents viewed corruption as the single biggest impediment to receiving assistance, above insecurity and violence (Stoddard et al, 2016)[4].

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[1] Many other studies and reports have highlighted either the general context within which foreign aid and corrupt practices are inter-linked in Somalia or have addressed specific cases (see for example, De Waal, 1994; Simons, 1995; Hammond and Vaughn-Lee, 2012; UN Monitoring Group, 2010; Maxwell and Majid, 2016; Hagmann, 2016).

[2] See TI Index: http://www.transparency.org/research/cpi/overview

[3] See for example, Hammond and Vaughn-Lee, 2012; UN Monitoring Group, 2010; Maxwell and Majid, 2016; Hagmann, 2016.

[4] Somalis polled significantly higher on this issue than respondents in the three other conflict contexts under review for the SAVE study: Afghanistan (24 per cent), Syria (18 per cent) and South Sudan (15 per cent).

Given this context, corruption or manipulation of aid in Somalia could be seen as a normal – even acceptable – way of working because it reflects historical and now well-established patronage networks which involve a redistribution of resources. While to some extent this is the case, it is also problematic as patronage networks are exclusionary and many groups – disproportionately the more vulnerable – are often not part of such networks and redistributive practices. In addition, even in the absence of clear legal frameworks to address corruption, notions of fairness and integrity are present in Somali society and are found in many areas of life, including with religious leaders, social activists and political activists, as well as within the aid community itself.

KEY FINDINGS

This study found that corruption risks exist across the programme cycle, particularly during the following processes: the identification of local 'partners'[5], the awarding of contracts (to private contractors and humanitarian agencies), the pricing of contracts (inflating contract values), the negotiation of conditions for access, the recruitment of staff (and subsequent staff composition), the selection and targeting of aid recipients, the selection of monitoring mechanisms, and the approach to monitoring programmes.

Practices are not specific to a particular type of agency nor do they represent an agency as a whole. Agencies can act with integrity in one area and while having corrupt staff and practices in another. Perhaps contrary to perceived wisdom, humanitarian resources are not only manipulated by governmental actors and national NGOs, but also as a result of the practices of international agencies. This may occur through collusion between staff of international agencies and other actors in the humanitarian chain (whether private contractors, national NGOs, local authorities or 'gate-keepers'), and takes place in Nairobi, Kenya, as well as in Somalia. Corruption risks are perceived as high in the main sectors studied but the risks differ between sectors, meaning that mitigation measures must differ in response. Findings suggest that corruption can start with very small 'opportunities' for fraud, but these can grow over time. Several respondents with past cases of corruption believed that corruption risks were greater when managing larger-scale operations involving multiple partnerships.

Many good-practice examples exist of mitigation measures that reduce corruption risks. These are being utilised by individual agencies and have increased in response to a series of corruption cases prior to and during the famine of 2011. These include a supportive leadership that encourages a dialogue on corruption experience and risks, conducting socio-political analyses of operating contexts, increasing competition and scrutiny of private contractors, increasing communication and transparency of entitlements to local populations, employing staff from diverse clan backgrounds, conducting thorough and verified reference checks, the use of accountability officers (distinguished from monitoring and evaluation functions), segregating responsibilities (e.g., of human resources, finance, logistics, procurement), using committees and thresholds for procurement, and standing up to pressures or expectations of bribery. Of the 21 humanitarian aid agencies consulted, three major organisations have instituted much wider organisational change processes, involving systematic internal and external reviews that can involve pausing operations or withdrawing altogether for a period[6].

While these are all positive initiatives to reduce corruption risks and improve aid integrity in southern Somalia, there is a need to re-double efforts to reflect on 'what works' in terms of mitigation in the Somalia context and what more could be achieved, particularly collectively. Corruption practices are perceived to be well established and routinised in their application towards humanitarian aid. Those

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[5] The meaning of 'partners' or a partnership relationship is highly contested in Somalia. Several respondents suggested that some types of 'partnership' are very limited and not conducive to generating trust and accountability.
[6] These transformative processes were not only driven by corruption but reflect the extreme challenges of working in Somalia, which include corruption risks.

who engage in corruption can circumvent or co-opt new measures, especially if those measures are only comprehensively implemented in a few organisations. In addition, the incentives to manipulate aid resources often outweigh those not to. This applies at many levels and can occur indirectly (for example, with the incentive – or pressure – to maintain funding flows, to the individual perspective that 'if you don't take it someone else will'), as well as through the logic of clan structures and the competition and conflict dynamics within local contexts. There is a need for a collective, strategic effort to bring about change.

Despite the evidence within the humanitarian community of a wide range of corruption risks, and the examples of such practices in this report (and referenced elsewhere), the inter-agency dialogue has not been active on addressing systematic corruption (as compared to risk-management which tends to be focused on local NGO partners); nor has the Somali government or international humanitarian leadership. In particular, there is a critical need to shift from monitoring and policing to a larger and more expansive approach, including focusing on increasing more collective accountability to local populations, and improving Somali understanding and perceptions of the purpose and special nature of humanitarian aid. Creating champions of aid integrity would be valuable, including rewarding individuals and organisations for acting with integrity.

The authors of this report recognise that there is a real tension between highlighting corruption risks while at the same time ensuring that a commitment remains to prioritise aid to highly vulnerable populations in Somalia. This report does not intend to present findings that result in a decrease of funding levels, but rather to identify critical issues and stimulate further improvements across the sector in order that scarce resources are used for their intended purpose. This should be considered an ongoing, not a one-off, activity. The recommendations outlined at the end of this report are intended to support this process so that ultimately there is an increased effort to protect the integrity of humanitarian action in order to ensure it reaches those most vulnerable, particularly in hard-to-reach areas.

1. INTRODUCTION

STUDY OBJECTIVES

In response to evidence that humanitarian agencies and their staff are exposed to a multitude of integrity risks, Transparency International commissioned a study on corruption risks, existing mitigation measures and accountability initiatives in four large and complex humanitarian contexts: Afghanistan, Guinea, southern Somalia and areas within Lebanon where Syrian refugees are receiving assistance. Humanitarian Outcomes undertook the studies related to Afghanistan and southern Somalia.

The goal of the research is to produce, for the purpose of humanitarian stakeholder engagement, an evidence base concerning corruption risks and preventive and mitigative measures in relation to the implementation of humanitarian assistance in southern Somalia.

The study defines **corruption** as 'the abuse of entrusted power for private gain' and **integrity** as 'behaviours and actions consistent with a set of moral or ethical principles and standards, embraced by individuals as well as institutions, that create a barrier to corruption'[7].

The research focuses on two main areas: first, identifying the perceived risks of corruption to humanitarian assistance in southern Somalia and, second, identifying stakeholder practices that aim to increase the integrity, transparency and accountability of aid by preventing and mitigating corruption.

STRUCTURE OF THE REPORT

The report is divided into seven sections. Section 2 outlines the research methodology. Section 3 examines the key background factors to corruption and the aid system in the Somali context. Sections 4 and 5 present a detailed summary of the findings, including a summary of the main corruption risks and the prevention and mitigation measures. Section 6 examines the role of donors, and Section 7 concludes the report, and outlines a series of recommendations including actions that have been applied and proved valuable.

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[7] The Anticorruption Plain Language Guide, Transparency International, July 2009.

2. METHODOLOGY

The research consisted of (a) a background literature review, (b) key-informant interviews with aid actors and (c) local population consultations. The research was guided by a stakeholder group representing the diversity of humanitarian actors in Nairobi and Mogadishu. The group met to discuss the objectives and methods of the study in Nairobi (December 2015) and Mogadishu (January 2016). Interim workshops were held in June 2016 to brief the group on emerging findings and discuss key issues for consideration, as well as to identify possible recommendations. A second stakeholder meeting was conducted at the end of August in Nairobi to discuss the findings and recommendations.

A background report, researched and written by a team at Columbia University on the wider governance and legislative environments for humanitarian aid, provided a useful review of the literature and governance environment in Somalia (Radon et al., 2016). The report identifies some common themes among the four case studies (including Afghanistan, Guinea and Lebanon). The research team drew on the report as background, particularly regarding the governance mechanisms. Other relevant recent studies and grey literature were utilised by the authors to supplement the background paper.

122 key-informant interviews have taken place. Interviews were mainly solicited from the stakeholder group, as well as a range of other aid agencies and key actors in different sectors. In a number of cases several staff from the same agency, in different positions and locations, were interviewed. Those interviewed included staff involved in finance, logistics, procurement, monitoring and evaluation (M & E) and human resources (HR) as well as senior management and heads of agencies. Efforts have been made to follow the 'programmatic partnership chain' by conducting interviews with staff of an international agency, its national partners and its contractors, where possible.

The research involved a diverse range of participating organisations including government and ex-government (at district, state and federal levels), United Nations (UN), international organisations, international and national NGOs, private contractors, members of the Somali media and other internationalk experts and local informants.

The report refers to a specific organisation type where the finding is specific, otherwise it refers to 'aid agencies' in general which includes UN organisations and NGOs.

Interview and consultation locations included Nairobi, Mogadishu, Dollow, Baidoa, Jowhar, Afgooye, Kismayo and proximate areas. The majority of interviews took place in Mogadishu, Baidoa, Dollow and Nairobi. Afgooye, Kismayo and some rural areas in Baidoa were reached by telephone.

Community consultations included key-informant interviews (in person and by telephone) as well as focus-group discussions (FGDs), in urban, rural and internally displaced population (IDP) camps and settings. Thirty-four people were consulted in this category (referred to as 'local population' in Table 1). The consultations with local populations were complemented with additional evidence generated from the Secure Access in Volatile Environments (SAVE) study (Haver and Carter, 2016; Steets et al., 2016). This research involved interviews with over 100 local people (beneficiaries and non-beneficiaries), including displaced persons, host communities and self-described 'gatekeepers', in Mogadishu, Dollow and Baidoa in February-March 2015.

Table 1. Interviews conducted

	Nairobi	Mogadishu	Jowhar	Balcad[1]	Afgooye[2]	Baidoa	Dollow	Kismayo
Donor	4							
UN	14	3				1	4	1
INGO	11	9			1	4	5	1
NNGO	2	5				3		1
IO	1	1						
Contractor	1	4				1		2
Government		2	4	1		2		
Local population		4	1	1	5	8	3	5
Media		1				1		
Other	1	2				1	1	
TOTAL	33	31	5	2	6	21	13	10

[1] *Balcad town/district is half way between Mogadishu and Jowhar.*

[2] *Afgooye and Kismayo interviews were conducted by telephone.*

Conducting research on corruption is difficult and highly sensitive. To manage the sensitivities, and consistent with Transparency International's approach in researching corruption issues, the research team focused on a qualitative approach to generating the evidence. As such it makes no claims of statistical representation. The strength of the report lies in its detailed analysis of a complex subject developed through consultation with the diverse range of key informants highlighted above. Specifically, the field research team relied on three strategies to identify respondents and to encourage them to speak openly on the topic:

> (a) all interviews were conducted on the basis of anonymity[8];

> (b) a snowballing approach was utilised in order to gain the trust of interviews by requesting referrals to other possible willing participants; and

> (c) the team sought to demonstrate to informants that they were aware of corrupt practices and wanted to deepen their knowledge (a strategy to increase openness where interviewees may have otherwise remained evasive or reluctant to provide details.

The study team was the same one used in the longer-term Secure Access in Volatile Environments (SAVE) study. This provided continuity for the research and a good platform for further investigation of the topic. The evidence from all sources, including the SAVE study, was triangulated to form the findings of this study. Inevitably some interviewees provided more detail and insight than others. This is partly a function of awareness, and partly based on a willingness to share. The interviews that informed the

[8] In the report, interviews are only identified by the date the interview took place.

study with the most detail came from Somali staff working within international agencies. Interestingly, many of these perspectives were not about blaming someone else but were about acknowledging corruption within the aid sector and within their own organisations.

This type of study, however, has some limits. While the majority of respondents highlighted corruption in humanitarian assistance as a major risk and practice in southern Somalia – and while many detailed, first-hand examples of corrupt practices were provided (of which a selection are referenced in the report) – the overall levels of corruption and losses are impossible to quantify accurately. This is also the case with certain themes and issues throughout the report. This is a function of the scope and scale of the research, as well as the qualitative methods used and the variability of respondents' knowledge and/or willingness to speak on certain subjects.

In some cases, corruption risks are difficult to distinguish according to the different types of aid intervention. While the focus in this study is on the humanitarian sector, cash-based interventions falling under resilience programming were also considered. Political and development areas were not pursued in this study but other research has found that corrupt risks are well-established and mitigating mechanisms fall far short of the challenges[9].

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[9] See, for example, Hagmann (2016) on state-building processes and the way in which Somali political elites interact with international actors.

3. BACKGROUND FACTORS

3.1. GOVERNANCE, LEGAL AND REGULATORY ENVIRONMENT

The background literature review, undertaken by a team at Columbia University for this study (Radon et al., 2016), highlights the existence of corruption over the past 25 years in Somalia, preceding the collapse of the state and continuing since. It and other studies identify a deeply embedded political economy of aid (and systematic abuse of aid for personal and political gain), that is commonly known among Somalis and the aid community (ibid.; De Waal, 1994; Simons, 1995; Hammond and Vaughn-Lee, 2012; UN Monitoring Group, 2010; Maxwell and Majid, 2016; Hagmann, 2016). The Radon report highlights that many local Somalis perceive aid agencies and aid workers as 'corrupt, overpaid and detached from local challenges' (2016). Recent research reinforces this, including that the local population sees corruption as a significant impediment to receiving humanitarian aid in Somalia (Stoddard et al., 2016; Haver and Carter, 2016).

The reach of the central state and the rule of law in southern Somalia are limited. Al Shabaab controls a large part of the territory and, in areas they control, serves as the governing institution, levying taxes and performing some, albeit limited, governmental duties. There are also many 'grey' areas within southern Somalia having no clear authority.

The legal mechanisms in Somalia include Xeer, Sharia and secular law. Xeer, or traditional law, is applied or referred to, although to varying extents depending on the area. Sharia law is referred to by Al Shabaab, and secular law technically remains in existence from before the collapse of the Siad Barre government of the early 1990s. However, none of these legal mechanisms are regularly applied, and the effectiveness of legal mechanisms in mitigating corruption is very limited. Their effectiveness is made more challenging because laws are 'overlapping and contradictory', which limits any means of protection and accountability that laws might otherwise afford and contributes to a culture of impunity (Radon et al., 2016: 13, 48).

An anti-corruption framework created by the Transitional Federal Government (TFG) with support from the international community has not yet been implemented, and other measures to achieve greater transparency and accountability – such as the establishment of an anti-corruption commission – have not been taken forward. The transition to the Federal Government of Somalia (FSG) in 2012 offered hope for improved governance, including the appointment of a respected auditor general, but overall little has changed in terms of financial management and corruption. The literature review concludes that '*corruption, embezzlement and fraud are no longer symptoms of mismanagement, but have in fact become a system of management. . . [and there is] a reliance on corruption as a means of governance and of transacting in everyday life*' (Radon et al., 2016: 171–2).

In the humanitarian arena, a lack of legal parameters for receiving emergency international assistance poses considerable difficulties for humanitarian agencies both legally and practically. The legal basis for a myriad of basic operations – how an organisation registers, how it gets work permits, how many 'authorities' it needs to register with (given the limited control of the central government), how it moves goods through a port, how exemptions are issued – is difficult to find. Organisations may find it challenging to understand and measure the boundary between legitimate taxes and payments as compared to bribery and extortion. To provide a local illustration of these problems, a well-respected

regional governor stated his belief that '*already there are several agencies we have problem[s] with, and in [a] real sense all their staff . . . should be in jail now but we don't know how to do it. When we [the local authority] are corrupt, there are no courts, no credible police to investigate and prosecute* (Interview, 22/2/2016)[10].

The UN's Office for the Coordination of Humanitarian Affairs (OCHA) and the Somalia NGO Consortium have advocated for the adoption of a 'Federal NGO Policy' (and ultimately a law) to clarify and regulate registration processes and taxation regimes and to have these issues agreed upon centrally (rather than by each state) and by one ministry acting as a focal point (rather than many different line ministries). The NGO Consortium has also set-up an NGO Policy Taskforce to coordinate among NGOs on the development of this policy and to challenge some of the ad hoc registration payment requests when they occur. One of the challenges however is that aid agencies are often not forthcoming in reporting such payments.

The lack of state protection and state security in southern Somalia has promoted growth of local private security services. These are essentially private militia drawn from clan groups and are inherently more difficult to regulate. Aid agencies are required to manage intra- and inter-clan dynamics and interests related to those security resources that can contribute to inter-clan violence.

In the absence of formal national laws and policies to govern international humanitarian aid in Somalia, donor and aid agency policies set the frame for aid agency decision-making which can have positive effects in terms of establishing standards of good practice, including regarding anti-corruption measures, but ultimately lacks the coherence that would be generated by the host state. In addition, research has found that counter-terrorism laws established by donor countries that include anti-corruption elements can have unintended negative impacts. For example, in Somalia, the impact of counter-terrorism laws has discouraged programming in opposition-held areas (Stoddard et al., 2016). This is primarily because most international aid agencies receiving funds from governments with counter-terrorism laws in place will not risk 'material goods' being diverted or acquisitioned by designated terrorist groups. The Radon (2016) and other reports suggest that these counter-terrorism policies may themselves be questionable under International Humanitarian Law (IHL) and are operationally damaging in that aid agencies are perceived as not pursuing a principled response (Metcalfe-Hough, 2015; NRC, 2015)[11].

The '*national'* context – its legal and formal systems – appears to fall far short of enshrining the types of disaster laws and anti-corruption policies that might ideally govern a country and its interaction with international aid providers. That said, in the case of assistance to Somalia many corrupt processes and practices have a *transnational* character; they function within relationships and networks that link Somalia with Kenya and with the capitals and headquarters of donors and agencies. In other words, corruption is not only a function of the failures of governance in Somalia, but can be produced and maintained through actors and networks that link Somalia with Kenya and with donors and agencies. This is especially the case where Kenya is a key decision-making and resource hub.

3.2. AID ARCHITECTURE

The overall aid architecture for Somalia is complex and fragmented largely due to the cross-border dimension of aid coordination. The lack of coherence adds to the challenges of managing corruption risks in Somalia. The central government of Somalia plays a limited role in coordination efforts.

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[10] This informant was well respected but acknowledged the risk of corruption in even his own office.
[11] No example has been found of a humanitarian agency (or individual) being taken to court or penalised for diverting humanitarian resources in Somalia.

Humanitarian aid is jointly managed between Mogadishu and Nairobi, Kenya, and many decision-makers remain in Nairobi (including donors and a large portion of senior management of international agencies, as well as various supporting actors). There has been increased effort to increase representation in Somalia, however UN OCHA, the Risk Management Unit (RMU), the Somalia NGO Consortium and the International NGO Safety Organisation (INSO, formerly NSP) all have staff based in Somalia, for example. The NGO Consortium has significantly increased its capacity across Somalia recently. A number of senior UN and INGO staff are now based in Mogadishu, and many agencies have been demanding that their staff spend more time in Somalia.

Somalia's aid architecture consists of many of the traditional humanitarian coordination mechanisms in place in other crisis contexts. OCHA provides its typical coordination and information functions (including recently reinvigorating an access taskforce), and the NGO Consortium also plays a coordination and representation role for the NGO community. INSO offers security advice and training for NGOs. A number of actors give monitoring and advisory support to these coordination structures. These include the RMU, which makes available risk management support to the aid community. The RMU's support includes risk management training and advice, information sharing, and risk assessment to improve due diligence and aid in decision-making.

The cluster system meetings take place in Nairobi, Mogadishu and hubs in southern Somalia. The strength of the cluster system varies depending often on the leadership, and the membership is not immune to corruption risks. A UN employee based in Somalia commented, for example, that, according to his experience, '*there are many flash disc local NGOs that are mainly created by UN and international agencies that [are] active in the clusters more than the real NGOs*' (Interview, 24/2/2016)[12]. A Nairobi-based staff member agreed that there are '*many agencies in cluster meetings but [we] see few organisations on the ground*', and that '*there is not much physical verification of organisations*' (Interview, 18/4/2016). This highlights that risks of corruption are increased because of the limited ability to confirm the presence and activities of agencies in hard-to-access areas of southern Somalia.

From Nairobi, programmes are implemented through varying layers of actors: some direct, working with national and local staff, and others working remotely, with a range of partners. The most complex relationship might include a UN agency in contract with an INGO that is further in contract with a number of national NGOs and private contractors who deliver goods or services. Direct implementation most often involves an INGO that delivers directly, avoiding collaboration with any national partners other than private contractors used to source goods. Thematic or sector-based consortia programmes for INGOs have also been recently established, including in the areas of nutrition and resilience. Some donors find this model more effective and efficient to fund and manage, although many national NGOs consulted during the study believe that it works to exclude them and that there is no available evidence that this model improves transparency of aid delivery.

Private contractors play an increasingly important role in humanitarian assistance in Somalia. They may be contracted internationally (primarily from Kenya) or in Somalia depending, typically, on the size and type of contract in question. The private sector is important for assuming part of the fiduciary and security risk of working in the unstable context of Somalia. Somali and Kenyan-Somali private contractors maintain significant connections with each other, which is seen as important for 'brokering' humanitarian contracts, including with Somali NGOs. The degree of 'independence' of any particular contractor however is blurry, as findings indicate below; several respondents asserted that they were aware of humanitarian staff (including their own colleagues in some cases) who have 'interests' in private companies that gain contracts from humanitarian actors. These interests may involve

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[12] A 'flash disc' NGO refers to one that exists in name or on paper only, with little or no physical or operational presence.

established relationships (involving exchanges of money) or may include at least partial ownership of the private contractor.

Another relevant group of humanitarian actors comprise third-party monitoring organisations (TPMs). In principle, these are independent private companies providing monitoring and other informational services to clients. They have become part of the operating environment in recent years and are seen as a new cottage industry. Donors and international agencies have a variety of agreements with TPMs, from (more narrowly) monitoring programme deliverables to (more complex) developing socio-political background profiles on local actors. However, it is increasingly recognised that the quality of TPMs varies and that they are also vulnerable to the same corruption practices they are supposed to be investigating (see, for example, Sagmeister et al., 2016).

3.3. PERCEPTIONS AND (MIS)INTERPRETATIONS OF CORRUPTION

Interpreting whether a practice is actually corrupt or is only perceived as corrupt is a challenge in the Somali environment where misinformation and rumours are ubiquitous (Marchal, 2007; Simons, 1995). There are three main issues to consider.

First, attempting to access aid for many local populations is part of local livelihood strategies. It is a means by which the population, deeply vulnerable to shocks and lacking any form of safety net mechanisms (beyond kinship support), incorporates another resource stream into its household (or wider social) economy. In particular, the nature of the Somali clan system and the role or even rationale that this plays in corruption has been raised by a number of respondents as being purely functional. This is a complex subject beyond the scope of this report, but some basic points are worth bearing in mind. The clan structure or system is a critical dimension of politics, economy and society in general; a clan (or extended kinship group) provides both a crucial social safety net for the local population in the absence of any other and is a – or *the* – major fracture around which political processes and conflict are organised. For example, a UN local staff member based in Somalia pointed out, *'[There is a] perception that corruption is good; that you are expected to take what you can while you can and this makes you strong, and you are weak not to. When the agency goes and you lose your job and you have nothing; you will be seen as weak'* (Interview, 22/2/2016). This provides one interpretation and perspective that is part of the local reality and 'culture'. But this view is not universally held. There is also the following perspective, as expressed by an employee of an INGO, also based in Somalia: '*People know what corruption is and they don't like it. They have bad feeling about corrupt people. Yes, but because of poverty is why they accept the corrupt people with money'* (Interview, 23/2/2016). There are moral and religious principles also present within Somali society and, while the purpose of humanitarian aid is not strongly embedded in these principles, given the history of abuse of foreign aid and public resources, members of society can be engaged on these subjects (and have been by the research team).

Second, misinterpretations of corruption in Somalia can be generated from the aid architecture and remote management approach driven by the insecure and challenging operating environment aid workers face[13]. For example, the humanitarian apparatus continues to be run from a remote base in Nairobi. This results in a significant proportion of humanitarian funding being spent in Kenya and incorporated into the economy in Kenya, and this has led to a negative public and professional perception of waste and losses of 'Somalia' designated funds. A sense of unfairness has ensued about the resources spent in that city on international salaries and on the overhead costs to keep the

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[13] In terms of attacks per number of aid workers, Somalia was the most violent operational setting in 2015, followed by Afghanistan. See www.aidworkersecurity.org

humanitarian system operational at a distance. This contributes to a perception that the system absorbs funds that could otherwise be going to the Somali population. In addition, the challenges of remote management raise questions about whether some initiatives brought in to address the limited access to project areas in Somalia and improve monitoring – such as TPMs, satellite monitoring and call centres – ultimately work more to sustain the distance between Somalia and Nairobi than to improve the integrity and accountability of humanitarian aid. While the cost of operating from Somalia is extremely high under current security parameters, some interviewees questioned whether the modus operandi is 'fit-for-purpose' and/or whether other models could be developed.

Third, perceptions of corruption can be influenced by poor programming at the field level, including limited communications, poor targeting, duplication of activities, and high levels of wastage. A common complaint (and rationalisation) by local populations is that they have not been included in a registration list due to corruption (rather than simply one of the other factors of poor practice). These perceptions may also contribute (for some) to an enabling environment in which corruption is tolerated or even encouraged, one implication being that 'if you don't take it someone else will'. In the words of a UN staff member working in Somalia, '*You see when you're working for an agency, especially INGO that will leave soon, people will be advising to get a lot from the agency because it is going soon and you will be jobless. At the same time a lot are expected from him by the clan, and the environment will force him to be corrupt*' (Interview, 24/2/2016).

In this report the authors have made an effort to disentangle perceptions of poor practice from examples of corruption risks and actual cases of corruption, recognising however that poor practice can sometimes contribute to increased opportunities for corruption.

4. CORRUPTION RISKS

4.1. HUMANITARIAN PRESENCE AND ACCESS

Access can be understood in terms of the degree to which affected people are able to reach, and be reached by, humanitarian aid (Stoddard et al., 2016). Currently, aid agencies operating in southern Somalia are largely restricted to government-controlled areas – those not under the control of Al Shabaab – or in some grey areas between those under government control and those under Al Shabaab, although a small number of aid agencies also have a presence in Al Shabaab areas. Whether controlled by Al Shabaab or by local authorities, many areas of southern Somalia are considered very complex to access, and specifically to negotiate access to. Negotiating access – the starting point for aid delivery in southern Somalia – is also one of the starting points for attempts to manipulate humanitarian resources.

4.1.1. Negotiating access

Findings from previous research indicate that aid agencies are often required to make some form of concession or payment for access in southern Somalia (Haver and Carter, 2016). This can take varied forms, including 'paying money at checkpoints; paying unofficial taxes; altering targeting criteria; employing local militia; or working in one area instead of another so as not to antagonise a powerful person or community' (ibid.). These concessions may also be required at different points in the programme cycle.

The most common form of payment of concern lately has been 'registration' fees (essentially a form of revenue raising, but often taken by individuals rather than being institutional in nature). This type of fee has become increasingly problematic due to the lack of coordination between governmental authorities at different levels (central, regional, district), as well as the high turnover of government staff, which means that illegitimate requests may again be requested by a new arrival. Agencies generally do not keep a budget line for paying registration and/or other 'fees'; therefore, these fees are often provided by staff themselves or taken from other budget lines. Local NGOs and the local staff of international agencies are caught between the demands of local authorities to pay the fees and the requirements of their management and/or donor agencies to see the required paperwork (but those agencies tend not to provide the resources to pay for them). 'Registration' fees are typically comparatively low, usually up to several thousand dollars, in comparison to losses in other areas of the programme cycle.

The nature of local authority leadership, as well as known practices of individual agencies, influence whether a 'tax' or 'fee' is ultimately paid. For example, in one research location, the local authority reportedly knew the procedures of a particular INGO (that he had worked closely with before) and therefore respected their decision to resist payment. However, many agencies do pay such fees as a matter of common practice. This may depend on the history of an organisation in an area and pre-existing relationships and practices of the implementing organisation. In addition, some agencies, particularly smaller national NGOs, may be less able to resist the threats of powerful local authorities to pay such fees.

An employee of an INGO provided the following illustration:

The governor asked us to pay a regional registration fee of $1,000. We refused, telling him that we are registered with the Interior Ministry. We told them we will leave the area if they insisted on this. The governor then said continue your work and no one will bother you. I gather all organisations face the same problems we faced in [location X] but respond differently. When I told the DC office negotiators that I will leave if they insisted on taking control of selection and payment away from us, they were clearly baffled, saying to me where I was brought from. They were asking me if I were this honest or was I trying to create problems and I had other agendas. This means NGOs hardly challenge them (Interview, 1/3/2016).

This example is corroborated by other research in Somalia which found that authorities, elders and other 'gate-keepers' know that some agencies (or their staff) do pay fees and do not resist their pressures, whereas some are perceived as 'strong' and resist such pressures (see Haver and Carter, 2016).

A number of agencies are working in areas controlled by Al Shabaab, either directly (where their funding is not threatened) or indirectly (through local partners or private contractors). Al Shabaab generally demands a payment to operate although there may be room for negotiation depending on the local actors and relationships involved (see Haver and Carter, 2016). Within the scope of this study, however, exploring in detail the conditions for access in Al Shabaab areas was not possible.

Other fees or costs incurred locally to maintain access include taxation at road checkpoints. Such checkpoints are numerous, especially on main trunk roads, and may be run by government, Al Shabaab or other militia groups. Local transporters as well as agency staff passing through such checkpoints typically pay required charges. For private contractors, these fees are often reflected in the overall contract value.

The conditions of access need to be understood in relation to a broader set of pressures and controls exerted in a particular area by a local authority and/or militia. Practices are often part of an overall system of control of aid resources in an area, and paying for access is the first in a long list of compromises that are made.

For example, a Somali employee working for an INGO reported the following:

In [our organisation] we have very strong system with lots of checks and balances. [However] contractors can't do anything without giving something to the local authority leaders. NGOs and companies have to be cleared by the local authority before they get contract or implement anything and they will not do it for free so they have to give something. This is why local authority wants to know how much is every contract worth because from the size of the project determines the size of their cut. These payments are added to the cost of the project so the overall cost increases. Even when you buy things from suppliers it is so expensive. We have few suppliers approved, so the local authority controls everything here. Look at [X and Y] businesses, they are well connected and you will find that it is them who are supplying everyone here so they determine the prices.

Also in most organisations, the local authority controls staff recruitment. They . . . use [security] clearance to force you to choose their candidate. If you identify good candidate who is not from the area, then expect a battle. They use this clearance to remove the stronger candidates they don't want from the list. It is the same with contracting. So we are giving jobs and contracts to people who don't deserve because we are restricted by the local authority and don't have the freedom to choose the best.

Our staff are employed in projects as officers and they know the beneficiaries. I have a feeling that there is a fraud in our beneficiary lists. Signatures are finger prints and our staff know that we can't verify fingerprints. We need to move to biometric system.

Also suppliers can collude with your staff so they come to office and pick paperwork for three tenders. It is one person competing with himself but on paper it looks as though it is three suppliers. The big tenders go to Nairobi. There are many companies that we deal with but in reality don't exist. People are frightened so whistle blowing isn't an option.

In [location X] [the] same things are happening. We have project office with few officers. Payments have to be approved by [the person in X location]. They process the document. The officers contract their relatives and never declare it. We are now going repeatedly to sort these problems out. We found out that the procurement officer, the tenders and committee are all from the same clan (Interview, 28/5/2016).

The SAVE study on access found that while some compromises may be justified because they are essential for maintaining access, the difficulty is that they tend not to be discussed within or between agencies, which means decisions can have unintended impacts on other aid agencies and over the longer term (Haver and Carter, 2016). The study found that local-level staff are constantly encountering these dilemmas, but they receive insufficient support, due to a 'culture of silence' on these issues (ibid.). The responsibility for creating an open and supportive environment rests with senior management which, if not developed, leave local field staff in a difficult position and blamed when things go wrong.

4.2. PROGRAMMING APPROACHES

Programming approaches vary in Somalia. At one level, the distinction is between those using partnerships and those implementing directly. This decision is primarily a function of scale and desired coverage as well as risk tolerance and mandate. While there is no available evidence to support the notion that direct delivery is inherently less prone to corruption risks than a well-designed partnership-based model, many studies conclude that remote programming – particularly those utilising multiple layers of contracted partners – exposes partnership-based programming much more to corruption, as well as a range of other risks (Stoddard et al., 2010; Haver and Carter, 2016; Steets et al., 2016).

UN agencies typically work with many implementing partners, and several large INGOs operate similarly. While these larger agencies have relatively larger budgets for mitigating the potential risks of operating with multiple partners, primarily through various forms of monitoring, the effectiveness of introducing yet another contracting layer, which does not necessarily produce clear results and is itself prone to the same corruption threats, means that resources do not necessarily reduce the level of vulnerability to corruption.

4.2.1. Partnership-based programming

Within organisations using partnership models in southern Somalia, collusion between international and national agency staff (of both UN agencies and INGOs) is a significant risk and can take place in a number of ways: (a) local staff of international agencies create an NNGO and direct funding to it, (b) local staff of international agencies influence or channel funding to preferred NNGOs or (c) local staff of international agencies leverage their influence on NNGOs during project reporting. The following quote comes from a UN employee, referring to two UN agencies he has worked for:

I know several staff members who have interest in local NGOs who are partners with [UN Agencies X and Y]. I am not sure how much they get from them but they have interest. Because whenever these agencies have reporting and accountability problems they defend and do the job for them. They tell us please I have interest here and therefore don't harm me. . . . In [UN Agency Y] it was also the same (Interview, 18/5/2016).

Another quote from a UN staff member highlights the risk of corruption among UN staff:

Yes, UN staff are corrupt. I know they all receive kickbacks from local NGOs. I mean [names of three agencies doing humanitarian work]. To them it's part of what they are doing. Unless the NGO pay them or agree to pay them, they don't include them in the partnership or will be fixed during monitoring (Interview, 24/2/2016).

As the following quote indicates, INGO staff are also involved:

[There are] many 'ghost' NGOs, many of which are manned by UN and INGO staff from Nairobi and even in the field (Interview, 10/2/2016).

The selection and screening criteria by which local partners are identified and contracted is highlighted as a significant risk by many respondents in Nairobi and in Somalia. Some respondents (especially within the UN) suggest that the conditions and procedures that manage and control other processes, such as the recruitment of consultants, are much stricter than those applied to the contracting of local partners.

Capacity assessments

Assessing the capacity of potential local partners by an international agency is prone to corruption risks, despite capacity assessment being a preventative measure. A respondent had direct experience with this: His NNGO sought to become a partner with a prominent INGO in Nairobi. He reported that the INGO team (from finance, HR, logistics, programmes) conducting the assessments requested a bribe so that his agency would be recommended (although it had ranked highest among those being assessed). The bribe requested was $30,000 and was negotiated down to $10,000. Accepting partnership under such a condition also implied taking part in further corrupt activities as the relationship developed, including helping to inflate the value of contracts. Adding to the complexity of this relationship, both the international and national partners are known (to the authors) to be among the more credible and effective actors working in Somalia. In other words, corrupt processes that take place as part of partnership identification and contracting do not necessarily imply poor-quality work (although programme impact must ultimately be negatively affected).

Another example reported to the research team was an attempt to do a capacity assessment of NNGOs across Southern Somalia. This was initiated by a UN agency several years ago. This process was reportedly undermined as soon as the word got out that such an assessment was to be undertaken. Local actors were mobilised to influence and undermine the process. The respondent who reported this stressed that this example not only indicated the vested interests in influencing capacity assessments (and therefore funding) but also the extreme difficulties and dangers of such a process, where lives may be threatened for providing negative information.

The meaning of 'partnership' in the Somalia aid context is highly contested; several NNGO respondents contrasted the quality of a supportive and trusting relationship with that of a distant, sub-contracting

relationship. The more established and credible NNGOs pointed out that their international partners' investment in organisational development funds and good relationships enable their NNGO partners to strengthen their systems and better discuss the risks and pressures they are under. These 'partnerships' contrast with other contractual relationships where the local partner feels exploited and/or unable to express the challenges it faces.

One respondent, from a well-established and respected NNGO, noted that '*other agencies, because they don't have cost [budget] to develop their agencies, they tend to deduct money from line items including deliverables to develop their own systems and this makes them corrupt*' (Interview, 10/2/2016). Many INGOs have noticeably invested heavily in improved financial and other systems in recent years whereas it is not clear that many NNGOs have had the resources or support to do the same (Heenan, 2015).

A small number of NNGO staff acknowledged that they often put their own resources into maintaining their organisations. This can include borrowing from local traders or wealthy kin to cover basic operating costs during funding shortfalls or when payments are delayed. This reflects the financial strain that national NGOs can face. In a fragmented, highly competitive humanitarian environment, the development of trusted and supportive relationships is appreciated and sought after by many, and arguably is much more easily done by agencies with a limited number of partners or that have financial and administrative flexibility.

Equally, staff of larger agencies, particularly some UN agencies, highlight the contradictions between attempting to build partnerships while 'policing' them at the same time. Some senior UN staff have attempted to cultivate open, transparent and understanding relationships with their local partners in an attempt to generate trust and a common purpose. This is extremely difficult, however, when dealing with numerous partners. On the other hand, staff ask whether a purely profit-driven contracting arrangement would yield better results. While both options may be necessary, improving practices across the board regarding partnership arrangements in highly volatile contexts is critical and literature on good practice is available (see, for example, Howe et al., 2015).

Local partners in hard-to-reach areas

The difficulties of gaining access to many areas in southern Somalia, poor coverage and reliance on local partners have inadvertently created a perfect storm for profiteering from humanitarian aid. The following example involves profiteering in the health sector because of both the significant need in Al Shabaab–controlled areas and the difficulties of the system to monitor the conduct of local actors once they have been contracted to work in these areas (see TPM section).

The case involves the establishment of mother and child health centres (MCH) under newly formed organisations that essentially start in this field to capitalise on the fact that with very few providers, desperately high need, and limited access (for donor staff, agency monitors and others with independent monitoring capacity), there will be little scrutiny of the implementation process. Profits are made by employing fewer people than project documentation mandates and offering the community fewer services and goods than the contract requires. These newly established organisations can then attend sectoral cluster meetings or find other means to obtain projects, such as to drilling wells or distributing cash and food. Each brings in more funding, which is converted into profit through reducing the goods and services to the local community. A case was described in detail by one individual who admitted that this was how he developed and ran his own organisation, but several other respondents, based in Somalia and in Nairobi, were aware of and/or suspicious that this was a wider practice. An informant, who runs such an operation and now also works for the government in Mogadishu, explained:

> *You will come to the clusters looking for implementers who will share the profits with you. I did this. This is the beginning. The MCH business is the best and easiest entry point for new and small NGOs* (Interview, 27/2/2016).

This model or system was corroborated by another key informant who described their experience in the following terms:

> *A problem we have with local NGOs is that they fill [a UN agency's] forms online saying that they do such and such things in such and such places and locations. It is all lies and they just want to look big to solicit funds. This creates problems for us locally. Those areas look covered when they are not. You can't ask for funds to cover the needs of those areas. So people miss on services they deserve simply because an NGO wants to look big and good. What is surprising is that [UN agency] doesn't check this. It wouldn't take much to assess the capacities of these agencies and their real coverage but someone is turning a blind eye for a reason. We think that these agencies are front organisations for people who work in UN agencies and INGOs. It is these organisations they use to commit fraud and corruption* (Interview, 23/2/2016).

It is unclear whether this corrupt MCH business model is more prevalent in Al Shabaab–held areas than where Al Shabaab has no control. In Al Shabaab–held areas, it is considered an active model. This is thought to be because Al Shabaab itself is less interested in and more lenient toward medical and health activities than other sectors, the implication being that this business model works independently (to some extent) of Al Shabaab's interference or involvement. It is also thought to be a relatively common model because MCH projects are relatively easy to set up and convey an appearance of activity, resources for health and nutrition are significant and demand for local partners is high.

However, further illustrations of risks in the health sector come from the following example, provided by a government-employed respondent:

> *[I] used to be an external monitor and never wrote a negative report. Most of them are paid to sit in a nice office and report what the NGO wants to be reported. There are also security concerns for monitors so after a while they become wise and report what doesn't put them in danger.*

> *Most of the big fishes in the ministry have their own or associated NGOs who partner with [UN agency X]. These people have mastered how to do financial reports and how to deal with monitors. [INGO X] fund the most corrupt MCHs. People employ their own people so they can keep their secrets. May have multiple funding and therefore can keep the money.*

> *For health and nutrition see how many projects [UN Agency X] and [UN Agency Y] are funding in Al Shabaab area. Most of these projects are non-existent or have stopped long time ago. In one of the newly liberated areas a UN employee wanted to see an MCH they were funding but he was told that there was none. He said but I received a report in the last few days and it is working. He found nothing and was shocked. This is still going on in areas such as [area X] because no one can access them and check on them* (Interview, 29/2/2011).

Direct implementation

A small number of INGOs have adopted direct implementation approaches. These include those working in Al Shabaab–controlled and government-held areas. In principle, this allows an organisation greater control of its resources. While also perceived as providing greater cohesion in approach to the integrity of aid, direct implementation is not immune to corruption, especially in areas of targeting,

procurement and financing. For example, a staff member from the finance department of an INGO highlighted that he knew of a colleague (also working in finance) who was fraudulently signing for his co-signatory and eventually disappeared having taken tens of thousands of dollars. In another case from the same INGO, known to have very strong systems and procedures and a pro-active anti-corruption culture, a Mogadishu-based staff member identified high levels of malpractice in one of his field offices, purportedly involving collusion with the local authority.

These brief examples highlight that agencies undertaking direct implementation with strong anti-corruption practices are not immune from corruption risks. It also highlights that corruption risks are as much a function of individual integrity as they are of organisational systems and cannot necessarily be generalised across an entire organisation or approach, but can vary from office to office.

4.2.2. Targeting and registering beneficiaries

The selection, registration and targeting of aid recipients within local populations is probably the most commonly acknowledged area of risk and corruption within the humanitarian chain. As Hammond and Vaughn-Lee (2012) comment when discussing the targeting of aid, '*Community representation in these processes has often been unbalanced, with community elders and self-appointed community leaders participating more, and more disenfranchised groups having little or no involvement. As a consequence, aid programmes have often benefited the more powerful community members over those most in need of assistance and protection.*' The local 'community' they refer to typically is comprised of different groups – sub-clans and marginalised and minority groups – and many are barred from access to humanitarian resources where a dominant group is in control and where that control has incorporated aid agencies.

Corrupt practices take place in many ways at this level, including by favouring geographic areas (villages and clans of agency staff and/or local authorities), favouring family and friends, creating so-called 'ghost' beneficiaries, and 'taxing' beneficiaries. These practices typically involve combinations of agency staff, project committee members, local authorities and other local 'gate-keepers' (such as IDP camp managers). Staff interviewed (from local and international agencies) acknowledged that staff can be involved in this process, including that some international agencies have identified correlations between the clan identity of their staff and the locations those same staff have encouraged the agency to work. However, in other cases, the influence was largely external to staff and the organisation.

A staff member from an INGO, based in Somalia, commented: '*As a matter of policy, we have to prioritise the most vulnerable. However, the most vulnerable in this area aren't from the elite's clan and they [the "elite" clan] will do all they could to stop us from targeting those people who are the most vulnerable in the district such the Bantus on the other side of the river. . . . They will give a direct order saying that you can't go to this village. Many times I have to go personally and fight*' (Interview, 27/05/2016).

In attempting to direct projects to preferred areas, local authorities or agency staff may direct resources to their own clan areas. For example, a district commissioner in a regional capital noted that '*there is a lot of corruption in targeting including ourselves because we also ask them to include both locations and individuals if we have the leverage to do that and that is corruption . . . we always request the NGOs to include some people in the list and we do it because the people ask us a lot . . . all kinds of targeting, local or individuals, are tribal and all those working with agencies target where their clans are majority or where they hide and divert a lot*' (Interview 24/2/2016).

Collusion may also take place with other villages where relationships between the local authority and the local leadership are conducive to profiteering. These relationships depend on local power dynamics. In a riverine area visited for the study – where powerful clans live in close proximity to weaker,

marginalised clans – such arrangements were reported. In other areas, where the local community and the local authority are from the same clan and are aware of their entitlements, the local population may be less tolerant if local authorities claim a disproportionate share of their entitlements.

A community leader and chair of a village relief committee (VRC) in a regional capital stated, '*Corruption is all over in Somalia. The local authorities, NGOs and even we the VRCs are corrupt too. . . . NGOs, they don't tell you what they have for the communities, the target number, how it was selected the village. They always impose beneficiaries from other areas or unknown beneficiaries on the VRC. They ask for part of the entitlements. They tell the VRCs to tell beneficiaries from the beginning and make it part of the agreement to be registered. This is very common with (INGO X). VRCs always take bribe for beneficiaries to be registered or share entitlements with them*' (Interview, 21/2/2016).

Cash as a delivery mechanism

Cash-based programming is an increasingly common form of resource transfer in Somalia. Cash is subject to the same corruption pressures as other resource transfers. Assessing risks involves considering all points in the programme cycle as well as the ability to monitor and how well one form of resource transfer compares with other modalities. For example, risks of loss at the targeting stage may be offset by risks of loss at the contracting stage. However, evidence from the rapidly evolving mobile money technologies used for cash programmes suggest that corruption risks may be reduced using this method (assuming the right people are targeted)[14].

Losses related to targeting vary enormously and generalising is impossible. At the lower end of the scale, the previously quoted VRC chairman admitted that he took $3 from every $55 cash distribution. This was for a project for 250 households over six months. Interestingly he suggested he was one of the 'cheapest' and knows of others where $8–10 was being taken from each household allocation (Interview, 21/2/2016). In Somalia, this might be considered a relatively low level of informal taxation, and local populations may even have some sympathy for or acceptance of the needs of these 'gate-keepers' who may also be their local elders. In a rural area of Baidoa, for example, a resident explained that elders are always given something by the community beneficiaries: 'Whatever they [the agency] bring they [the elders] have 10 per cent, because they work for the community and they don't get something' (Interview, 15/5/2016).

In an extreme example of losses at this level, provided by a UN staff member, $20 of a $60 cash allocation was taken by the local NGO staff in collaboration with local gatekeepers. Higher proportions of diversion at the targeting and distribution levels for cash programming were also mentioned. In one area, an international NGO is reported to be taking 50 per cent of the cash entitlements. In an example from the Lower Shabelle area, a TPM (who was interviewed) caught 40 per cent of the cash recipients – who were supposedly targeted and resident in Lower Shabelle – who turned out to be receiving money in Galmudug region. The TPM reported that the dominant clan from the Mogadishu area (that staffs most NGOs) also staffed the NGO in question. Clan relatives predominate in the central regions, and therefore resources are redirected to these areas.

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[14] See Smith and Mohiddin, 2015.

Targeting of IDPs

While agencies, local authorities and elders may take a share of entitlements in rural areas (as indicated above), targeting of IDPs is one of the most problematic areas for humanitarian actors due to the inherent power imbalance between the host population and host authorities on the one hand and the IDPs on the other. Mogadishu is frequently associated with the worst abuses of IDPs but some of the following practices are commonplace in all IDP settings in Somalia, including in Baidoa, Dollow and Kismayo where interviews took place. A member of an IDP committee in Mogadishu provides the following perspective:

> *In 2011–12 [during the famine response] because there was plenty of aid, everyone was getting something. Nowadays with less aid to go around, it seems no one cares about the poor and the needy as it is all about clan connections and hidden agreements that drive the agency . . . you see them coming to an area with many camps and they only choose one camp. When you enquire about the reason you will find out there is a deal between the NGO and the camp leader. Now it is even worse. Where they used to distribute food at the target location, now they just either send money to phones or call upon people to unknown locations, so no one knows what is going on.*

> *Some remote districts are taken over by one NGO that denies access to any other NGO using the clan and the administration. They pay the administration to deny access to all other organisation[s] so they are the only NGO that can access this area.*

> *Corruption has become worse with time. With mobile money, no one can see what you are distributing and to whom you are giving.*

> *To change things, NGOs should create an independent office where people can take their grievances to. No NGO should be dominated by one person or one clan. For example, I recently went to a place where an NGO was distributing cash. The cash was given to the members of the [clan X] only because the person in charge of the distribution was the same clan* (Interview, 26/2/2016).

Where agencies see the use of mobile money transfers as being discrete (reducing the risk of predation by some actors), some local populations perceive it as lacking transparency and a sign that NGOs are possibly colluding with others to control and/or divert those resources. Another IDP respondent in Mogadishu simply stated that *'the staffs of the NGOs dispensing the cash call their friends and family to come to where they are registering recipients. They register them and pay the cash to their mobile phones. It is all about who you know'* (Interview, 26/2/2016). In-depth interviews with IDP camp managers on the subject of aid quality corroborate these types of practices (Haver and Carter, 2016).

Baidoa and Dollow have significant IDP populations where similar practices were observed. In addition, IDP population numbers there are reportedly significantly inflated; in one location respondents mentioned they were inflated by up to 50 per cent, and in the other, residents of the nearby town allegedly contributed to the numbers and returned to their own homes at night. In some areas, where large distributions aimed at IDPs are planned, it is commonly known that a significant proportion of the host population will be able to be registered to receive cash.

Sexual abuse

Sexual abuse has been identified within the humanitarian system in Somalia as an area of growing concern. Within the scope of this study it proved difficult to explore this area in any detail; however, a few respondents claimed that it typically occurs when local gatekeepers (staff, VRC, camp managers) demand sexual favours in return for providing beneficiary cards. However, a great stigma surrounds reporting it (for victims) or discussing it with communities. Corruption is also reported around the generation of figures on sexual abuse. Several respondents suggested that figures are inflated by those involved in this field to maintain funding and support for gender-based violence programmes. Likely, a mix of under-reporting and exaggeration of figures create the challenges in getting an accurate picture of the scale of abuse[15].

Technologies to enhance targeting

Increased use of new technologies has been taking place in Somalia in recent years, including fingerprinting and cash payments to mobile phones and other electronic systems. Such technologies can have benefits by reducing multiple claims and monitoring where money is received. They can also provide useful information on how received cash is utilised. However, as indicated in the quote above, where agencies are favouring their family or clan, these technologies do not necessarily provide a major deterrent and may even contribute to a perception that more corruption is taking place.

One of the more notable trends that has developed as monitoring mechanisms have tightened is for 'beneficiary' populations to pay back some of their entitlement after the distribution process or even to offer a proportion of their entitlement in order to get on the registration list.

In another example, in a riverine area near Mogadishu, a local informant identified that much less food and cash were reaching his village than was being reported in a beneficiary list (to 25 instead of 400 households). When reported to the UN agency, new measures were apparently introduced, including fingerprinting. As a result, the implementing partners made a new arrangement with the village leaders to get the required signatures and finger prints and then took a share of the entitlement later. Threats (actual or perceived) to withhold future assistance are part of the dynamics around these practices.

In addition, both local populations and various gatekeepers are either well practiced in reporting or, in the case of the former, 'coached' to report positively on the implementation of a programme. This may be instructed as part of the condition for getting assistance (and the chance of it being repeated in the future). The control of information is clearly part of the corruption process and can extend down to the beneficiaries themselves, and in turn it influences the effectiveness of monitoring and accountability mechanisms.

4.2.3.   Monitoring, evaluations, audits and feedback mechanisms

In southern Somalia, monitoring has become one of the key stages in the programme cycle at which leverage can be exerted for personal or organisational gain. Leverage can take place in either direction: from the monitor to the monitored or vice versa.

The two main forms of monitoring that take place are between a UN agency and its implementing partner (either an INGO or an NNGO) or between an INGO and an NNGO. The motivation underlying corrupt

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[15] To address the challenges in the underreporting of sexual abuse, the Inter Agency Standing Committee (IASC) produced a statement in December 2015 affirming the commitment of the IASC Principals to actively prevent and respond to sexual exploitation and abuse by humanitarian workers. Protection from Sexual Exploitation and Abuse Senior Focal Points, Humanitarian Coordinators, and the Humanitarian Country Teams are required to implement this commitment in all humanitarian response operations.

monitoring processes can vary. It can be a product of the relationship (each protecting their position) or due to the lack of one. A UN agency employee provided one example: '*It is not only here; Nairobi is worse. All the NGOs get their partnership in Nairobi and companies get their contracts in Nairobi. That is where the big game is. An NGO comes to you with partnership, it fails to fulfil its duty and you report that. It doesn't matter, come the next year they are here again with big project. You wonder what is going on but then understand and [you] resign to it. . . '* (Interview 29/05/2016).

A pre-existing relationship between donor agency and implementing partners need not exist, however. In another example recounted to the researchers, an employee of an INGO commented on a monitoring visit paid by a UN agency. The respondent reported that the monitor adopted a very aggressive attitude, demanding to be taken to certain sites and to see documents. The informant claimed he saw little evidence that the monitor was actually interested in visiting sites or looking at documents but that this was part of a well-rehearsed practice of intimidation, looking for an opportunity to make a deal. When the visiting monitor determined that the informant was not being intimidated he left and was not seen again. The respondent suggested that a weaker or smaller local partner could easily be intimidated in such a setting.

The same types of processes take place when independent monitors (or evaluation consultants) are brought in as part of contractual obligations. A local Somali consultant, involved in fairly low-level monitoring, when discussing the high prevalence of 'ghost beneficiaries', reported that '*my clients, they ask you to do some work for them and give an opinion but when you report problems they don't accept. They force you to write what they want to hear or they will not pay you. This is very common'* (Interview, 24/2/2016).

These types of practices have also been observed through other evaluations and studies (see Hedlund et al., 2013, and Maxwell and Majid, 2014). International as well as national consultants report that they are often under pressure to write reports that are more favourable than their findings suggest. The difficulty (and defensiveness) that many agencies have in accepting negative information is widespread in the Somali aid environment (and many others). It is part of a wider culture where, some respondents suggest, learning is not sufficiently cultivated and individual and agency jobs and financial insecurity prevail. While such pressures and practices are not necessarily examples of corruption, they may contribute to an organisational culture in which accountability and integrity are not prioritised, which in turn may influence attitudes to corruption.

Third-party monitoring (TPM)

The growth of third-party monitoring (TPM) in the humanitarian system in Somalia is a recent and visible phenomenon. It has attracted a range of organisations, from large international contracting companies to smaller agencies formed in the region. As one interviewee commented, the sector is still young and still learning and has no standards or guidelines. Like any consulting mechanism, the incentive is to stay in business and grow. This can mean careful consideration of how to bring difficult or negative news to clients.

In Somalia, some of the most prominent TPMs have employed staff who are not familiar with the complexity and challenges of the environment and have been slow to identify and recruit staff with a deep knowledge of the context, partly due to the challenges in identifying those who also come with adequate skills for the monitoring role. Similarly, where their work is investigatory in nature, the need is to recruit staff with strong integrity – potentially challenging in Somalia, where turnover is ongoing and the pool of strong candidates is limited.

At the field level, a number of questions and issues were raised concerning the workings of TPMs: First, while staff may want to act with integrity, they are either frightened or wary of visiting field locations and investigating issues, given security threats in many locations. In this case, they may well gather

information by talking to the agency's staff, asking to see documents, and basing their report on this information alone. This might not be admitted to an employer as it threatens employment. A second scenario occurs when an agency knows about a monitor's visit and offers to pay for a good report even though no project has been implemented. A third case occurs when a monitor does his assessment and demands a bribe (cash) or favours in exchange for writing a good report. Finally, cases have occurred where an agency sends a monitor who has pre-agreed to write a positive assessment. In this case, the contract to the TPM is itself the payment.

A monitor interviewed (who was working for a different TPM than the one pointed out in the quote) about a UN-INGO-NNGO programmatic relationship made the following observations:

> *The first thing that struck me was the village size was too small for the number of beneficiaries I had to check. I had to check 400 beneficiaries but the village may only have 20 dwellings. I wrote the report and the photographs showing only 10 people coming instead of 400 families but still nothing happen. A few of the NGOs said to me that I should write a good report about them.*
>
> *They always frighten you when you are going to the villages. In the end it was very clear for me that the two agencies [NNGOs] had an insider in both [the UN and INGO]. They were also connected to the third-party monitor. The agencies themselves create third-party monitoring companies.*
>
> *I talked to a woman I know who worked with one of the NGOs and she told me that she left them because she could no longer bear watching the amount of fraud these people commit. She also warned me that they are dangerous and could get me shot* (Interview, 1/6/2016).

It should be emphasised that the practice of getting good quality, triangulated information is often difficult as well as dangerous in southern Somalia. The ease with which information can be gathered also varies considerably and according to local contexts. In some areas, it is common knowledge that a particular agency is very powerful, protective of its own space and willing to enforce its interests. It is also understood that reporting on corrupt activities of an agency may well mean that the monitor who visited cannot return to this area safely. The monitor in question may have been chosen as his clan identity allows him to visit the area in the first place and the risk of not being able to return safely provides a (dis)incentive to reporting very negative findings. The most credible TPMs, with deep Somali knowledge, have had to tap into two or three parallel information sources or networks in order to cross check their own findings.

A number of examples provided from the field suggest that some TPMs (or some of their staff) have been co-opted into established patterns of corruption and collusion. It is also worth emphasising that the accountability for this should lie in part with the design and management of such organisations. There is a risk that the organisations replicate poor or naïve structures and practices of the aid organisations they are there to monitor (see, for example, HR and staffing, Section 4.3.3 below).

4.3. PROGRAMME SUPPORT

The findings suggest that considerable investments have been made in improved systems and procedures in the area of programme support, including segregating duties, using committees to review contracts, purchasing financial management packages and adopting thresholds for contract levels. These efforts are important and are perceived to have made a difference. It should be noted however that while many international agencies have been able to make these investments and improvements,

many also acknowledge that this is only the first step in ensuring better practice. In addition, many NNGOs are willing but do not have the resources or support to improve their systems and procedures.

4.3.1. Procurement

This is one of the highest risk areas in the humanitarian chain. As one respondent said, *'contracts are all for sale'* (Interview, 22/2/2016). The research team were given multiple examples from private contractors and agencies suggesting risks remain high in this area (whether with private contractors or as part of contracts between humanitarian agencies), and occur at the Nairobi level as well as in Somalia. The majority of private contractors and many agency staff (of international and national agencies) interviewed reported that paying 'kickbacks' to gain a contract is extremely common practice. Inflating contract values is also reported to be a common practice.

The director of a large private company reported the following:

> *I own a company that usually supplies the UN agencies in both Kenya and Somalia. I have just won a [large contract]. However, it is hardly the case of just writing a bid. I never do that as I know that you will never get anything. There are many brokers that approach me constantly. Many of them Kenyans, a few Somalis and Europeans who offer to secure a win in return for money. I use different brokers for different bids. What they do is to help you write the bid, inflate the price by 40 per cent and take their cut from there.*

> *One of the brokers I use regularly is Kenyan who works for the procurement department of one of the main UN agencies. The brokers work across countries which means they are linked to each other. They offer me bids in Somalia and Kenya. The network is big and runs deep into the agencies. It is true that you normally don't expect to win a contract without paying.*

> *In the cost of delivering a project you include all the bribes you pay to the local authorities and elders in the area you are working in. So unless you know the system well and can account for all costs beforehand, you will definitely falter and fade away within short time* (Interview, 2/5/2016).

Many agencies use pre-qualified suppliers and have committees and standard procedures for reviewing and deciding on how to allocate contracts. The private contractors interviewed are fully aware of these processes and indicate they are minor obstacles. The respondents interviewed believed that you have to know someone within the agency to get a contract, as reflected in the quote above. Research reveals that for UN agencies and larger INGOs networks exist of people involved in such processes that link the inside of an agency with various suppliers. A respondent to this study explained that within larger organisations, one person on the inside will rarely be able to disguise his/her activities and that a group of people must be involved in order to disguise the problem. This also means that significant sums are ultimately involved to pay off everybody. These networks are reported to be long established in some agencies and, where they have been broken, developing a new network is a long-term process where rewards may be gained months or years down the line. A senior INGO employee suggested, for example, that procurement staff should be rotated every two-to-three years to avoid corrupt networks building up (as this has not been done, it is not possible to comment on whether it would be effective).

An employee of a UN agency described how he was approached to help gain access to contracts. In this case, the private contractor who approached him explained that within UN agencies it is the middle management levels in finance, logistics and procurement that are commonly targeted. Senior management staff are considered to be well paid and on long-term UN career paths and so do not have

the same (dis)incentives that their more junior or middle level colleagues do. It was also noted that the larger the organisation, the greater the number of people likely (or needed) to be involved. Staff may also prepare and submit multiple bids to portray a competitive environment, but one in which any of the winning bids will benefit them.

The influence of government or local authority figures can also be significant in some locations, where security can also be used as leverage to influence contracting and where car hire and office rental are important sources of income. An employee of a large INGO, based in Somalia, explains:

> As an organisation we have our own policies that guide us. We also have to comply with the donor policies as much as we can. Here we are dealing with warlords who have not been to school and understand no policy at all. For example, when we have to employ someone, we have to apply our HR policy. However, the local authority may have already promised someone this job. To narrow down our choice they hide behind security and say that we can't shortlist someone who they have not cleared. Because of this we can't even interview someone they have not cleared. They are hiding behind security to deny us good candidates from other clans. They clear only relatives and those who pay them.

> For procurement, it is the same. We can't deal with local NGOs or company unless they have prior clearance from the local authority. This is also based on clan connections and payments. It is simple; only those who are close to the warlords can get jobs and contracts. We know that no NGO or contractor will be given a clearance letter unless they pay the authorities (Interview, 27/05/2016).

A further example is provided by a staff member of an INGO based in Somalia who comments of his own agency that

> . . . the Somali employees are also problematic. They leak information to the DC [the district commissioner] and others. When we advertise for bids, we have budget allocated and the only people who know the budget are our staff. You will be amazed to see how many bids quote our budget to the last digit. So someone is leaking that information (Interview, 27/5/2016).

In Somalia, where formal systems within the private sector are much less developed than in Kenya, the technical and preparation demands may be part of the enabling environment for corruption. Many agency staff make the comment that 'we do not know what our staff do at night', implying that they are aware of the risk but do not necessarily know if their own staff are working with private contractors to prepare contracts, for which they will be paid.

One INGO has simplified the process of bidding/applying as it realised the requirements were themselves creating an incentive for collusion. A respondent from the same organisation suggested:

> Procedures do not work without good clean people as all paperwork can be made [up] so agencies and NGOs should prioritise the investigation of the integrity of those who they entrust with the job of managing procurement [and that] if you really want to know more about which agency have corrupt procurement services talk to the contractors who know more about the integrity of the person who runs the system (Interview, 11/2/2016).

A senior supply chain advisor, a Kenyan national, working for an international NGO, claims that there is an under-investment in employing sufficient and qualified staff in procurement and logistics departments. He estimated that, 50–60 per cent of staff in such positions in NGOs in Nairobi would not

be appropriately qualified. This respondent believes that this is a problem across the humanitarian sector in Somalia and Kenya and raises a number of other issues that can contribute to the prevalence of corruption. These include the lack of segregation of duties in some organisations (too much responsibility with too few people); a clash between programming imperatives and finance controls, where programming is driven by implementation and can over-ride the procedures which drive finance; and spending cycles, with a disproportionate amount of money being spent towards the end of a financial year, with controls reduced.

4.3.2. Contracting

The contracting process is primarily prone to corruption through inflation of contract values. Inflating the value of contracts is reported by several respondents both Kenya and Somalia who had a strong understanding of contracting processes for Somalia, to be a common practice. Well-informed analysts interviewed for the study suggested the percentages are high, and can range between 30 and 50 per cent.

Corruption takes place at both Nairobi and field levels, with the Nairobi level influencing the awarding of contracts and the field level threatening to give bad reports (which might delay or stop payment). As one respondent noted:

> *You must have someone to assist you to be part of the pre-qualified companies. There is no way you can be selected without internal support . . . whom you know and have common interest in the organisation is more important than your documents and capacity to deliver . . . when you have agreed with one he will share with his colleagues and they might all agree to push you . . . the agency staff are two levels: those in the field and in charge of supervision and those in the main offices. Both have to be bribed but different levels . . . we want business and that is how the existing business is. What else do you expect us to do . . . what we could do with $50,000 might cost over $65,000 now . . . I think the best ways to deal with expatriates in the procurement. I am not sure if they are corrupt although I have not dealt with them before* (Interview, 11/2/2016).

One contractor interviewed (on pre-qualified lists of both UN agencies and INGOs) reported that they are not necessarily happy to be making these arrangements as they can reduce profits, but all contractors interviewed accepted that it is the main way business takes place and therefore they are obliged to do the same if they want to win some contracts. These patterns were also identified in a recent study (see Haver and Carter, 2016).

A UN staff member interviewed in Mogadishu explained, concerning transport and supplies related contracts, that

> *. . . mostly this is done by logistics but what I know is that all tenders pass through due process but with inside management or collusion with people involved in the same agency, normally the prices are inflated with agreement between people within the logistics/procurement and the contractor and each will have his share. This is very common in UN and almost all bigger NGOs and it is very difficult to identify unless identified by people who knows it because all paper works are done accordingly* (Interview, 18/5/2016).

These quotes and examples reflect the responses of many other interviewees which underscore the high level of risk in this area.

4.3.3. Financial documentation

In relation to finance, a number of finance officers pointed to their reliance on documentation. While some finance officers appeared satisfied that their documentation and systems are working well and provided evidence that their books are in order, an equal number suggested that their documentation can be fabricated. The following is a quote from a finance officer based in Mogadishu:

> *From finance officer's view corruption is incomplete document, a receipt without invoice or similar things. I have to tell them to bring a complete document because it can raise suspicions. The NGO could be suspected by the donors. Then when the document is complete we seek approval and pay by check because it is more transparent. All finance deals with is documents* (Interview, 10/2/2016).

Similar sentiments were expressed by finance officers in Nairobi. The imperative for a finance officer is to show that his/her documentation is complete. How those documents are obtained is a different matter, often beyond the interest or ability of the finance officer to pursue. Another finance officer, of an INGO based in Nairobi, put it in the following terms: '*Everything looks fantastic on paper but you can never be sure if there was a good process*' (Interview, 2/2/2016). Similarly, another finance officer, of an INGO based in Mogadishu, said that '*mostly we only know how much documentation we are doing and is done but we are not sure how much what is on paper or documents are true*' (Interview, 16/2/2016).

4.3.4. Human resources and staffing

Many good practices are well established within human resources (HR) procedures, such as codes of conduct, declaring conflicts of interest, and anti-corruption briefings during staff initiation, but as a senior UN manager observed, these processes can become 'very automated' and therefore can create an impression of an integrity-based approach that might not be matched in practice.

The initial problem identified in relation to HR is the limited availability of well-qualified candidates for jobs, especially of people from southern Somalia. Projects are reported to be under staffed in many cases as a result, and pressure to fill posts in such an environment compromise quality or involve 'importing' staff without consideration of clan dynamics. Further complicating recruitment issues is the need to balance formal, paper qualifications and thorough background checks. Detailed background checks on the integrity of a potential recruit are not a strength of the humanitarian sector. The research team was given the example of a member of staff who was carefully 'managed out' of an international agency in a large-scale case of corruption (having stolen upwards of a quarter of a million dollars), who then found employment with a TPM and then moved on to a major UN agency. In neither case was the original employer contacted regarding references. Multiple examples were provided of sacked staff soon finding employment in other agencies.

Gaining employment and developing a network within an agency can be lucrative. A private contractor, with close links to aid agencies in Kenya and Somalia, commenting on a relative's successful job hunt, claimed, *'He told me that his [relative] paid a bribe of [several hundred thousand Kenya shillings] to secure his job. He says he now makes that amount in a week'* (Interview, 2/5/2016).

In a related point, the difficulties some agencies face in firing staff, because of perceived threats to the agency's security, raise major ethical dilemmas about the moral authority of agencies and perceptions of their commitment to tackling corruption and improving accountability. Sacking is generally considered a security risk and has to be handled very sensitively. Rather than deal with it head-on, agencies may reduce responsibilities, change staff roles and improve checks and balances so that known corrupt staff are removed from a position of influence, or ultimately removed from the agency completely, but as a carefully managed process.

Another staffing issue concerns the clan composition of offices in Somalia. A widespread assumption is that staff in local offices, whether working for an international or a local agency, should be from the geographic area of the office in question. However, such an assumption does not acknowledge that, typically, different identity groups or clans co-exist in a locale, and there are often competition and grievances between them. Some – perhaps many – agency offices are known to represent just one local clan, with the agency's various resources (from contracts for offices and car hire to beneficiary deliverables) predominantly benefiting the same clan. Several interviewees suggested that having a mixed clan composition within an office and bringing in senior staff from completely different clans would be beneficial. Staff from non-local clans are typically not part of pre-existing power networks and inter-clan grievances. Furthermore, staff from non-local clans cannot be put under the same pressure to lobby for resources for their own clan. Finally, a non-local Somali may be able to develop their own information networks. At least one example was provided to the team where a non-local Somali staff member was sent to a regional office to 'clean it up', and this was widely appreciated by the local population. A senior Somali staff member from an INGO suggested that '*the area management should have in key position some individuals who are not from the stronger local clans of the area, to lessen the possibility of collusion with local authorities. Also generally the field staff should have really mixed staff from all corners of the country. Staff of NGOs should be diverse in terms of clan and geography*' (Interview, 1/3/2016). Such staff can be employed from other parts of Somalia, but may also include Somali speaking staff from neighbouring countries and the diaspora (although this can create tensions around jobs being given to non-nationals).

5. PREVENTION AND MITIGATION MEASURES

5.1. EXISTING LEGAL OR REGULATORY MEASURES

There are currently limited legal or regulatory measures within Somalia that can be used to prevent or mitigate corruption. While donor governments are supporting increased governance and accountability systems for the development portfolio of aid, similar support to the Somali government to develop anti-corruption laws in the humanitarian sector have not been undertaken. There are also a range of informal justice mechanism which could be considered as part of an overall strategy for holding corrupt abusers of aid to account[16].

A significant amount of programming (and corruption), however, takes place in Kenya and therefore is within the jurisdiction of the Kenyan legal system. Legal measures have been taken against staff of international agencies in Kenya (in relation to the Kenyan humanitarian sector). Efforts to investigate and prosecute corrupt practices in Kenya would have the potential impact of acting as a deterrent in Kenya and demonstrate a commitment to addressing corruption to both Kenyan and Somali audiences.

The threat of prosecution of Somalis with foreign passports or other nationalities by their home countries is another means of deterrence; however, there is little available documentation on how frequently this occurs or how effective this might be.

5.2. AGENCY-SPECIFIC MEASURES

Agency-specific measures for reducing the risks and prevalence of corruption in southern Somalia have received more investment (as compared to inter-agency processes), particularly within international organisations (UN and INGOs). The main donor governments supporting humanitarian action in Somalia have been highly supportive of these processes, including encouraging detailed risk management assessments and the implementation of mitigation measures, discussed below.

Most international agencies interviewed have established **anti-corruption policies** but knowledge of those policies varies among staff. The applicability and funding of anti-corruption training and activities is also variable. Part of the challenge for agencies is recognising that risk management is not a one-off action, but a continuous work in progress, at all levels of an organisation. As a good practice example, one INGO interviewed has a very strong commitment to anti-corruption measures at the corporate level and has allocated core funding for capacity building and training, which country offices are encouraged to utilise on an ongoing basis. Another INGO has a strong corporate auditing culture and systems, at global and country levels, as well as significant core funding, which respondents from that organisation perceived to be important in preventing and mitigating corruption. A quote from an INGO staff member in Mogadishu highlights that '*we train staff on how to deal with corruption, give them clear procedures*

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[16] See for example, www.hdcentre.org/uploads/tx_news/166StatelessJusticeinSomalia.pdf.

they go through and the avenues to take the matter to depending on the severity of each case. We really do encourage our staff to deal with corruption' (Interview, 11/2/2016).

Three international organisations (UN and INGOs) are also endeavouring (or have endeavoured) to improve risk management and anti-corruption measures that can be understood as part of wider **organisational change processes**. These are multi-year, multi-dimensional processes that include improving understanding of and engagement with the Somali cultural environment, creating a stronger internal learning environment, and developing a better understanding of the internal identities and biases of one's own staff.

Strength, tone and consistency of **organisational leadership** on the subject of integrity and anti-corruption are crucial, and efforts may be required to renew organisational core values. A number of respondents pointed out the critical nature of leadership in dealing with corruption, and the leaders of a few aid agencies operating in Somalia stand out for the effort in this area through pro-active and continual follow-ups. For example, a respondent, working for an INGO, based in Mogadishu, who was very positive about his organisation's leadership, claimed that *'no policy [is] perfect. What is crucial is the environment that is created. That tone is set up by the management. No specific policy can address [everything] adequately. But also can't [just] make your own judgement and [you] need policies'* (Interview, 8/2/2016).

This study and other research confirms the importance of the **stability of funding**, which includes a significant level of core, flexible funding (see also, Haver and Carter, 2016). A stable funding environment reassures staff that employment is secure and that the organisation may invest in staff development (including releases for further education). This creates an environment where an agency's staff is invested in the work of the organisation rather than in opportunities to profit from it financially. This was described in the following terms: *'[We] Have five partners. [Our INGO] maintains funds between projects but because [we] have own core funds we can continuously cover these gaps'* (Interview, 8/2/2016).

In recognition of the risks, some UN agencies and INGOs have opted to only do **direct-delivery, reduce their number of local partners, work more with community-based organisations, or reduce their geographical coverage.** These options raise important strategic issues that need to be considered by larger agencies: What is an appropriate scale to work at in order to ensure aid integrity? This report does not argue or make a case that a particular form of programming is clearly less risk prone than another, but a number of respondents noted the tension between expansion and coverage and ability to manage resources in the Somali context.

Where **remote management** does occur (and where many non-Somalis are therefore working from a second country), the development of **independent information networks** is perceived as key to managing operations at a distance. An employee of an INGO, based in Nairobi (of European nationality) referred to the extensive network of Somali contacts he had developed over time, stressing that this was a deliberate strategy on his part, enabling him to triangulate all kinds of information from security to price data. His personal motto was 'always consider that your first choice of information is false or incomplete' (Interview, 2/2/2016). International staffs' reliance solely on their own national staff for information was perceived by respondents to be associated with corruption risks. In staff recruitment processes, thorough **background checks** are required, where the authenticity of the referee is checked as well as all references. Although not yet instituted (partly due to concerns regarding privacy laws), joint approaches to mitigation in the area of human resources is considered to be a valuable strategy in reducing opportunities for nepotism, as well as for reducing the risks of hiring individuals previously dismissed from other organisations for corrupt practice.

The rotation of staff between regions is utilised by at least one INGO: Staff from one area of Somalia (e.g., Somaliland or Puntland) visit and monitor programmes in another area, e.g., in the south. In addition, employing **staff from diverse backgrounds**, including from areas or clans not of the office location, has been noted by a number of respondents and arguably challenges the perceived modus operandi where staff are typically employed because they come from one of the clans of the area of interest. Doing this symbolises the multi-clan identity of an agency, meaning it is not necessarily perceived as representing a particular clan or individual. A respondent from an INGO, based in Baidoa, advised that, '*A lot if this depends on the personality as well. Corruption is deep rooted problem. The recruitment process must diversify staff in each area and the key staff that are decision makers must not be from the local area. This is the opposite of the current practice where, because of access, senior staff are always taken from the local clans*' (Interview, 23/02/2016).

Furthermore, **employment based on integrity** rather than paper qualifications was raised; the most trusted private sector actors in Somalia are money transfer agents (hawala), whose recruitment policy is based on trust (see Lindley, 2008). Some agencies have brought in **external (Somali) expertise** to provide practical examples of common practices. In addition, approaches to **removing staff** and/or removing them from positions of influence and responsibility in a way that doesn't threaten the organisation or its staff (such as by creating incentives to leave) is an area of practice that international agencies are adopting. There are still challenges in the way in which this is done transparently, however, and in the knock-on effects for other agencies unaware of the ex-employee's record, as noted above.

A number of agencies have hired external advisors for **in-depth socio-political and risk analyses**, which include in-depth profiles of their own staff and of partner agencies. This has been done by organisations that have demonstrated a deep understanding of Somali society and economy.

Open, competitive tenders in Somalia have recently led to significant reductions in prices for certain commodities, particularly where previously only a few preferred suppliers were used. One agency noted that they saved 35 per cent by having an open tendering system. This can only take place in larger urban settings, however, where there are many suppliers.

Different **internal monitoring and learning mechanisms** have been initiated by a number of agencies. These include MEAL units (monitoring, evaluation, accountability and learning), internal risk and compliance units, call centres, and others. While these are all useful initiatives in principle, as noted previously, monitoring processes themselves are critical points at which corruption and diversion takes place, and how these organisations are managed and staffed determines how successful they are. Therefore all monitoring processes need to include an appropriate balance of 'policing', learning, independence and Somali contextual knowledge.

Basic good practices among agencies in the awarding of contracts and in terms of overall financing include **separation of roles** (between finance, procurement, logistics, etc.), **formation of procurement committees** and **completion of documentation**. However, the majority of respondents agreed that these are not sufficient to mitigate corruption risks. Means of identifying and breaking colluding networks are required; these include reviewing profiles of contractors (including physical checks and capacity checks), encouraging partners and contractors to report corruption and reviewing market pricing. Who follows up and how such follow-ups are organised are as important as their commissioning.

5.3. ACCOUNTABILITY MECHANISMS

The term Accountability to Affected Populations (AAP) features prominently in humanitarian (donor and agency) policies and programming but most studies suggest that there are still significant challenges in creating real accountability to aid recipients, particularly in conflict-affected countries such as Somalia

(Jean et al., 2013; Ruppert et al., 2016). There are a range of reasons for this, including that limited access can inhibit aid agencies' ability to undertake consultation in project design, as well as to set up systems that effectively capture relevant feedback, specifically on corruption. In Somalia, as in elsewhere, there are challenges in making such systems and methods trusted and responsive to communities.

One initial step that has been taken by at least one agency and one cluster is the establishment of **dedicated accountability staff posts**. The accountability officer of an INGO stressed that the role was different from that of an M & E officer and should be kept distinct. In particular, M & E tends to be driven by quantitative methods and skills whereas accountability, as practiced by the officer interviewed, is more concerned with dialogue, communication and the understanding of issues raised by local populations and beneficiaries. It is enabled by telephone contact and face-to-face discussions in programme areas with the local community. It includes organising meetings in field locations and being available to meet people as necessary. Clearly any process of accountability may in turn be co-opted but the emphasis on dialogue and communication is made here. This issue is illustrated in the following perspective from a member of an IDP Camp Committee in Mogadishu: '*to change things, NGOs should create an independent office where people can take their grievances to. No NGO should be dominated by one person or one clan*' (Interview, 26/02/2016).

A number of agencies emphasise mechanisms to improve the transparency of beneficiary entitlements through innovative **AAP processes**, including the use of local media. A government official made a wider point regarding transparency by highlighting potential interference by local authority figures: '*Interference is linked to your transparency. The less transparent you are the more interference you will get'* (Interview, 04/06/2016). Agencies and donors increasingly use **beneficiary feedback mechanisms**, including call centres, to make follow-up enquiries to beneficiary populations (often through TPMs). This is reported to be a useful method for gaining information on programming issues (particularly if face-to-face approaches are used), but a recent three-country case study of beneficiary feedback mechanisms in insecure environments found that these mechanisms are not used by beneficiaries to reveal information about corruption, despite this being a common objective of the establishment of such mechanisms (Ruppert et al., 2016). This is potentially because of a fear of reprisal for speaking out against influential community members entangled in corrupt practices (ibid.).

The use of satellite imagery is mainly used to assess the implementation of infrastructure development, such as canal rehabilitation, and is reported to be another useful method for triangulating information on project performance.

A respondent working for an UN agency based in Somalia, while providing several examples of corruption he was aware of also stated, '*Although diversion is still there, there seems to hopes of improvement because of RMU and black listing of several local NGOs, and increased monitoring.*' He further claimed that '*reduction in emergencies and scale of intervention is also another issue why things are improving in terms of diversion*', and that '*the use of Biometrics data cards, cash transfers through mobile, increased monitoring and use [of] satellite imagery for assets rehabilitation are useful mechanisms to reduce corruption*' (Interview, 19/05/2016).

Third-party monitoring companies, as noted in Section 4, have developed as a significant additional part of the aid architecture for Somalia. While acting as another important source to verify and triangulate monitoring information and therefore potentially increase accountability to local populations on the aid they receive, the selection of TPMs needs careful attention to ensure that these entities reflect the good practices in the mitigation of corruption, the same way a partner agency would be selected. Good practices in this regard are documented in a recent analysis of TPMs in a range of insecure contexts (see Sagmeister et al. 2016).

Auditing staff are brought in from within individual organisations and through private contracts. The effectiveness of such investigations is not clear. They are considered useful but expensive and time-consuming (taking 12–18 months to generate results), and auditing staff are not always able to understand the context.

Integrity and accountability begin with the ability, willingness and support given to frontline staff to resist the many pressures they are under locally. Previous research (Haver and Carter, 2016) and this study has found that strong and weak agencies and staff are known to local authorities and local populations in Somalia; both are able to work because each provides different benefits – some more in the quality of their work and the legitimacy that it can bring to local leadership, others more for personal gain. Strong staff and agencies will resist pressures, but negotiations to resist these pressures are time-consuming. Integrity networks, such as those developed on the development portfolio of donor activity, might be usefully shared with humanitarian counterparts to develop similar approaches.

5.4. INTER-AGENCY MEASURES

The aid environment in Somalia has, at times, been described as one of fragmentation, competition and distrust (see Maxwell and Majid, 2014; Hammond and Vaughn-Lee, 2012). This contributes to an environment where information sharing is difficult and open and honest conversations about operational challenges – especially when they involve corruption and diversion – are not considered topics for an inter-agency agenda. This means that despite the evidence and the generally well-understood climate of corruption in southern Somalia, active inter-agency (or senior-management-level) dialogue on corruption has been relatively limited.

As a result of some high-profile fraud and diversion cases during the famine there has been increased focus on risk management, particularly fiduciary risk. The Risk Management Unit (RMU) was established in 2011 as part of this process. The RMU provides risk management support across the Somali aid community. This support includes risk advisory services, risk assessment and recommendations for risk mitigation. In addition, it promotes good or 'better' practice, for example, risk-based approaches to programming and risk management training (online and class-based courses). The RMU's risk-analysis information is not binding, and operational agencies may choose to work with NGOs that have a high risk rating, based on their own information/assessment, risk controls in place, and/or their tolerance of risk. UN agencies frequently have different information sources and perceptions of risk compared with their local partners, and this can also differ between UN agencies. While the reputation of the RMU has slowly changed over time and today is considered to be a service for a wide range of humanitarian actors, it's is still largely perceived by the NGO community as identifying corruption risks that relate to national agencies, whereas corruption risks are found in INGOs and UN agencies (sometimes in conjunction with national NGOs).

Positively, the newly reconvened OCHA-led Access Taskforce may also act as a critical body for addressing some of the frontline challenges in dealing with corruption. Practices such as making concessions for access are the starting point in a long chain of actions, all of which contribute to a sentiment that humanitarian aid is a resource to abuse. The taskforce might be a mechanism for increasing (potentially anonymous) reporting on experiences of informal taxation, payment of registration fees, checkpoint payments and other abuses of aid. In addition, this forum could promote good practice in approaches to gaining and maintaining access, and as transparently as possible (see, for example, Haver and Carter, 2016). As noted earlier, where authorities themselves are disorganised and in competition, the lack of awareness in differing agency approaches creates further problems, suspicions, and scope for varied practices.

5.5. ROLE OF DONORS

Humanitarian donors play an important role in supporting partners to mitigate the corruption in Somalia, but they too operate at arm's length from the programmes they support which limits a comprehensive understanding of corruption risks and practices. Of the donor governments interviewed, each were acutely aware of the wider impacts of corruption in Somalia generally, including acting as a driver for conflict, as well as the challenging operating environment for their partner aid agencies, but there was a varied level of acknowledgment of the specific risks of corruption within their humanitarian portfolios.

Of the donors interviewed, the policies and procedures in place to support the management of corruption risks include specific risk mitigation measures for working remotely, the use of donor-commissioned TPMs, and digital technologies for the purposes of monitoring, as well as some independent means (and a growing interest) in directly accessing beneficiary perspectives and feedback through call centres. Partner training on good donorship (where the aid agency is a donor) and accountability is also offered by one donor, and a number also provide funds to support the UN Risk Management Unit's services.

Each donor also stressed the importance of partner dialogue to learn and share experience. This primarily occurs in either Nairobi and Mogadishu however, and there is limited reach beyond those capitals to partner staff working throughout southern Somalia. Several donor respondents acknowledged that evidence of corruption is not always likely to reach donors in Nairobi, not only because it might not be known by senior management of aid agencies, but also because the donors and aid agencies interviewed for this study share the common concern that formal advice of a corruption case might bring programmes to a halt. It is additionally challenging in southern Somalia where counter-terror legislation is in place in relation to Al Shabaab and the provision of material goods to this group is deemed illegal by various national regulations. While debate continues about the legality of such regulations, most agencies consider the fiduciary risk of operating in Al Shabaab areas to be extremely high, which had the unintended effect of limited programming in those areas (Stoddard et al., 2016).

At headquarters level, donor governments have instituted a range of 'zero tolerance' policies to signal the rigorous approach they are taking to diversion of taxpayer money[17]. These policies have been interpreted in two ways in dealing with corruption in southern Somalia. First, some donors encourage an informal dialogue initially so that they can assess the possible consequences before moving to formal communication, but the research team was also given examples of situations where donors requested agencies to not raise the subject at all. Second, during the course of this research, donors noted that they suspect agencies only highlight small examples of corruption, and do not divulge what is likely to be a much bigger set of evidence. The net result of this behaviour is that the full extent of corrupt practices and management of those situations is not shared between donors and agencies. This and other studies have found that confusion and concern around the implications of 'zero tolerance' policies may not increase transparency on corruption because they risk inhibiting a discussion of the actual risks (Haver and Carter, 2016). One aid agency respondent who had previously worked in Afghanistan explained to the research team that, knowing how difficult it was to paint a good picture of assistance in Afghanistan, was requested by a donor to 'lie to me nicely' so the donor could take something acceptable back to his capital. It was noted in a working group exercise for this study that there is a risk of this becoming the working solution between donors and partner agencies in Somalia. The latter are caught with information that if formally presented to donors at field level would have to be communicated to capitals with the risk that it would have severe consequences for their operations, and to their

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beneficiaries. As the interviewee noted: *'Getting beyond the "lie to me nicely" is going to be really important' in tackling the issue of corruption in Somalia, including to open up the dialogue, and to have a starting place for more collective responsibility to the Somali context.'* As the SAVE study on access and quality concluded: 'Donors will always feel strong political pressure not to be viewed as tolerant of corruption. But they, and ultimately their taxpaying publics, must find ways to take better account of the inherent risks and compromises that are necessary to assist the people most in need' (ibid.). Instead of sanctioning those who report incidents of corruption, donors and aid agencies need to approach programming as a shared risk, and address potential incidents jointly.

6. CONCLUSIONS AND RECOMMENDATIONS

The study arrived at three main concluding points and a series of recommendations.

First, while many positive initiatives have been made to reduce corruption risks and improve aid integrity in southern Somalia over the past few years, the success of these efforts is far from clear. This should not be a major surprise given the well documented position that foreign aid has had in Somalia for at least the last 40 years. However, the scope, scale and ubiquity of corruption and diversion risks and practices identified in this report raises serious concerns around the incentives, systems and structures in which humanitarian aid is taking place, as well as the extent of the measures necessary to address them comprehensively. As one respondent noted, addressing corruption in Somalia is not merely a question of 'monitoring it away'. Another used the analogy of a balloon: 'If you squeeze it, it will pop out somewhere else. If you want to, you can always outsmart the mitigation system we've put in place.' In addition, the risk with the heavy investment in remote monitoring and accountability mechanisms is that they can work to sustain the distance between Somalia and Nairobi and give the impression that remote management processes are controllable, rather than suggesting alternative modalities altogether.

Second, most efforts at mitigation have been undertaken by individual agencies, and the extent and effectiveness of such efforts will vary from agency to agency. While there are many examples of good practice to highlight, corruption in Somalia's humanitarian assistance is beyond the scope of any single aid agency to prevent or effectively mitigate. There is a need for more collective accountability and responsibility. Joint senior leadership and inter-agency acknowledgement of the issue, as well as identifying strategic and collective approaches to address corruption, will be important.

Third, there is a need to address the incentives to raise, discuss and report corruption activities in Somalia. Disincentives originate in some donor and agency capitals as well as within agency offices in Nairobi. And in tandem, they also strongly originate from the field where staff face real threats to their lives and livelihoods. This limits the sharing of information and experiences of corruption threats and practices as well as how to mitigate them, and generates incentives to hide, disguise or play down corrupt practices when identified. In addition, there is the challenge of corrupt practices being 'externalised'; in other words, the blame is placed primarily with the Somali government and Somali national NGOs. As this report highlights, this is a seriously misleading perspective. Many corrupt practices exist as a result of relationships between staff of international agencies and national agencies and are often sustained by the former. There is a critical need is to shift from monitoring and policing to focusing on increasing collective accountability to local populations, to change Somali perceptions of the purpose and special nature of humanitarian aid, to create champions of that process and to reward individuals and organisations for acting with integrity. The cost of not doing so is that those most in need continue to *not* receive the level of support they require and humanitarian aid is seen to symbolise corruption rather than integrity and impartiality.

RECOMMENDATIONS

The study has identified a wide range of challenges, and prescribing a set of workable good practice recommendations is not easy. As noted at the start of the study, there is a real tension between highlighting negative consequences of corruption and at the same time ensuring that a commitment remains to providing timely and appropriate aid to highly vulnerable populations. These recommendations are intended to encourage awareness and acknowledgement of the issues, as well as to highlight some actions that have already been applied, proved valuable, and are worth scaling up. The recommendations include those based on the research conducted as well as those identified during the roundtable workshops and meetings with stakeholder members.

To the Government of Somalia:

Develop and implement strategies and policies to increase the integrity of humanitarian assistance, and work on increasing access to hard-to-reach areas in southern Somalia.

1. The central authorities and relevant ministries should **develop and implement an anti-corruption strategy which includes provisions for the integrity of humanitarian assistance**, as well as measures to ensure compliance and oversight of the strategy, including the means to investigate corruption cases.

2. **Establish a Federal NGO Policy (and ultimately a law) based on best practice from other countries, in consultation with regional states and the Somalia NGO Consortium.** The policy could regulate registration processes and taxation regimes and ensure these issues are dealt with centrally rather than by each state, and by one ministry acting as focal point, rather than many different line ministries.

3. Relevant government officials should engage in dialogue with the Humanitarian Coordinator, OCHA-led Access Working Group and the Somalia NGO Consortium on how **to improve humanitarian access to priority vulnerable populations in Southern Somalia**, including supporting an impartial response with local-level authorities and non-state armed actors.

To the Humanitarian Coordinator, the Humanitarian Country Team, and donor governments:

Increase acknowledgment of the problem and develop collective approaches to mitigation.

4. A senior-level commitment to acknowledging the seriousness of corruption within the humanitarian system in Somalia and related Kenya operations (perceived and actual) is required. An inter-agency dialogue on corruption should be re-invigorated. As part of this, the Humanitarian Country Team should consider including corruption challenges in its standing agenda, as well as the development of an inter-agency anti-corruption strategy. The strategy should focus on the incentives for aid integrity, as well as increasing collaborative or joint approaches to mitigation (for example, in the area of human resources). This process could be supported by specialist mechanisms such as the Risk Management Unit (RMU), but should not rest with it alone. Leadership and a timeline on how to deal with these corruption challenges should be determined.

5. An inter-agency analysis of the most critical priority interventions should be undertaken for southern Somalia. This could be used to develop a coordinated strategy to define acceptable levels of risk to ensure humanitarian coverage of the most vulnerable.

6. An exploration of informal justice mechanisms should be considered. This might provide alternative options for developing improved forms of local governance and accountability in relation to humanitarian aid.

7. Consider adopting the Preventing Sexual Exploitation and Abuse (PSEA) guidelines, including incorporating the guidelines in the HCT Protection Strategy to address protection issues.

8. Consider creating a 'Somali reference group', of respected (Somali) actors, from within and outside of the humanitarian sector, to provide guidance and feedback on anti-corruption initiatives and perceptions of corruption within humanitarian aid.

To humanitarian aid agencies:

Increase attention to corruption in Kenya-based operations and continue to stress accountability to Somalia.

9. Corrupt contracting and other arrangements in Nairobi, Kenya, need to be addressed as a priority, where the security and legal environment provides a means for greater accountability. Most investment in monitoring and policing has been targeted at Somalia whereas the evidence suggests much of the mitigation, particularly related to the awarding of contracts and recruitment, should be implemented in Nairobi. Strong anti-corruption processes at the Nairobi level will significantly reduce losses and provide a positive demonstration effect to all actors.

10. Increase transparency and centralised reporting on the informal taxes, registration fees, check-point payment demands and other abuses of aid related to gaining and maintaining access. Allowing authorities (state and non-state) to inappropriately tax humanitarian assistance is the starting point in a long chain of actions which contribute to a sentiment that humanitarian aid is open to manipulation. Reporting on these issues is not common and requires greater transparency internally, as well as at the interagency level (to OCHA and/or to the Somalia NGO Consortium).

11. Strengthen awareness of the purpose of humanitarian aid in southern Somalia. An independently run 'communicating with communities' (CwC) initiative is needed to address and measure, on an ongoing basis, the significant perception challenge that local populations have regarding the purpose of humanitarian assistance.

12. Establish joint mechanisms to engage local populations and effectively capture the perspectives of those receiving assistance[18]. The establishment of open and transparent joint meetings between agencies, authorities, camp leaders and local populations, as well as the use of other mediums (such as call centres) should be considered (recognising that facilitating such meetings is an extreme challenge given the power dynamics involved). Face-to-face dialogue however is more likely to capture concerns regarding corruption (Steets et al., 2016). Payment of camp managers should be considered to reduce the more negative tendencies of gate-keepers (noting that their practices have been in place for a very long time and require a significant shift in the culture of receiving assistance).

Continue to institute internal preventive measures.

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[18] This is consistent with the commitment outlined in the 2016 Humanitarian Response Plan which requests that agencies identify areas where they 'can coordinate at field/level and/or identify where there is potential for harmonization of feedback and complaints mechanisms between agencies'.

13. **Agency leadership should be open, principled, and supportive regarding addressing corruption pressures and threats**. Corruption risks and practices should be shared and discussed within agency offices at all levels, with the aim of opening up the subject to all staff, encouraging integrity of staff (including 'whistleblowing') and demonstrating scrutiny. All aid agency staff should be encouraged to bring problems to light with no concerns for their own security.

14. **Agencies must continue to prioritise 'cleaning up their own house'**. This requires ongoing analysis of staff dynamics (in the field and in Nairobi) and a commitment to understanding the political economy of aid in Somalia and 'do no harm' principles. Consideration should also be given to recruiting senior management in area offices from non-local clans, and building a mixed clan composition. These measures should help reduce the risks of collusion and the effects of pressures from local actors. Organisations should also consider *pausing and/or limiting the scale and reach of activities* where there are significant concerns around corruption risks.

15. **Increase the dialogue with private contractors on the prevalence of corruption and means to reduce corruption threats and practices.** This should include promoting competitive tendering at local levels as well as regular scrutiny of private contractors (and their potential links to an agency).

16. **Partnerships between international and local aid agencies need to adopt better principles of practice**, including applying lessons from other highly volatile contexts. This could involve encouraging cooperative approaches with other international actors that efficiently support partnerships with local organisations. Approaches include identification of local actors, joint capacity assessments, and opportunities for shared learning regarding good practice in partnerships. In addition, cooperative efforts could focus on harmonising reporting formats, MEAL systems, and financial management systems.

To donor governments:

Take greater shared responsibility for risks and mitigation measures

17. **Take concrete measures to protect humanitarian action from political interference and increase the impartiality of assistance.** Relevant donors and the Somali government should put in place more robust waivers and financial/legal exemptions to counter-terrorism laws and related restrictions and clarify existing legislation to enable an impartial response in southern Somalia, including in Al Shabaab–controlled areas (see also, Stoddard et al., 2016).

18. **Develop shared approaches to managing risks in Somalia, including managing the implications of zero tolerance policies**. Donors and aid agencies need to increase the dialogue on the inherent risks of operating in southern Somalia. Shared approaches to solutions to manage risk should be developed, rather than having agencies absorb all the risk. This should include questioning or clarifying how to manage counter-terrorism policies if they result in a partial response, and the implications of zero-tolerance policies (see also, Haver and Carter, 2016).

To all humanitarian actors:

Agencies should explore (and pilot) ways of using the findings and recommendations of this report to create meaningful dissemination and discussion platforms and mechanisms with partners and local populations, in southern Somalia.

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